STRAIGHTUP RESOURCES INC.

Condensed Interim Financial Statements
(Unaudited)

For the three and nine months ended September 30, 2021 and 2020

Expressed in Canadian Dollars

PAGE

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

STRAIGHTUP RESOURCES INC.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars – Unaudited)

	Note	September 30, 2021	December 31, 2020
		$	$
ASSETS			
Current			
Cash		88,947	1,096,219
Sales taxes receivable		59,707	20,048
Loan receivable	4	1,373,282	-
Prepaids		12,462	43,050
		1,534,398	1,159,317
Exploration and evaluation assets	5	988,217	389,124
		2,522,615	**1,548,441**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payables and accrued liabilities	6,8	487,710	105,585
Shareholders' equity			
Share capital	7	3,842,093	1,960,615
Reserves	7	593,571	304,970
Deficit		(2,400,759)	(822,729)
		2,034,905	1,442,856
		2,522,615	**1,548,441**

Nature of business and continuing operations (Note 1)
Subsequent events (Note 13)

Approved and authorized for issue on behalf of the Board on November 26, 2021.

"Matthew Coltura", Director   *"Mark Brezer"*, Director

The accompanying notes are an integral part of these condensed interim financial statements

STRAIGHTUP RESOURCES INC.
Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars – Unaudited)

	Note	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
		$	$	$	$
OPERATING EXPENSES					
Consulting		18,845	42,500	68,845	60,500
Exploration Expenses		-	3,891	-	3,891
Foreign exchange (gain)		(7,337)	-	(15,864)	-
Management fees and salaries	8	81,485	6,000	167,563	6,000
Marketing		459,371	27,247	800,567	110,500
Office and administrative		58,227	5,355	77,660	29,777
Professional fees		30,376	60,414	133,269	112,750
Rent		1,200	2,250	5,350	12,000
Share-based compensation		-	135,697	341,402	135,697
Transfer agent and filing fees		14,413	17,616	25,910	25,554
		(656,580)	(300,970)	(1,604,702)	(496,669)
Write-off of exploration asset		-	-	(15,000)	-
		-	-	(15,000)	-
Net loss and comprehensive loss for the period		**(656,580)**	**(300,970)**	**(1,619,702)**	**(496,669)**
Loss per share - basic and diluted		$ (0.02)	$ (0.02)	$ (0.05)	$ (0.03)
Weighted average number of common shares outstanding		34,434,155	19,574,065	29,961,654	16,096,358

The accompanying notes are an integral part of these condensed interim financial statements

(Expressed in Canadian Dollars – Unaudited)

	Share capital				
	Number of shares	**Amount**	**Reserves**	**Deficit**	**Total**
		$	**$**	**$**	**$**
Balance at December 31, 2019	12,070,001	243,501	79,750	(247,091)	76,160
Shares issued for cash	8,016,087	1,004,013	-	-	1,004,013
Shares issued for exploration and evaluation assets	300,000	39,000	-	-	39,000
Shares issued on exercise of warrants	3,400	340	-	-	340
Share issuance costs	-	(177,455)	41,195	-	(136,260)
Share-based compensation	-	-	135,697	-	135,697
Loss for the period	-	-	-	(496,669)	(496,669)
Balance at September 30, 2020	20,389,488	1,109,399	256,642	(739,947)	626,094
Shares issued for cash	4,217,980	906,947	-	-	906,947
Shares issued as finders' fees	132,280	33,070	-	-	33,070
Shares issued for exploration and evaluation assets	100,000	47,500	20,000	-	67,500
Share issuance costs	-	(136,301)	28,328	-	(107,973)
Loss for the period	-	-	-	(78,969)	(78,696)
Balance at December 31, 2020	24,839,748	1,960,615	304,970	(822,729)	1,442,856
Units issued for cash	10,259,667	1,586,800	-	-	1,586,800
Shares issued for exploration and evaluation assets	815,385	184,000	-	-	184,000
Shares issued for services	150,000	30,000	-	-	30,000
Shares issued on exercise of warrants	1,674,920	116,348	(1,656)	-	114,692
Shares issued on exercise of share options	500,000	91,458	(41,458)	-	50,000
Share issuance costs	-	(144,128)	48,985	-	(95,143)
Forfeited warrants	-	17,000	(17,000)	-	-
Forfeited share options	-	-	(41,672)	41,672	-
Share-based compensation	-	-	341,402	-	341,402
Loss for the period	-	-	-	(1,619,702)	(1,619,702)
Balance at September 30, 2021	**38,239,720**	**3,842,093**	**593,571**	**(2,400,759)**	**2,034,905**

The accompanying notes are an integral part of these condensed interim financial statements

STRAIGHTUP RESOURCES INC.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars – Unaudited)

	Nine Months Ended September 30, 2021	2020
	$	$
Cash flows used in operating activities		
Loss for the period	(1,619,702)	(496,669)
Items not affecting cash:		
Share-based compensation	341,402	135,697
Shares issued for services	30,000	-
Write-off of exploration assets	15,000	-
Changes in non-cash working capital items:		
Sales taxes receivable	(39,659)	(3,879)
Prepaids	30,588	10,000
Accounts payables and accrued liabilities	379,906	(56,169)
	(862,465)	(411,020)
Cash flows used in investing activities		
Exploration asset expenditures	(427,874)	(25,000)
Loan receivable issued	(1,373,282)	-
	(1,801,156)	(25,000)
Cash flows provided by financing activities		
Units issued for cash	1,586,800	-
Shares issued for cash	-	1,004,013
Proceeds from exercise of options	50,000	-
Proceeds from exercise of warrants	114,692	340
Deferred financing costs	-	47,000
Share issuance costs	(95,143)	(136,260)
	1,656,349	915,093
Change in cash during the period	(1,007,272)	479,073
Cash, beginning of period	1,096,219	11,049
Cash, end of period	**88,947**	**490,122**
Supplemental Cash Disclosures		
Interest paid	-	-
income taxes paid	-	-

Supplemental disclosures with respect to cash flows (Note 11)

The accompanying notes are an integral part of these condensed interim financial statements

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Straightup Resources Inc. ("the Company") was incorporated on August 22, 2017 under the laws of British Columbia. The address of the Company's corporate office is #207 - 5500 Warf Ave., Sechelt, British Columbia, Canada, V0N 3A0. The address of the Company's registered and records office is 6204 – 125 Street, Surrey, BC, V3X 2E1. The Company's common shares trade on the Canadian Securities Exchange under the symbol ST. On October 25, 2021, the Company was upgraded to the OTCQB Exchange.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at September 30, 2021, the Company had not yet determined whether the Company's mineral property assets contained ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had an accumulated deficit of $2,400,759 as at September 30, 2021, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company not be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in the December 31, 2020 audited financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB have been condensed or omitted and these unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2020.

The accounting policies applied in these condensed interim financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended December 31, 2020. The Company's interim results are not necessarily indicative of its results for a full year.

These condensed interim financial statements were approved by the Board of Directors of the Company and authorized for issuance on November 26, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation

The condensed interim financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

Comparative figures

Certain of the comparative figures have been reclassified to conform to the current year’s presentation.

Accounting standards and amendments issued but not yet adopted

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any standards that have been issued would have no or very minimal impact on the Company’s financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

a) the measurement of deferred income tax assets and liabilities; and

b) the inputs used in accounting for share-based payments.

Significant accounting judgments

a) the determination of the effects of the COVID-19 pandemic

b) the determination of categories of financial assets and financial liabilities;

c) the evaluation of the Company’s ability to continue as a going concern; and

d) the assessment of indications of impairment of the exploration and evaluation assets and related determination of the net realizable value and write-down of the exploration and evaluation assets where applicable.

4. LOAN RECEIVABLE

As at September 30, 2021, the Company advanced $1,373,282, receivable as $605,000 and US$603,000, as a non-interest bearing loan to Premier Silver Corp (“PSC”) as furtherance of a potential acquisition of 100% of the outstanding shares of PSC. On August 12, 2021, the Company entered into an Exclusivity Agreement with PSC granting the Company a right of exclusivity until November 10, 2021 whereby if PSC receives a written offer from an arm’s length third party, the proposal must be first offered to the Company. Subsequent to the period, the Company advanced a further $345,000 to PSC and amended the agreement to extend the right of exclusivity to January 9, 2022.

(Expressed in Canadian Dollars – Unaudited)

5. EXPLORATION AND EVALUATION ASSETS

	Hi Mars Project	Belanger Project	Ferdinand Gold Project	Bear Head Gold Project	Total
	$	$	$	$	$
Balance, December 31, 2019	5,000	118,239	-	-	123,239
Property acquisition	10,000	221,500	-	-	231,500
Exploration costs					
Assay	-	1,602	-	-	1,602
Geological consulting	-	2,408	-	-	2,408
Labour	-	21,384	-	-	21,384
Supplies and other	-	4,985	-	-	4,985
Travel	-	4,006	-	-	4,006
Subtotal	10,000	255,885	-	-	265,885
Balance, December 31, 2020	**15,000**	**374,124**	**-**	**-**	**389,124**
Property acquisition	-	55,000	106,500	89.500	251,000
Exploration costs					
Assay	-	170,138	111,946	-	282,084
Data and reporting	-	2,000	-	-	2,000
Equipment rental	-	4,000	4,000	-	8,000
Geological consulting	-	2,533	975	-	3,508
Labour	-	32,195	23,740	-	55,935
Staking	-	200	-	-	200
Supplies and other	-	6,000	2,172	-	8,172
Travel	-	-	3,194	-	3,194
Subtotal	-	272,066	252,527	89,500	614,093
Write-off of exploration asset	(15,000)	-	-	-	(15,000)
	(15,000)	272,066	252,527	89,500	599,093
Balance, September 30, 2021	**-**	**646,190**	**252,527**	**89,500**	**988,217**

Hi Mars Project

Pursuant to an option agreement dated October 30, 2017, with Rich River Exploration and Craig A. Lynes, (collectively, the “Hi Mars Optionors”), the Company was granted an option to acquire a 100% undivided interest in two mineral claims located near Powel River area in the Vancouver Mining Division, British Columbia (the “Hi Mars Project”).

(Expressed in Canadian Dollars – Unaudited)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Hi Mars Project (continued)

In accordance with the option agreement, the Company can acquire a 51% interest in the Hi Mars Project by making a cash payment of $5,000 upon execution of the option agreement (paid). The Company will acquire the additional 49% interest in consideration of the following cash payments, share issuances, and work commitments:

	Common Shares	Cash	Exploration Expenditures
	Number	**$**	**$**
Upon listing of the Company's common shares on a Canadian Stock Exchange (the "Listing") (issued)	100,000	-	-
On or before the first anniversary of the Listing	100,000	-	-
On or before the second anniversary of the Listing	100,000	25,000	200,000
On or before the third anniversary of the Listing	100,000	30,000	100,000
On or before the fourth anniversary of the Listing	200,000	100,000	300,000
	600,000	**155,000**	**600,000**

The Hi Mars Optionors retained a 3% net smelter returns royalty which the Company has the right to purchase the first 1% of the royalty for $750,000 and the remaining 2% for $1,000,000 at any time prior to the commencement of commercial production. The Company was listed on the Canadian Stock Exchange on March 10, 2020.

Management decided not to proceed with the Hi Mars Project; as such, the option agreement was terminated and the project was written off during the nine months ended September 30, 2021.

Belanger Project

Pursuant to an option agreement dated June 1, 2020 with Bounty Gold Corp. ("Belanger Project Optionor"), the Company was granted an option to acquire a 100% undivided interest in certain unpatented mining claims comprising the RLX North, RLX South, and Belanger properties (collectively, the "Belanger Project") located in the District of Red Lake, Ontario, Canada.

In accordance with the option agreement, the Company can acquire the 100% interest in the project by: (i) making cash payments in the aggregate amount of $150,000; and (ii) issuing common shares in the capital of the Company (the "Consideration Shares") having an aggregate cash value of $300,000 to the Belanger Project Optionor as follows:

	Consideration Shares		Cash
	Number	**$**	**$**
Upon execution of the option agreement on June 1, 2020 (paid and issued)	300,000	30,000	25,000
On or before the 1st anniversary on June 1, 2021 (paid and issued)		30,000	25,000
On or before the 2nd anniversary on June 1, 2022		100,000	50,000
On or before the 3rd anniversary on June 1, 2023		140,000	50,000
	300,000	**300,000**	**150,000**

(Expressed in Canadian Dollars – Unaudited)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Belanger Project (continued)

The Belanger Project Optionor retained a 3% net smelter returns royalty which the Company has the right to purchase the first 1% of the royalty for $750,000 and the remaining 2% for $2,000,000 at any time prior to the commencement of commercial production.

On October 22, 2020, the Company entered into an agreement to acquire a digital database of compilation and field exploration data for the Belanger Project (the "Digital Database Agreement"). In consideration of the Digital Database Agreement, the Company will pay cash consideration of $100,000 and issue 200,000 warrants as follows:

	Cash	Warrants
	$	**Number**
Upon closing of the Digital Database Agreement on October 22, 2020 (paid and issued)	50,000	100,000
Upon the earlier of (i) the commencement of a work program on either of the Property, or (ii) April 22, 2021 (paid and issued)	50,000	100,000
	100,000	**200,000**

Under the Digital Database Agreement, each warrant will be exercisable to purchase one common share of the Company for a period of three years from the date of issuance at an exercise price of $0.26 per share. For the year ended December 31, 2020, the value of the warrants was determined to be $20,000 which has been capitalized by the Company as an acquisition cost.

Ferdinand Gold Project

Pursuant to an option agreement dated March 19, 2021 with 1544230 Ontario Inc. which was subsequently assigned to Solstice Gold Corp. (the "Ferdinand Gold Project Optioner"), the Company was granted an option to acquire a 100% undivided interest in 17 unpatented mining claims comprising 354 cells and encompassing 6,600 hectares, which are situated near Red Lake, Ontario (the "Ferdinand Gold Property").

In accordance with the agreement, the Company can acquire the 100% interest in the Ferdinand Gold Project in consideration of the following cash payments and share issuances:

	Common Shares	Cash
	Number	**$**
Upon execution of the option agreement on March 19, 2021 (paid and issued)	350,000	26,000
On or before the 1st anniversary on March 19, 2022	400,000	32,000
On or before the 2nd anniversary on March 19, 2023	-	40,000
On or before the 3rd anniversary on March 19, 2024	-	50,000
	750,000	148,000

The Ferdinand Gold Project Optioner retained a 1.5% net smelter return royalty which the Company has the right to repurchase 0.5% of the royalty for $500,000 at any time.

(Expressed in Canadian Dollars – Unaudited)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Bear Head Gold Project

Pursuant to an option agreement dated July 12, 2021 with 1544230 Ontario Inc. and Gravel Ridge Resources Ltd. which was subsequently assigned to Solstice Gold Corp. (the "Bear Head Gold Project Optioner"), the Company was granted an option to acquire a 100% undivided interest in 31 unpatented mining claims comprising 97 cells and encompassing 4,850 hectares, which are situated in the Meen Lake area of the Patricia Mining area of Ontario, Canada (the "Bear Head Gold Property").

In accordance with the agreement, the Company can acquire the 100% interest in the Bear Head Gold Project in consideration of the following cash payments and share issuances:

	Common Shares	Cash
	Number	**$**
Upon execution of the option agreement on July 12, 2021 (paid and issued)	350,000	16,000
On or before the 1st anniversary on July 12, 2022	-	20,000
On or before the 2nd anniversary on July 12, 2023	-	25,000
On or before the 3rd anniversary on July 12, 2024	-	35,000
	350,000	96,000

The Bear Head Gold Project Optioner retained a 1.5% net smelter return royalty which the Company has the right to repurchase 0.5% of the royalty for $350,000 at any time.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2021	December 31, 2020
	$	**$**
Accounts payable	121,938	96,411
Accrued liabilities	361,302	9,174
Payroll remittances payable	4,470	-
	487,710	105,585

7. SHARE CAPITAL

Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

Escrow shares

The Company entered into an escrow agreement, whereby common shares will be held in escrow and are scheduled for release at 10% on the listing date and 15% every six months from date of listing. As at September 30, 2021, the Company held 3,262,500 (December 31, 2020 – 5,437,500) common shares in escrow.

7. SHARE CAPITAL (continued)

Issued and outstanding common shares

During the nine months ended September 30, 2021, the Company had the following share capital transactions:

a) On April 28, 2021, the Company issued 5,814,167 units at $0.12 per unit for gross cash proceeds of $697,700 ("April 2021 PP). Each unit consists of one common share and one-half share purchase warrant. Each whole warrant will entitle the holder to purchase an additional common share at a price of $0.20 per common share for a period of 12 months. In connection with the April 2021 PP, the Company paid finder fees of $22,290, issued 166,950 finders warrants with a fair value of $17,064, paid legal fees of $18,743, and paid filing fees of $3,600. The fair value of the finder warrants was calculated using the Black-Scholes option pricing model assuming an expected life of 12 months, a risk-free interest rate of 0.15%, an expected dividend rate of 0%, a price on grant date of $0.18 and an expected annual volatility of 165%.

b) On May 17, 2021, the Company issued 350,000 common shares pursuant to the Ferdinand Gold Project agreements with a fair value of $80,500 (Note 5).

c) On May 28, 2021, the Company issued 115,385 common shares pursuant to the Belanger Project agreement with a fair value of $30,000 (Note 5).

d) On May 28, 2021, the Company issued 150,000 common shares with a fair value of $30,000 to a Wawel Capital Corp. for management services provided (Note 8).

e) On July 13, 2021, the Company issued 350,000 common shares pursuant to the Bear Head Gold Project agreements with a fair value of $73,500 (Note 5).

f) On August 26, 2021, the Company commenced a non-brokered private placement whereby the Company seeks to raise $2,000,000 through the issuance of up to 10,000,000 units of the Company at $0.20 per unit ("August 2021 PP)". Each unit consists of one common share and one-half share purchase warrant with each whole warrant entitling the holder to purchase an additional common share at a price of $0.30 per common share for a period of two years from the date of closing. The warrants are subject to an acceleration clause whereby if the common share price is equal to or greater than $0.50 for a period of 10 consecutive trading days, the Company may, by notice to the warrant holder, reduce the remaining exercise period applicable to the warrants to not less than 30 days from the date of such notice. In connection with the closing of the following tranches of the August 2021 PP, the Company paid finder fees of $48,360, issued a total of 240,800 finders warrants with a fair value of $31,921, and paid filing fees of $2,150.

   - On August 27, 2021, the Company completed the first tranche of the August 2021 PP by issuing 500,000 units for gross proceeds of $100,000. In connection with this first tranche, the Company issued 35,000 finders warrants with each finders warrant being exercisable for a period of 12 months from the date of issuance at a price of $0.30 per common share. The fair value of the finder warrants was calculated to be $3,884 using the Black-Scholes option pricing model assuming an expected life of 12 months, a risk-free interest rate of 0.28%, an expected dividend rate of 0%, a price on grant date of $0.23, and an expected annual volatility of 149%.

   - On September 3, 2021, the Company completed the second tranche of the August 2021 PP by issuing 1,005,500 units for gross proceeds of $201,100.

   - On September 23, 2021, the Company completed the third tranche of the August 2021 PP by issuing 1,440,000 units for gross proceeds of $288,000. In connection with this third tranche, the Company issued 100,800 finders warrants with each finders warrant being exercisable for a period of two years from the date of issuance at a price of $0.30 per common share. The fair value of the finder warrants was calculated to be $14,152 using the Black-Scholes option pricing model assuming an expected life of two years, a risk-free interest rate of 0.50%, an expected dividend rate of 0%, a price on grant date of $0.22, and an expected annual volatility of 143%.

7. SHARE CAPITAL (continued)

Issued and outstanding common shares

- On September 27, 2021, the Company completed the fourth tranche of the August 2021 PP by issuing 1,500,000 units for gross proceeds of $300,000. In connection with this fourth tranche, the Company issued 105,000 finders warrants with each finders warrant being exercisable for a period of two years from the date of issuance at a price of $0.30 per common share. The fair value of the finder warrants was calculated to be $13,885 using the Black-Scholes option pricing model assuming an expected life of two years, a risk-free interest rate of 0.50%, an expected dividend rate of 0%, a price on grant date of $0.21, and an expected annual volatility of 142%.

g) During the nine months ended September 30, 2021, the Company issued 1,674,920 common shares for gross proceeds of $114,692 pursuant to the exercise of 1,500,000 warrants with an exercise price of $0.05 per common share, 26,920 warrants with an exercise price of $0.10 per common share, and 148,000 warrants with an exercise price of $0.25 per common share. As a result, the Company transferred $1,656 representing the fair value of the exercised share purchase warrants from reserves to share capital.

h) During the nine months ended September 30, 2021, the Company issued 500,000 common shares for gross proceeds of $50,000 pursuant to the exercise of 500,000 share options with an exercise price of $0.10 per common share. As a result, the Company transferred $41,458 representing the fair value of the exercised share options from reserves to share capital.

During the year ended December 31, 2020, the Company had the following share capital transactions:

a) On March 11, 2020, the Company completed its initial public offering (the "IPO") of 3,968,000 common shares at $0.10 per share for gross cash proceeds of $396,800. The Company paid finder fees of $86,180 and legal fees of $25,000. The Company also issued 396,800 finder warrants with a fair value $24,195 calculated using the Black-Scholes option pricing model assuming an expected life of 24 months, a risk-free interest rate of 0.30%, an expected dividend rate of 0%, a price on grant date of $0.10 and an expected annual volatility of 120%.

b) On March 11, 2020, the Company issued 100,000 common shares pursuant to the Hi Mars Project Agreement with a fair value of $10,000.

c) On June 30, 2020, the Company issued 300,000 common shares pursuant to the RLX North, RLX South and Belanger Properties Agreement with a fair value of $76,500.

d) On July 15, 2020, the Company issued 4,203,067 units at $0.15 per share for gross cash proceeds of $630,460. Each unit consists of one common share and one-half share purchase warrant. Each whole warrant will entitle the holder to purchase an additional common share at a price of $0.25 per common share for a period of twelve months. In connection with the private placement, the Company paid finder fees of $23,247 and issued 154,979 warrants with a fair value of $17,000. The fair value of the finder warrants was calculated using the Black-Scholes option pricing model assuming an expected life of 12 months, a risk-free interest rate of 0.23%, an expected dividend rate of 0%, a price on grant date of $0.29 and an expected annual volatility of 120%.

e) On July 22, 2020, the Company issued 3,400 common shares pursuant to the exercise of warrants for gross cash proceeds of $340.

7. SHARE CAPITAL (continued)

Issued and outstanding common shares (continued)

f) On November 5, 2020, the Company issued 2,641,000 non-flow-through units ("Non-flow-through Units") at a price of $0.20 per Non-flow-through Unit for gross cash proceeds of $528,200 and 1,422,000 flow-through common shares ("flow-through shares") at a price of $0.25 per flow-through share for gross cash proceeds of $355,500. Each Non-flow-through Unit consists of one common share and one-half share purchase warrant. Each whole warrant will entitle the holder to purchase an additional common share at a price of $0.30 per common share for a period of twelve-months and are subject to certain acceleration provision. In connection with the private placement, the Company paid finder fees of $76,736 and issued 132,280 finder shares with a fair value of $33,070. The Company also issued 147,960 finder warrants with a fair value of $28,328. The fair value of the finder warrants was calculated using the Black-Scholes option pricing model assuming an expected life of 24 months, a risk-free interest rate of 0.20%, an expected dividend rate of 0%, a price on grant date of $0.30 and an expected annual volatility of 120%.

For the purposes of calculating the effect of any premium related to the issuance of the flow-through shares, the Company reviewed the fair market value of the common shares on the date of private placement and compared it to determine if there was a premium paid on the shares. As a result of the review, the Company did not recognize any premium on the flow-through shares issued.

During the year ended December 31, 2020, the Company issued flow-through common shares for gross proceeds of $355,500. Expenditures related to the use of flow-through share proceeds are not available as a tax deduction to the Company as the tax benefits of these expenditures are renounced to the investors. The Company is required to incur these expenditures before December 31, 2022 under the general rule and before December 31, 2021 under the look-back rule.

Warrants

During the nine months ended September 30, 2021, the Company issued the following warrants in addition to the warrant issuances described under *Issued and outstanding common shares* above:

- 100,000 warrants, in connection with the Digital Database Agreement (Note 5) with a fair value of $10,000 calculated and recorded at December 31, 2020 using the Black-Scholes option pricing model assuming an expected life of 36 months, a risk-free interest rate of 0.33%, an expected dividend rate of 0%, a price on grant date of $0.17 and an expected annual volatility of 115%.

During the year ended December 31, 2020, the Company issued the following warrants in addition to the warrant issuances described under *Issued and outstanding common shares* above:

- 100,000 warrants, in connection with the Digital Database Agreement (Note 5) with a fair value of $10,000 calculated using the Black-Scholes option pricing model assuming an expected life of 36 months, a risk-free interest rate of 0.33%, an expected dividend rate of 0%, a price on grant date of $0.17 and an expected annual volatility of 115%.

(Expressed in Canadian Dollars – Unaudited)

7. SHARE CAPITAL (continued)

Warrants (continued)

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
		$
Balance, December 31, 2019	10,070,000	0.05
Issued	4,221,772	0.11
Exercised	(3,400)	0.10
Balance, December 31, 2020	**14,288,372**	**0.16**
Issued	5,637,584	0.24
Exercised	(1,674,920)	0.07
Expired	(2,108,512)	0.25
Balance, September 30, 2021	**16,180,024**	**0.14**

As at September 30, 2021, the Company had the following outstanding warrants:

Number of Warrants	Exercise Price	Expiry date
	$	
1,505,960*	0.30	November 5, 2021
366,480	0.10	March 11, 2022
3,074,034	0.20	April 29, 2022
35,000	0.30	August 27, 2022
250,000	0.30	August 27, 2023
7,500,000	0.05	August 31, 2023
502,750	0.30	September 3, 2023
1,070,000	0.05	September 21, 2023
820,800	0.30	September 24, 2023
855,000	0.30	September 27, 2023
100,000	0.26	November 26, 2023
100,000	0.26	May 17, 2024
16,180,024		

**expired unexercised subsequent to September 30, 2021*

The weighted average remaining life of the outstanding share options at September 30, 2021 was 1.48 years.

(Expressed in Canadian Dollars – Unaudited)

7. SHARE CAPITAL (continued)

Share options

During the nine months ended September 30, 2020, the Company issued a total of 1,450,000 share options to certain directors, officers, and consultants of the Company. The share options are exercisable between $0.20 and $0.28 per share, expire between May 13, 2026 and June 15, 2026, and vested immediately upon grant.

During the year ended December 31, 2020, the Company issued a total of 800,000 share options to certain directors, officers, consultants and an advisory board member of the Company. The share options are exercisable between $0.20 and $0.245 per share, expire between August 4, 2025 and November 16, 2025, and vested immediately upon grant.

The following weighted average assumptions were used for the Black-Scholes valuation of options issued:

	June 30, 2021	December 31, 2020
Risk-free interest rate	0.88%	0.32%
Expected life	5 years	5 years
Dividend rate	0.00%	0.00%
Annualized volatility	153%	102%

Share option transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Share Price on Exercise
		$	$
Balance, December 31, 2019	600,000	0.10	-
Granted	800,000	0.24	-
Balance, December 31, 2020	**1,400,000**	**0.18**	**-**
Granted	1,450,000	0.25	-
Exercised	(500,000)	0.10	0.19
Forfeited	(300,000)	0.20	-
Balance, September 30, 2021	**2,050,000**	**0.25**	**-**

As at September 30, 2021, the Company had the following outstanding share options:

Number of Share Options	Exercise Price	Expiry date
	$	
500,000	0.245	August 4, 2025
100,000	0.20	November 16, 2025
500,000	0.20	May 13, 2026
350,000	0.28	June 7, 2026
600,000	0.28	June 15, 2026
2,050,000		

The weighted average remaining life of the outstanding share options at September 30, 2021 was 4.45 years.

(Expressed in Canadian Dollars – Unaudited)

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

On April 21, 2021, the Company entered into a Financial Advisory Services Agreement ("FAS Agreement") with Wawel Capital Corp. ("Wawel Capital"), a consulting firm which the Company's CFO serves as a director, to provide financial advisory services to the Company, effective March 1, 2021, in consideration of $240,000 per annum, payable quarterly with up to 50% of the quarterly payment eligible to be paid in common shares of the Company at a price per share equal to the discounted market price at the time of payment. Included in the agreement is a provision for a three month payout in the event of a termination.

On May 15, 2021 and subsequently amended on June 3, 2021, the Company entered into an employment agreement with the new CEO of the Company whereby the CEO will be paid an annual salary of $80,000. Included in the agreement is a provision for a three month payout in the event of a termination without notice.

The Company incurred the following key management personnel cost from related parties:

	For the nine months ended September 30,	
	2021	**2020**
	$	**$**
Management fees and salaries	165,333	6,000
Professional fees	34,629	14,692
	199,962	20,692

During the nine months ended September 30, 2021, the Company issued 150,000 common shares to Wawel Capital valued at $30,000, pursuant to the FAS Agreement, which is included in management fees and salaries.

As at September 30, 2021, the Company owed $60,020 to directors of Company for expense reimbursements and unpaid management fees. At December 31, 2020, the Company owed $9,174 to company controlled by the CFO of the Company for accounting services.

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource properties. The Company is not subject to any externally imposed capital restrictions.

The Company considers the aggregate of its share capital, reserves, and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, sales taxes receivable, loan receivable, and accounts payable. The fair value of sales tax receivable, loan receivable, and accounts payables approximates their carrying values. Cash is measured at fair value using level 1 inputs.

The Company is exposed to risks of varying degrees of significance from its use of financial instruments which could affect its ability to achieve its strategic objectives for growth and stakeholder returns. The principal risks to which the Company is exposed, and the actions taken to manage them, are described below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

The risks associated with the Company's financial instruments and the policies on how to mitigate these risks are set out below.

a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's corporate office is based in Canada and all of the Company's assets and expenses are denominated in Canadian dollars with the exception of a loan receivable of which $605,000 is payable in the United States dollars. The Company does not have any significant foreign currency denominated monetary liabilities. A 10% change in the Canadian dollar versus the United States dollar would result in a gain/loss of approximately $77,000

b) Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

c) Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company's cash is held in a large Canadian financial institution. The Company maintains certain cash deposits, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses on its cash deposits and believes it is not exposed to any significant credit risk on these deposits. The Company's sales tax receivable is due from the Government of Canada; therefore, the credit risk exposure is low. The maximum exposure to credit risk is the carrying value of the loans receivable.

(Expressed in Canadian Dollars – Unaudited)

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

d) Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at September 30, 2021, the Company had a cash balance of $88,947 to settle current liabilities of $487,710.

11. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

	For the nine months ended September 30, 2021	2020
	$	$
Supplemental non-cash disclosures		
Shares issued pursuant to acquisition of exploration and evaluation assets	184,000	39,000
Warrants issued for share issuance costs	48.985	24,195
Reallocation of value of warrants upon exercise	1,656	-
Reallocation of value of options upon exercise	41,458	-
Reallocation of value of options on forfeiture	41,672	-
Reallocation of value of warrants on expiry	17,000	-
Exploration and evaluation assets in accounts payable	2,219	-

12. SEGMENT INFORMATION

The Company has one operating segment, being the exploration of resource properties. At September 30, 2021 and December 31, 2020, all of the Company's exploration and evaluation assets were located in Canada.

13. SUBSEQUENT EVENTS

a) On October 5, 2021, the Company issued 150,000 common shares with a fair value of $30,000 to Wawel Capital Corp. for management services previously provided (Note 8).

b) On September 23, 2021, the Company entered into a Share Purchase Agreement to acquire 100% of the outstanding shares of 1318463 BC Ltd. ("1318463 BC") which owns 100% of the outstanding shares of Golden Axe Metals Corp. ("Golden Axe"). Golden Axe owns a 100% interest in unpatented lode mining claims known as the West Cat Mine located in Nevada, USA.

In accordance with the agreement, the Company must issue 4,000,000 common shares of the Company upon closing of the agreement (issued on October 15, 2021) and pay $50,000 three months from the closing of the agreement.

13. SUBSEQUENT EVENTS (continued)

c) On October 29, 2021, the Company completed the fifth tranche of the August 2021 PP by issuing 2,245,000 units for gross proceeds of $449,000. In connection with this fifth tranche, the Company paid finders fees of $24,530 and issued 122,150 finders warrants with each finders warrant being exercisable for a period of two years from the date of issuance at a price of $0.30 per common share.

d) On November 15, 2021, the Company completed the six tranche of the August 2021 PP by issuing 500,000 units for gross proceeds of $100,000.