Crestview Exploration Inc.
Unaudited Condensed Consolidated Financial Statements
For the 6 months ended May 31, 2022

Contents

For the 6 months ended May 31, 2022

Notice of No Auditor Review of Unaudited Condensed Consolidated Interim Financial Statements
For the Six Months Ended May 31, 2022

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these unaudited condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the unaudited condensed consolidated interim financial statements have not been reviewed by an auditor.
The accompanying unaudited condensed consolidated interim financial statements of Crestview Exploration Inc. (the "Company") for the 6 months ended May 31, 2022 (the "Financial Statements") have been prepared by and are the responsibility of the Company's management, and have not been reviewed by the Company's auditors. The Financial Statements are stated in terms of Canadian dollars, unless otherwise indicated, and are prepared in accordance with International Accounting Standards 34 ("IAS 34") and International Financial Reporting Standards ("IFRS").

Crestview Exploration Inc.
Consolidated Unaudited Statement of Financial Position

(in Canadian Dollars)

	As at 6 months ended May 31, 2022 *$*	*As at Year ended November 30, 2021* *$*
Assets		
Current		
Cash and cash equivalents (Note 5)	**71,840**	507,205
Sales Tax Receivable (Note 6)	**48,451**	34,275
Other Receivables	**14,886**	12,009
	135,177	553,489
Non-Current		
Reclamation Bond	**18,498**	18,708
Exploration and evaluation assets (Note 7)	**1,431,990**	1,307,051
Total Assets	**1,585,664**	1,879,248
Liabilities		
Current		
Accounts payable and accrued liabilities	**91,833**	68,942
Total Liabilities	**91,833**	68,942
Equity		
Share Capital		
Common Shares (Note 8)	**1,792,963**	1,792,964
Warrants	**2,303,324**	2,303,324
Contributed surplus	**1,423,262**	1,226,449
Deficit	**(4,025,718)**	(3,512,431)
Total Equity	**1,493,831**	1,810,306
Total Liabilities and Equity	**1,585,664**	1,879,248

Going Concern (Note 2)
Commitments (Note 16)
Subsequent Events (Note 17)

Approved on behalf of the Board

"Dimitrios Liakopoulos"

Director
Dimitrios Liakopoulos

The accompanying notes are an integral part of these consolidated financial statements.

Crestview Exploration Inc.
Consolidated Unaudited Statement of Loss and Comprehensive Loss

(in Canadian Dollars)

	3 months ended May 31, 2022	*3 months ended May 31, 2021*	*6 months ended May 31, 2022*	*6 months ended May 31, 2021*
	$	*$*	***$***	*$*
Operating expenses				
Share-based compensation	**44,116**	-	**196,814**	-
Professional fees	**87,442**	117,313	**175,074**	179,452
Marketing and promotion	**26,491**	77,948	**57,299**	320,112
Director Fees	**21,750**	18,000	**43,500**	30,750
Filing Fees	**9,260**	11,016	**14,016**	17,753
Prospecting Costs	**2,653**		**10,683**	1,365
Insurance	**5,452**	5,191	**10,250**	9,465
General Expenses	**2,761**	4,109	**3,864**	7,829
Travel	**1,075**	7,097	**1,084**	9,647
Interest and bank charges	**472**	626	**882**	2,491
Rental	**343**	104	**561**	104
IT Expenses	**221**	51	**331**	102
Meals and entertainment	**-**	2,977	**-**	4,353
Operating Loss	**202,035**	244,432	**514,359**	583,423
Other Income	**-**	2,181	**-**	2,181
Foreign exchange gain (loss)	**(2,105)**	(2242)	**1,072**	(3,448)
	(2,105)	(61)	**1,072**	(1,267)
Net loss and comprehensive loss for the year	**204,140**	244,493	**513,287**	584,690
No of Shares	**20,373,165**	20,261,099	**20,373,165**	19,475,972
Basic and diluted loss per share (Note 10)	**(0.01)**	(0.01)	**(0.03)**	(0.03)

The accompanying notes are an integral part of these consolidated financial statements.

Crestview Exploration Inc.
Consolidated Unaudited Statement of Changes in Equity
For the 6 months ended May 31, 2022

(in Canadian Dollars)

	No of Shares	*Share capital*	*Warrants*	*Contributed surplus*	*Deficit*	*Total equity*
		$	*$*	*$*	*$*	*$*
Balance at November 30, 2020	**13,016,932**	**1,628,851**	**7,753**	**0**	**-1,286,943**	**349,661**
Net loss and comprehensive loss for the six months -	**-**	**-**	**-**	**-**	**(584,691)**	**(584,691)**
Issuance of units (Note 8)	**7,319,733**	**664,281**	**1,751,869**	**-**		**2,416,150**
Exercise of Warrants	**36,500**	**7,971**	**(7,971)**	**-**		**-**
Expiry of warrants			**(7,006)**		**7,006**	**-**
Balance at May 31, 2021	**20,373,165**	**2,301,103**	**1,744,645**	**-**	**(1,864,628)**	**2,181,120**
Balance at November 30, 2021	**20,373,165**	**1,792,963**	**2,303,324**	**1,226,449**	**(3,512,431)**	**1,810,305**
Net loss and comprehensive loss for the six months**-**	**-**	**-**	**-**	**-**	**(513,287)**	**(513,287)**
Share-based compensation	**-**	**-**	**-**	**196,814**	**-**	**196,814**
Balance at May 31, 2022	**20,373,165**	**1,792,963**	**2,303,324**	**1,423,263**	**(4,025,718)**	**1,493,831**

The accompanying notes are an integral part of these consolidated financial statements.

Crestview Exploration Inc.
Consolidated Statement of Cash Flows

For the 6 months ended May 31, 2022 and May 31, 2021
(in Canadian Dollars)

	6 Months ended	
	May 31, 2022	**May 31, 2021**
	$	$
OPERATING ACTIVITIES		
Net loss	**(513,287)**	(584,690)
Changes in non-cash working capital items:		
Share based payments	**196,813**	
Other Receivables	**(16,843)**	(118,996)
Accounts payable and accrued liabilities	**17,645**	73,391
Cashflows used by Operating Activities	**(315,672)**	(630,295)
INVESTING ACTIVITIES		
Increase in exploration and evaluation assets	**(119,693)**	(387,079)
Cashflows used by Investing Activities	**(119,693)**	(387,079)
FINANCING ACTIVITIES		
Shareholder Loans	**-**	(14,000)
Proceeds from issuance of units	**-**	2,265,179
Cash flows from Financing Activities	**-**	2,251,179
Increase / (Decrease) in cash and cash equivalents	**(435,365)**	1,233,805
Cash and cash equivalents, beginning of the period	**507,205**	5,601
Cash and cash equivalents, end of the period	**71,840**	1,239,406
Supplementary cash flow information		
Interest paid	**882**	2,491

The accompanying notes are an integral part of these consolidated financial statements.

1. Statement of incorporation and nature of activities

Crestview Exploration Inc. (the "Company"), incorporated under the Business Corporations Act of Canada on August 30, 2017, is involved in the process of exploring, evaluating and promoting its gold properties and other projects. The Company is domiciled in Canada. The address of the Company's registered office is 330 5th Avenue SW, Calgary, AB, T2P 0L3. The Company's shares are currently traded on the Canadian Securities Exchange ("CSE") under the symbol "CRS" and are also listed on the Börse Frankfurt stock exchange ("Frankfurt") with the ticker symbol "CE7".

The consolidated financial statements include a wholly subsidiary in the United States of America, Crestview LLC, that is not under operation. The Company's consolidated financial statements represent those of the parent company and its subsidiary as at May 31, 2022 and November 30, 2021. The Company's subsidiary has a reporting date of November 30th .

2. Basis of presentation

Statement of compliance and going concern

These Unaudited condensed consolidated financial statements have been prepared in accordance with International Financing Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company's ability to continue as a going concern depends upon its ability to obtain necessary financing to fund its prospection operations, its projects and continued support of suppliers and creditors.

The Company's business involves a high degree of risk and there is no assurance that the Company will be successful in discovering economically recoverable deposits on its mineral properties. Furthermore, the Company has not yet generated any income or cash flows from its operations and there is no assurance that the business will be profitable in the future.

	May 31, 2022	November 30, 2021
	$	$
Net Loss and Comprehensive Loss for the period	**513,287**	2,232,494
Deficit	**(4,025,718)**	(3,512,431)
Working Capital Surplus / (Deficiency)	**43,344**	(484,547)

Although the Company was able to raise a net of $ 2,243,973 during the year ended November 30, 2021, there still exist material uncertainties that cast significant doubt regarding the Company's ability to continue as a going concern. The carrying amounts of assets, liabilities and expenses presented in the consolidated financial statements and the classification used in the consolidated financial statements have not been adjusted as would be required if the going concern assumption was not appropriate. Those adjustments could be material. Management routinely plans future activities including forecasting cash flows. Management has reviewed their plan with the Directors and has collectively formed a judgment that the Company has adequate resources to continue as a going concern for the foreseeable future, which Management and the Directors have defined as being at least the next 12 months from the date of the financial position.

Coronavirus ("COVID-19")

The duration and full financial effect of the COVID-19 pandemic is unknown at this time, as are the measures taken by governments, companies and others to attempt to reduce the spread of COVID-19. Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 may materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty. In the current environment, the assumptions and judgements made by the Company are subject to greater variability than normal, which could in the future significantly affect judgments, estimates and assumptions made by management as they relate to potential impact of the COVID-19 and could lead to a material adjustment to the carrying value of the assets or liabilities affected.

Approval of consolidated financial statements

These consolidated financial statements were approved for issuance by the Board of Directors on July 29, 2022.

3. Significant accounting policies

The consolidated financial statements are prepared using the significant accounting policies described in the present note. These methods have been applied consistently to all periods presented in these unaudited condensed consolidated financial statements.

Basis of measurement

The unaudited condensed consolidated financial statements have been prepared on a historical cost basis.

Foreign currency translation

Functional and presentation currency

These unaudited condensed consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rates). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates recognized in profit or loss. Non-monetary items are not re-translated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the dates when fair value was determined.

Segment disclosure

The Company presents and discloses segmental information based on information that is regularly reviewed by the chief operating decision-maker, i.e. the President and the Board of Directors.

The Company has determined that it has only one operating segment, the sector of exploration and evaluation of mineral resources. All its exploration and evaluation assets are located in the United States.

Financial Instruments:

a) Classification

Financial Assets/Liabilities	**Classification under IFRS 9**
Cash and cash equivalents	Financial asset at amortized cost
Reclamation bond	Financial asset at amortized cost
Other receivables	Financial assets at amortized cost
Accounts payable and accrued liabilities	Financial liabilities at amortized cost
Shareholder loans	Financial liabilities at amortized cost

The Company determines the classification of financial assets at initial recognition. The classification of its instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are recognized at fair value and are subsequently classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL").

b) Measurement

<u>Financial assets and liabilities at amortized cost:</u>

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment for a financial asset.

3. ***Significant accounting policies*** *(continued from previous page)*

Financial assets and liabilities at FVTPL:

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise. Where Company has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company recognizes an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Cash and cash equivalents

Cash and cash equivalents comprise cash in bank and demand deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Reclamation bonds

Reclamation bonds represent funds that are lodged with government authorities to be held against future reclamation and remediation of environmental disturbances as a result of exploration and development activities. After reclamation and remediation, the funds may be recovered. Where applicable under the arrangement with the government authority, the carrying value is increased by the accrued interest earned during the year.

Exploration and evaluation expenditures and exploration and evaluation asset

Exploration and evaluation expenditures are costs incurred in the course of initial search for mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.
Once the legal right to undertake exploration and evaluation activities has been obtained, all costs of acquiring mineral rights or options to acquire such rights (option agreement), expenses related to the exploration and evaluation of mining properties, less refundable tax credits related to these expenses, are recognized as exploration and evaluation assets.
Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts; the difference is then immediately recognized in profit or loss.
When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss before reclassification.

Although the Company has taken steps to verify title to the mining properties in which it hold an interest in accordance with industry practices for the current stage of exploration and development of such properties, these procedures do not guarantee the validity of the Company's titles. Title to property may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

3. Significant accounting policies *(continued from previous page)*

Exploration and evaluation expenditures and exploration and evaluation asset *(continued from previous page)*

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project by project basis, with each project representing a potential single cash-generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

a) the right to explore the areas has expired or will expire in the near future with no expectation of renewal;
b) no further exploration or evaluation expenditures in the areas are planned or budgeted;
c) no commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
d) sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment loss is reversed if the assets' or cash-generating unit's recoverable amount exceeds its carrying amount.

Equity

Share capital

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. In addition, if shares were issued as consideration for the acquisition of a mineral property or some other form of non-monetary assets, they are measured at their fair value according to the price of the most recent share issue of the Company or, after the Company being listed, their fair value according to the quoted price on the date of the conclusion of the agreement.

Unit placements

Proceeds from unit placements are allocated between shares and warrants issued using the residual method. Proceeds are first allocated to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

Other elements of equity

Warrants

Warrants that have been issued in combination with common shares are accounted for under IAS 32, Financial instruments: Presentation. Equity classification applies to instruments where a fixed amount of cash (or liability) denominated in the issuer's functional currency is exchanged for a fixed amount of shares. In calculating the value of warrants, the Company used the Black Scholes option model which incorporates the following inputs: the Company's stock price, expected life of the warrant, volatility of the Company's stock price, dividend yield and the risk-free interest rate.

Warrants include fair value of allocated to warrants issued. When warrants are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under warrant reserve is transferred to deficit.

3. **Significant accounting policies** *(continued from previous page)*

Equity *(continued from previous page)*

Contributed Surplus

Contributed surplus includes charges related to stock options until such stock options are exercised. When stock options are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under contributed surplus reserve is transferred to deficit. Deficit includes all current and prior period retained profits and losses. Deficit also includes charges related to warrants and stocks options expired and any amounts in excess of total contributed surplus related to shares repurchased.

Purchase for cancellation

When shares are purchased for cancellation, the carrying amount of the shares is recognized as a deduction of share capital. The difference between the purchase price and the carrying amount is charged to contributed surplus and then to deficit for any amounts in excess of total contributed surplus related to shares repurchased.

Share-based payments

Stock options plan

The Company operates an equity-settled share-based payment plan for its eligible directors, officers, and employees. The Company's plan does not feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or services received, the Company measures their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Company measures the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments (except equity-settled share-based payments to brokers) are ultimately recognized as an expense in loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus or warrant reserve, in equity. Equity-settled share-based payments to brokers, in respect of an equity financing are recognized as issuance costs of the equity instruments with a corresponding credit to contributed surplus or warrant reserve, in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of stock options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of stock options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if stock options ultimately exercised are different to that estimated on vesting.

Upon expiry of the warrants or stock options, the corresponding amounts in the warrants reserve and contributed surplus respectively are transferred to share capital.

Upon exercise of stock options, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the stock options recorded in contributed surplus are then transferred to share capital.

Basic and diluted loss per share

Basic loss per share is calculated by dividing net loss attributable to common equity holders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options warrants and restricted share units. When a loss is incurred during a period, basic and diluted loss per share are the same because the exercise of share equivalents is then considered to be anti-dilutive.

3. Significant accounting policies *(continued from previous page)*

Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred and current tax not recognized in other comprehensive income (loss) or directly in equity. Current tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and associates is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that the reversal will occur in the foreseeable future. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Accounting standards issued but not yet effective

At the date of authorization of these consolidated financial statements, certain new standards, amendments, and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Company. Management anticipates that all of the pronouncements will be adopted in the Company's accounting policy for the first period beginning after the effective date of each pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's consolidated financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's consolidated financial statements. In May 2020, the IASB issued a package of narrow-scope amendments to three standards (IFRS 3 “Business Combinations”, IAS 16 “Property, Plant and Equipment” and IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”) as well as the IASB's Annual Improvements to IFRS Standards 2018 - 2020. These amendments to existing IFRS standards are to clarify guidance and wording, or to correct for relatively minor unintended consequences, conflicts, or oversights. These amendments are effective for annual periods beginning on or after January 1, 2022. The Company is assessing the potential impact of these narrow-scope amendments.

4. Judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainties about these assumptions and estimates could result in outcomes that would require a material adjustment to the carrying amount of the asset or liability affected in the future. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the consolidated financial statements.

Judgments

Going concern
The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the incoming year requires significant judgment-based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 2 and Note 17 for further information.

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgement and a number of estimates and interpretations in many cases.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset or the cash-generating units must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined.

4. Judgments, estimates and assumptions *(continued from previous page)*

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information become available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

The impairment loss of the exploration and evaluation assets recognized in profit or loss amounts to $nil for the 6 months ended May 31, 2022, (2021: $nil). No reversal of impairment losses has been recognized for the reporting period.

Management judged that there are no indications of impairment required on the projects of the Company.

Recognition of deferred tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgement. To date, management has not recognized any deferred tax assets.

Estimation uncertainty

Share-based payments and warrant valuation

The estimation of share-based payment costs and measurement of warrant value of issuance requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The model used by the Company is the Black Scholes valuation model. For the significant inputs in the Black Scholes option pricing model, management made the following assumptions:

- Underlying stock price: Set the stock price based on the equity offering from non-brokered private placements at or near the grant date of the options.
- Underlying stock price volatility: Based on historical data of comparable publicly traded companies in the mining industry.
- Expected life: Given the limited history of the stock option plan and the Company, setting expected life was inherently subjective.

Additionally, management is required to make an estimate of future forfeitures at the time of each grant and reduce the share-based payment accordingly. This was also inherently subjective due to the limited history of the Company.

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Additionally, management is required to make an estimate of future forfeitures at the time of each grant and reduce the share-based payment accordingly. This was also inherently subjective due to the limited history of the Company.

5. Cash and cash equivalents

Cash and cash equivalents are made up of the following:

	May 31, 2022	November 30, 2021
	$	$
Cash	71,840	507,205

6. Reclamation bond

During April 2021, the Company deposited an amount of $18,498 with the United States Department of the Interior, Bureau of Land Management as a bond towards coverage of statewide operations in the State of Nevada.

7. Exploration and evaluation (E&E) assets

Exploration and evaluation assets, including the costs of acquiring licenses and directly attributable general and administrative costs, initially are capitalized as exploration and evaluation assets. The costs are accumulated by property pending the determination of technical feasibility and commercial viability. Pre-license costs are expensed when incurred. Pre-exploration costs are expensed unless it is considered probable that they will generate future economic benefits. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its mineral resource properties, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its mineral resource properties. The amounts shown for exploration and evaluation assets do not necessarily represent present or future value. Changes in future conditions could require a material change in the amount recorded for exploration and evaluation assets.

The technical feasibility and commercial viability of extracting a mineral resource from a property is considered to be determinable when proved and/or probable reserves are determined to exist, and the necessary permits have been received to commence production. A review of each property is carried out at least annually. Upon determination of technical feasibility and commercial viability, exploration and evaluation assets are first tested for impairment and then reclassified to property, plant and equipment and/or intangibles or expensed to the statement of loss and comprehensive loss to the extent of any impairment.

During February 2021, the Company made a payment of $31,748 pursuant to an agreement with Nevada Select Royalty Inc in respect of the Cimarron properties. Under the agreement, the Company is obligated to pay certain minimum annual payments (See Note 17). The output is also subject to a royalty of 2.5%. These payments have been classified as Mining Claims as depicted as below.

Exploration and evaluation assets are made up of the following:

Rock Creek Property
(Figures in Canadian $)

Particulars	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)	Addition during 2022	Closing Balance (May 31, 2022)
Mining Claims	275,430	-	275,430		275,430
Claim Fees	66,518	16,617	83,135		83,135
Consultancy - Claims	5,274	-	5,274		5,274
Total Claim Expenses	**347,222**	**16,617**	**363,839**	**-**	**363,839**
Consultancy	32,563		32,563	381	32,944
Geological Services	110,400	110	110,510	1,502	112,012
Survey	43,118	230	43,348	255	43,604
Testing Fees	1,985		1,985		1,985
Exploration	-	13,280	13,280	2,594	15,874
Drilling	-	2,865	2,865	1,797	4,661
Others				2,950	2,950
Total Exploration Expenses	**188,066**	**16,485**	**204,551**	**9,480**	**214,031**
Grand Total	**535,288**	**33,102**	**568,390**	**9,480**	**577,870**

7. Exploration and evaluation (E&E) assets *(continued from previous page)*

Divide Mine Property
(Figures in Canadian $)

Particulars	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)	Addition during 2022	Closing Balance (May 31, 2022)
Mining Claims	20,856	22,005	42,861	31,570	74,431
Claim Fees	11,283	4,747	16,030		16,030
Total Claim Expenses	**32,139**	**26,751**	**58,890**	**31,570**	**90,460**
Consultancy				381	381
Geological Services	9,274		9,274	192	9,466
Survey	11,610	2,371	13,981	382	14,362
Exploration	-	12,220	12,220	190	12,410
Drilling	-	3,112	3,112	96	3,208
Others	-	-	-	824	824
Total Exploration Expenses	**20,884**	**17,703**	**38,587**	**2,065**	**40,651**
Grand Total	**53,023**	**44,454**	**97,477**	**33,635**	**131,112**

Castille Mine Property
(Figures in Canadian $)

Particulars	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)	Addition during 2022	Closing Balance (May 31, 2022)
Mining Claims	13,904	22,005	35,909	31,570	67,479
Claim Fees	1,948	1,856	3,804		3,804
Total Claim Expenses	**15,852**	**23,861**	**39,713**	**31,570**	**71,283**
Consultancy	-	-	-	63	63
Geological Services	7,267	1,929	9,196		9,196
Survey	9,495	2,235	11,730	255	11,985
Exploration	-	11,551	11,551	42	11,593
Drilling	-	2,030	2,030		2,030
Others	-	-	-	352	352
Total Exploration Expenses	**16,762**	**17,744**	**34,506**	**713**	**35,219**
Grand Total	**32,614**	**41,605**	**74,219**	**32,283**	**106,501**

Cimarron Project
(Figures in Canadian $)

Particulars	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)	Addition during 2022	Closing Balance (May 31, 2022)
Mining Claims	-	32,691	32,691	46,451	79,141
Claim Fees	-	27,209	27,209		27,209
Total Claim Expenses	**-**	**59,899**	**59,899**	**46,451**	**106,350**
Consultancy				63	63
Geological Services	-	-	-	848	848
Survey	-	17,514	17,514	64	17,578
Testing Fees	-	37,591	37,591		37,591
Exploration	-	63,026	63,026	981	64,007
Drilling	-	376,112	376,112	(2,487)	373,625
Storage				1,403	1,403
Others	-	12,822	12,822	2,219	15,042
Total Exploration Expenses	**-**	**507,065**	**507,065**	**3,091**	**510,157**
Grand Total	**-**	**566,964**	**566,964**	**49,542**	**616,506**

Total	**620,925**	**686,126**	**1,307,051**	**124,939**	**1,431,990**

7. Exploration and evaluation (E&E) assets *(continued from previous page)*

Rock Creek Prospect - Elko County, Nevada

The Rock Creek property is comprised of 74 unpatented lode claims, located approximately 12 miles northwest of the old mining town of Tuscarora, in Elko County, Nevada, United States. The Company obtained this exploration property on September 19, 2017. Consideration for the property consisted of $125,430 CDN cash and 3,000,000 common shares valued at $0.05, for a total of $150,000, to be issued when the shares of the Company are listed on a recognized stock exchange by way of an initial public offering or any other similar type of going public transaction. The price of the shares was determined using the price of 4,876,000 share issued on September 22, 2017. During the year ended November 30, 2019, the Company issued 3,000,000 common shares valued at $0.05 per share.

Lease with option to purchase: Divide Mine and the Castile Mountain Project – Elko County, Nevada

During the year ended November 30, 2020, the Company entered into a lease with an option to purchase 100% interest in the Divide Mine and the Castile Mountain precious metal prospect, both located in Elko County, Nevada. The agreement is a third-party agreement with Geological Services Inc., a Utah Corporation. The Divide Mine comprised of 12 unpatented lode claims covering 247 acres when first leased. The Company staked seven more lode claims in July 2020 and the property now comprises of 19 claims, covering 391 acres. The Castile Mountain precious metal prospect is comprised of 8 unpatented lode claims covering 165 acres. The agreement is for a period of 10 years and includes payment of certain annual minimum royalty (See Note 7) commencing on April 2020 for $34,760. The Company maintains an option to buy out the properties at any time for a sum of $2,000,000 USD. However, in such a case, the Company would be obligated for a Royalty payout of 2% of the net sales realization.

During the year ended November 30, 2020, the Company made a payment of $34,760 pursuant to an agreement with Geological Services Inc in respect of the Divide Mine and Castille Mine properties. Under the agreement, the Company is obligated to pay certain minimum annual payments that are recoverable from royalties payable at the rate of 2% of Net Sales Realisation that would accrue consequent to commencement of production in the future (See Note 17). These payments have been classified as Mining Claims as depicted as above.

Option to purchase: Cimarron Project – Nevada

During February 2021, the Company entered into an option to purchase 100% interest in the Cimarron Project, located in Nevada. The agreement is a third-party agreement with Nevada Select Royalty Inc., a Nevada Corporation. The Cimarron Project comprises of 13 unpatented lode claims and certain data in possession of Nevada Select Royalty Inc. The agreement is for a period of 4 years and includes payment of certain annual minimum royalty (See Note 17) commencing on February 2021 for $31,748. The Company maintains an option to buy out the properties at any time for a sum of $200,000. Upon exercise of the option, the Company would be obligated for a Royalty payout of 2.5% of the net sales realization. The Company presently owns 31 claims.

During the year ended November 30, 2021, the Company made a payment of $31,748 pursuant to an agreement with Nevada Select Royalty Inc in respect of the Cimarron properties. During the year ended November 30, 2021, the Company made a payment of $22,005 and $22,005 pursuant to an agreement with Geological Services Inc in respect of the Divide Mine and Castille Mine properties respectively. Under the agreement, the Company is obligated to pay certain minimum annual payments (See Note 17). The output is also subject to a royalty of 2.5%. These payments have been classified as Mining Claims as depicted as above.

8. Share capital

a. Capital stock

The capital stock of the Company consists only of fully paid common shares.

Authorized

- Unlimited number of common shares, without par value, voting and participating.
- Unlimited number of preferred shares, without par value, non-participating. The directors will define the rights, privileges, restrictions and conditions of these shares upon issuance.

b. Issued

<u>Year ended November 30, 2021, and 2020</u>

In December 2020, the Company closed a non-brokered private placement by issuing 6,969,968 share units for gross proceeds of $2,090,990. Each share unit consists of one common share and one share purchase warrant, with each warrant exercisable into one common share at $0.40 within a period of three years since the date of issue. In connection with the placement, the Company paid a finders fee of $34,896 and 116,320 warrants, with an estimated fair value of $34,896, as compensation to qualified finders. Each warrant is exercisable at a price of $0.40 for three-year from the date of issuance. Using the residual method, the fair value of shares was estimated to be $nil and the fair value of the warrants was estimated to be $2,090,990. See Note 8 (d) for the assumptions applied in the Black-Scholes pricing model in determining the fair value of the warrants.

In March 2021, the Company closed a non-brokered private placement by issuing 349,765 share units for gross proceeds of $297,300. Each share unit consists of one common share and one-half share purchase warrant, with each whole warrant exercisable into one common share at $1.25 within a period of two years since the date of issue. In connection with the placement, the Company paid $17,838 also issued a total of 10,493 warrants, with an estimate fair value of $3,777, as compensation to qualified finders. Each warrant is exercisable at a price of $1.25 for two-year from the date of issuance.

Using the residual method, the fair value of shares was estimated to be $234,342 and the fair value of the warrants was estimated to be $62,958. See Note 8 (d) for the assumptions applied in the Black-Scholes pricing model in determining the fair value of the warrants.

The above costs have been booked as cost for issuance of shares and have been offset from the proceeds from issuance of shares.

c. Repurchased

During the year ended November 30, 2020, the Company repurchased 300,000 shares (2019: 375,000 shares) for $26,784 (2019: $33,850) from Kingsmere Mining Ltd. The repurchased shares were cancelled.

d. Equity reserve – Warrants

During the year ended November 30, 2021, the Company issued

a) 6,969,968 warrants for each unit of share sold. Each warrant is exercisable into one common share at a price of $0.40.
b) 174,882 warrants for each unit of share sold. Each warrant is exercisable into one common share at a price of $1.25.
c) 116,320 warrants as finder's fee in connection with the raising of finances. Each warrant is exercisable into one common share at a price of $0.40.
d) 10,493 warrants as finder's fee in connection with the raising of finances. Each warrant is exercisable into one common share at a price of $1.25.
e) 336,933 performance warrants in connection with the marketing of the Company in Europe. Each warrant is exercisable into one common share at a price of $0.60. Fair value of these warrants was estimated to be $117,927. See Note 8 (d) for the assumptions applied in the Black-Scholes pricing model in determining the fair value of the warrants.
f) During year ended November 30, 2020, the fair value of expired warrants estimated at of $169,789 was transferred from the warrants reserve to deficit.

During the year ended November 30, 2021, 68,000 warrants expired and consequently the fair value of expired warrants estimated at of $7,006 was transferred from the warrants reserve to deficit.

During the year ended November 30, 2021, 36,500 warrants were exercised pursuant to which an amount of $7,971 was transferred from the warrant reserve to share capital.

8. Share capital *(continued from previous page)*

Details of common share purchase warrants outstanding are as follows:

	May 31, 2022		November 30, 2021	
	Number of Warrants	**Weighted average exercise price**	**Number of Warrants**	**Weighted average exercise price**
Outstanding - beginning of period	7,572,596	0.41	68,500	0.60
Granted	-		7,608,596	0.41
Cancelled	-		-	-
Exercised	-		(36,500)	0.40
Expired	-		(68,000)	0.60
Outstanding - end of period	7,572,596	0.41	7,572,596	0.41

As at May 31, 2022, the following share purchase warrants were outstanding:

	As at May 31, 2022			As at November 30, 2021		
Expiry date	**Number of Warrants**	**Exercise price**		**Number of Warrants**	**Exercise price**	
March 2023	185,375	$	1.25	185,375	$	1.25
December 2023	7,050,288	$	0.40	7,050,288	$	0.40
January 2024	336,933	$	0.60	336,933	$	0.60
	7,572,596		0.41	7,572,596		0.41

The fair value of the warrants issued noted above were estimate based on the following ranges of key assumptions:

Warrants Reserve	6 months ended May 31, 2022
Exercise Price	$0.40 to $1.25
Expected Life	2 to 3 years
Dividend Yield	Nil
Volatility	94% to 100%
Risk Free Interest Rate	0.19% to 0.49%
Fair Value	$0.30 to $0.36

9. Share-based payments

The Company offers a stock option plan for its officers, directors, employees, and consultants. The fair value of stock options for each vesting period is determined using the Black Scholes option pricing model and is recorded over the vesting period as an increase to stock-based compensation and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Company and the related contributed surplus are recorded as an increase to share capital. In the event that vested stock options expire, previously recognized share-based compensation is not reversed. In the event that stock options are forfeited, previously recognized share-based compensation associated with the unvested portion of the stock options forfeited is reversed.

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire exploration and evaluation assets are based on the fair value of the goods and services received. If the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or services.

During the year ended November 30, 2020, the Company did not issue any stock options. During the year ended November 30, 2020, 75,000 stock options have expired and consequently, their fair value of $10,949 initially recorded under contributed surplus has been credited to deficit.

During the year ended November 30, 2020, 100,000 options were exercised at $0.40. The fair value of $14,600 initially recorded under contributed surplus has been credited to the share capital account.

Stock Options	**6 months ended May 31, 2022**	Year ended November 30, 2021
Outstanding at the beginning of the year	**1,650,000**	-
Options granted	**200,000**	1,950,000
Options Expired	**-**	(300,000)
Options Exercised	**-**	-
Outstanding at the end of the year	**1,850,000**	1,650,000

On March 16, 2021, the Company issued 1,550,000 incentive stock options to key management and directors at $1.02 and 400,000 incentive stock options to consultants at $1.02. The stock options were modified effected on July 9, 2021,whereby the Company issued 1,550,000 incentive stock options at $0.41 to key management and directors and 400,000 incentive stock options to consultants at $0.50. These stock options shall vest quarterly over 12 months and shall be valid for 5 years. Accordingly, under IFRS 2, the transaction has been classified as a “modification of share-based payment” an amount of $1,226,449 has been considered as share-based compensation during the year. 412,500 of these options were vested at the November 30, 2021, year end.

During December 2021, the Company issued 200,000 stock options to the CEO, at $0.40, vesting quarterly over 1 year and shall be valid for 5 years.

Under IFRS 2, an amount of $196,814 has been considered as share-based compensation during the six months ended May 31, 2022.

10. Loss per share

Loss per share has been calculated using the weighted average number of common shares outstanding for the 3 months ended February 28, 2022 and for 6 months ended May 31, 2021 as follows:

	6 months ended	
	May 31, 2022	February 28, 2021
Net loss for the year attributable to shareholders	**513,287**	337,045
Weighted average number of common shares outstanding	**20,373,165**	18,670,350
Basic and diluted loss per share	**0.03**	0.02

For the 6 months ended May 31, 2022, and for the 6 months ended May 31, 2021, potential dilutive common shares from incentive stock options and warrants have not been included in the loss per share calculation as they would result in a reduction of the loss per share.

11. Related party transactions

Transactions with key management
Key management personnel of the Company are officers and members of the Board of Directors, as well as the Chairman of the Board.
Key management personnel of the Company comprise of the members of the board of directors, as well as the President and Chief Executive Officer and the Chief Financial Officer ("CFO"). The compensation paid to key management is presented below:

Related Party Transactions

Key Managerial Personnel	**Account Head**	**Expenditure**		**Accounts Payable & Accrued Liabilities**	
		6 months ended		As at	
		May 31, 2022	May 31, 2021	May 31, 2022	Nov 30,2021
		$	$	$	$
Chief Financial Officer	Professional fees	55,350	59,788	-	-
	Marketing fees	563	875	-	
Chief Executive Officer	Professional fees	51,000	49960	-	-
Corporation in which erstwhile CEO is an Officer				-	-
Stock Works Agency Inc. :	Professional fees	-	24,000	-	29,925
	Marketing Fees		725	-	
Ubika	Marketing Fees	8,800	32,583	-	1,417
VP of Exploration	Land	18,088	108,229	-	
Dimitrios (James) Liakopoulos	Director Fees	30,000	18,000	5069	32,235
Wei-Tek	Director Fees	4,500	3,750	2,250	7,500
Louis Lapointe	Director Fees	4,500	4,500	2,250	2,250
Jim McKenzie	Director Fees	4,500	4,500	2,250	2,250

Shares and Warrants Purchased

	6 months ended May 31, 2022			6 months ended May 31, 2021		
	Units	Warrants	Value	Units	Warrants	Value
	Nos	Nos	$	Nos	Nos	$
Dimitrios (James) Liakopoulos	0	0	0	50000	50000	15000
SCA Capital PTY Ltd	0	0	0	166667	166667	50000
Ubika	0	0	0	56667	56667	17000
Jim mcKenzie	0	0	0	13,667	13,667	4100

13. Capital management policies and procedures

The Company's objectives in managing capital are to safeguard its ability to continue its operations, to increase the value of the assets of the business and to provide an adequate return to owners. These objectives will be achieved by identifying the right exploration prospects, adding value to these projects, and ultimately taking them through to production or sale and cash flow, either with partners or by the Company's own means. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares to improve its financial performance and flexibility. The company monitors capital on the basis of the carrying amount of equity. Capital for reporting period under review is summarized in Note 8 and in the statement of changes in equity. The Company is not subject to any externally imposed capital requirements.

14. Financial assets and liabilities

The carrying amounts and fair value of financial instruments presented in the statement of financial position are as follows:

	As at May 31, 2022		As at November 30, 2021	
	Carrying Amount	**Carrying Amount**	Carrying Amount	Fair Value
Financial assets				
Cash and cash equivalents	**71,840**	**71,840**	507,205	507,205
Other receivables	**14,886**	**14,886**	12,009	12,009
Financial liabilities				
Accounts payable and accrued liabilities	**91,833**	**61,833**	68,942	68,942

The carrying value of cash and cash equivalents, accounts payable and accrued liabilities and shareholder loan is considered to be a reasonable expectation of fair value because of the short-term maturity of these instruments.

15. Financial risks

The Company is exposed to various risks in relation to its financial instruments. The main types of risks the Company is exposed to are credit risk and liquidity risk.
The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk relates to the risk that one party to a financial instrument will not fulfill some or all of its obligations, thereby causing the Company to sustain a financial loss. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets, cash and cash equivalents and receivables at the reporting date for the aggregate amounts of $71,840 at May 31, 2022 (November 30, 2021: $519,214). The risk related to cash and cash equivalents is considered negligible as the Company is dealing with a reputable financial institution whose credit rating is excellent and the cash held in trust is accessible as and when required.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's liabilities have contractual maturities (including interest payments where applicable) as summarized below:

	Within 3 months	
	May 31, 2022	November 30, 2021
	$	$
Accounts payable and accrued liabilities	91,833	68,942
Total Liabilities	91,833	68,942

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date. Where the counterparty has a choice of when an amount is paid, the liability has been included on the earliest date on which payment can be required.

16. Commitments

Pursuant to the agreement with Geological Services Inc. in connection with the lease and option on the Divide Mine, the Castile Mountain and the Cimarron projects the Company is required to make certain annual payments. The commitments of the Company for the next 5 years are as follow:

Year	Divide Mining & Castile Mining Projects	Cimarron Gold Project	Total	Total
	US$	US$	US$	C$
2023	75,000	50,000	125,000	158,100
2024	100,000	45,000	145,000	183,396
2025	150,000	45,000	195,000	246,636
2026	150,000	-	150,000	189,720

The payments of 2024 and 2025 for Divide Mine and Castille Mining Projects are to be indexed based and the minimum royalty for 2025 is to be continued for the term of the agreement i.e., 10 years unless the Company exercises its option to purchase the properties. The amounts are expressed in Canadian Dollars at an exchange rate of 1.2648.

17. Subsequent events

On June 10, 2022, the Company closed the first tranche of its non-brokered private placement in the amount of $176,500.05 by issuing 1,176,667 units at a price of $0.15 per unit. Each unit consists of one common share of the Company and one share purchase warrant of the Company. Each warrant is exercisable into one common share of the Company at a price of $0.30 for a term of two-years from the date of issuance.

The Company has paid $8,050 in cash and issued 46,666 warrants as compensation to qualified finders. Each warrant is exercisable at a price of CAD$0.30 for a term of two-years from the date of issuance.