NSJ GOLD CORP.
INTERIM FINANCIAL STATEMENTS

Three months ended February 28, 2021

(Unaudited - Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF 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 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 interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

NSJ GOLD CORP.
Interim Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	As at February 28, 2021	As at November 30, 2020
			$
ASSETS			
Current			
Cash and cash equivalents		**1,781,587**	**654,492**
Receivables		**4,749**	**650**
Prepaid expenses and deposits	5	**-**	**1,500**
Total current assets		**1,786,336**	**656,642**
Exploration and evaluation asset	6	**136,334**	**89,869**
Total assets		**1,922,670**	**746,511**
LIABILITIES			
Current			
Accounts payable	7	**38,168**	**867**
Accrued liability		**-**	**3,150**
Total current liabilities		**38,168**	**4,017**
SHAREHOLDERS' EQUITY			
Share capital	8	**2,003,200**	**774,200**
Deficit		**(118,698)**	**(31,706)**
Total shareholders' equity		**1,884,502**	**742,494**
Total liabilities and shareholders' equity		**1,922,670**	**746,511**

Nature of operations and going concern (Note 1)

Approved on behalf of the Board of Directors on April 23, 2021:

"Jag Sandhu"	***"Rodney Stevens"***
Director	Director

The accompanying notes are an integral part of the interim financial statements

NSJ GOLD CORP.
Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Note	Three Months Ended February 28, 2020
		$
Operating expenses		
Consulting Fees	6, 7	**47,500**
Foreign exchange gain		**(1,967)**
Office and Miscellaneous		**13,942**
Professional fees	7	**26,693**
Travel Expenses		**224**
Marketing Fees		**600**
Total operating expenses		**86,992**
Net Loss		**86,992**
Loss per share:		
Basic and diluted		**$(0.01)**
Weighted average number of shares outstanding:		
Basic and diluted		**14,000,000**

The accompanying notes are an integral part of the interim financial statements

NSJ GOLD CORP.
Interim Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian Dollars, except number of shares)

	Share capital			
	Common shares	**Amount**	**Deficit**	**Total**
Balance at May 22, 2020 (Incorporation)	**-**	**$-**	**$-**	**$-**
Founder shares (Note 8)	4,000,000	20,000	-	20,000
Private placement (Note 8)	10,000,000	210,000	-	210,000
Special warrants (Note 8)	-	544,200	-	544,200
Net Loss	-	-	(31,706)	(31,706)
Balance at November 30, 2020	**14,000,000**	**$774,200**	**$(31,706)**	**$742,494**
Special warrants (Note 8)	-	1,229,000	-	1,229,000
Net Loss	-	-	(86,992)	(86,992)
Balance at February 28, 2021	**14,000,000**	**2,003,200**	**(118,698)**	**1,884,502**

The accompanying notes are an integral part of the financial statements

NSJ GOLD CORP.
Statement of Cash Flows
For the quarter ended February 28, 2021
(Unaudited - Expressed in Canadian dollars)

	Note	**2021**
		$
Operating activities		
Net loss for the period		**(86,992)**
Changes in non-cash working capital		
Receivables		**(4,099)**
Prepaid expenses and deposits		**1,500**
Accounts payable and accrued liability		**34,151**
Net cash flows used in operating activities		**(55,440)**
Investing activities		
Exploration and evaluation asset	6	**(46,465)**
Net cash flows used in investing activities		**(46,465)**
Financing activities		
Common shares issued		**-**
Special Warrants		**1,229,000**
Net cash flows provided by financing activities		**1,229,000**
Increase in cash and cash equivalents		**1,127,095**
Cash and cash equivalents, beginning of year		**654,492**
Cash and cash equivalents, end of year		**$1,781,587**

Supplemental disclosures	
Cash paid for interest	**$-**
Cash paid for income taxes	**$-**

The accompanying notes are an integral part of the financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

NSJ Gold Corp. (the "Company") is in the business of the exploration and evaluation of mineral properties. The Company was incorporated under the *Business Corporations Act* of British Columbia on May 22, 2020. The address of the Company's registered and records office and principal place of business is Suite 101, 17565 58 Avenue, Surrey, British Columbia, V3S 4E3 Canada.

The Company's primary business is the acquisition and exploration of mineral properties. The Company's exploration and evaluation asset (Note 6) does not presently host any known mineral deposits nor, given the high degree of risk involved, can there be any assurance that its exploration activities will result in the definition of such deposits being located or, ultimately, a profitable mining operation in the future.

These financial statements (the "financial statements") have been prepared on a going concern basis, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company incurred a loss of $86,992 during the quarter ended February 28, 2021 and has an accumulated deficit as at February 28, 2021 of $118,698. Further, the Company has no source of operating cash flows, and there is no assurance that sufficient funding (including adequate financing) will be available to conduct required exploration and development of its mineral property projects. These factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going concern. These adjustments could be material.

In 2020, there was a global outbreak of coronavirus that has resulted in changes in global supply and demand of certain mineral and energy products. These changes, including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot be determined, but they could have a prospective material impact to the Company's project exploration activities, cash flows and liquidity. Various restrictions on gatherings, work and access to remote communities near the Company's project may also impact the Company's ability to perform exploration activities at the project.

2. BASIS OF PRESENTATION

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. IFRS includes International Accounting Standards ("IAS") and interpretations issued by the IFRS Interpretations Committee ("IFRIC").

These financial statements have been prepared on a historical cost basis, except for those financial instruments which have been classified and measured at fair value. In addition, with the exception of cash flow information, these financial statements have been prepared using the accrual method of accounting.

All amounts in these financial statements are presented in Canadian dollars, the functional currency of the Company. The accounting policies set out below have been applied consistently.

These financial statements were approved and authorized for issuance by the Company's Board of Directors on April 23, 2021.

b) Functional and presentation currency

The Company considers the primary and secondary indicators as part of its decision-making process. The financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and deposits in banks.

b) Financial instruments

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The following table shows the classification of the Company's financial instruments under IFRS 9:

Financial assets	
Cash and cash equivalents	FVTPL
Receivables	Amortized cost
Financial liabilities	
Accounts payable	Amortized cost

Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise.

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive loss. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost

Cash and other receivables with fixed or determinable payments that are not quoted in an active market are classified as held at amortized cost. Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the statement of loss and comprehensive loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities at amortized cost

Financial liabilities are recognized initially at fair value and subsequently measured at amortized cost and include accounts payable and accrued liabilities. Accounts payables and other payables are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, accounts payable, accrued and settlement liabilities are measured at amortized cost using the effective interest method. Loans are recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method.

Impairment of financial instruments

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Given the nature and balances of the Company's receivables, the Company has no material loss allowance as at February 28, 2021.

c) Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of loss and comprehensive loss.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is classified as ‘mines under construction’. Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Impairment of non-financial assets

At each reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell ("FVLCS") and value in use ("VIU"). FVLCS 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 VIU, 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 established 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 profit or loss for the period.

For the purposes of impairment testing, exploration and evaluation assets (mineral properties) and equipment are allocated to cash-generating units to which the exploration activity relates. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. 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, so that the increased carrying amount 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.

e) 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.

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash are valued based on their market value of the shares as of the date of issuance.

f) Issuance of units

When share issuances include a warrant (referred to as a unit), the warrant component of the unit is valued using the residual method. Under this method, any amount received for the unit in excess of the fair value of the share is attributed to the warrant.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Share-based compensation

The Company has a stock option plan under which it may grant stock options to directors, employees, consultants and service providers.

The Company records a share-based compensation expense for all options granted to employees, or to those providing similar services, at the fair value of the equity instruments over the vesting period, with a corresponding increase in share-based payments reserve. Each transfer of an award is considered separately with its own vesting date and grant date fair value. The Company uses the Black-Scholes Option Pricing Model to estimate the fair value of each stock option at the date of grant. For awards with vesting conditions, a forfeiture rate is recognized at the grant date and is adjusted to reflect the number of awards expected to vest. As the options are exercised, the consideration paid, together with the amount previously recognized in share-based payments reserve, is recorded as an increase in share capital. The initial fair values of options that expire unexercised remain in share-based payments reserve.

For equity-settled share-based compensation to non-employees, the Company measures the value of the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received. If the fair value cannot be estimated reliably, then the Company would use the Black-Scholes Option Pricing Model. The Company has no cash-settled share-based compensation transactions.

h) Reserve

The Company records stock option expense, equity component of convertible debenture, and contributed surplus within reserve on the Statement of Changes in Shareholders' Equity. When stock options or convertible debenture are exercised into common shares, the applicable amount under reserve will be transferred to share capital. For vested and expired conversion features or options, the applicable amount under the reserve account will be transferred to contributed surplus, also under the reserve account.

i) Loss per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive instruments. The calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the year. In years where a loss is reported, diluted loss per share is the same as basic loss per share because the effects of potentially dilutive common shares would be anti-dilutive.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting or taxable profit; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. 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 statement of financial position date. 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 the offset of current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

k) Foreign currency translation

Foreign currency transactions are translated into their functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive loss in the statement of comprehensive loss to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive loss. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l) Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

Changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

The costs of restoration projects included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

m) Significant accounting judgements and estimates

The preparation of these financial statements in conformance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

<u>Recovery of deferred tax assets</u>

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) Significant accounting judgements and estimates (continued)

Critical accounting estimates (continued)

Environmental rehabilitation obligation

The Company recognizes statutory, contractual or other legal obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset.

Critical accounting judgements

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification / allocation of expenditures as exploration and evaluation expenditures or operating expenses.

4. NEW ACCOUNTING STANDARDS AND RECENT PRONOUNCEMENTS

a) Recent accounting pronouncements

Certain other accounting pronouncements were issued but the Company anticipates that the application of these standards, amendments and interpretations in future periods will have no material impact on the results and financial position of the Company except for additional disclosures. The Company is assessing the impact of the new or revised IFRS standards on its financial position and financial performance.

5. PREPAID EXPENSES AND DEPOSITS

Prepaid expenses are comprised of the following as at February 28, 2021:

	February 28, 2021	November 30, 2020
	$	**$**
Prepaid deposits	**-**	**1,500**
	-	**1,500**

(Unaudited - Expressed in Canadian dollars – unless otherwise noted)

6. EXPLORATION AND EVALUATION ASSET

The Company entered into an option agreement dated August 14, 2020, as amended November 25, 2020 (the “Option Agreement”) to acquire a 100% interest in certain claims comprising the Golden Hills Project (the “Golden Hills Property”) located in Arizona, USA. Pursuant to the Option Agreement, to exercise the option the Company is required to pay a total of USD299,000 over a five year period with the first payment of USD24,000 due on or before March 28, 2021 and pay annual claim maintenance fees totalling USD15,510. The Company is also obligated to complete an exploration development program totalling USD4,635,000 per the following schedule:

- USD85,000 on or before the first anniversary date of the agreement
- USD150,000 on or before the second anniversary date of the agreement
- USD400,000 on or before the third anniversary date of the agreement
- USD1,000,000 on or before the fourth anniversary date of the agreement
- USD3,000,000 on or before the fifth anniversary date of the agreement

The Golden Hills Property is subject to a 3% Net Smelter Return as payable to the Vendor.

During the quarter ended February 28, 2021, the Company incurred a total of $46,465 ($89,869 for the period ended November 30, 2020) in exploration expenditures.

	November 30, 2020	Net change	**February 28, 2021**
	$	$	**$**
Acquisition costs	-	-	**-**
Exploration costs			
Field expenses	2,825	-	**2,825**
Geological consulting	84,143	-	**84,143**
Geophysical	2,901	46,465	**49,366**
Total exploration costs	89,869	46,465	**136,334**
Total	89,869	46,465	**136,334**

7. RELATED PARTY TRANSACTIONS

During the quarter ended February 28, 2020 the Company paid $30,000 to a company controlled by the CEO of the Company and $17,500 to a company controlled by a relative of the CEO for a total of $47,500 recorded in consulting fees. In addition the Company paid $15,000 to a company controlled by the CFO of the Company which was recorded as professional fees.

Amounts due to or from related parties are unsecured and non-interest bearing and measured at the amount of consideration established and agreed to by the related parties. The amounts due to or from related parties as at February 28, 2021 are included in accounts payable:

	February 28, 2021	**November 30, 2020**
	$	**$**
Due to directors and officers of the Company	**32,967**	**867**

8. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares.

Share transactions

During the period ended February 28, 2021, the Company had no share transactions.

During the period ended November 30, 2020, the Company issued the following:

a) Upon incorporation the Company issued 4,000,000 common shares at $0.005 per share for gross proceeds of $20,000.
b) On August 21, 2020 the Company closed its $0.021 unit offering issuing 10,000,000 units for gross proceeds of $210,000. Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional share at an exercise price of $0.20 per share on or before August 22, 2025. The warrants were valued at $0, using the residual value method.

Special warrants

During the quarter ended February 28, 2021, the Company issued the following:

a) On January 18, 2021 the Company issued 1,937,000 special warrants (the "Special Warrants"). Each Special Warrant entitles the holder to acquire, without payment of any consideration in addition to that paid for the Special Warrant, one previously unissued unit in the capital of the Company. Each unit is comprised of one common share in the capital of the Company and one-half of one common share purchase warrant where each whole warrant entitles the holder to purchase one additional common share at an exercise price of $0.40 per share for a period of 18 months
b) On January 20, 2021 the Company issued 4,446,000 special warrants (the "Special Warrants"). Each Special Warrant entitles the holder to acquire, without payment of any consideration in addition to that paid for the Special Warrant, one previously unissued unit in the capital of the Company. Each unit is comprised of one common share in the capital of the Company and one-half of one common share purchase warrant where each whole warrant entitles the holder to purchase one additional common share at an exercise price of $0.40 per share for a period of 18 months

The Company raised a total of $1,229,000 (net of finder's fees totaling $47,600) through the issuance of 6,383,000 Special Warrants.

During the period ended November 30, 2020, the Company issued the following:

a) On November 30, 2020 the Company issued 2,721,000 special warrants (the "Special Warrants"). Each Special Warrant entitles the holder to acquire, without payment of any consideration in addition to that paid for the Special Warrant, one previously unissued unit in the capital of the Company. Each unit is comprised of one common share in the capital of the Company and one-half of one common share purchase warrant where each whole warrant entitles the holder to purchase one additional common share at an exercise price of $0.40 per share for a period of 18 months

The Company raised a total of $544,200 through the issuance of 2,721,000 Special Warrants

(Unaudited - Expressed in Canadian dollars – unless otherwise noted)

8. SHARE CAPITAL (continued)

Special warrants (continued)

The Special Warrants may be exercised by the Subscriber, in whole or in part, at any time following the closing of the offering. Any unexercised Special Warrants will be deemed to be exercised on that day which is the earlier of:

- the first (1st) business day following the day on which a receipt for a (final) prospectus has been issued to the Company by or on behalf of the securities regulatory; and
- the tenth (10th) anniversary of the date of the Special Warrant certificate.

Warrants

During the quarter ended February 28, 2021 the Company did not issue any additional warrants.

During the period ended November 30, 2020, the Company issued the following:

a) In conjunction with the unit offering that closed on August 21, 2020 the Company granted 5,000,000 warrants. Each warrant entitles the holder to purchase one additional share at an exercise price of $0.20 per share on or before August 22, 2025.

Below is a summary of warrant activity during the quarter ended February 28, 2021:

	Amount Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Life
Outstanding May 22, 2020 (Incorporation)	**-**	**$-**	**-**
Issued	5,000,000	$0.20	5 years
Balance at November 30, 2020	**5,000,000**	**$0.20**	**5 years**
Issued	**-**	**-**	**-**
Exercised	**-**	**-**	**-**
Cancelled	**-**	**-**	**-**
Balance at February 28, 2021	**5,000,000**	**$0.20**	**4.5 years**

During the quarter ended February 28, 2021, no stock options were granted.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the date of the statement of financial position, and how the entity manages these risks.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash, receivables, and accounts. The carrying values of these financial instruments approximate their respective fair values due to the term of these instruments.

As at February 28, 2021, the fair value of cash held by the Company was based on level 1 inputs of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's primary exposure to credit risk is its cash of $1,781,587 at February 28, 2021. With cash on deposit with reputable financial institutions, it is management's opinion that the Company is not exposed to significant credit risks arising from the financial instruments.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at February 28, 2021, the Company had current liabilities totaling $38,168 and cash and cash equivalents of $1,781,587 and is not exposed to significant liquidity risk at this time. However, since the Company is in the exploration stage, it will periodically have to raise funds to continue operations and intends to raise further financing through private placements.

Market risk

Market risk is the risk that changes in market prices such as commodity prices, foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters. The Company does not use derivative instruments to reduce its insignificant exposure to market risks.

10. CAPITAL MANAGEMENT

The Company includes shareholders' equity and any debt it may issue, in the definition of capital. The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. 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 and consultants to sustain future development of the business.

The Company's property is in the exploration stage and as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. The Company is not subject to any external covenants.

11. SUBSEQUENT EVENTS

a) On March 4, 2021 the Company was approved for listing on the Canadian Securities Exchange and began trading on March 8, 2021
b) On March 8, 2021 the Company granted 2,000,000 stock options to certain directors, officers, employees and consultants. Each option entitles the holder to purchase 1 common share of the company at $0.20 per share for a period of five years from the date of grant.
c) On March 22, 2021 the Company granted 150,000 stock options. Each option entitles the holder to purchase 1 common share of the company at $0.30 per share for a period of five years from the date of grant.
d) On March 29, 2021 the Company granted 100,000 stock options. Each option entitles the holder to purchase 1 common share of the company at $0.20 per share for a period of five years from the date of grant.