MANSA EXPLORATION INC.

BUSINESS ACQUISITION REPORT

FORM 51-102F4

Item 1. Identity of Company

1.1 Name and Address of Company

Mansa Exploration Inc. (the "**Company**")
401 – 217 Queen Street West
Toronto, ON M5V 0R2

1.2 Executive Officer

The following executive officer of the Company is knowledgeable about the significant acquisition and this business acquisition report:

Executive Officer: Robert Bresee, President & Chief Executive Officer

Telephone: 705-235-4404

Item 2. Details of Acquisition

2.1 Nature of Business Acquired

Definitive Agreement

The Company completed the acquisition (the "**Acquisition**") of 100% of the issued and outstanding common shares in the capital of Wheeler Resources Inc. ("**Wheeler**") pursuant to the terms and conditions of a definitive agreement (the "**Agreement**") dated May 31, 2021, as amended, among the Company, Wheeler, and 1303889 B.C. Ltd., a wholly-owned subsidiary of the Company ("**Subco**").

The Acquisition was completed by of a three cornered amalgamation, pursuant to which Wheeler and Subco amalgamated (the "**Amalgamation**") to form one corporation with the name "Wheeler Resources Inc." ("**Amalco**") under the provisions of the *Business Corporations Act* (British Columbia). As a result of the Amalgamation, Amalco is a wholly-owned subsidiary of the Company and the property of each of Wheeler and Subco continue to be the property of Amalco.

Wheeler holds a 100% interest in 790 mineral claims covering 19,750 hectares located in southwestern Newfoundland and Labrador (the "**Wheeler Property**"). The Wheeler Property is approximately 30km north-northeast of the town of Stephenville, near the southern extent of the Bay of Islands Ophiolite Complex. It covers layered ultramafic and mafic intrusions which are prospective for magmatic Ni-Cu-PGE mineralization, as well as chromite mineralization occurring as discrete layers within the ultramafic complex.

2.2 Date of Acquisition

The Company completed the Acquisition on July 7, 2021.

2.3 Consideration

In consideration for acquiring 100% of the issued and outstanding common shares in the capital of Wheeler (the "**Wheeler Shares**") the Company issued to the holders of the Wheeler Shares (the "**Wheeler Shareholders**") one (1) common share in the capital of the Company (the "**Payment Shares**") for each one (1) Wheeler Share acquired by the Company. An aggregate of 10,795,001 Payment Shares were issued to the Wheeler Shareholders at a deemed price of $0.15 per Payment Share, for an aggregate deemed total purchase price of $1,619,250.15. 300,000 Payment Shares are subject to a hold back administered by the Company and to be released on meeting certain conditions related to recording the transfer of a mineral license in the applicable mineral registry.

Further information regarding the Acquisition can be found in the Company's material change report dated July 9, 2021, a copy of which has been filed under the Company's profile on SEDAR at www.sedar.com.

2.4 Effect on Financial Position

The Company does not have any current plans or proposals for material changes in its business affairs or the affairs of any of its subsidiaries, including Amalco, which may have a significant effect on the results of operations and financial position of the Company.

2.5 Prior Valuations

To the knowledge of the Company, there has not been any valuation opinion obtained within the last 12 months by either the Company or Wheeler required by securities legislation or a Canadian exchange or market to the support the consideration paid by the Company in connection with the Acquisition.

2.6 Parties to the Transaction

The Acquisition was not made with any person who, at the time of the Acquisition, was an informed person, associate or affiliate of the Company as defined in Section 1.1 of National Instrument 51-102 - *Continuous Disclosure Obligations* ("**NI 51-102**").

2.7 Date of Report

September 10, 2021.

Item 3. Financial Statements

As required by Part 8 of NI 51-102, the following financial statements are attached to this business acquisition report:

- attached as Schedule “A” hereto, the audited financial statements of Wheeler for the period from incorporation on March 9, 2021 to June 30, 2021.

The Company has obtained the consent of the auditor of Wheeler to incorporate the auditor’s report for the audited financial statements for the period from incorporation on March 9, 2021 to June 30, 2021 in this business acquisition report.

SCHEDULE “A”

WHEELER RESOURCES INC. FINANCIAL STATEMENTS

[SEE ATTACHED]

WHEELER RESOURCES INC.

FINANCIAL STATEMENTS

Expressed in Canadian Dollar

FOR THE PERIOD FROM INCORPORATION ON

MARCH 9, 2021 TO JUNE 30, 2021

WHEELER EXPLORATION INC.
Index to the Financial Statements
FOR THE PERIOD BETWEEN MARCH 9, 2021 (DATE OF INCORPORATION) TO JUNE 30, 2021
(Expressed in Canadian Dollars)

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charlton
charlton & company
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Director of:
Wheeler Resources Inc.

Opinion

We have audited the financial statements of Wheeler Resources Inc. (the "Company"), which comprise the statement of financial position as at June 30, 2021, and the statement of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from incorporation on March 9, 2021 to June 30, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2021, and its financial performance and its cash flows for the period from incorporation on March 9, 2021 to June 30, 2021 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the financial statements, which indicates that the Company incurred a net loss of $26,514 during the period from incorporation on March 9, 2021 to June 30, 2021 and, as of that date, the Company's total deficit was $26,514. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Charlton & Company

CHARLTON & COMPANY
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC
September 10, 2021

WHEELER RESOURCES INC.
STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian dollars)

As at	**June 30, 2021**
	$
ASSETS	
Current Assets	
Cash	153,751
	153,751
Exploration advances	71,200
Exploration and evaluation assets (Note 5)	63,000
TOTAL ASSETS	**287,951**
LIABILITIES	
Current Liabilities	
Accounts payable and accrued liabilities (Note 6)	28,465
TOTAL LIABILITIES	28,465
SHAREHOLDERS' EQUITY	
Share capital (Note 8)	286,000
Deficit	(26,514)
TOTAL SHAREHOLDERS' EQUITY	**259,486**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**287,951**

NATURE OF OPERATIONS (Note 1)
GOING CONCERN (Note 2)
SUBSEQUENT EVENT (Note 12)

Approved by the Director of the Company:

"Christopher Paul"
Director

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

WHEELER RESOURCES INC.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Share Capital			
	Deficit	**Amount**	**Deficit**	**Total**
		$	$	$
Balance, March 9, 2021 (date of incorporation)	**-**	**-**	**-**	**-**
Incorporation share	1	1	-	1
Private placements	9,495,000	274,950	-	274,950
Shares issued for exploration assets	1,300,000	13,000	-	13,000
Share issuance costs	-	(1,951)	-	(1,951)
Loss for the period	-	-	(26,514)	(26,514)
Balance, June 30, 2021	**10,795,001**	**286,000**	**(26,514)**	**259,486**

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

WHEELER RESOURCES INC.
STATEMENT OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	For the period from incorporation on March 9, 2021 to June 30, 2021
	$
EXPENSES	
Professional fees	**26,514**
Loss and comprehensive loss for the period	(26,514)
Loss per common share - basic and diluted	**(0.00)**
Weighted average number of common shares outstanding – basic and diluted	**7,530,709**

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

WHEELER RESOURCES INC.
STATEMENT OF CASH FLOWS
(Expressed in Canadian dollars)

	For the period from incorporation on March 9, 2021 to June 30, 2021
	$
OPERATING ACTIVITIES	
Loss for the period	(26,514)
Changes in non-cash working capital items:	
Accounts payable and accrued liabilities	26,514
Cash used in operating activities	-
INVESTING ACTIVITIES	
Purchase of exploration property rights	(50,000)
Exploration advances	(71,200)
Cash used in investing activities	(121,200)
FINANCING ACTIVITY	
Proceeds from private placements	274,951
Cash provided by financing activity	274,951
Net change in cash	153,751
Cash, beginning of the period	-
Cash, end of the period	153,751

Supplemental cash flow information:	
Shares issued for exploration and evaluation assets	$13,000
Share issuance costs outstanding in accounts payable and accrued liabilities	$ 1,951

During the period from incorporation on March 9, 2021 to June 30, 2021, the Company paid $nil in interest and taxes.

1. NATURE OF OPERATIONS

Wheeler Resources Inc. (the "Company") was incorporated on March 9, 2021 under the laws of British Columbia. The head office, principal address, records office, and registered address of the Company is located at 1500 – 1055 West Georgia St., Vancouver, B.C. V6E 4N7.

The Company's principal business activities include the acquisition and exploration of mineral property assets located in Newfoundland and Labrador, Canada. The Company acquired 100% interest in two properties during the current period (Note 5).

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration and evaluation programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

2. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

As at June 30, 2021, the Company had working capital of $125,286 and a deficit of $26,514. The Company is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful exercise of its mineral property option agreements, results from its exploration activities and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations and ongoing operating losses. These circumstances comprise a material uncertainty which may cast significant doubt about the Company's ability to continue operations as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and/or private placement of common shares.

These financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. GOING CONCERN *(continued)*

Novel Coronavirus ("COVID-19")

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations. While the extent of the impact is unknown, we anticipate that the outbreak may cause a variety of disruptions, all of which may negatively impact the Company's business and financial condition. To date, the Company has not been significantly impacted by COVID-19.

3. BASIS OF PRESENTATION

Statement of compliance

These financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements were authorized for issue by the Board of Directors on September 10, 2021.

Basis of measurement

These financial statements are presented in Canadian dollars, which is also the Company's functional currency. These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Cash

Cash comprises of deposit held in a trust account at June 30, 2021. The Company has not experienced any losses related to this balance and management believes the credit risk to be minimal.

b) Exploration and evaluation assets

i. Pre-license expenditures

Pre-license expenditures are costs incurred before the legal rights to explore a specific area have been obtained. These costs are expensed in the period in which they are incurred as exploration and evaluation expense.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b) Exploration and evaluation assets *(continued)*

Once the legal right to explore has been acquired, costs directly associated with the exploration project are capitalized as either tangible or intangible exploration and evaluation ("E&E") assets according to the nature of the asset acquired. Such E&E costs may include undeveloped land acquisition, geological, geophysical and seismic, exploratory drilling and completion, testing, decommissioning and directly attributable internal costs. E&E costs are not depleted and are carried forward until technical feasibility and commercial viability of extracting a mineral resource is considered to be determined. The technical feasibility and commercial viability of a mineral resource is considered to be established when proved or probable mineral reserves are determined to exist. All such carried costs are subject to technical, commercial and management's review at least once a year to confirm the continued intent to develop or otherwise extract value from the exploratory activity. When this is no longer the case, impairment costs are charged to exploration and evaluation expense. Upon determination of mineral reserves, E&E assets attributed to those reserves are first tested for impairment and then reclassified to development and production assets within property, plant and equipment, net of any impairment. Expired land costs are also expensed to exploration and evaluation expense as they occur.

The Company has not established any NI 43-101 compliant proven or probable reserves on any of its mineral properties which have been determined to be economically viable.

ii. Impairment
Exploration and evaluation assets are assessed for impairment when indicators and circumstances suggest that the carrying amount may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Industry-specific indicators for an impairment review arise typically when one of the following circumstances applies:

- Substantive expenditure or further exploration and evaluation activities is neither budgeted nor planned;
- Title to the asset is compromised, has expired or is expected to expire;
- Exploration and evaluation activities have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue activities on that asset; and
- Sufficient data exists to indicate that the carrying amount is unlikely to be recovered in full from successful development or by sale.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b) Exploration and evaluation assets *(continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

c) Restoration, rehabilitation, and environmental obligations

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 arise 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 unit-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. The Company has no significant restoration, rehabilitation and environmental obligations as at June 30, 2021.

d) Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income of loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided for unused tax loss carry-forwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

e) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

f) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. The diluted loss per share calculation assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

g) Financial assets and liabilities

Financial assets

Initial recognition and measurement
Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVTPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVTPL or at amortized cost. Cash is held for collection of contractual cash flows and is measured at amortized cost.

Subsequent measurement – financial assets at amortized cost
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Subsequent measurement – financial assets at FVTPL
Financial assets measured at FVTPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVTPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statements of loss.

As at June 30, 2021, the Company had no financial instruments under this classification.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

g) Financial assets and liabilities *(continued)*

Subsequent measurement – financial assets at FVOCI
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the statements of comprehensive loss. When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

Dividends from such investments are recognized in other income in the statements of loss and comprehensive loss when the right to receive payments is established.

As at June 30, 2021, the Company had no financial instruments under this classification.

Derecognition
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets
The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, amounts receivable are grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized. As at June 30, 2021 there were $nil expected credit losses recorded as the Company does not have any amounts receivable.

Financial liabilities

Initial recognition and measurement
Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVTPL. The Company's financial liabilities include accounts payable and accrued expenses which are measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

Subsequent measurement – financial liabilities at amortized cost
After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statements of loss and comprehensive loss.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

h) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset over a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether it has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the contract and it has the right to direct the use of the asset.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. The right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted by the interest rate implicit in the lease or, if that rate cannot be readily determined the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments, and amounts expected to be payable at the end of the lease term.

The Company does not recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less. The lease payments associated with these leases are charged directly to income on a straight-line basis over the lease term.

As at June 30, 2021, the Company did not have any leases.

i) New and revised accounting standards issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2021. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023. The Company is still evaluating the impact of this standard on its financial statements.

j) Critical accounting estimates and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in the statement of loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

j) Critical accounting estimates and judgments *(continued)*

Judgements

Going concern
The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that these financial statements should be presented under the going concern assumption. The factors considered by management are disclosed in Note 2.

Title to mineral property interest
Although the Company has taken steps to verify title to mineral properties that it currently has under option, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfer and title may be affected by undetected defects

Recoverability of exploration and evaluation assets
Management assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of any such assets may exceed their recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the Company shall measure, present and disclose any resulting impairment. During the period ended June 30, 2021, there were no indicators of impairment.

Estimates

Deferred income tax
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Valuation of common shares
The determination of the fair value of common shares is subject to certain management estimates as the Company is not publicly traded in an active market.

5. EXPLORATION AND EVALUATION ASSETS

Wheeler Property

On April 5, 2021, the Company entered into a purchase agreement to acquire a 100% ownership interest in 760 claims on the Wheeler Property located in Newfoundland and Labrador, Canada. To earn the 100% interest, the Company issued 1,000,000 common shares (issued on April 8, 2021, with a fair value of $10,000) and paid $50,000 in cash. The vendor will retain a 2.0% NSR of which 1% may be purchased by the Company for $1,000,000.

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

Rope Cove Property

On April 9, 2021, the Company entered into a purchase agreement to acquire a 100% ownership interest in 30 claims on the Rope Cove property located in Newfoundland and Labrador, Canada. To earn the 100% interest, the Company issued 300,000 common shares (issued on April 13, 2021, with a fair value of $3,000).The vendor will retain a 2.0% NSR of which 1% may be purchased by the Company for $1,000,000.

	Rope Cove	Wheeler	Total
	$	$	$
Balance, March 9, 2021:	-	-	-
Acquisition costs - cash	-	50,000	50,000
Acquisition costs - shares	3,000	10,000	13,000
Balance, June 30, 2021:	**3,000**	**60,000**	**63,000**

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2021
	$
Accrual for audit fees	10,000
Accrual for legal fees	14,715
Other	3,750
	28,465

7. RELATED PARTY TRANSACTIONS AND BALANCES

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. The Company considers all Directors and Officers of the Company to be key management personnel.

There were no related party transaction and balances for the period ended June 30, 2021.

8. SHARE CAPITAL

a) Authorized

Unlimited common shares without par value.

8. SHARE CAPITAL *(continued)*

(Expressed in Canadian dollars)

b) Share capital activity

As at June 30, 2021, the Company had 10,795,001 common shares issued and outstanding as presented in the statement of changes in shareholders' equity.

During the period from incorporation on March 9, 2021, to June 30, 2021, the following share transactions occurred:

- On March 9, 2021, the Company issued 1 common share at $1 per share for gross proceeds of $1 pursuant to incorporation.
- On April 5, 2021, the Company issued 4,995,000 common shares at a price of $0.01 per share for gross proceeds of $49,950 pursuant to a private placement.
- On April 8, 2021, the Company issued 1,000,000 common shares with a fair value of $10,000 under the terms of the Wheeler property option agreement (Note 5).
- On April 13, 2021, the Company issued 300,000 common shares with a fair value of $3,000 under the terms of the Rope Cove property option agreement (Note 5).
- On April 21, 2021, the Company issued 4,500,000 common shares at a price of $0.05 per share for gross proceeds of $225,000 pursuant to a private placement. Shares issuance costs on the transaction totaled $1,951 and remained outstanding in accounts payable and accrued liabilities as at June 30, 2021.

There were no stock warrants or stock options issued or outstanding from the date of incorporation on March 9, 2021 to June 30, 2021.

9. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

		2021
Loss before income tax	$	(26,514)
Tax rate		27%
Expected income tax recovery		(7,159)
Share issuance costs		(526)
Change in unrecognized deductible temporary differences		7,685
Income tax expense (recovery)	**$**	**-**

The significant components of the Company's deferred tax assets not recognized are as follows:

		2021
Non-capital losses available for future periods	$	7,264
Share issuance costs		421
Deferred tax assets not recognized	**$**	**7,685**

9. INCOME TAXES *(continued)*

Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized.

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

		2021	Expiry date
Share issuance costs	$	1,561	2026
Non-capital losses available for future periods	$	26,904	2041

Tax attributes are subject to review, and potential adjustment, by tax authorities.

10. CAPITAL MANAGEMENT

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. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its share capital. To maintain or adjust the capital structure, the Company may attempt to issue new shares. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. The Company is not subject to external restrictions on its capital.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for assets or liabilities that are not based on observable market data.

The carrying value of the Company's financial instruments approximate their fair value due to the short term to maturity of these instruments. The Company had no financial instruments to classify in the fair value hierarchy as at June 30, 2021.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Management of Industry and Financial Risk

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash. The Company's cash is currently held in a trust account by its lawyers.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company endeavors to ensure that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. The Company's cash is held in corporate bank accounts available on demand. The Company's accounts payable and accrued expenses generally have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Currency risk
The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. As at June 30, 2021, the Company is not exposed to any currency risk.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it has no interest-bearing debt.

Price risk
The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

12. SUBSEQUENT EVENT

On May 31, 2021, the Company, Mansa Exploration Inc. (“Mansa”), and 1303889 B.C. Ltd., a wholly-owned subsidiary of Mansa (“Subco”) entered into a amalgamation agreement pursuant to which Mansa Exploration Inc. will acquire 100% of the issued and outstanding common shares in the capital of the Company by way of a three-cornered amalgamation.

The amalgamation will be completed under the Business Corporations Act. of British Columbia, whereby Subco will amalgamate with the Company and the shareholders of the Company will each receive 1 common share of the capital of Mansa for each Company’s share acquired by Mansa.

The amalgamation was completed on July 7, 2021 and a total of 10,795,001 common shares were issued to the Company’s shareholders as consideration for the Company’s shares. The corporation continuing from the amalgamation will be a wholly-owned subsidiary of Mansa.