ARCHER EXPLORATION CORP. (FORMERLY LIFT CAPITAL CORP.)

Financial Statements

For the three months ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

ARCHER EXPLORATION CORP. (FORMERLY LIFT CAPITAL CORP.)
Statements of Financial Position
(Expressed in Canadian Dollars)

As at	December 31, 2020	September 30, 2020
Assets		
Current		
Cash and cash equivalents (Note 3)	$ 286,921	$ 217,486
	286,921	217,486
Exploration and evaluation property (Note 4)	37,500	-
Right to option agreement (Note 8)	164,413	-
Total Assets	$ 488,834	$ 217,486
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities (Note 5)	$ 24,638	$ 8,392
	24,638	8,392
Total Liabilities	$ 24,638	$ 8,392
Shareholders' Deficit		
Share Capital (Note 6)	381,913	217,500
Warrants (Note 6)	120,000	-
Options Reverse (Note 6)	2,000	-
Deficit	(39,717)	(8,406)
Total Shareholders' Equity	464,196	209,094
Total Liabilities and Shareholders' Equity	$ 488,834	$ 217,486

Commitments and Contingencies (Note 4)

Subsequent events (Note 11)

Approved by on behalf of the Board:

Jeff Wilson (signed)
Jeff Wilson, Director

Faizaan Lalani(signed)
Faizaan Lalani, Director

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

ARCHER EXPLORATION CORP. (FORMERLY LIFT CAPITAL CORP.)
Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

	Three Months Ended December 31, 2020	2019
Operating Expenses		
General and administrative	$ 64	$ -
Professional fees (Note 5)	29,262	-
Share-based payments (Note 6)	2,000	-
	31,326	-
Other Expense		
Interest Income	(15)	-
	(15)	-
Net Loss Before Income Tax	(31,311)	-
Income tax	-	-
Net Loss and Comprehensive Loss	$ (31,311)	$ -
Basic Loss per Share	$ (0.00)	$ -
Weighted Average Number of Common Shares Outstanding	12,159,348	-

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

ARCHER EXPLORATION CORP. (FORMERLY LIFT CAPITAL CORP.)

Statements of Changes in Shareholders' Equity (Expressed in Canadian Dollars)

	Number of Outstanding Shares	Share Capital	Special Warrants	Options Reserve	Deficit	Total Shareholders' Equity
		$	$	$	$	$
Balance, September 30, 2019	1	1	-	-	-	1
Balance, December 31, 2019	1	1	-	-	-	1
Balance, September 30, 2020	9,300,000	217,500	-	-	(8,406)	209,094
Issuance of common shares for amalgamation (Note 8)	3,288,250	164,413		-	-	164,413
Issuance of special warrants for cash (Note 6)	-	-	120,000	-	-	120,000
Share-based payments - options issued (Note 6)	-	-	-	2,000	-	2,000
Net loss for the period	-	-	-	-	(31,311)	(31,311)
Balance, December 31, 2020	12,588,250	381,913	120,000	2,000	(39,717)	464,196

The accompanying notes are an integral part of these financial statements

ARCHER EXPLORATION CORP. (FORMERLY LIFT CAPITAL CORP.)
Statements of Cash Flows
(Expressed in Canadian Dollars)

		Three Months Ended December 31, 2020		2019
Cash Provided by (Used in)				
Operating Activities				
Net loss	$	(31,311)	$	-
Items not affecting cash:				
Share-based payments (Note 6)		2,000		-
Changes in non-cash working capital items:				
Accounts payable and accrued liabilities (Note 5)		16,246		-
		(13,065)		-
Investing Activities				
Payment for exploration and evaluation property (Note 4)		(37,500)		-
		(37,500)		-
Financing Activities				
Proceeds from issuance of special warrants (Note 6)		120,000		-
		120,000		-
Inflow of Cash and Cash Equivalents		69,435		-
Cash and cash equivalents - Beginning of period		217,486		1
Cash and cash equivalents - End of period	$	286,921	$	1
Supplemental disclosure of non-cash transactions:				
Amounts paid for interest	$	Nil	$	Nil
Amounts paid for taxes	$	Nil	$	Nil
Share options issued for compensation (Note 6)	$	2,000	$	Nil
Issuance of common shares for amalgamation (Note 8)	$	164,413	$	Nil

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Archer Exploration Corp. (formerly Lift Capital Corp.) (the "Company") was incorporated under the laws of the Province of British Columbia on October 26, 2018. The Company is focusing on the exploration of mineral claims located in Quebec, Canada. The Company's registered and records office is 400 Burrard Street -Suite 1050, Vancouver BC, V6C 3A6, Canada.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. There are material uncertainties that may cast significant doubt about the appropriateness of the going concern assumption as the Company is in the development stage and has not generated any revenues. As at December 31, 2020, the Company has a deficit of $39,717 (September 30, 2020 - $8,406) and for the year then ended, incurred a net loss of $31,311 (three months ended December 31, 2019 - $NIL). The Company's continuing operations as intended are dependent upon the ability to obtain the necessary financing to explore and commercialize its mineral claims and administer overhead expenses. Should the Company fail to commercialize its mineral claims, its ability to raise sufficient financing to maintain operations may be impaired and, accordingly, the Company may be unable to realize the carrying value of its net assets. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

In early 2020, there was a global outbreak of COVID-19, which continues to rapidly evolve. The extent to which the COVID-19 coronavirus may impact the Company's operations will be dependent on future developments, which as of this time are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, and social distancing in Canada and other countries, business closures or business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

(b) Basis of presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Approval of the financial statements

These financial statements were authorized for issue by the Board of Directors on March 1, 2020.

3. SIGNIFICANT ACCOUNTINGPOLICIES

(d) Cash and cash equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant changes in value.

As of December 31, 2020, and 2019, the Company had cash and cash equivalents of $286,921 and $217,486, respectively.

(e) Financial instruments

(i) Financial assets

Initial recognition and measurement

A financial asset is measured initially at fair value less, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. On initial recognition, a financial asset is classified as measured at amortized cost, fair value through profit or loss or measured at fair value through other comprehensive income.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets measured at fair value through profit and loss are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss. The Company classifies cash and cash equivalents as fair value through profit and loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Financial instruments (Continued)

(i) Financial assets (Continued)

Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost, using the effective interest method and net of any impairment allowance, if:

- the asset is held within a business whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest.

There are no financial assets classified as measured as amortized cost.

Financial assets measured at fair value through other comprehensive income ("FVTOCI")

A financial asset measured at fair value through other comprehensive income is recognized initially at fair value less transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as "financial asset at fair value through other comprehensive income" in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income remain within accumulated other comprehensive income when the financial instrument is derecognized or its fair value substantially decreases.

There are no financial assets classified as measured as FVTOCI.

Derecognition

A financial asset or, where applicable a part of a financial asset or part of a group of similar financial assets is derecognized when:

- the contractual rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through ' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Financial instruments (Continued)

a. Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable. The Company′s financial liabilities include accounts payable and accrued liabilities, which are classified as measured at amortized cost.

b. 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 cash and cash equivalents and accounts payable and accrued liabilities approximate their fair value due to the short-term maturity of these instruments.

(f) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Common shares issued for consideration other than cash are valued at the fair value of the assets received or the services rendered. If the fair value of the assets received or services rendered cannot be reliably measured, common shares issued for consideration will be valued at their fair value on the date of issuance.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

The Company follows the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component. The fair value of the common shares issued in a private placement are determined to be the more easily measurable component and are valued at their fair value on the announcement date and the balance, if any, is allocated to the attached warrants.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Earnings (loss) per share

The Company presents basic and diluted earnings (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 shares outstanding during the period. Diluted earnings (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.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

As of December 31, 2020, 9,000,000 warrants and 40,000 stock options were excluded from the computation of diluted net loss per share as the result of the computation was anti-dilutive.

(h) Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets, as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of long-lived assets to determine whether there is an indication that those assets have suffered an impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment charge (if any).

The recoverable amount used for this purpose is the higher of the fair value less costs to sell and value in use. 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 recorded amount, the recorded amount of the asset is reduced to its recoverable amount. An impairment charge is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to a maximum amount equal to the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(j) Exploration and evaluation assets

Costs relating to the acquisition and claim maintenance of exploration and evaluation assets (including option payments and annual fees to maintain the property in good standing) are capitalized and deferred by property until the project to which they relate is sold, abandoned, impaired or placed into production.

The Company expenses all exploration, evaluation and development expenditures until management concludes that a future economic benefit is more likely than not to be realized. In evaluating if expenditures meet this criterion to be capitalized, management considers the following:

- The extent to which reserves or resources, as defined in National Instrument 43-101, have been identified in relation to the property in question;
- The conclusions of National Instrument 43-101 compliant preliminary economic assessment studies, preliminary feasibility studies and/or feasibility studies regarding the property in question;
- The status of environmental permits; and
- The status of mining leases or permits.

Once the Company considers that a future economic benefit is more likely than not of being realized, all subsequent costs directly relating to the advancement of the related area of interest are capitalized.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Exploration and evaluation assets (Continued)

Exploration and evaluation assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If an indicator is identified, the asset's recoverable amount is calculated and compared to the carrying amount. For the purpose of measuring recoverable amounts, assets are grouped into CGUs. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(l) Intangible assets

Recognition and measurement
Intangible assets include rights to option agreement acquired by the Company and have finite useful lives and measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure
Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred.

(m) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Recoverability of deferred tax assets

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant tax authorities, which occurs subsequent to the issuance of the financial statements.

Significant estimates and assumptions

Expected useful life of intangible assets

Following initial recognition, the Company carries the value of intangible assets at cost less accumulated amortization and any accumulated impairment losses. Amortization is recorded on a straight-line basis based upon management's estimate of the useful life and residual value. The estimates are reviewed at least annually and are updated if expectations change as a result of technical obsolescence or legal and other limits to use. A change in the useful life or residual value will impact the reported carrying value of the intangible assets resulting in a change in related amortization expense.

Inputs to the Black-Scholes option pricing model

The fair value of equity instruments is subject to the limitations of the Black-Scholes option pricing model, as well as other pricing models that incorporate market data and involves uncertainty in estimates used by management in the assumptions. Because option pricing models require inputs of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Recoverability of asset carrying values

Determining the amount of impairment of intangible assets requires an estimation of the recoverable amount, which is defined as the higher of fair value less the cost of disposal or value in use. Many factors used in assessing recoverable amounts are outside of the control of management and it is reasonably likely that assumptions and estimates will change from period to period.

(n) Share-based payments

The Company has a stock option plan that is described in Note 6 and grants share options to acquire common shares of the Company to directors, officers, employees and consultants. Share-based payments to employees are measured at the fair value of the instruments granted. Share-based payments are measured at the fair value of the goods or services received or the fair value of the equity instruments issued as calculated using the Black-Scholes option pricing model. The offset to the recorded expense is to options reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related options reserve is transferred to share capital. For those options that expire, the recorded fair value in options reserve is transferred to deficit.

(o) New accounting standards effective in the current year

IFRS 16, Leases ("IFRS 16") replaced IAS 17, Leases effective for annual periods commencing on or after January 1, 2019. The new model requires the recognition of lease contracts on a lessee's statement of financial position as a lease liability reflecting future lease payments and a 'right-of-use asset' with exceptions for certain short-term leases and leases of low-value assets. In addition, the lease payments are required to be presented on the statement of cash flow within operating and financing activities for the interest and principal portions, respectively.

The Company has determined that the adoption of IFRS 16 has had no impact on its financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Recent accounting pronouncements

A number of new standards, and amendments to standards and interpretations, are not yet effective for the three months ended December 31, 2020, and have not been applied in preparing these financial statements.

The Company has determined that these new accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or will not have a significant impact on the Company's statements.

4. EXPLORATION AND EVALUATION ASSETS

On August 1, 2020, the Company entered into an option agreement with Geomap Exploration Inc. ("Geomap") whereby the Company was granted an exclusive option to acquire a 100% interest in a mineral property located in Lac Paul, Quebec.

Under the terms of the option agreement, the Company is required to make the following payments:

- $37,500 within 90 days of the agreement date (paid subsequent to year-end);
- $50,000 on or before the 12 month anniversary of the date upon which the Company is listed on a recognized stock exchange in North America (the "Listing Date"); and
- $75,000 on or before the 24 month anniversary of the Listing Date.

In addition, the Company is required to issue 750,000 common shares, as follows:

- 250,000 common shares on or before the 12 month anniversary of the Listing Date; and
- 500,000 common shares on or before the 24 month anniversary of the Listing Date.

The Company is also required to incur expenditures on the property of not less than $420,000, as follows:

- $120,000 on or before the 12 month anniversary of the Listing Date; and
- an additional $300,000 on or before the 24 month anniversary of the Listing Date.

Geomap will retain a 3.0% net smelter royalty on the property, of which 1/3 (or 1.0%) can be re-purchased by the Company at any time for $1,000,000.

On October 30, 2020, the Company completed the initial $37,500 payment related to its option agreement with Geomap.

5. AMALGAMATION

On October 13, 2020, the Company entered into an Amalgamation Agreement between the Company, Altair Capital Corp. and 1269569 B.C. Ltd., a wholly owned subsidiary of the Company, whereby the entities will continue operations as one company. The Company issued to the shareholders of Altair 248 common shares per Class A common share of Altair, and one common share per Class B common share of Altair. The Company issued 3,288,250 common shares valued at $164,413 ($0.05 per share) in relation to the Amalgamation Agreement.

6. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

As at December 31, 2020 and September 30, 2020, the total issued and outstanding share capital consists of 13,788,250 and 9,300,000 common shares, respectively.

On October 26, 2018, the Company issued 1 incorporation share of common stock for total proceeds of $1.

On January 15, 2020, the Company issued 1,500,000 shares of common stock at $0.005 per share for gross proceeds of $7,500. At the same time, the Company re-purchased the incorporation share for $1.

On March 15, 2020, the Company issued 6,000,000 units at $0.02 per unit for gross proceeds of $120,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable at $0.10 per common share and expires two years from the grant date.

On July 1, 2020, the Company issued 1,800,000 units at $0.05 per unit for gross proceeds of $90,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable at $0.10 per common share and expires two years from the grant date.

On October 13, 2020, the Company issued 3,288,250 common shares valued at $164,413 to enter into an amalgamation agreement which included the acquisition of the right to option agreement. (Note 5, Note 8)

(Expressed in Canadian Dollars)

SHARE CAPITAL (Continued)

(c) Special Warrants

On November 20, 2020, the Company issued 1,200,000 special warrants at a price of $0.10 for proceeds of $120,000. In February 2021, the 1,200,000 special warrants were automatically converted into units, following the final receipt and listing of the Company on the Canadian Stock Exchange. The units consisted of 1,200,000 common shares and 1,200,000 share purchase warrants exercisable at $0.15 and expiring two years from the grant date.

(d) Warrants

The below table summarizes the activity of warrants exercisable for common shares during the three months ended December 31, 2020 and the year ended September 30, 2020:

	Number of Shares	Weighted-Average Exercise Price
Balance as of September 30, 2019	-	-
Granted	7,800,000	$ 0.10
Balance as of September 30, 2020	7,800,000	$ 0.10
Granted	-	$ -
Balance as of December 31, 2020	7,800,000	$ 0.10

The weighted average remaining life for the outstanding warrants at December 31, 2020 is 1.27 years.

(e) Stock Options

The Company has adopted a stock option plan (the “Plan”) pursuant to which it may from time to time, in its discretion, and in accordance with CSE requirements, grant to directors, officers, and consultants to the Company, non-transferable options to purchase common shares of the Company and is the basis for the Company’s long term incentive scheme. The Plan is administered by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board. The maximum number of common shares issuable under the Plan shall not exceed 10% of the number of common shares of the Company issued and outstanding as of each award date, inclusive of all common shares reserved for issuance pursuant to previously granted stock options. The exercise price of options granted under the Plan will not be less than the closing market price of the Company’s common shares on the CSE on either the date prior to the grant or the grant date. The options have a maximum term of 10 years from date of issue.

The following is a summary of the changes in the Company's stock options for the three months ended December 31, 2020:

	Period Ended December 31, 2020	
	Number of options	**Weighted average exercise price**
		$
Outstanding, beginning of period	-	-
Granted	40,000	0.10
Outstanding and exercisable, end of period	40,000	0.10

On October 15, 2020, the Company granted stock options to the directors and officers of the Company to acquire an aggregate of 40,000 common shares at an exercise price of $0.10 per common share for two years. The weighted average fair value of the 40,000 options was estimated at $0.30per option at the grant date using the Black-Scholes Pricing Model using the following assumptions: no expected dividends to be paid; volatility of 100% based on comparable companies without a historical volatility; risk-free interest rate of 0.14%; and expected life of 2 years.

The weighted average remaining life for the outstanding and exercisable options at December 31, 2020 is 1.79 years.

During the three months December 31, 2020, the Company incurred $2,000 share-based payment in relations to the stock options grant.

7. RELATED PARTYTRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of theCompany's Board of Directors and Corporate Officers.

The remuneration of the key management for the three months ended December 31, 2020 and 2019 are as follows:

	2020	2019
	$	$
Consulting	7,500	-

As at December 31, 2020, the Company had $9,000 (September 30, 2020 - $1,500) due to related parties included in accounts payable and accrued liabilities. Interest is not charged on outstanding balances and there are no specific terms of repayment.

8. INTANGIBLE ASSET

On October 13, 2020, the Company entered into an amalgamation agreement, which included the acquisition of a right held by Altair to an option agreement for mining properties.

The valuation of the right to option was calculated based on the issuance of 3,288,250 common shares at $0.05 per share for aggregate consideration of $164,413. (Note 5)

9. RISK MANAGEMENT

a. Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is associated with its cash and cash equivalents. The Company limited exposure to credit risk by maintaining its cash and cash equivalents in trust with large financial institutions in Canada. The Company is not exposed to significant credit risk.

b. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

As at December 31, 2020, the Company has sufficient funds to meet its current obligations of $24,638 (September 30, 2020 - $8,392) The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

c. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

10. CAPITAL MANAGEMENT

The Company's primary sources of funds comes from the issuance of common shares through private placement. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as cash and shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid. There have been no changes to the Company's approach to capital management during the three months ended December 31, 2020.

11. SUBSEQUENT EVENTS

On January 4, 2021, the Company decided not to pursue the Altair property outlined in the agreement. The intangible asset that was acquired through the Altair transaction during the interim period ended December 31, 2020 was analyzed by management and will be fully written off during the interim period ended March 31, 2021.

In February 2021, the 1,200,000 special warrants were automatically converted into units, following the final receipt and listing of the Company on the Canadian Stock Exchange. The units consisted of 1,200,000 common shares and 1,200,000 share purchase warrants exercisable at $0.15 and expiring two years from the grant date.

On January 4, 2021, the Company granted stock options to an employee of the Company to acquire an aggregate of 5,000 common shares at an exercise price of $0.10 per common share for two years.