

Big Red Mining Corp.

**FORM 2A
LISTING STATEMENT**

OCTOBER 30, 2021

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Cautionary Note Regarding Forward-Looking Information

This Listing Statement contains forward-looking statements that relate to the Issuer's current expectations and views of future events. The forward-looking statements are contained principally in the sections entitled "*Narrative Description of the Business*", "*Management's Discussion and Analysis*" and "*Risk Factors*".

In some cases, these forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Issuer has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the Issuer's intention to complete the listing of its common shares on the Canadian Securities Exchange;
- the Issuer's business plans focussed on the exploration and development of the Dobie Lake Property;
- compliance with the Option Agreement;
- the proposed work program on the Dobie Lake Property;
- costs and timing of future exploration and development activities;
- timing and receipt of approvals, consents and permits under applicable legislation;
- use of available funds
- business objectives and milestones;
- the Issuer's executive compensation; and
- adequacy of financial resources.

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner to, those disclosed elsewhere herein and any other of the Issuer's concurrent public filings, and include the availability and final receipt of required approvals, licenses and permits, sufficient working capital to develop and operate any proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to equity and debt markets and associated costs of funds, availability of a qualified work force, and the ultimate ability to mine, process and sell mineral products on economically favourable terms, that the Issuer is able to procure equipment and supplies in sufficient quantities and on a timely basis, that engineering and exploration timetables and capital costs for the Issuer's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions, that any environmental and other proceedings or disputes are satisfactorily resolved, and that the Issuer maintains its ongoing relations with its business partners and governmental authorities. While the Issuer considers these material factors and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Listing Statement. See "*Risk Factors*".

For the reasons set forth above, investors should not place undue reliance on forward looking statements. This Listing Statement includes many cautionary statements, including those stated under the heading "*Risk Factors*". You should read these cautionary statements as being applicable to all related forward-looking statements wherever they appear in this Listing Statement. The Issuer undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws.

2. Corporate Structure

- 2.1 State the full corporate name of the Issuer or, if the Issuer is an unincorporated entity, the full name under which the entity exists and carries on business and the address(es) of the Issuer's head and registered office.

Big Red Mining Corp. (the "Issuer", the "Company" or "Big Red") has its registered office and its principal place of business at 101 – 17565 58 Avenue, Surrey, BC V3S 4E3.

- 2.2 State the statute under which the Issuer is incorporated or continued or organized or, if the Issuer is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which the Issuer is established and exists. Describe the substance of any material amendments to the articles or other constating or establishing documents of the Issuer.

The Issuer was incorporated under the *Business Corporations Act* (British Columbia) on October 18, 2020 as Nava Capital Corp. On February 22, 2021 the Issuer changed its name to Big Red Mining Corp.

- 2.3 Describe, by way of a diagram or otherwise, the intercorporate relationships among the Issuer and the Issuer's subsidiaries. For each subsidiary state
- (a) the percentage of votes attaching to all voting securities of the subsidiary represented by voting securities beneficially owned, or over which control or direction is exercised, by the Issuer;
 - (b) the place of incorporation or continuance; and
 - (c) the percentage of each class of restricted shares beneficially owned, or over which control or direction is exercised, by the Issuer.

The Issuer does not have any subsidiaries.

- 2.4 If the Issuer is requalifying following a fundamental change or is proposing an acquisition, amalgamation, merger, reorganization or arrangement, describe by way of diagram or otherwise these intercorporate relationships both before and after the completion of the proposed transaction.

Not applicable.

- 2.5 Non-corporate Issuers and Issuers incorporated outside of Canada must describe how their governing legislation or constating documents differ materially from Canadian corporate legislation with respect to the corporate governance principles set out in Policy 4.

The Issuer was incorporated in Canada.

3. General Development of the Business

- 3.1 Describe the general development of the Issuer's business over its three most recently completed financial years and any subsequent period. Include only major events or

conditions that have influenced the general development of the Issuer's business. If the business consists of the production or distribution of more than one product or the rendering of more than one kind of service, describe the principal products or services. Also discuss changes in the business of the Issuer that are expected to occur during the current financial year of the Issuer.

Since the Company's incorporation on October 18, 2020, it has been in the business of acquiring and exploring mineral properties. The Company holds an option to acquire a 100% interest in 131 mineral claims comprising the Dobie Lake Property (the "Property") in Ontario, Canada subject to a 2.0% net smelter returns royalty. The Property is in a preliminary stage of exploration and does not have a known commercial body of ore or minerals.

During the period from incorporation to August 31, 2021, the Company raised \$137,500 through the issuance of 7,250,000 common shares, \$532,550 net of finder's fees through the issuance 13,110,000 units of its securities and \$941,530 net of finder's fees through the issuance of 4,879,500 Special Warrants.

3.2 Disclose:

- (1)
 - (a) any significant acquisition completed by the Issuer or any significant probable acquisition proposed by the Issuer, for which financial statements would be required under National Instrument 41-101 *General Prospectus Requirements* if this Listing Statement were a prospectus; and
 - (b) any significant disposition completed by the Issuer during the most recently completed financial year or the current financial year for which *pro forma* financial statements would be required under National Instrument 41-101 *General Prospectus Requirements* if this Listing Statement were a prospectus.
- (2) Under paragraph (1) include particulars of
 - (a) the nature of the assets acquired or disposed of or to be acquired or disposed of;
 - (b) the actual or proposed date of each significant acquisition or significant disposition;
 - (c) the consideration, both monetary and non-monetary paid, or to be paid, to or by the Issuer;
 - (d) any material obligations that must be complied with to keep any significant acquisition or significant disposition agreement in good standing;
 - (e) the effect of the significant acquisition or significant disposition on the operating results and financial position of the Issuer;
 - (f) any valuation opinion obtained within the last 12 months required under Canadian securities legislation, a directive of a Canadian securities regulatory authority, or a requirement of a Canadian stock exchange or other

Canadian market to support the value of the consideration received or paid by the Issuer or any of its subsidiaries for the assets, including the name of the author, the date of the opinion, the assets to which the opinion relates and the value attributed to the assets; and

- (g) whether the transaction is with a Related Party of the Issuer and if so, disclose the identity of the other parties and the relationship of the other parties to the Issuer.

The Issuer has not completed any significant acquisition, nor is any significant probable acquisition proposed by the Issuer, of the kind referred to in the foregoing instructions. The Issuer has not completed any significant disposition during the most recently completed financial year or during the current financial year of the kind referred to in the foregoing instructions.

- 3.3 Discuss any trend, commitment, event or uncertainty that is both presently known to management and reasonably expected to have a material effect on the Issuer's business, financial condition or results of operations, providing forward-looking information based on the Issuer's expectations as of the date of the Listing Statement.

As an exploration company without revenues, the Issuer typically needs more capital than it has available to it or can expect to generate through the sale of its products. Since incorporation on October 18, 2020, the Issuer has had to raise, by way of equity financing, funds to meet its capital needs. There is no guarantee that the Issuer will be able to continue to raise funds needed for its business. Failure to raise the necessary funds in a timely fashion will limit the Issuer's growth.

4. Narrative Description of the Business

4.1 General

- (1) Describe the business of the Issuer with reference to the reportable operating segments as defined in the Handbook and the Issuer's business in general. Include the following for each reportable operating segment of the Issuer:

- (a) state the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period;

The Company's business objective for the following 12 months is to complete the Phase I work program recommended by the "NI 43-101 Technical Report on the Dobie Lake Copper Property, Algoma, Ontario" dated August 15, 2021 prepared by Brian H. Newton, P.Geol. and Mark P. Wellstead, P.Geol. of Minroc Management Ltd. (the "Technical Report") and a Phase II work program.

- (b) describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;

The recommended Phase I work program is expected to commence upon obtaining any required permits, the availability of contractors and satisfactory weather conditions and is estimated to be completed within four to five months of

commencement. The recommended Phase I work program consists of data review and compilation and drilling at an estimated cost of \$164,600.

The recommended Phase II work program is expected to commence upon completion of the Phase I work program, obtaining any required permits, the availability of contractors and satisfactory weather conditions and is estimated to be completed within four months of commencement. The Phase II work program as recommended by the Technical Report is not contingent upon successful results being obtained from the recommended Phase I work program and consists of drilling at an estimated cost of \$177,500.

COVID-19 Pandemic

The coronavirus (COVID-19) may affect the timing of the Company’s work programs on the Property. COVID-19 work safety regulations including social distancing requirements may cause any work to be conducted on the Property to be slower and take longer to complete. The Company’s employees, contractors and suppliers could be affected by COVID-19 which could result in a reduction in the Company’s workforce due to illness or quarantine. See also “Risk Factors” below.

- (c) disclose the total funds available to the Issuer and the following breakdown of those funds:
 - (i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement, and

As at September 30, 2021, the Issuer had working capital of \$1,424,880.

- (ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b); and

Not applicable.

- (d) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

	Description	Amount
1.	To pay the estimated remaining costs of the Company’s stock exchange listing including legal, accounting and regulatory fees	\$20,000
2.	Estimated accounting, auditing, legal, regulatory and transfer agent fees and administrative expenses (12 months)	\$85,000
3.	Estimated management fees (12 months) ⁽¹⁾	\$180,000
4.	To pay for the recommended Phase I work program expenditures on the Property including drilling and data review and compilation	\$164,600
5.	To pay for the recommended Phase II work program expenditures on the Property including drilling	\$177,500
6.	To pay for property investigation	\$50,000

	Description	Amount
7.	To pay for the acquisition of additional properties (including legal fees) if the Company identifies and agrees to acquire suitable additional properties	\$100,000
8.	To provide general working capital	\$647,780
	Total:	\$1,424,880

⁽¹⁾ Management fees are expected to be paid to Jag Sandhu, President, CEO and a director of the Company, as to \$120,000 and to Paul Grewal, CFO of the Company, as to \$60,000.

(2) For principal products or services describe:

Not applicable.

(3) Concerning production and sales, disclose:

Not applicable.

(4) Describe the competitive conditions in the principal markets and geographic areas in which the Issuer operates, including, if reasonably possible, an assessment of the Issuer's competitive position.

Not applicable.

(5) With respect to lending operations of an Issuer's business, describe the investment policies and lending and investment restrictions.

Not applicable.

(6) Disclose the nature and results of any bankruptcy, or any receivership or similar proceedings against the Issuer or any of its subsidiaries or any voluntary bankruptcy, receivership or similar proceedings by the Issuer or any of its subsidiaries, within the three most recently completed financial years or the current financial year.

Not applicable.

(7) Disclose the nature and results of any material restructuring transaction of the Issuer within the three most recently completed financial years or completed during or proposed for the current financial year.

Not applicable.

(8) If the Issuer has implemented social or environmental policies that are fundamental to the Issuer's operations, such as policies regarding the Issuer's relationship with the environment or with the communities in which the Issuer does business, or human rights policies, describe them and the steps the Issuer has taken to implement them.

Not applicable.

Companies with Asset-backed Securities Outstanding

- 4.2 In respect of any outstanding asset-backed securities, disclose the following information:
Not applicable.
- 4.3 For Issuers with a mineral project, disclose and insert here the information required by Appendix A for each property material to the Issuer.

The following information, figures and tables, other than the disclosure in section 4.3(1)(b), has been taken from the technical report entitled “NI 43-101 Technical Report on the Dobie Lake Copper Property, Algoma, Ontario” dated August 15, 2021 prepared by Brian H. Newton, P.Geol. and Mark P. Wellstead, P.Geol. of Minroc Management Ltd. (the “Technical Report”). A copy of the Technical Report has been filed on SEDAR and is available under the Company’s profile on the SEDAR website at www.sedar.com. References to the “Authors” are references to Mr. Newton and Mr. Wellstead. All figures and tables from the Report are included in the disclosure in this section 4.3 except for Tables 1 and 2. The following information has been revised in respect to certain references.

(1) Property Description and Location – Describe:

- (a) the area (in hectares or other appropriate units) and location of the property;

Area

The Dobie Lake Property consists of one hundred and thirty one (131) single-cell Mining Claims with a combined area of 2,619 Ha. The claims are staked in one contiguous block but *de facto* include two small areas separated from the main claim block by the Little White River Provincial Park.

Location

The Property is located in the Algoma District of Ontario, approximately 55 kilometres west by road from Elliot Lake and 45 km north by road (Highway 546) from Iron Bridge, Ontario (Figure 1). Iron Bridge, Ontario is the nearest settlement, with an approximate population of 1,600 and is located along Ontario Highway 17. The city of Sault Ste. Marie is located 150 km west (by road) of the Property. The Property lies approximately 19 km north of the boundary of the Mississauga First Nation Mississagi River 8 Reserve.

The Property lies within NTS map sheets 41J/10 and 41J/11 in Albanel, Kamichisitit and Nicholas Townships in the Sault Ste. Marie Mining District of Ontario.

The historic drillhole 65-11 in the Canamiska area is approximately located at 345,486 mE, 5,157,339 mN (Zone 17T, NAD83).

Description of Mineral Tenure

The Dobie Lake Property consists of one hundred and thirty one (131) single-cell Mining Claims (see Table 2). The claims are staked in one contiguous block but *de facto* include two small areas separated from the main claim block by the Little White River Provincial Park.



Figure 1 Property Location

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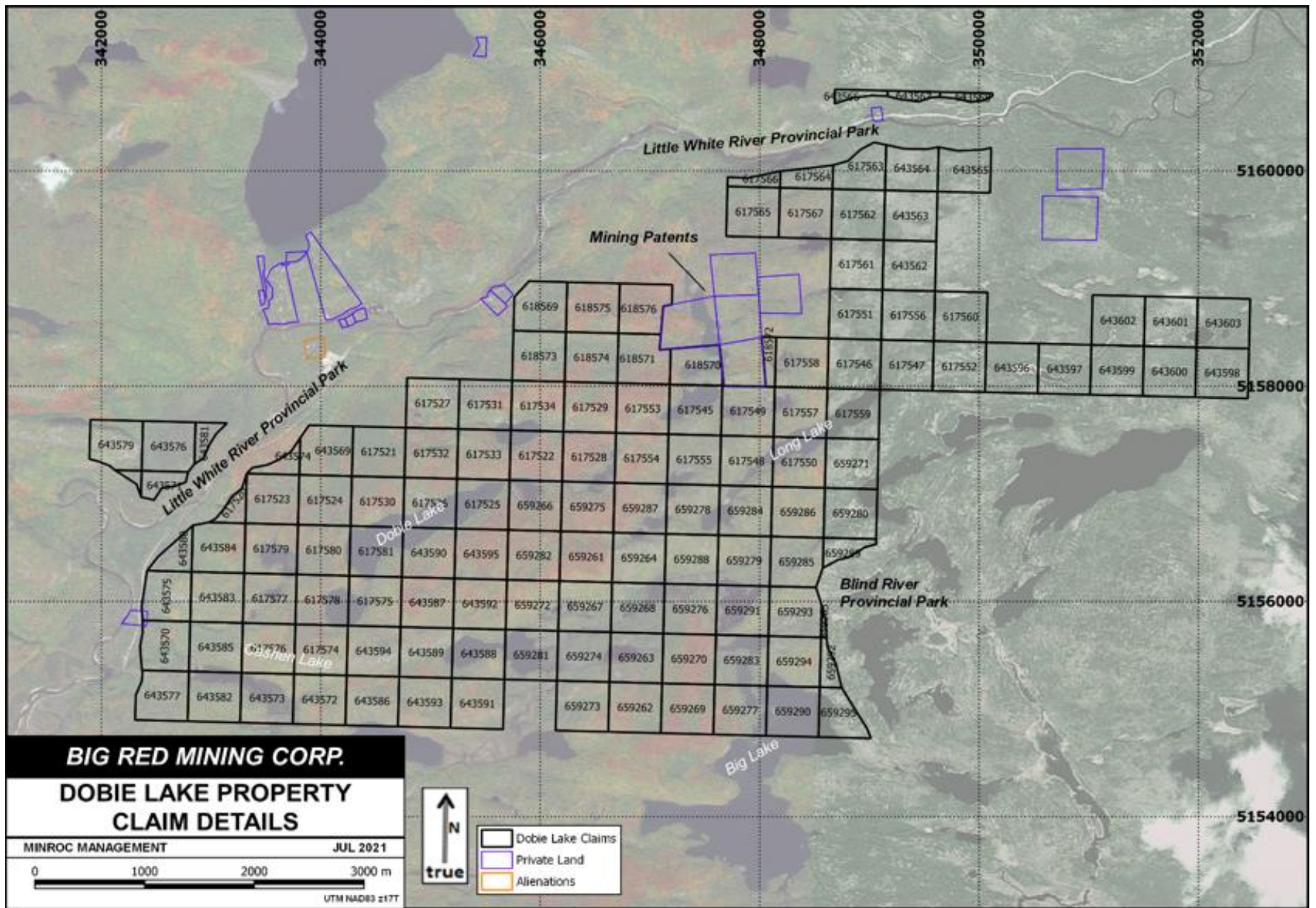


Figure 2 Claim Details

The Claim group abuts the Little White River and Blind River Provincial Parks. Exploration and mineral development is prohibited in Provincial Parks as outlined in the Provincial Parks and Conservation Reserves Act (2006).

The claim group also abuts three mining Patents (the Jentina / White River Lead property), in which surface and subsurface rights are retained by private third parties. The claim group also abuts a parcel of private surface rights which covers a riverfront cottage property in the southwest of the Property. Claim 643566 would also envelop a similar surface rights parcel (CK153) were it not truncated by the Little White River Provincial Park.

- (b) the nature and extent of the Issuer's title to or interest in the property, including surface rights, obligations that must be met to retain the property and the expiration date of claims, licences and other property tenure rights;

The Company holds an option to acquire a 100% interest in the Property pursuant to an option agreement dated February 25, 2021 as amended June 3, 2021 (the "Option Agreement") between the Company and Rich Copper Exploration Corp., (the "Optionor" or "Rich Copper"), subject to a 2.0% net smelter returns royalty. On September 13, 2021 (i.e. subsequent to the Company entering into the Option Agreement), James Atkinson, a director and Vice President Exploration of Rich Copper, became a director of the Company.

Pursuant to the Option Agreement, as amended, the Company can exercise the Option by:

- (a) Paying \$5,000 to the Optionor within 30 days of signing of the Option Agreement (paid);
- (b) Issuing a total of 350,000 common shares in its capital to the Optionor as follows:
 - (i) 50,000 shares within 90 days of signing of the Option Agreement (issued);
 - (ii) 100,000 shares on or before the first anniversary of the date of the Option Agreement;
 - (iii) 100,000 shares on or before the second anniversary of the date of the Option Agreement;
 - (iv) 100,000 shares on or before the third anniversary of the date of the Option Agreement; and
- (c) Incurring exploration expenditures totaling \$830,000 on the Property as follows:
 - (i) \$80,000 on or before the first anniversary of the date of the Option Agreement;
 - (ii) A further \$150,000 on or before the second anniversary of the date of the Option Agreement;
 - (iii) A further \$250,000 on or before the third anniversary of the date of the Option Agreement;
 - (iv) A further \$350,000 on or before the fourth anniversary of the date of the Option Agreement.

In the event that the Company incurs exploration expenditures, in any of the above periods, less than the specified sum, it may pay to the Optionor the difference between the amount it actually spent and the specified sum before the expiry of that period in full satisfaction

of the exploration expenditures to be incurred. In the event that the Company incurs exploration expenditures in any period, more than the specified sum, the excess shall be carried forward and applied to the exploration expenditures to be incurred in succeeding periods.

The Property is subject to a 2.0% net smelter returns royalty (“NSR”) to the Optionor. The Company has the right to purchase at any time one-half of the NSR (i.e. 1.0%) for a purchase price of \$1,000,000.

Nature of Issuer’s Title

The Dobie Lake Property consists entirely of mining claims. In northern Ontario, mining claims can be acquired by any person or entity possessing a Prospector’s Licence on provincially owned Crown Land as well as land for which third party surface rights exist, subject to limits as per the Ontario Mining Act and to the discretion of the Provincial Mining Recorder and Minister for Northern Development and Mines. Possession of a mining claim confers upon the holder the exclusive right to explore for all minerals, which in the context of the Ontario Mining Act refers to base and precious metals, coal, salt and “quarry and pit material”, but does not include unconsolidated aggregate material, peat or oil and gas. A mineral claim does not confer any surface rights; the holder of a claim is required to notify any surface rights holders and come to arrangements regarding such factors as access and surface disturbance. A mineral claim does not confer the right to mine minerals; this requires a mining lease.

Since 2018, mining claims in Ontario have been acquired by map-staking using the online MLAS system. Claims are typically 16 hectares in area and square in shape. Claims endure for two years and can be renewed following the filing of reports of exploration work meeting the required value for assessment credits. At the time of writing, this value is set at \$400 per claim.

For further information, the reader is directed to review the Ontario Mining Act and the publications of the Ministry of Northern Development and Mines.

(c) the terms of any royalties, overrides, back-in rights, payments or other agreements and encumbrances to which the property is subject;

The Property is subject to a 2.0% net smelter returns royalty (“NSR”) to the Optionor. The Company has the right to purchase at any time one-half of the NSR (i.e. 1.0%) for a purchase price of \$1,000,000.

(d) all environmental liabilities to which the property is subject;

Environmental Liabilities

To the best of the Authors’ knowledge, there are no environmental liabilities which would affect the Issuer’s title upon the Property or ability to perform work upon it.

Permits Required

An Exploration Permit is required should the holder wish to complete any mechanized or invasive exploration (including drilling, stripping, trenching, significant line cutting, and ground geophysical surveys requiring generators). To acquire an Exploration Permit, the holder must:

- Submit an Exploration Plan to the ENDM outlining the proposed work.
- Notify and consult with the Mississauga First Nation and any and all other First Nations or Metis groups who have Treaty rights or traditional land uses (e.g. hunting, trapping, fishing) in the areas in question, so as to avoid conflicts regarding exploration activities, traditional land uses and significant sites.
- Notify any surface rights holders of the intent to file an Exploration Plan.

Any anticipated or potential impacts to fish habitat must be approved at the federal level by the Department of Fisheries and Oceans (DFO) via the Fisheries Act. Liaison may also be required with the Ministry of Natural Resources, local conservation authorities and First Nations.

Bridges, culverts and winter ice roads for the mobilization of mechanized equipment across bodies or courses of water require Ministry of Natural Resources approval, regardless of the surface rights status. Approval may be acquired in the form of a work permit under the Public Lands Act (“PLA”) or approvals under the Lakes and Rivers Improvement Act (“LRIA”).

Any exploration or development work which requires the pumping of 50,000 litres or more of water per day must be approved by the Ministry of the Environment via the Ontario Water Resources Act. If approved, the MOE will issue a Permit to Take Water.

Other Factors

The Property lies within the traditional lands of the Mississauga First Nation. The Authors recommend that Big Red proactively engage with the Mississauga First Nation so as to build trust and avoid conflicts regarding land use and disturbance.

- (e) the location of all known mineralized zones, mineral resources, mineral reserves and mine workings, existing tailings ponds, waste deposits and important natural features and improvements; and

See section 4.3(6) “*Mineralization*” for a discussion of mineralization on the Property.

- (f) to the extent known, the permits that must be acquired to conduct the work proposed for the property and whether permits have been obtained;

See section 4.3(1)(d) above.

- (2) Accessibility, Climate, Local Resources, Infrastructure and Physiography – Describe:

- (a) the means of access to the property;

Access to the western part of the Property is possible using an ATV trail which leaves Highway 546 opposite a gravel pit at UTM 344,230 mE, 5,158,300 mN and runs east-west past the north shore of Dobie Lake. The northern and eastern parts of the Property can be reached using an ATV trail which leaves Highway 546 behind a cottage at 345,590 mE, 5,158,820 mN. This trail splits in two, one fork arcs east then south and west around a ridge, while the other continues southeast along the shore of Scarbo Lake before continuing east (leaving and then passing back onto the Property).

- (b) the proximity of the property to a population centre and the nature of transport;

The closest community is Iron Bridge with a population of approximately 1,600. Sault Ste. Marie is the closest community of substantial size and lies 110 km west of Iron Bridge along Highway 17 with a population of 75,000. The regional city of Sudbury lies about 175 km east.

The Property can be reached by traveling north on Highway 546 from Highway 17 at Iron Bridge. Highway 546 passes through the northern edge of the Property in two locations.

- (c) to the extent relevant to the mining project, the climate and length of the operating season;

The Dobie Lake area has a humid continental climate (Köppen Dfb). Summers generally reach highs of 30°C and winter lows of -20°C are common. At Sault Ste. Marie, average annual rainfall is in the order of 650 mm, peaking in September and October, while average annual snowfall is roughly 300 mm, peaking in January. The Dobie Lake area may vary slightly from this.

The climate and terrain put some limits on exploration. The operating season can be considered year round save for spring thaw and late autumn freeze-up periods.

- (d) the sufficiency of surface rights for mining operations, the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, heap leach pads areas and potential processing plant sites; and

Sudbury has a population of about 160,000 and has a large mining and exploration industry, with a workforce and contractors well accustomed to exploration requirements.

A hydroelectric power line runs past the Property about 6.5 km to the south. The Huron Central Railway is located south of the Property along the north shore of Lake Huron. Ontario Highway 17 is also located 45 km south, by road, of the Property. This highway is also federally designated as the Trans-Canada Highway.

The Property is at an early stage of exploration. However, the Property area provides ample space for the sufficiency of surface rights for mining operations, potential tailings storage areas, potential waste disposal areas, heap leach pad areas, potential processing plant sites and other mining and development infrastructure. The Issuer must be granted a Mining Lease before mining or development infrastructure can be established on the Property.

Water for drilling is readily available from small ponds and lakes located within the claim block and from several creeks that transverse the Property.

(e) the topography, elevation and vegetation;

The region is very rugged with steep ridges oriented roughly east-northeast and controlled largely by the distribution of Nipissing diabases. Elevation varies from a low of 275 m near the Little White River to a high of 457 m to highs of about 480 m on the ridgetops east of Dobie Lake and north of Long Lake.

Vegetation cover is relatively undisturbed and is dominated by mixed forest stands typical of the forests north of Lake Huron. Spruce and tamarack occupy low-lying areas while poplar, maple, birch and pine are primarily found along drier ridges. There are areas of moderate to good bedrock exposure especially along the ridges and overall bedrock exposure appears to be plentiful.

Lakes wholly or partly on the Property include Dobie Lake, Cashen Lake, Windy Lake, Big Lake, Scarbo Lake and Long Lake as well as a number of smaller lakes. Smaller lakes are given names including Lost Lake and Sometimes Lake in some historic assessment files (e.g. Anthony & Willoughby 1988). The majority of the Property area drains northward into the Little White River (which runs through the northern part of the claims); a small area in the southeast drains southeastward into the Blind River. Both rivers run southward and eventually drain into Lake Huron.

Overburden thickness, as recorded in historic drilling, is in the order of 3 to 15 drilling feet (up to 3 m vertical), with occasional thicker overburden in wetland areas in the west (e.g. Canamiska DDH 17B with 30 vertical metres).

(3) History - Describe:

- (a) the prior ownership of the property and ownership changes and the type, amount, quantity and results of the exploration work undertaken by previous owners, and any previous production on the property, to the extent known;

Prior Ownership

The claims comprising the Dobie Lake property were map-staked by Rich Copper Exploration Corp. in 2020-21. Prior to the Ontario claim system restructuring in 2018, much of the Dobie Lake property area was covered by two claims staked by Patrick Len Gryba and Clayton Lucien Larche in June 2017. These were converted to cell claims in April 2018 before expiring in 2019.

Discussion of Work

Regional Context

The earliest recorded exploration on the Dobie Project dates back to 1955. Prospecting and exploration for copper may have occurred long before this, based on the fact that the nearby 'Bruce Mines' was the first recorded copper mine in North America dating back

to 1846. The town of Bruce Mines is situated 65 km southwest of the Dobie Project. In 1847 the first shipment of ore grading 10% copper was shipped to Boston and sold for \$25 per ton. Mining flourished from 1847 to 1876. Records are vague but production from the three copper mines that made up 'Bruce Mines' totaled between 400-500,000 tons of ore grading between 2.5-4.0% Cu and 0.5 g/t Au (Graham, 1971). Flooding and cave-ins in 1876 ended the 30-year period of active mining history. Several attempts to re-open the mines in the early 1900's saw only limited success. The mines were decommissioned in 1944.

Production at Bruce Mines was obtained from three quartz vein systems in a diabase sill. The veins were characterized by their persistent lengths of 350 m to over 2,400 m. Mining widths were commonly 1.5 to 2 m wide but reported up to 7 m wide in places. The origin of the veins were thought to be related to hydrothermal fluids evolving along a conduit that produced the diabase sill and structurally related to the Worthington and Palideau Fault systems (Graham, 1971).

Overview of Exploration History at Dobie Lake

Note: Some of this work was focused on targets outside the current Property but has at least some overlap with the Dobie Lake Property. Some of the historic work at the No. 1 Zone may lie within the boundary of the Little White River Provincial Park. Work must be completed on the Property to verify the location of known mineralization with respect to the Property boundary.

1955: A.E. Rosen completed 7 diamond drill holes totaling 1,578.5 m in the vicinity of the Property. The location of the drilling could not be reliably confirmed from the assessment file although the Ontario Drillhole Database identifies DDH No. 1 as lying within the Property (see Table 3). No assays were reported (Rosen 1995a,b).

1965: Canamiska Copper Mines completed trenching, soil geochemistry, magnetic and ground EM surveys over what is now called the Canamiska Zone. Highlights of the trenching were 0.8% Cu over 9-feet, 3-inches (2.73 m; Schlanka 1969) and grab values including 5.18% Cu (Walker 1965). They also completed diamond drilling in 22 diamond drill holes (3 lost in overburden) totaling 4,478 feet (1,447.1 m). The locations of many of these drillholes, according to the Ontario Drillhole Database, are displayed on Figure 3, and an example drill section is shown in Figure 4.

Highlights include:

- 0.10% Cu over 65 feet (18.81 m) in hole 65-1
 - 3.6% Cu over 1.5 feet (0.46 m) in hole 65-2
 - 0.53% Cu over 25 feet (7.62 m) in hole 65-6
 - 1.44% Cu over 19.5 feet (5.94 m) in hole 65-7
 - 0.42% Cu over 12.5 feet (3.81 m) in hole 65-9
 - 2.29% Cu over 10 feet (3.05 m) in hole 65-11
 - 0.17% Cu over 30 feet (9.14 m) in hole 65-12
- (Walker 1965 and Boniwell 1965).

The Canamiska assessment files include crude sketch drill plans, and the drillhole locations can only be reconstructed with a low degree of accuracy.

1967: Canadian Aero Mineral Surveys Ltd. completed an airborne magnetic survey over a portion of the Property for Consolidated Morrison Exploration Ltd. The same year and same outline of the survey is recorded for GoldRay Mines Ltd (Schuur 1967a, b)

1968: Triller Explorations Ltd. drilled two vertical diamond drill holes totaling 4,577 feet (1,395 m). The intent appears to have been to test deeper portions of the Huronian sediments for uranium mineralization. Exact locations of the drilling cannot be confirmed but it appears to be along the trail to the No. 2 Zone. This may be one of the vertical holes mentioned by Hanna Mining Company in 1969 (Duff 1968 and Wharton 1968).

1968: Seigel Associates Ltd. flew a magnetic, electromagnetic and radiometric airborne survey that covered the claim group as part of a large airborne survey flown for Atlantic Richfield Company (Seigel Associates Ltd 1968).

1968: G. E. Parsons completed a geological mapping over a small portion of the Property. The only evidence of mineralization was a trace of chalcopyrite and copper staining in a siliceous rock outcrop in historic claim 86223 (south of the No. 1 Zone; Parsons 1968).

1969: Atlantic Richfield Canada Ltd. completed an airborne VLF, magnetic and radiometric survey over a portion of the Property (Klein 1968,1969 and Zahn 1969).

1969: Hanna Mining Company drilled one vertical drill hole totaling 3,003 feet (915.3 m) on their (historic) claim 106940. The historic location from their assessment report does not provide an accurate location. Big Red report that a vertical collar was identified on the Property at UTM 349146E, 5158953N; this may represent this drillhole though it is not clear. The highlights of the drill hole was 0.06% U₃O₈ over 3.3 ft (1 m) from 643.3 feet downhole (Hogg 1969 and Parsons 1969).

1974: Fort Norman Exploration Inc. drilled 4 diamond drill holes totaling 632.3 feet (192.7 m). Exact locations are not confirmed but from the claim map appears to have been drilled on the No. 1 Structure. Highlights include **0.93% Cu over 15 feet (4.51 m)** in hole 74-1 and **0.62% Cu over 13.5 feet (4.11 m)** in hole 74-4 (Rupert 1974). Note: These drillhole collars are located within the Little White River Provincial Park. It is not clear whether or not the mineralized intervals likewise lie within the Provincial Park boundaries.

1975: Ram Petroleum Ltd. flew an airborne EM and magnetic survey over a portion of the Property (Stemp 1975).

1986: A. Roy carried out linecutting and a ground VLF-EM-16 survey over apportion of the Property (Roy 1986). Grab samples from the No. 1 Zone “Main Trench” included values of 7.84% Cu. The Authors caution that this mineralization may lie a short distance outside the Property.

1988: United Reef Petroleums Ltd. completed geological mapping and soil and humus geochemical surveys over a portion of the Property. Highlights of the sampling program at the Main Showing (the No. 1 Zone) was a chip channel that returned **5.233% Cu over 23-feet (7.01 m)** that included 13-feet (3.96 m) averaging **8.761% Cu and 0.019 oz/ton Au (0.59 g/t Au)**. The Authors caution that this mineralization may lie up to a few tens of metres outside the Dobie Lake Property but that this must be confirmed.

The soil and humus surveys failed to show any continuity between mineralized outcrops possibly reflecting widely spaced grid lines and sample locations (Anthony & Willoughby 1988). United Reef also performed a ground magnetometer survey completed by MPH Consulting Ltd. totaling 21 km. The magnetic data, when combined with careful topographic notes and previous geological mapping, clearly define the extent of the sedimentary units, interpreted from northeast to southwest as:

- (i) Mississagi Formation feldspathic sandstones of minimal magnetic expression;
- (ii) Bruce Formation polymictic conglomerate (0-6 m wide) which has no magnetic expression; and
- (iii) Espanola Formation limestones, dolomites and siltstones within which the magnetite-rich limestone beds are clearly evident but do not necessarily explain all the magnetic features.

The response patterns of the latter two formations broadly outline the folding about the Little White River Anticline which has an east-northeast orientation. (Bate 1988)

1989: United Reef Petroleum Ltd. completed a ground horizontal loop EM survey over a portion of the Property (Bate 1989).

1994: MR&J Resource Associates performed geological mapping and prospecting for A.J. Roy on what they called the Jentina Mine Property. The worked claims were east and west of the former White River Lead mine patents and have significant overlap with the Dobie Lake Property in both areas. Highlights of the sampling and mapping program include an 8-foot (2.43 m) channel sample that reported **6.78% Cu and 1.90 oz/ton Ag (59.1 g/t Ag)** on the No. 1 Zone structure. Gold values up to 0.03 oz/ton Au (0.933 g/t Au) were also recorded. This may be taken from the trench identified by Parent (2021) in which visible chalcopyrite and malachite mineralization was reportedly seen; if so then this trench straddles the boundary of the Provincial Park and therefore also the Property. The “No. 2 Copper Structure” (No. 2 Zone) returned **1.83% Cu over 4 feet (1.22 m)** from a trench, and a grab sample returned **13% Cu** (Willoughby 1994). Figure 5 shows some of the trenching and sampling in the No. 2 Zone area. These results appear to be within claim 617560. The Willoughby report also contains a detailed compilation of historic work, also covering the Canamiska area.

2007: Carina Energy Inc. completed a heliborne AeroTEM electromagnetic and magnetic survey over the Property (Area 1) as a part of a larger regional survey (Smith 2007). They also completed a high resolution magnetic and radiometric survey (Elliot Lake Project) that covered the Property (MPX Geophysics 2007)

2008: Carina Energy Inc. provides an interpretation of the AeroTEM electromagnetic and magnetic survey in Smith (2007). They concluded that ‘the magnetic patterns over Areas 1 and 2 outline the intrusive Nippising diabase, that may occur as dykes and as more like the classical intrusive bodies. Anomalies I1 and I2 show buried intrusives; the form of I2 is suggestive of a possible kimberlite and should be investigated on the ground. The weak conductor C2 deserves a brief field check’. The aforementioned C2 conductor is not within the Property. Anomaly I1 is not within the Property, however I2 may be partially (Jagodits 2008).

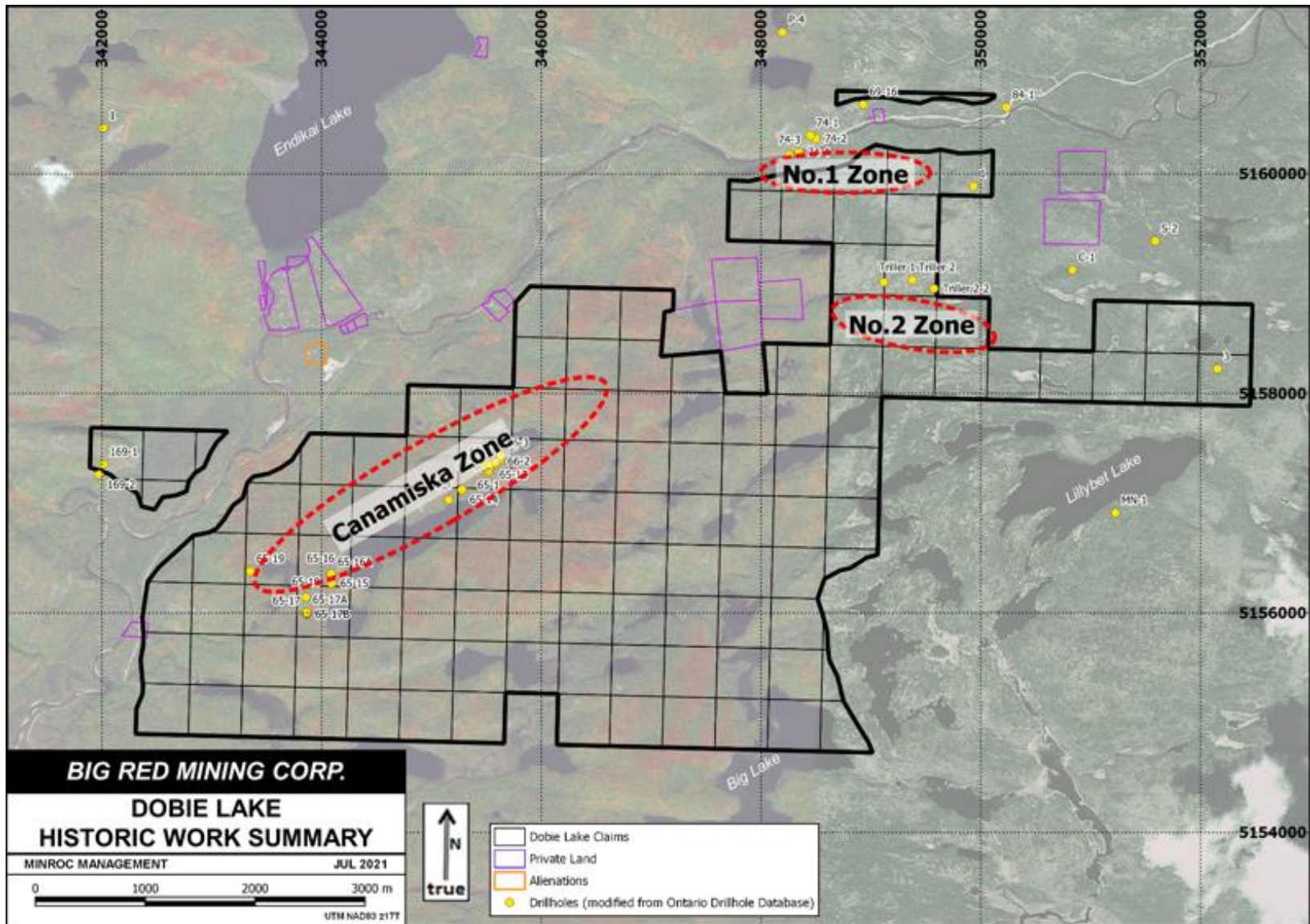


Figure 3 Summary of Historic Work on the Dobie Lake Property. Drillhole locations are modified from Ontario Drillhole Database after an assessment file review.

Table 3 Table of Drillholes on the Dobie Lake Property

Note: Canamiska DDH intervals are from Willoughby (1994). Collar UTM's from ODD; Canamiska UTM's are modified based upon an assessment file map review. All require field verification.

DDH	Company	Year	Dip	Az	Length m	UTM E	UTM N	Reference (AFRI)	Mineralization notes
1	A E Rosen	1955	-45	360	122.56	349936.7	5159888	41J10SW0108	
Triller 1	Triller Expl Ltd	1968	-90	0	470.43	349116.5	5159012	41J10SW0100	
Triller 2	Triller Expl Ltd	1968	-90	0	925	349378.2	5159034	41J10SW0100	
3	A E Rosen	1955	-60	360	146.34	352155.7	5158223	41J10SW0053	
65-1	Canamiska Copper Mines Ltd	1965	-45	360	76.22	345518.1	5157304	41J11SE0003	0.10% Cu over 65ft (18.81m)
65-2	Canamiska Copper Mines Ltd	1965	-45	360	138.41	345518.3	5157282	41J11SE0003	3.6% Cu over 1.5ft (0.46m)
65-3	Canamiska Copper Mines Ltd	1965	-45	360	106.71	345531	5157348	41J11SE0003	
65-4	Canamiska Copper Mines Ltd	1965	-45	360	106.71	345156.4	5157032	41J11SE0003	
65-5	Canamiska Copper Mines Ltd	1965	-45	180	4.57	345512.3	5157317	41J11SE0003	
65-6	Canamiska Copper Mines Ltd	1965	-45	180	27.44	345516	5157340	41J11SE0003	0.53% Cu over 25ft (7.62m)
65-7	Canamiska Copper Mines Ltd	1962	-30	180	28.96	345515.7	5157339	41J11SE0003	1.44% Cu over 19.5ft (5.94m)
65-8	Canamiska Copper Mines Ltd	1965	-45	180	27.44	345500.9	5157340	41J11SE0003	
65-9	Canamiska Copper Mines Ltd	1965	-30	180	24.7	345500.9	5157341	41J11SE0003	0.42% Cu over 12.5ft (3.81m)
65-10	Canamiska Copper Mines Ltd	1965	-45	180	27.74	345486.1	5157340	41J11SE0003	
65-11	Canamiska Copper Mines Ltd	1965	-45	180	29.57	345486.2	5157339	41J11SE0003	2.29% Cu over 10ft (3.05m)
65-12	Canamiska Copper Mines Ltd	1965	-45	180	76.22	345516.2	5157357	41J11SE0003	0.17% Cu over 30ft (9.14m)
65-13	Canamiska Copper Mines Ltd	1966	-45	180	39.33	345584.4	5157369	41J11SE0003	

DDH	Company	Year	Dip	Az	Length m	UTM E	UTM N	Reference (AFRI)	Mineralization notes
65-14	Canamiska Copper Mines Ltd	1966	-45	180	62.2	345615.1	5157384	41J11SE0003	
65-15	Canamiska Copper Mines Ltd	1966	-45	40	92.38	345628.8	5157435	41J11SE0003	
74-1	Fort Norman Expl Inc	1974	-40	320	50.3	348448.9	5160351	41J10SW0090	0.93% Cu over 15ft (4.51m)
74-2	Fort Norman Expl Inc	1974	-90	0	33.9	348499.7	5160322	41J10SW0090	
74-3	Fort Norman Expl Inc	1974	-40	12	56.59	348257.6	5160173	41J10SW0090	
74-4	Fort Norman Expl Inc	1974	-65	5	51.98	348344.4	5160198	41J10SW0090	0.62% Cu over 13.5ft (4.11m)
169-1	Falconbridge Nickel Mines Ltd	1966	-90	0	225.3	342015.6	5157353	41J11SE0009	
169-2	Falconbridge Nickel Mines Ltd	1966	-90	0	473.78	341974.2	5157261	41J11SE0009	
65-13	Canamiska Copper Mines Ltd	1965	-45	180	38.11	345545.8	5157351	41J11SE0003	
65-14	Canamiska Copper Mines Ltd	1965	-45	360	91.46	345276.6	5157123	41J11SE0003	
65-15	Canamiska Copper Mines Ltd	1965	-45	360	121.95	344091.3	5156270	41J11SE0003	
65-16	Canamiska Copper Mines Ltd	1965	-45	360	10.98	344085.6	5156358	41J11SE0003	
65-16A	Canamiska Copper Mines Ltd	1965	-55	360	92.68	344088.2	5156349	41J11SE0003	
65-17	Canamiska Copper Mines Ltd	1965	0	360	12.2	343863	5155997	41J11SE0003	
65-17A	Canamiska Copper Mines Ltd	0	0	360	8.54	343862.3	5156005	41J11SE0003	
65-17B	Canamiska Copper Mines Ltd	1965	-60	360	106.71	343861.4	5155989	41J11SE0003	
65-18	Canamiska Copper Mines Ltd	1965	-60	360	152.44	343856.6	5156144	41J11SE0003	
65-19	Canamiska Copper Mines Ltd	1965	-45	360	142.38	343348.8	5156379	41J11SE0003	
69-16	The Hanna Mining Co	1969	-85	360	915.24	348929.3	5160632	41J10SW0104	

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DDH	Company	Year	Dip	Az	Length m	UTM E	UTM N	Reference (AFRI)	Mineralization notes
Triller 2-2	Atlantic Richfield Co / Triller Explorations	1968	-90	0	1398.5	349574.1	5158955	41J10SW0105	

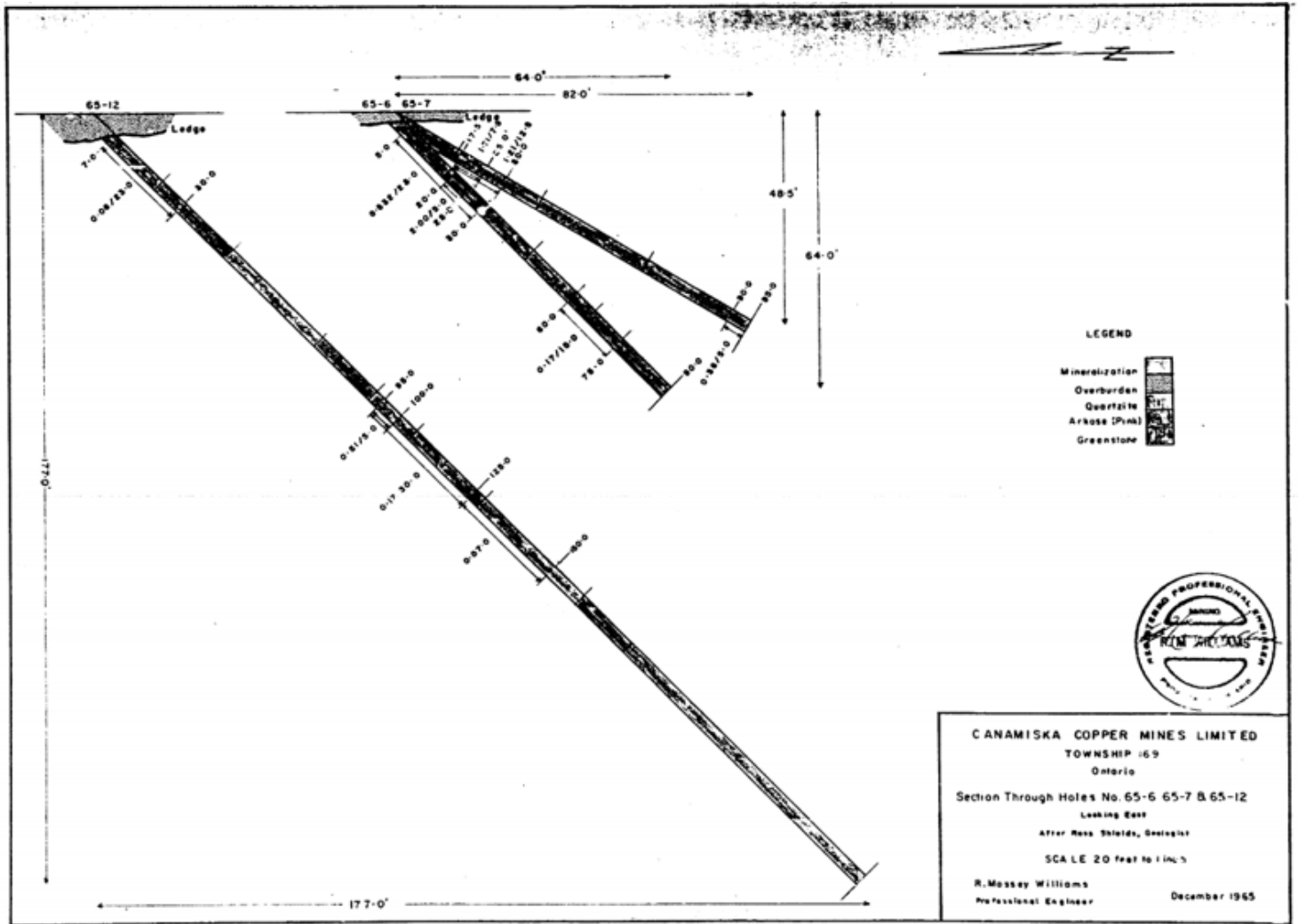


Figure 4 Historic section of DDH 65-6, 65-7 and 65-12 from Canamiska Copper Mines (Boniwell 1965)

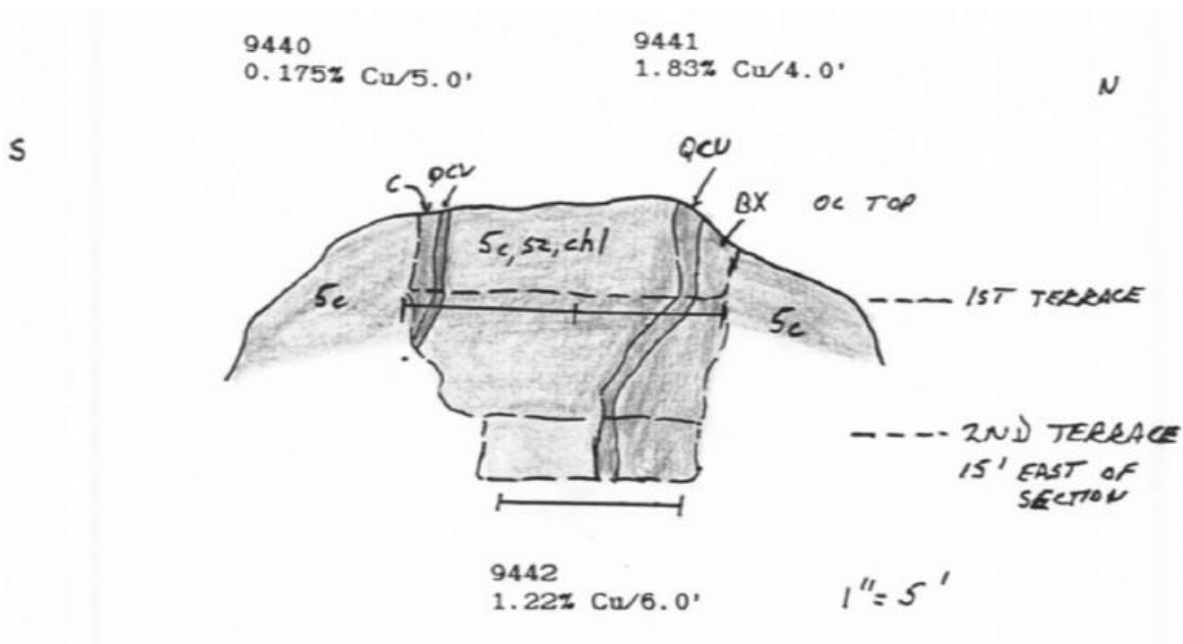


Figure 5 Diagram of trench in the No.2 Zone, from Willoughby (1994)

- (b) if a property was acquired within the three most recently completed financial years of the Issuer or during its current financial year from, or is intended to be acquired by the Issuer from, an insider or promoter of the Issuer or an associate or affiliate of an insider or promoter, the name and address of the vendor, the relationship of the vendor to the Issuer, and the consideration paid or intended to be paid to the vendor; and

The Property was not acquired by the Issuer from, or is intended to be acquired by the Issuer from, an insider or promoter of the Issuer or an associate or affiliate of an insider or promoter.

- (c) to the extent known, the name of every person or company that has received or is expected to receive a greater than five per cent interest in the consideration received or to be received by the vendor referred to in subparagraph (b).

Not applicable.

(4) Geological Setting — The regional, local and property geology.

Regional and Local Geology

The Dobie Lake Property lies within the Southern Province of the Canadian Shield. The Southern Province is comprised chiefly of early Proterozoic clastic sediments of the Huronian Supergroup which is early Proterozoic in age (2.45-2.115 Ga). The Huronian sequence hosts the Nipissing diabase sills which form a substantial intrusive complex

across the region and are dated to 2.115 Ga. The Property is considered to be in the western extension of the Cobalt Embayment.

The Huronian sedimentary rocks lie unconformably atop the older (Archean) Superior Province, and windows of Archean (>2.45 Ga) metasediments, metavolcanics and granitic complexes are present in the region. The early Proterozoic Huronian Supergroup extends in a belt about 325 km long by 60 km wide stretching from Sault Ste. Marie, Ontario to Rouyn-Noranda, Quebec. The Huronian sediments are interpreted to be deposited during a period of marine transgression from south to north in south to southeasterly drainage patterns both in non-marine and paralic environments. Dominant coarse clastic materials for the most part alluvial, compose a complex suite of sedimentary rocks subdivided into four groups totaling 15 km in thickness. The predominant clastic material are the products from gradual uplift of the Archean Superior Province (Abitibi/Wawa subprovince) foreland to the north. The unconformity with the basement rocks is sharply defined in some places and at others is represented by several meters of regolith. The Huronian sequence is up to 6,000 ft (1.8 km) thick in the centre of the basin (Roscoe 1995).

The primary intrusive event affecting the region was the intrusion of the Nipissing diabase sills and dykes in the early Proterozoic. The Nipissing diabase is primarily found as voluminous intrusions in the Huronian sediments, but smaller bodies of diabase are also found in the underlying Archean rocks. Being the most erosion-resistant units in the region, the Nipissing sills have a strong influence on topography and drainage.

The above units were subjected to broadly east-west deformation and greenschist grade metamorphism during the Penokean Orogeny in the mid-Proterozoic (about 1.85-1.75 Ga). Dykes relating to the Sudbury impact event were intruded around 1.2 Ga.

The major structural event that has deformed the Huronian sediments is the Penokean Orogeny, which affected the region between about 1.850 Ga and 1.750 Ga (Van Schmus, 1975b). The deformation caused by the Penokean Orogeny resulted in slight to intense folding and have been affected by numerous reverse and normal faults. Folding in the Huronian terrane is moderate for most part (Frarey, 1977).

The dominant structures in the Bruce Mines-Elliot Lake corridor are: a set of faults belonging to the Flack Lake Fault System; the Little White River Fault; the Quirke Syncline; and the Chiblow anticline (Figures 6, 7, 8). Movement along these faults resulted in the formation of a series of fault bounded rotated blocks (Siemiatkowska, 1978). Huronian rocks in the Bruce Mines-Elliot Lake corridor are also folded and form a shallow westward plunging, gently folded syncline and anticline structures. On the north, the limbs of the Quirke syncline generally dip from 20° to 40° south and, on the south, the limbs dip from 15° to 30° north. The depth to the centre of the syncline from the present surface is estimated to be approximately 1,500m.

The axis of the syncline plunges gently west at approximately 15°. Minor offsets and drag folds are mapped locally (Lang, 1962).

Precambrian (0.542 Ga to <3.85 Ga)	
Mafic Intrusive Rocks	
Sudbury olivine diabase dikes 1.235-1.238 Ga	
Nipissing diabase sills and dikes 2.219 Ga	
Paleoproterozoic (1.6 Ga to 2.5 Ga)	
Huronian Supergroup (2.2 Ga-2.45 Ga)	
Cobalt Group	
Bar River Formation	orthoquartzite
Gordon Lake Formation	sandstone, siltstone, greywacke, cherty siltstone
Lorrain Formation	orthoquartzite, sandstone, conglomerate
Gowganda Formation	conglomerate, sandstone, siltstone
Quirke Lake Group	
Serpent Formation	calcareous sandstone, siltstone, sandstone, conglomerate
Espanola Formation	calcareous sandstone, siltstone, limestone, dolomite
Bruce Formation	conglomerate, sandstone, greywacke
Hough Lake Group	
Mississagi Formation	feldspathic sandstone
Intrusive Contact	
Mafic Dikes	
Matachewan mafic dike swarm	(2.454 Ga)
Intrusive Contact	
Archean (2.5 Ga to <3.85 Ga)	
Felsic Intrusive Rocks	trondhjemite, granodiorite, quartz monzonite, aplite
Intrusive Contact	
Gneissic and Migmatitic Rocks	orthogneiss, migmatite, amphibolite
Intrusive Contact	
Metavolcanics and metasediments	mafic, intermediate and felsic pyroclastic rocks, metasediments

Figure 6 Stratigraphy in the Dobie Lake project area (from Siemiatkowska 1978)

Property Geology

The Dobie Lake Project is covered by Paleoproterozoic sediments of the Huronian Supergroup and a large Nipissing diabase sill. These lie unconformably on top of Archean basement metavolcanic and metasedimentary rocks.

The following is largely taken from Siemiatkowska, K.M. 1978, Ontario Geological Survey Open File Report 178.

Hough Lake Group-Mississagi Formation

The Mississagi Formation unconformably overlies the granitic rocks of the Early Precambrian basement.

The sandstone lies directly on the Precambrian basement forming a narrow east-trending wedge. The lithology of the sandstone reflects the lithology of the underlying granitic rocks. The basal Mississagi sandstone is poorly sorted, contains angular clasts of pink feldspar, granite, and white quartz averaging 7.5 cm in diameter set in a green sericite-rich matrix. The overlying sandstone is finer grained and is pinkish green. Bedding ranging from 0.6 to 1.2 m (2 to 4 feet), is laminated with laminae 2 to 5 cm (0.8 inch to 2 inches) thick and contains greenish fine sandy siltstone interbeds approximately 30 cm (1 foot) thick. Away from the unconformity, the sandstone becomes coarser grained with less pronounced laminations. Minor pyrite occurs throughout the whole sequence.

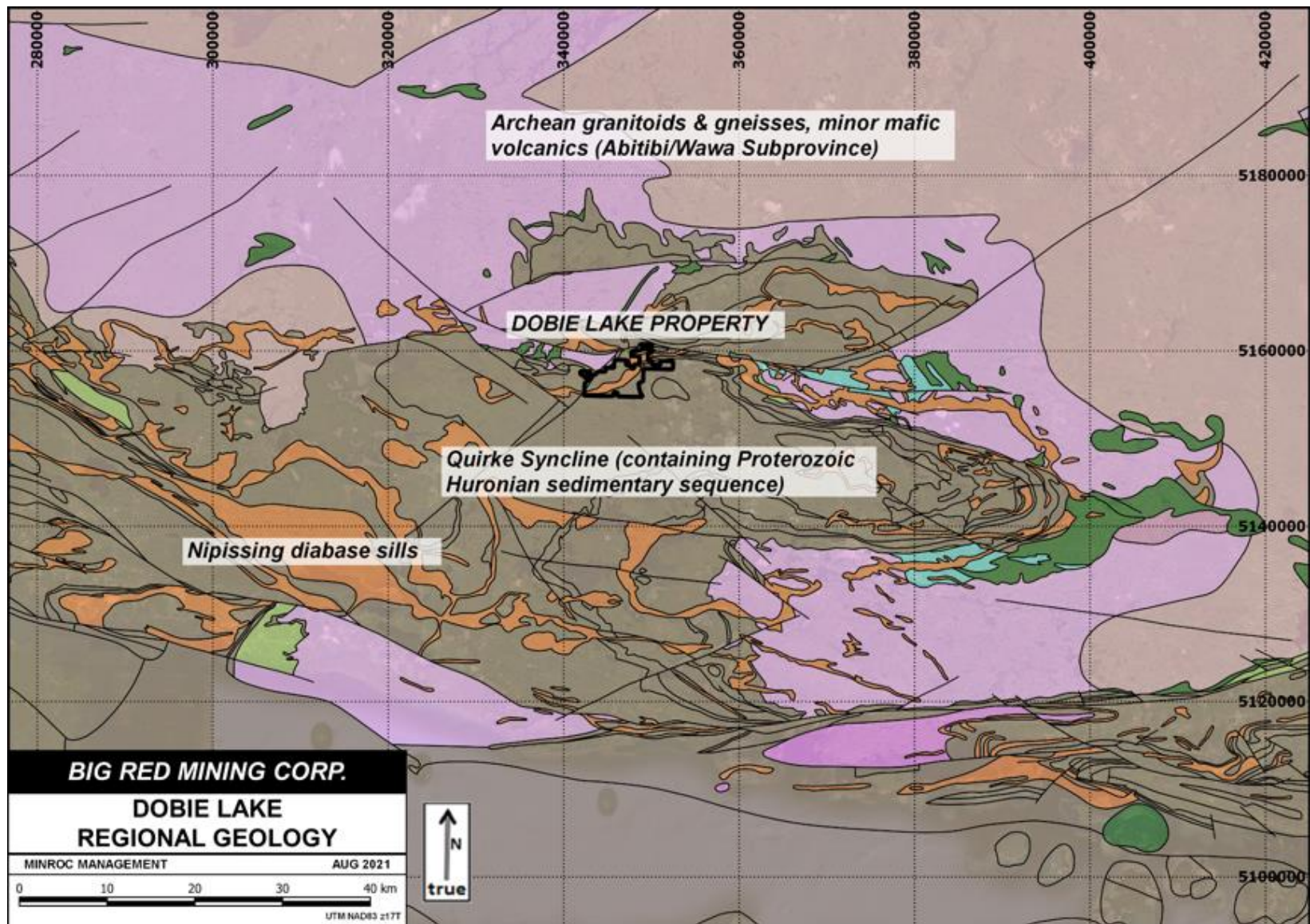


Figure 7 Regional Geology of the Huron North Shore

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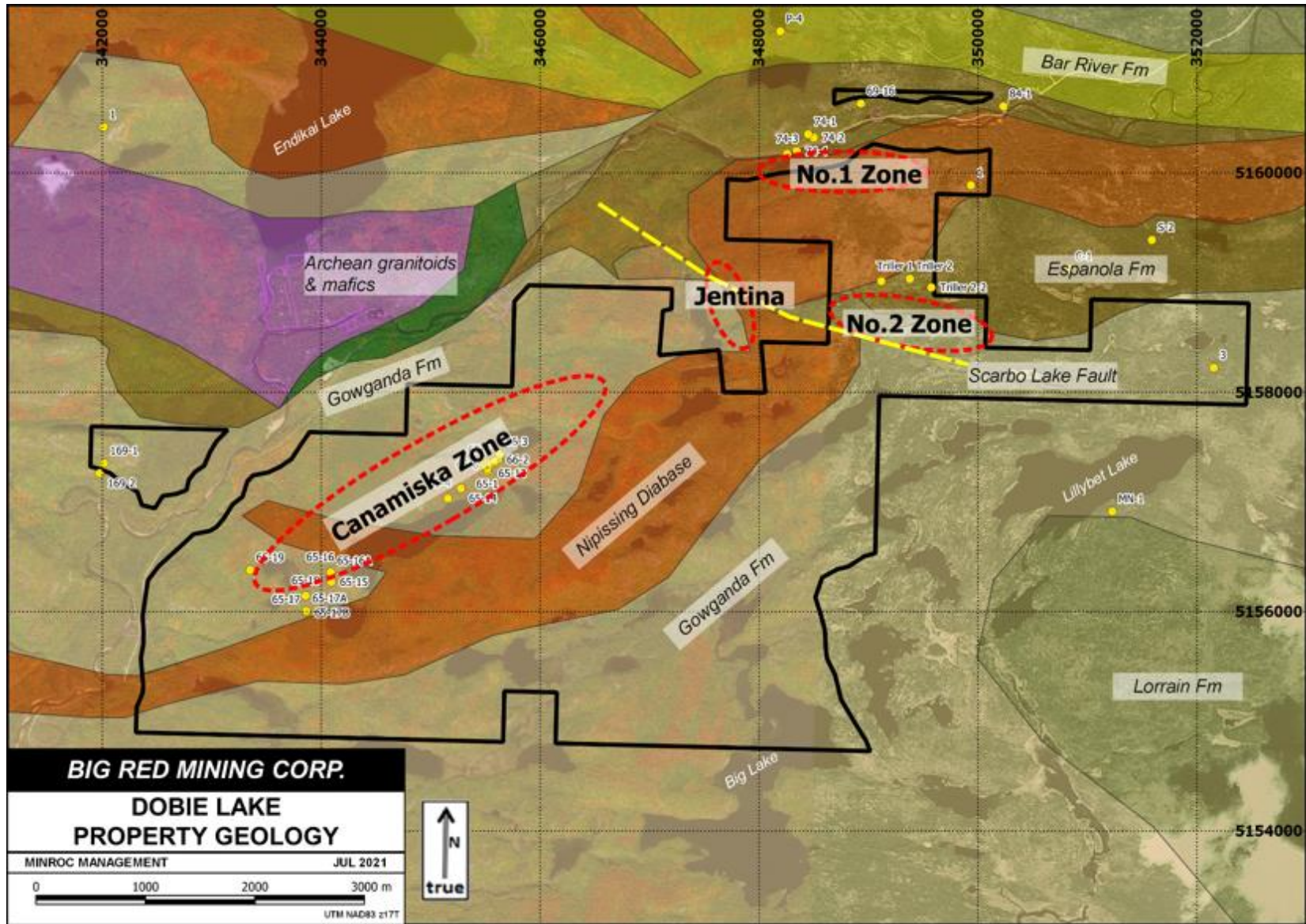


Figure 8 Property Geology. Using data from Siemiatkowska (1978), Robertson (1969). DDH from the Ontario Drillhole Database

Quirke Lake Group- Bruce Formation

The Bruce Formation, considered by Young and Chandler (1968) to be of possible glacial origin, is a massive, polymictic, matrix-supported conglomerate consisting of scattered coarse clasts of igneous rock in a muddy feldspathic sandstone matrix. On a regional scale, local interbeds of sandstone and siltstone, ripples, and crossbedding are the only structures found.

At the contact with the Mississagi Formation, the Bruce Formation consists of interbedded sandstone and conglomerate which is 1.5 m thickness. The Bruce Formation varies from 0 to 6 m in thickness in the Little White River Anticline. In places where the Mississagi Formation does not occur, the Bruce Formation is difficult to distinguish from the Gowganda Formation. The predominant rock type is a polymictic, matrix- to clast-supported conglomerate containing 10 to 25 percent predominantly white plutonic clasts in a pyrite-bearing greywacke to mudstone matrix. The clasts, ranging in size from 1 mm to 46 cm (18 inches), are angular to subrounded, and consist of 85 percent white granite, and 15 percent of the following: smokey quartz, metavolcanics, metasandstone, metasiltstone, chert, and occasional pink granitic rock.

Quirke Lake Group- Espanola Formation

The Espanola Formation consists of calcareous siltstone and sandstone, limestone, and dolomite. It is the only formation in the area that has a limestone member, and therefore is very useful as a marker horizon. Ripples, desiccation cracks, flame structures, ball and pillow structures, intraformational breccias, slump balls, and clastic dikes have been interpreted as indicative of deposition in an unstable, shallow water, possibly tidal mud flat environment (Card et al. 1972).

In the Property, three stratigraphic units have been observed in the Espanola Formation. From the base these units are: 1) laminated to massive limestone and dolomite; 2) laminated to massive siltstone; and 3) calcareous sandstone with siltstone interbeds.

Quirke Lake Group- Serpent Formation

The Serpent Formation, a uniform wedge of course, immature, feldspathic sandstone, is characterized by abundant crossbedding and parallel laminations. Like the Mississagi Formation, a fluvial or fluvial-deltaic depositional environment has been proposed by many workers (Card et al. 1972). An erosional disconformity has been proposed to exist at the base of this formation, because the Serpent Formation is missing in many areas (Frarey, 1977) and the Lower Gowganda Formation rests directly on the Espanola Formation.

East of Scarbo Lake on the Property, the Serpent Formation consists of a pink, medium grained feldspathic sandstone with rusty brown pyrite-bearing spots and is interbedded with fine-grained grey coloured dirty sandstone with parallel laminations. Minor siltstone interbeds are present. West of Scarbo Lake on the Property, the Serpent Formation consists of fine-grained laminated grey sandstone with sparse white, well rounded and sorted granitic clasts ranging in size from 5 cm to 15 cm across. The pebble bands are 15 cm thick and occur at base the of the lower beds.

Cobalt Group-Gowganda Formation

The Gowganda Formation is the basal formation of the Cobalt Group, the thickest and most widespread of the Huronian groups. The Gowganda Formation, 200 to 2,700 m thick, is a heterogeneous assemblage of paraconglomerate, orthoconglomerate, greywacke, feldspathic sandstone, and laminated argillite exposed from Sault Ste. Marie to the Cobalt-Gowganda area (Card et al. 1972).

The base of the Gowganda Formation consists of massive clast-supported to matrix-supported polymictic conglomerate in a predominantly sandy matrix. The conglomerate consists of 50 to 70 percent clasts with about 70 percent of the total clast content consisting of pink to red, and in some areas, white granitic rocks; 10 percent quartz; and up to 20 percent metavolcanic, metasedimentary, and gneissic rocks; sandstone; and argillite. The clasts range in size from pebble to boulder, 1 to 26 cm (0.4 to 10 inches). The conglomeratic lenses the clasts on the average are fairly well sorted with the degree of roundness ranging from rounded to angular. The matrix in these lenses is predominantly arkosic, and well sorted. In the thicker conglomeratic units, the matrix is poorly sorted with angular grains and clasts reflecting the same features as in the thinner conglomeratic lenses. Scour and fill channels are abundant. The non-conglomeratic rocks of the Lower Gowganda Formation consist of sandstone, siltstone, and mudstone, and occur predominantly as interbeds in the conglomeratic rocks.

Nipissing Diabase

One of the more prominent and widespread rock types on the Property are the Nipissing diabase intrusions. Their abundance is strongly emphasized in topography because they are relatively erosion-resistant, occupying large outcrop areas and forming prominent ridges, scarps, and hills. In addition to the large intrusions appearing on the various geological maps, many more small occurrences exist. Such small intrusions are particularly numerous in the Archean terranes. This abundance is probably due, as to the relative competency and resulting widespread fracturing of the basement rocks during tectonism. On the other hand, large diabase masses are relatively scarce in the Archean rocks as compared to the Huronian rocks. This suggests that such large masses and their feeders may have been emplaced in the basement rocks farther south beneath thicker Huronian cover, or, more likely, that during the emplacement process the bulk of the mafic magma passed through the granitic basement via narrow conduits. On entering the Huronian column, the magma was able to pervade the section laterally along flat or gently inclined bedding planes and fractures (Frarey, 1977).

Property Structural Elements

The dominant fault structure on the Property is the east-west Flack Lake Fault System. The faults delineate a prominent east- and northwest-trending fracture pattern accentuated by diabase dikes and quartz stringers. The foliation and shearing foliation in the Huronian rocks shows the same predominant easterly trend. Movement along these faults, as well as numerous faults, resulted in the formation of a series of fault bounded rotated blocks.

The Flack Lake Fault, the most important fault in the region, was described by Robertson (1963) as a system of faults, rather than a single fault forming an east-trending curvilinear structure extending for approximately 154 km. In the Property, the Flack Lake Fault

consists of a curvilinear structure. Movement along the fault has produced considerable shearing and deformation in the rocks. Carbonate and hematite-bearing quartz veins are associated with this shearing.

Two prominent folds on the Property are Quirke Syncline and the Little White River Anticline. The Quirke Syncline is a major regional structure in the Sault Ste. Marie-Elliot Lake region. It is a variably plunging fold with the north limb dipping approximately 40° to 45° south and a south limb dipping about 100 north (Robertson, 1963). The westward extension of the trace of the fold axis cannot be accurately defined because of the lack of exposure, shearing, and lack of a distinctive marker unit in the Gowganda Formation. The Wakomata Lake Syncline may be the continuation of the Quirke Syncline. The Little White River Anticline has an inverted canoe shape, and its axial trace has been buckled in a north-south direction. The deformation associated with the formation of this anticline is well preserved in the limestone member of the Espanola Formation which shows numerous drag folds, stretching, and boudinaging of the more competent layers (Siemiakowska, 1978).

- (5) Exploration Information — The nature and extent of all exploration work conducted by, or on behalf of, the Issuer on the property, including:
- (a) the results of all surveys and investigations and the procedures and parameters relating to surveys and investigations;
 - (b) an interpretation of the exploration information;
 - (c) whether the surveys and investigations have been carried out by the Issuer or a contractor and if by a contractor, identifying the contractor; and
 - (d) a discussion of the reliability or uncertainty of the data obtained in the program.

VLF Survey

In June and July 2021, a series of ground VLF surveys were completed on the Dobie Lake Property on behalf of Big Red by Superior Exploration, Adventure & Climbing Co. Ltd. (Superior Exploration) of Batchewana Bay, Ontario. A total of 13.82 line km were surveyed on the Property in five separate areas, covering parts of the No. 1, No. 2 and Canamiska zones, using a VLF EM-16 unit and a Garmin GPS-60CSX (Parent 2021). Survey lines are oriented broadly north-south and were walked without the aid of a field grid. Two VLF naval transmitters were utilized: Cutler, Maine and Jim Creek, Washington (callsigns NAA and NLK respectively). The surveys were completed between the 10th June and 30th July, 2021 by Shaun Parent, P. Geo and Sandra Slater, both of Superior Exploration.

For each survey grid or line, Parent (2021) provides in-phase and quadrature response as well as resistivity contour plots (calculated using 2k Ω and 4k Ω mean resistances) and 2-D inversion sections for both the NAA and NLK VLF signals.

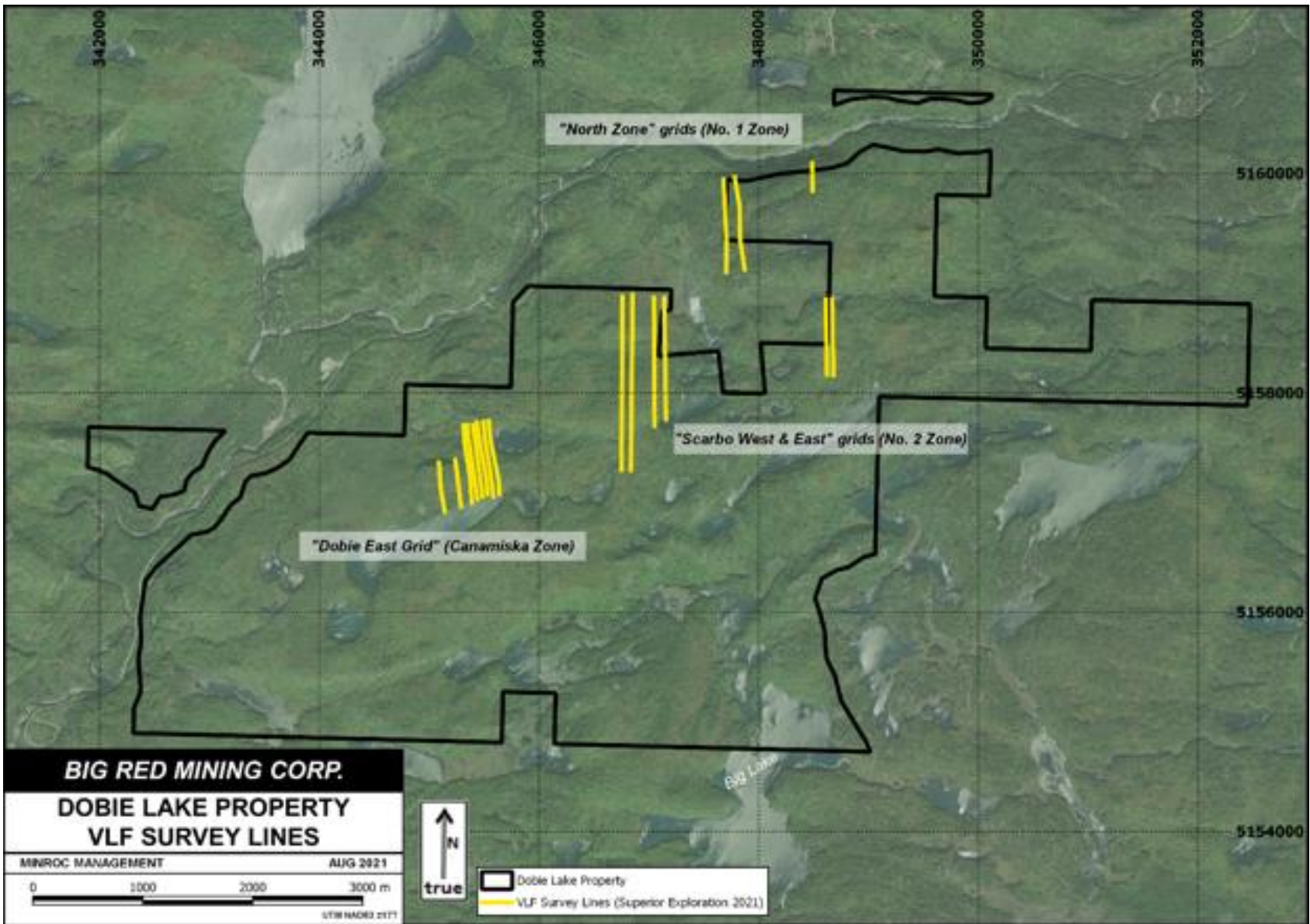


Figure 10 VLF Survey details

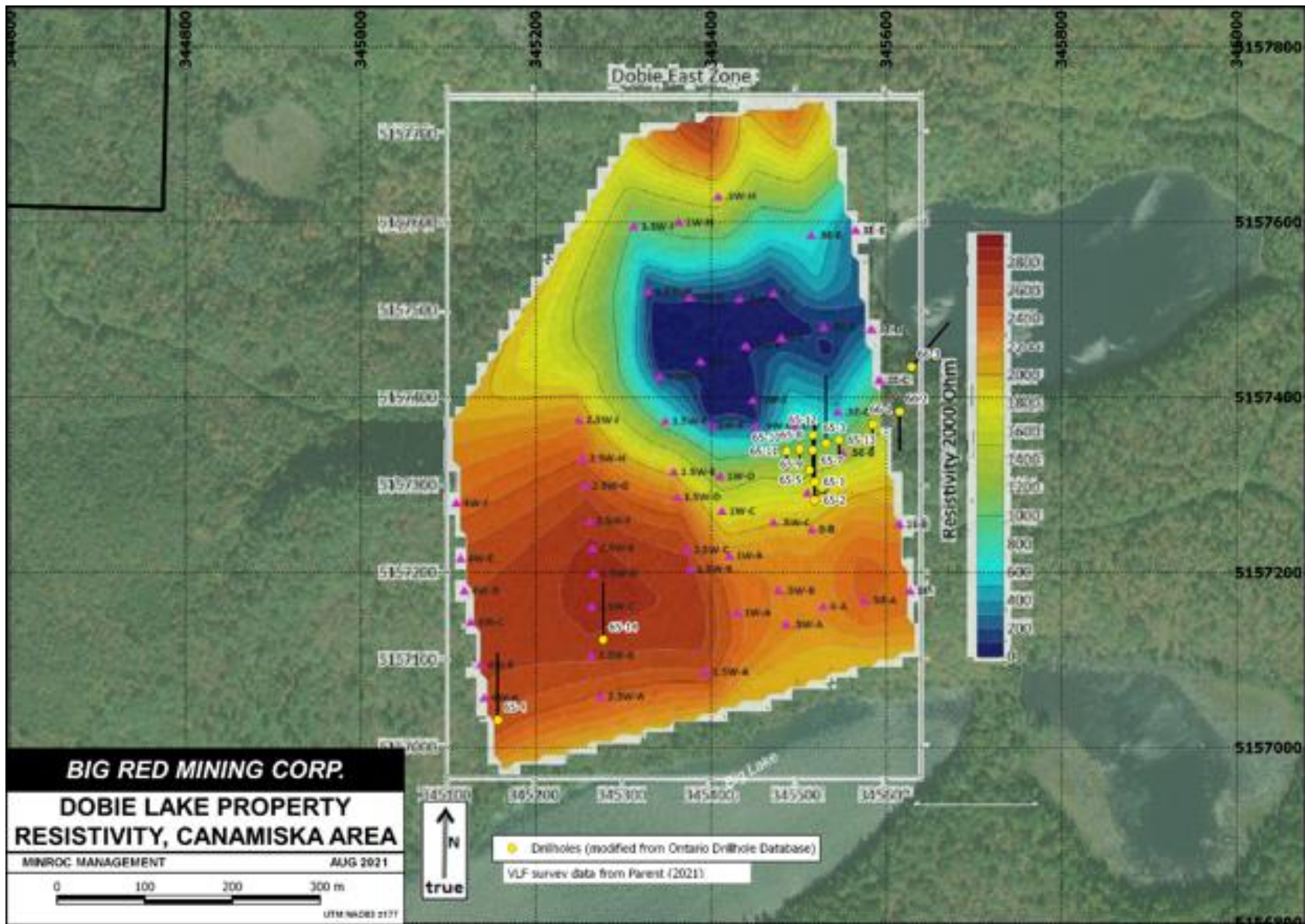


Figure 11 Resistivity heat map; Canamiska (Dobie East) survey grid

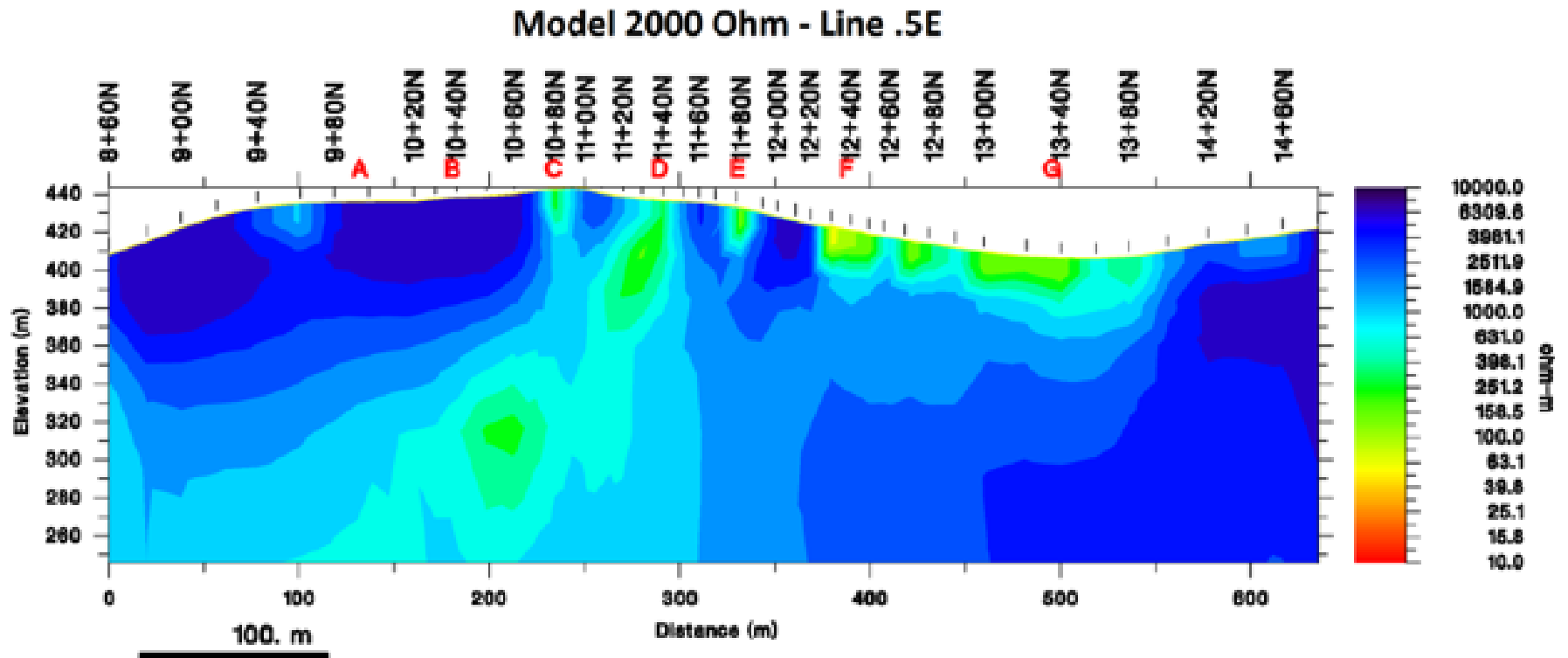


Figure 12 VLF resistivity inverted pseudosection, Canamiska section line 0.5E. From Parent (2021), showing south-dipping conductor beneath the Canamiska area.

Results and Interpretation

The five survey areas are disparate and cover only small target areas on the Property. Regardless, a number of anomalies can be interpreted. The data from the Canamiska grid (referred to by Parent as the Dobie East grid, referring to its position on Dobie Lake itself) shows linear in-phase and quadrature responses which appear to correspond to the historically explored area of veining; these fall within a broader zone of higher conductivity (see Figure 11). These structures appear to dip variously steeply northward (in the west of the grid) and southward (in the east of the grid; see Figure 12) according to the 2-D inversions and strike off of the east edge of the survey area, providing an obvious vector for follow-up work.

The remaining four exploration areas capture inferred strike extensions of the No. 1 and No. 2 Zones (though the single North Zone East survey line runs across a historic trench on the No. 1 Zone); all partly run beyond the Property. The “Scarbo West” lines (covering the west extension of the No. 1 Zone and/or Jentina zone) show a broad conductive zone at the north end of the survey lines.

- (6) Mineralization — The mineralization encountered on the property, the surrounding rock types and relevant geological controls, detailing length, width, depth and continuity together with a description of the type, character and distribution of the mineralization.

Mineralization

Mineralization on the Property consists of copper bearing quartz veins and stockwork within the Huronian sediments. These systems generally strike east-west to northeast and have been traced for over 1 km long. Copper mineralization is accompanied by silver and gold albeit at lower tenors than copper. The vein systems are usually highlighted by a quartz-carbonate brecciated vein <1-3 m in width with blebby to coarse to locally semi-massive chalcopyrite dominant mineralization within a halo of quartz stockwork/stringer disseminated chalcopyrite mineralization that can attain widths of up to 10 m. Bornite, chalcocite and malachite are also subordinate copper minerals noted. Hematization of the country rock within the vein systems is common.

Two copper mineralized systems are present on the Property, namely the No. 2 Zone and the Canamiska Zone (see Figures 3-5, 8). A third, the No. 1 Zone, may lie partly within the Property, though this must be confirmed by future work. A fourth, the Jentina (White River Lead) polymetallic veins, is also discussed here on account of its proximity (a few hundred metres from the boundary).

According to the historic assessment work, the No. 1 Zone appears to carry appreciable gold and silver mineralization alongside copper, while there are fewer mentions of other mineralization besides copper at the No. 2 and Canamiska Zones.

Given the early stage of exploration on the Property, the widths, tenors and vertical and horizontal extents of mineralization are not accurately known and remain to be determined by future exploration programs.

7.2.1 Canamiska Zone

The following is taken from the Barringer Research Ltd. trenching efforts in 1965 for Canamiska Copper Mines (Walker 1965):

“The principal geological feature mapped in the trench is a mineralized fault zone extending 4 to 26 feet from the northern end of the trench. Within this zone the rocks comprise steeply dipping, ferruginous, cherty quartzites which have been sheared and brecciated in places. The faulting is almost vertical and strikes east-west. The unmineralized country rock, a grey feldspathic quartzite, was exposed on either side of the faulted zone. The dip is very shallow varying between 8° N and 10° S. The mineralization occurs within the sheared and fractured zone and consists of veins up to 1/2 inch wide, and blebs of sulphide. The main sulphides observed comprise pyrite, chalcopyrite, chalcocite and a little bornite. Malachite staining is abundant along fractures and shear planes.”

A review of the 1965 drilling efforts by Canamiska Copper Mines (see Boniwell 1965 and others) by the Authors reveal a wide zone of disseminated copper mineralization centered on higher grade veins. The diamond drill logs do an adequate job of describing rock types, but lack in detail describing the nature of the mineralization. Willoughby (1994) reports the best intersection from the drilling program of 1.44% over 19.5 feet (5.94 m), but this cannot be confirmed from the drill logs. Diamond drill cross sections (e.g. in Figure 4) reveal high grade intersections (3.6% over 0.46 m in hole 66-2) surrounded by wide downhole intervals commonly 200-1000 ppm Cu over intervals of 1 to 20 m wide. Schlanka (1969) reports that the Canamiska drill programs traced the mineralized zone over about 2000 ft (610 m) strike. Selected DDH intervals presented in the Canamiska assessment files are presented in Table 3.

7.2.2 No. 2 Zone

According to Willoughby (1994), “The No. 2 Copper Structure consists of mainly quartz-carbonate veining hosted by sheared and chloritized Espanola Formation siltstone and Gowganda Formation conglomerate. To date, the zone measures 4,400 feet long (east-west). Due to poor exposure, the width is not well defined. The host structure is on a line with the former White River Lead Mine (Cu-Pb-Ag-Au-Zn-Co) 3,000 feet to the west. To the east, the zone was not prospected beyond a 250-foot long area of trenching, and is considered open in that direction. The Southeast Trench gave 1.83% copper over a 4-foot channel of chalcopyrite-rich quartz veining. A grab of semi-massive chalcopyrite from a pit 250 feet to the west assayed 13% copper”.

7.3.3 No. 1 Zone

Based on a Minroc review, the mineralization at the No. 1 Zone, as historically sampled on surface and in drilling, may lie partly or entirely within the Little White River Provincial Park. This must be confirmed in the field by Big Red. Regardless, it is possible that strike extensions of this vein/breccia system may continue onto the Property. The following is largely taken from Willoughby (1994):

“The No. 1 Copper-Precious Metal Structure is delineated over a strike length of 3,500 feet and is hosted mainly by Espanola Formation limestone. Width varies from 60 feet on the west to 150 feet on the east. The showing consists of a chalcopyrite-bearing quartz-chlorite

+/- albite breccia hosted by a chloritic shear. Extensive albite-silica alteration is associated and later subparallel and cross-cutting quartz-carbonate veins are also mineralized. Massive sulphide horizons In the No. 1 structure occur In Pit 1 at the Main Showing in the east. An 8-foot channel sample containing some massive sulphide assayed 6.782 copper and 1.90 oz silver per ton. Gold values of up to 0.03 oz per ton were returned from some samples. At the east end, channels from Trench 1 returned up to 0.63% copper over 4 feet and 0.445% copper over 10 feet. Grab samples of mineralized rock returned up to 1.25% copper and 0.029 oz gold per ton. A 5-foot channel from Trench 2, 300 feet east of Trench 1, ran 1.88% copper.”

Grab samples taken by Willoughby (1994) also returned elevated zinc values near the No. 1 Zone including a value of 0.402% Zn (sample 3968); this is on the Property within claim 617565.

7.3.4 Jentina

While outside the Property, the Jentina mineralized zone is of relevance since similar mineralization may exist on the Property. The Jentina zone consists of a vein of up to 6 foot width, controlled by the Scarbo Lake Fault within, or adjacent to the north-south contact between a Nipissing dyke and the Huronian country rocks (Wilson 2013a). This vein hosts polymetallic massive sulphide mineralization consisting of pyrrhotite, chalcopyrite and galena, as well as sphalerite and arsenopyrite (Willoughby 1994). According to Schlanka (1969), historic underground work exposed a shoot 80ft x 7ft grading 7.6% Pb, 1% Cu and 2.3 oz/ton Ag.

Deposit Types

Vein Copper

The mineralization at the Dobie Lake Property is of a distinctive vein type common to the North Shore of Lake Huron in the region from Sault Ste. Marie to Espanola.

The North Shore vein copper occurrences consist of quartz or quartz-carbonate vein sheets or anastomosed or breccia-weld vein systems and are mineralized with pyrite, chalcopyrite, specularite and, occasionally, bornite, galena and sphalerite. Uranium and cobalt minerals are also, rarely, reported (Frarey 1977). Carbonate is generally calcite but can include ankerite and siderite. Quartz can be vuggy and is generally white but can be stained pink from minor hematite content. Veins have sharp contacts, a steep dip and, usually, a west-northwest strike. Veins often form loose swarms of parallel veins separated by tens of metres. Individual veins can be traced for several hundred metres, while packages of veins can be traced for several kilometres. The sulphide mineralization is disseminated irregularly throughout the vein material and are only very rarely emplaced within wallrocks. Assays from many of the occurrences in the region show that appreciable silver can be contained in the sulphides alongside copper, as well as modest gold values.

North Shore type veins are almost exclusively found within Huronian sediments but are known to occur within Nipissing diabase (Frarey 1977). However, when hosted by sediments, they are always “spatially related” to Nipissing intrusives. A genetic relation to the intrusives (and therefore to the Co-Ag deposits associated with them in the Cobalt and New Liskeard areas of Ontario) is suspected by many authors, but models of formation for

vein type copper mineralization are relatively understudied. Kirkham and Sinclair (1976) suggest that the veins are genetically related to voluminous mafic intrusives and, like the intrusives, are emplaced in the same extensional tectonic regimen. Copper is suspected to have been leached from country rocks by hydrothermal fluids circulating in the crust, which is then deposited in brittle-deformed crust at cooler, higher levels. Others, including Willoughby (1994) consider them to post-date the Nipissing intrusives and attribute them to faulting during the Penokean Orogeny (~1.85 Ga).

The earliest, and most extensive, production from a North Shore vein copper deposit was at Bruce Mines, from which copper and minor gold was produced from the 1840s to 1920s. Other vein systems saw some modest production from the 1920s to 1960s, including Bar-Fin, Hermina, Crownbridge and Copper Prince.

Similar deposit types in Canada include the Opemiska diabase-hosted vein Cu-Au deposits near Chapais, Quebec, and the Churchill Copper deposit in British Columbia. Grouped together, these vein-hosted deposits can be referred to as “Churchill-type” (see Figure 9, Table 4). In general, where proven economic, this vein hosted deposit type has a relatively small tonnage and a grade between 1% and 3.5% Cu.

The Jentina polymetallic vein-hosted mineralization, on patented ground adjacent to the Dobie Lake Property, is generally considered a sister deposit style to the vein copper deposits of the region (Willoughby 1994).

Table 4 Vein Style Copper Deposits in Canada (Kirkham & Sinclair 1996)

Deposit	Production/ Resources (Mt)	Grade
Churchill Copper, BC	0.6	2.9% Cu
Davis-Keays, BC	1.9	3.65% Cu
Bull River, BC	0.5	1.5% Cu, 13.5 g/t Ag, 0.27 g/t Au
Copper Lamb, NT	0.05	"high grade bornite ore"
Deposit	Production/ Resources (Mt)	Grade
Susu Lake, NT	0.13	0.95% Cu
Bruce Mines, ON	0.4	3% Cu
Crownbridge, ON	0.4	2% Cu
Bilton, ON	0.5	1.7% Cu
Goulais River, ON	0.2	2.35% Cu, 0.26 g/t Ag
Ethel Copper, ON	0.077	1.2% Cu, 10 g/t Ag, 0.3 g/t Au
Icon-Sullivan, QC	1.4	2.9% Cu

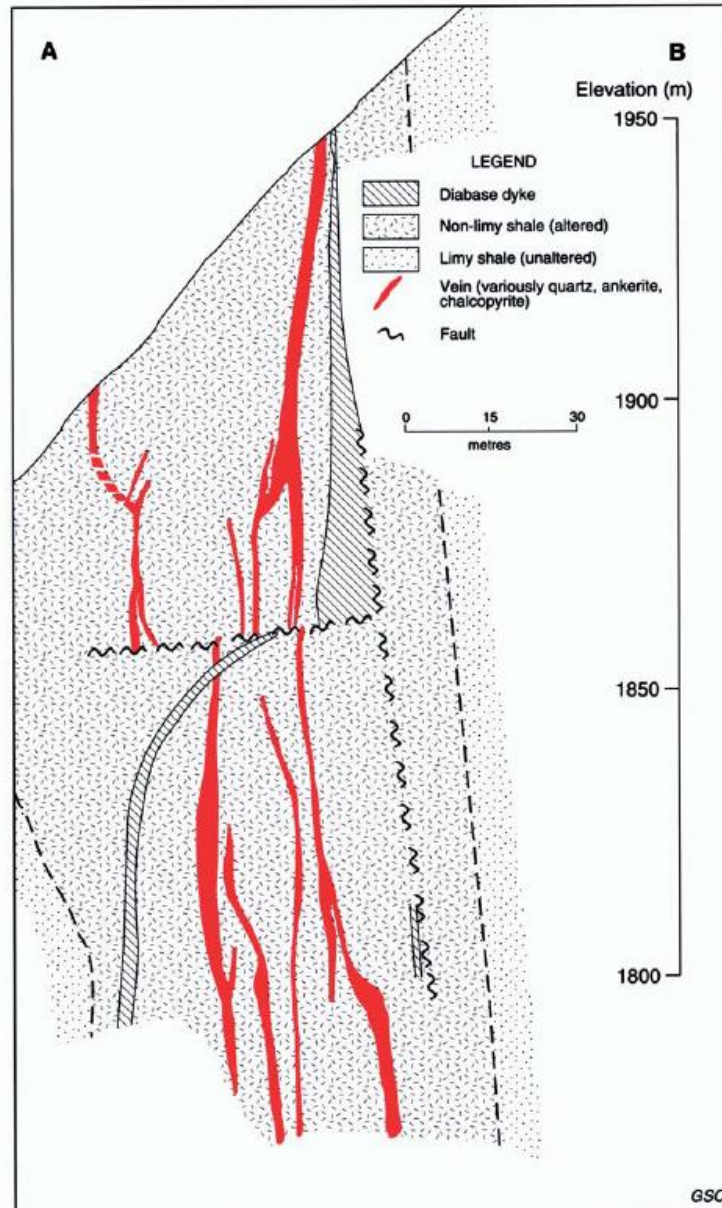


Figure 9 Vertical section of the Churchill Copper-bearing vein system, British Columbia (Kirkham & Sinclair 1996)

Paleo-placer uranium and gold

Pyritic quartz pebble conglomerate horizons within the Huronian sediments (mostly the Matinenda Formation near the base of the Huronian sequence) have historically been economic sources of uranium in the Elliot Lake area. These deposits trace their origin to early Proterozoic erosion of the Superior Province, and the deposition of uraninite in river deltas following its weathering out of primary uranium sources in Archean granitoids. The Huronian sequence in the Dobie Lake Property area has been explored for uranium in the past and it is possible that uranium mineralization may exist within lower Huronian horizons at depth on the Property.

Paleo-placer gold occurrences are also known within the Huronian sequence, for example at the Pardo project northeast of Sudbury, where gold is found in pyritic pebble and cobble conglomerates proximal to the Archean paleosurface. There may be some potential for paleo-placer gold mineralization at Dobie Lake, particularly at depth close to the base of the Huronian sequence.

- (7) Drilling — The type and extent of drilling including the procedures followed and an interpretation of all results.

No recent drilling has taken place on the Dobie Lake Property. Historic drilling is discussed under “*History – Discussion of Work*” above.

- (8) Sampling and Analysis — The sampling and assaying including:
- (a) a description of sampling methods and the location, number, type, nature, spacing and density of samples collected;
 - (b) identification of any drilling, sampling or recovery factors that could materially impact the accuracy or reliability of the results;
 - (c) a discussion of sample quality and whether the samples are representative of any factors that may have resulted in sample biases;
 - (d) rock types, geological controls, widths of mineralized zones, cut-off grades and other parameters used to establish the sampling interval; and
 - (e) quality control measures and data verification procedures.

Sampling Preparation, Analyses And Security

Minroc Site Visit Samples

This section discusses the samples taken in the Minroc site visit discussed in detail under “*Data Verification – Site Visit*” below.

Two grab samples were taken during the visit on August 1st, 2021. Brian Newton, P. Geo. (PGO) performed the sampling. The Minroc samples were taken in the field using hand tools and sealed inside plastic bags alongside a unique identifying tag and recorded in field notes alongside UTM coordinates taken with a handheld GPS, according to standard best field practices. The samples were stored securely before being delivered by Minroc personnel to ALS Laboratories (ALS) in Sudbury, Ontario on the 9th August, 2021 for sample preparation. Sample analysis was then completed by ALS Minerals in their North Vancouver geochemical laboratory in British Columbia.

At ALS, the samples were crushed to 70% passing a 2 mm mesh and riffle-split, after which one split is pulverized to 85% passing a 75 µm mesh. The unpulverized split (the reject) were retained while the pulverized split (the pulp) were assayed by “ME-MS41” aqua regia digestion with ICP-MS analysis for a suite of 51 elements as well as “Au-AA23” gold fire assay on a 30 g sub-sample. Copper overlimits (>10,000 ppm) were retested following “OG46” ICP-AES after aqua regia digestion.

ALS ran a QA/QC regime internally alongside the sample assays, including two Standards (MRGeo8 and OREAS 905) and one Blank. Duplicates of the Cu overlimit value (249577) were also taken, returning 2.39 and 2.40%, indicating a satisfactory level of reproducibility. A variety of standards were also tested against the Cu-OG46 and Au-AA23 methods. All results were reviewed against the published values by Minroc and are considered satisfactory by the Authors.

ALS facilities conform to the requirements of the ISO/IEC 17025 Standard (General requirements for the competence of testing and calibration laboratories), and regularly take part in proficiency testing. Further, ALS facilities conform to CAN-P-1579 (Mineral Analysis/Geological Tests) as set out by the Standards Council of Canada. ALS is independent of Big Red, Minroc and all other interested parties.

General Comments

The Authors are of the opinion that, while there are doubts regarding the historic sampling procedures and assay data integrity and completeness, it is beyond doubt that copper mineralization is present within several vein systems on the Property. There is some uncertainty regarding the exact location of the No. 1 Zone mineralization with respect to the Provincial Park boundary; the Authors recommend clarifying this at an early stage. The Authors consider that the available historic dataset is sufficient for planning future early stage exploration programs.

Data Verification

Site Visit

The Property was visited by Brian H Newton, P. Geo of Minroc and Shaun Parent, P. Geo, of Superior Exploration on August 1st, 2021. The Property was accessed via an ATV trail which leaves Highway 546. The main quartz vein at the No. 2 occurrence was reviewed. The Author observed that this vein can be traced over about 1,500 m of strike on surface, from the boundary with the Jentina Patents eastward. The main vein is hosted by Huronian sandstones and pinches and swells with a thickness varying from a few centimetres to two metres. Chalcopyrite and malachite disseminations and clots were observed both within the vein quartz and along the vein contacts. No mineralization was observed in the wall rocks. Two grab samples were taken of mineralized vein material (see Table 5, Figure 13).

The Minroc samples confirmed the presence of copper mineralization. Silver and gold values are also presented in Table 5; the values of these precious metals were not notably elevated.

The No. 1 vein area and the Canamiska occurrence were not visited.

Table 5 Samples from Minroc Site Visit

Sample	UTM E	UTM N	Notes	Cu ppm	Cu %	Ag ppm	Au ppm
249576	348619	5158585	From “Vein A” location	8890		0.02	0.009
249577	348642	5158587	From “Vein C” location	>10000	2.39	0.03	0.005

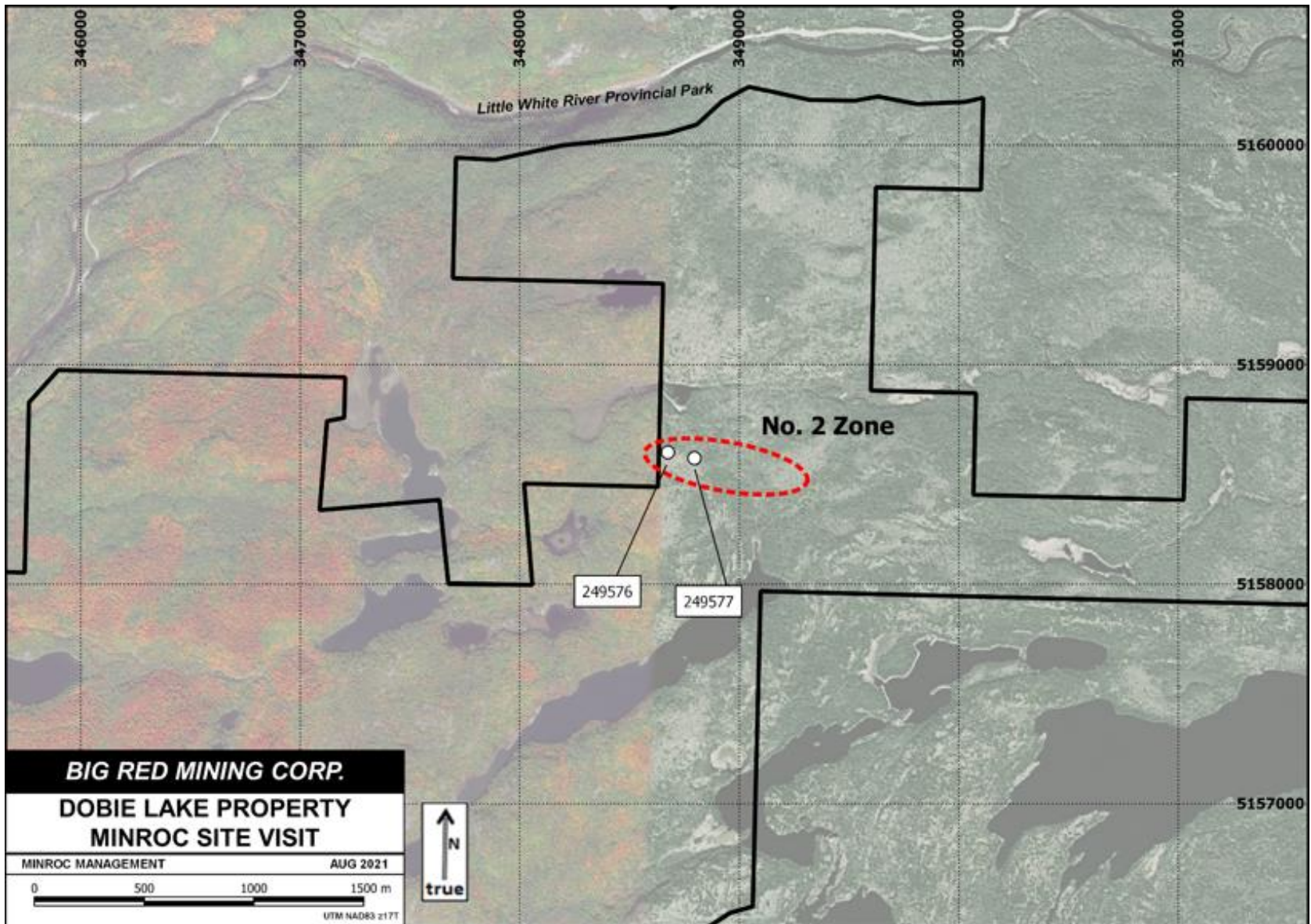


Figure 13 Locations of Confirmatory Minroc Samples

Data Review

Minroc has reviewed the assessment files dating to previous exploration programs on the Property. Data from the historic drilling and surface programs is partial and/or poorly recorded and cannot be relied upon. For example, the Canamiska drillhole locations are difficult to reconstruct given the absence of any high quality surface plans in the Canamiska Copper Mines documents. Likewise, there is generally little if any documentation to verify historic drillhole intervals in the form of raw assay data or laboratory certificates for the Canamiska and other contemporary work. Assay certificates (from Technical Service Laboratories) are, however, provided for the Fort Norman drilling (Rupert 1974) and for the surface sampling in and around the No. 1 Zone (from Chemex Labs) from Willoughby (1994).

The Authors caution that, while the historic dataset is of great value as a guide for future exploration, the Issuer treat it in this respect only.

- (9) Security of Samples — The measures taken to ensure the validity and integrity of samples taken.

See section 4.3(8) above.

- (10) Mineral Resources and Mineral Reserves — The mineral resources and mineral reserves, if any, including:

- (a) the quantity and grade or quality of each category of mineral resources and mineral reserves;
- (b) the key assumptions, parameters and methods used to estimate the mineral resources and mineral reserves; and
- (c) the extent to which the estimate of mineral resources and mineral reserves may be materially affected by metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing, political and other relevant issues.

The Property is an early-stage exploration property. There are no current Mineral Resources or Reserves on the Project as defined in the Definition Standards on Mineral Resources and Mineral Reserves published by the Canadian Institute of Mines, Minerals and Petroleum (CIM), JORC or any equivalent international code. The Authors are unaware of any records of any past production from the Property.

- (11) Mining Operations — For development properties and production properties, the mining method, metallurgical process, production forecast, markets, contracts for sale of products, environmental conditions, taxes, mine life and expected payback period of capital.

Not applicable.

- (12) Exploration and Development — A description of the Issuer's current and contemplated exploration or development activities, to the extent they are material.

Interpretation And Conclusions

The Dobie Lake property lies within the Southern Subprovince of the Canadian Shield and is underlain by Huronian sediments and Nipissing diabases, cut by east-west structures and containing quartz vein systems which host gold and copper mineralization in several locations on the Property. This type of vein hosted mineralization is common throughout the north shore of Lake Huron and has been historically developed in several producing mines, the earliest of which was Bruce Mines in the 1840s. This local mineralization type can be taken alongside similar economic mineralization styles across Canada as part of the “Churchill-type” vein-hosted deposit type, and there are several examples of historically productive mines of this type including Churchill in British Columbia and in the Chapais area of Quebec.

The best-explored vein systems on the Property are the No. 2 Zone and the Canamiska Zone, while the No. 1 Zone may lie partly within the Property. All of these mineralized vein systems were explored on surface and by drilling from the 1950s to 1980s. This historic work, while a valuable source of information to direct future exploration, must be “ground truthed” in the field, notably in terms of accurately georeferencing the locations of surface showings and drillholes. Furthermore, the grades, widths, and vertical and lateral extents of the mineralization documented in historic programs have not been well documented in recent times and must be confirmed by future exploration work.

Recent geophysical work has tentatively suggested the presence of untested eastward strike continuations of the Canamiska Zone as well as highlighted steeply dipping conductive structures which may represent down-dip extensions. The 2021 site visit confirmed the presence of copper mineralization on surface at the No. 2 Zone.

The Authors believe that the Dobie Lake Property is highly prospective for copper mineralization, and that there is also potential for gold, silver and lead mineralization. There remains great potential for mineralization to be discovered beyond the historically-explored areas along strike, to depth, and in potential parallel vein systems.

Table 6 Risks and Opportunities to the Dobie Lake Property

Risk	Potential Impact	Possible Mitigation
Poor social acceptability	Difficulty in undertaking work on the Property or enhancing its value	Maintain good relationships with First Nations communities and other local stakeholders, including landowners, hunters, fishers and trappers both on the Property and along access routes
Logistic Issues	Difficulty in accessing part of the Property due to ground conditions	Winter conditions will likely improve access in lower lying areas.
Environmental Issues	Permits to complete part or all of work programs (e.g. drilling) may be denied	Minimize potential environmental impact at all stages of exploration planning and execution (e.g. area and intensity of surface disturbance).

Opportunity	Potential Impact	Explanation
Successful exploration results	Value of property enhanced	Discovery of notable copper mineralization would increase the Property value
Discovery of secondary economic minerals	Value of property enhanced	Silver, gold or other potentially economic metals may be discovered alongside copper mineralization
Successful exploration in region	Value of property enhanced	Successful exploration by third parties on nearby projects may increase market interest in the Property

Recommendations

The Authors recommend that Big Red complete a two stage program to advance the Property. A Phase 1 program is outlined here consisting of data review and compilation, and initial confirmation drilling (see Table 7). This is to be followed by a subsequent Phase 2 exploration program. The exact nature of Phase 2 will depend on findings from Phase 1 but the implementation of Phase 2 will not depend on any specific outcome from Phase 1.

Drilling as part of the Phase 1 program would require that Big Red submit an Exploration Plan with details on proposed drill pads, trails and water sources.

Phase 1 shall consist of the following:

- A compilation, review and interpretation of all available data including historic drilling and surface work, and recent geophysics and site visit findings. This interpretation work should result in the drafting of a detailed compilation map and/or GIS workspace, and the selection of targets for exploration or confirmation. The compilation should include historic work from the Jentina patents and other adjacent properties, such that potential strike extensions may be factored into exploration targeting. A priority should also be accurately delineating the Property Boundary with respect to the Provincial Parks and known mineralization;
-
- 600 m initial diamond drilling program based on targets selected from the interpretation. These may include confirmation of the Canamiska, No. 1 and/or No. 2 mineralization and/or testing of these zones along depth and strike.

All core sampling should routinely incorporate multi-element sampling and gold fire assaying in order to detect gold and other potentially economic metals. Given that vein copper deposits typically lack broad zones of halo or disseminated mineralization around veins, it may be possible to keep the number of samples relatively low in comparison to drill programs upon other deposit types.

Findings from this initial Phase 1 program can be used to plan more detailed Phase 2 exploration which should consist of further drilling along strike of holes drilled in Phase 1.

Table 7 Recommendations for Phase 1 Program

Item	Details	Units	Rate	Quantity	Total
Targeting		Days	\$ 800.00	5	\$ 4,000.00
Drilling	Six holes @ 100 m	Meters	\$ 150.00	600	\$ 90,000.00
Logging	Assumes 25 m per day	days	\$ 800.00	24	\$ 19,200.00
Assays	Assumes 25% of core	samples	\$ 50.00	150	\$ 7,500.00
Accommodation		Days	\$ 150.00	24	\$ 3,600.00
Transportation		Days	\$ 75.00	24	\$ 1,800.00
Report		Days	\$ 800.00	5	\$ 4,000.00
Management	15% of Total				\$ 19,500.00
Contingency	10%				\$ 15,000.00
Total					\$ 164,600.00

Table 8 Recommendations for Phase 2 Program

Item	Details	Units	Rate	Quantity	Total
Targeting		Days	\$ 800.00	5	\$ 4,000.00
Drilling	Six holes	Meters	\$ 150.00	650	\$ 97,500.00
Logging	Assumes 25 m per day	days	\$ 800.00	26	\$ 20,800.00
Assays	Assumes 25% of core	samples	\$ 50.00	160	\$ 8,000.00
Accommodation		Days	\$ 150.00	26	\$ 3,900.00
Transportation		Days	\$ 75.00	26	\$ 1,950.00
Report		Days	\$ 800.00	5	\$ 4,000.00
Management	15% of Total				\$ 21,000.00
Contingency	10%				\$ 16,000.00
Total					\$ 177,500.00

Note that these costs are estimates. Prior to execution a program proposal must be built out in detail based on RFPs from various contractors which will then be approved by the client.

- 4.4 For Issuers with Oil and Gas Operations disclose and insert here the information required by Appendix B (in tabular form, if appropriate).

The Issuer does not have any oil and gas operations.

5. Selected Consolidated Financial Information

- 5.1 Annual Information — Provide the following financial data for the Issuer in summary form for each of the last three completed financial years and any period subsequent to the most recent financial year end for which financial statements have been prepared, accompanied by a discussion of the factors affecting the comparability of the data, including discontinued operations, changes in accounting policies, significant acquisitions or significant dispositions and major changes in the direction of the Issuer's business:

- (a) net sales or total revenues;

- (b) income from continuing operations, in total and on a per share basis and fully diluted per share basis, calculated in accordance with the Handbook;
- (c) net income or loss, in total and on a per share and fully diluted per share basis, calculated in accordance with the Handbook;
- (d) total assets;
- (e) total long-term financial liabilities as defined in the Handbook;
- (f) cash dividends declared per share for each class of share; and
- (g) such other information as would enhance an investor's understanding of the Issuer's financial condition and results of operations and would highlight other trends in financial condition and results of operations.

The following table sets forth financial information for the Company which has been derived from the Company's audited financial statements for the period from incorporation on October 18, 2020 to August 31, 2021. This summary should be read in conjunction with the Company's financial statements, including the notes thereto. The Company has established August as its fiscal year-end.

	Audited for the period from October 18, 2020 (date of incorporation) to August 31, 2021
Revenues	\$Nil
Net Income (Loss)	\$(32,058)
Basic and Diluted Loss per Share	\$(0.00)
Total Assets	\$1,631,197
Long Term Debt	\$Nil
Total Liabilities	\$61,175
Cash Dividends per Share	\$Nil
Share Capital	\$599,461
Number of Common Shares	20,410,000
Retained Earnings (Deficit)	(\$32,058)

Discussion of the factors affecting the comparability of the data, including discontinued operations, changes in accounting policies, significant acquisitions or significant dispositions and major changes in the direction of the Issuer's business:

The Company has not prepared financial statements for a sufficient length of time to be able to discuss the factors affecting the comparability of the data.

- 5.2 Quarterly Information — For each of the eight most recently completed quarters ending at the end of the most recently completed financial year, provide the information required in paragraphs (a), (b) and (c) of Section 5.1.

The Company has only prepared financial statements for the period from incorporation on October 18, 2020 to August 31, 2021. The following is a summary of the Company's financial results for the four most recently completed quarters:

Period Ending	Net Loss	Net Comprehensive Loss	Basic and Diluted Loss per Share
	\$	\$	\$
August 31, 2021	(29,004)	(29,004)	(0.00)
May 31, 2021	(3,054)	(3,054)	(0.00)
February 28, 2021	-	-	-
From October 18, 2020 to November 30, 2020	-	-	-

5.3 Dividends – disclose:

- (a) any restriction that could prevent the Issuer from paying dividends; and
- (b) the Issuer's dividend policy and, if a decision has been made to change the dividend policy, the intended change in dividend policy.

The Issuer has not paid dividends in the past and does not anticipate paying dividends in the near future. The Issuer expects to retain any earnings to finance future growth and, when appropriate, retire debt.

5.4 Foreign GAAP — An Issuer may present the selected consolidated financial information required in this section on the basis of foreign GAAP if:

- (a) the Issuer's primary financial statements have been prepared using foreign GAAP; and
- (b) if the Issuer is required under applicable securities legislation to have reconciled its financial statements to Canadian GAAP at the time of filing its financial statements or the Issuer has otherwise done so, a cross reference to the notes to the financial statements containing the reconciliation of the financial statements to Canadian GAAP is included.

Not applicable.

6. Management's Discussion and Analysis

Annual MD&A

- 6.1 Date - Specify the date of the MD&A. The date of the MD&A must be no earlier than the date of the auditor's report on the financial statements for the Issuer's most recently completed financial year.

The following management's discussion and analysis for the Issuer is as of October 26, 2021.

- 6.2 Overall Performance - Provide an analysis of the Issuer's financial condition, results of operations and cash flows. Discuss known trends, demands, commitments, events or uncertainties that are reasonably likely to have an effect on the Issuer's business. Compare the Issuer's performance in the most recently

completed financial year to the prior year's performance. The analysis should address at least the following:

- (a) operating segments that are reportable segments as those terms are used in the Handbook;
- (b) other parts of the business if
 - (i) they have a disproportionate effect on revenues, income or cash needs, or
 - (ii) there are any legal or other restrictions on the flow of funds from one part of the Issuer's business to another;
- (c) industry and economic factors affecting the Issuer's performance;
- (d) why changes have occurred or expected changes have not occurred in the Issuer's financial condition and results of operations; and
- (e) the effect of discontinued operations on current operations.

Overall Performance

From Incorporation to August 31, 2021

During the period from incorporation on October 18, 2020 to August 31, 2021, the Company raised \$137,500 through the issuance of 7,250,000 common shares, \$532,550 (net of finder's fees of \$11,200) through the issuance of 13,110,000 units of its securities and \$941,530 (net of finder's fees of \$34,370) through the issuance of 4,879,500 special warrants.

During this period, the Company entered into the Option Agreement to acquire a 100% interest in certain claims comprising the Dobie Lake Property located in Ontario, Canada, subject to a 2% net smelter returns royalty.

Discussion of Operations

The Company's net loss for the period ended August 31, 2021 was \$32,058 or \$0.00 per share.

During the period from incorporation on October 18, 2020 to August 31, 2021, the Company raised an aggregate cash amount of \$1,611,580 (net of finder's fees) through the sale of equity securities. As at August 31, 2021, the Company had \$1,498,296 in cash and cash equivalents and the Company's total assets totalled \$1,631,197. The Company has no long-term liabilities.

The Company's operating expenses for the period ended August 31, 2021 totalled \$32,058 and were comprised of professional fees of \$17,190, office and miscellaneous expenses of \$6,467, travel expenses of \$5,544 and consulting fees of \$2,857.

The Company incurred \$117,680 in exploration expenditures of which \$7,500 comprised acquisition costs and \$110,180 comprised exploration costs which included \$92,324 in geological consulting fees, \$16,309 in geophysical costs and \$1,547 in field expenses.

Liquidity

Since incorporation, the Company's capital resources have been limited. The Company has had to rely upon the sale of equity securities for the cash required for property acquisition payments, office and miscellaneous expenses and accounting, audit and legal fees, among other expenses.

During the period from incorporation to August 31, 2021, the Company raised \$1,611,580 (net of finder's fees totalling \$45,570) through the issuance of 7,250,000 common shares, 13,110,000 units and 4,879,500 special warrants. As at August 31, 2021, the Company's working capital totalled \$1,452,342.

The Company expects that its working capital of \$1,424,880 as at the most recent month end being September 30, 2021, will be sufficient for the Company to become operational to begin meeting its objectives and milestones. Once the Company is operational, it will require additional working capital in order to further its business objectives and may seek to raise additional funds via one or more private placements.

Capital Resources

The Company will continue to require funds for exploration work on the Property, as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over either the near or long term and none are presently contemplated other than as disclosed above and/or over normal operating requirements.

The Company estimates that the remaining costs of the intended stock exchange listing (including legal, accounting and regulatory fees) will total about \$20,000.

The Company's ongoing legal, accounting, auditing, stock exchange, transfer agent, administration, and office expenses are estimated to cost about \$85,000 during the first 12 months after the intended listing of the Company's common shares on the CSE (about \$7,083 per month). The Company's management fees are estimated to cost about \$180,000 during the first 12 months after the intended listing of the Company's common shares on the CSE (about \$15,000 per month) and are expected to be paid to Jag Sandhu, President, CEO and a director of the Company, as to \$120,000 and to Paul Grewal, CFO of the Company, as to \$60,000.

In accordance with the recommendations of the Company's independent geologists, the Company has allocated \$342,100 of the available funds for the recommended Phase I and II exploration programs. If the results of the Phase I and II programs are successful, the Company intends to proceed with a further work program and the Company will need to

raise additional funds to carry out further work on the Property. There is no guarantee that the Company will be able to raise the funds needed.

The Company will continue to require funds for exploration work on the Property, as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over either the near or long term and none are presently contemplated other than as disclosed above and/or over normal operating requirements.

The Company intends to spend the funds available to it as stated in herein. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary.

Selected Annual Financial Information

6.3 Provide the following financial data derived from the Issuer's financial statements for each of the three most recently completed financial years:

- (a) net sales or total revenues;
- (b) income or loss before discontinued operations and extraordinary items, in total and on a per-share and diluted per-share basis;
- (c) net income or loss, in total and on a per-share and diluted per-share basis;
- (d) total assets;
- (e) total long-term financial liabilities; and
- (f) cash dividends declared per-share for each class of share.

The following table sets forth financial information for the Company which has been derived from the Company's audited financial statements for the period from incorporation on October 18, 2020 to August 31, 2021. This summary should be read in conjunction with the Company's financial statements, including the notes thereto. The Company has established August as its fiscal year-end.

	Audited for the period from October 18, 2020 (date of incorporation) to August 31, 2021
Revenues	\$Nil
Net Income (Loss)	\$(32,058)
Basic and Diluted Loss per Share	\$(0.00)
Total Assets	\$1,631,197
Long Term Debt	\$Nil
Total Liabilities	\$61,175
Cash Dividends per Share	\$Nil

	Audited for the period from October 18, 2020 (date of incorporation) to August 31, 2021
Share Capital	\$599,461
Number of Common Shares	20,410,000
Retained Earnings (Deficit)	(\$32,058)

- 6.4 Variations - Discuss the factors that have caused period to period variations including discontinued operations, changes in accounting policies, significant acquisitions or dispositions and changes in the direction of the Issuer's business, and any other information the Issuer believes would enhance an understanding of, and would highlight trends in, financial condition and results of operations.

Not applicable.

- 6.5 Results of Operations - Discuss management's analysis of the Issuer's operations for the most recently completed financial year, including:

- (a) net sales or total revenues by operating business segment, including any changes in such amounts caused by selling prices, volume or quantity of goods or services being sold, or the introduction of new products or services;
- (b) any other significant factors that caused changes in net sales or total revenues;
- (c) cost of sales or gross profit;
- (d) for Issuers that have significant projects that have not yet generated operating revenue, describe each project, including the Issuer's plan for the project and the status of the project relative to that plan, and expenditures made and how these relate to anticipated timing and costs to take the project to the next stage of the project plan;
- (e) for resource Issuers with producing mines, identify milestones such as mine expansion plans, productivity improvements, or plans to develop a new deposit;
- (f) factors that caused a change in the relationship between costs and revenues, including changes in costs of labour or materials, price changes or inventory adjustments;
- (g) commitments, events, risks or uncertainties that you reasonably believe will materially affect the Issuer's future performance including net sales, total revenue and income or loss before discontinued operations and extraordinary items;
- (h) effect of inflation and specific price changes on the Issuer's net sales and total revenues and on income or loss before discontinued operations and extraordinary items;

- (i) a comparison in tabular form of disclosure you previously made about how the Issuer was going to use proceeds (other than working capital) from any financing, an explanation of variances and the impact of the variances, if any, on the Issuer's ability to achieve its business objectives and milestones; and
- (j) unusual or infrequent events or transactions.

The Company's net loss for the period ended August 31, 2021 was \$32,058 or \$0.00 per share.

During the period from incorporation on October 18, 2020 to August 31, 2021, the Company raised an aggregate cash amount of \$1,611,580 (net of finder's fees) through the sale of equity securities. As at August 31, 2021, the Company had \$1,498,296 in cash and cash equivalents and the Company's total assets totalled \$1,631,197. The Company has no long-term liabilities.

The Company's operating expenses for the period ended August 31, 2021 totalled \$32,058 and were comprised of professional fees of \$17,190, office and miscellaneous expenses of \$6,467, travel expenses of \$5,544 and consulting fees of \$2,857.

The Company incurred \$117,680 in exploration expenditures of which \$7,500 comprised acquisition costs and \$110,180 comprised exploration costs which included \$92,324 in geological consulting fees, \$16,309 in geophysical costs and \$1,547 in field expenses.

6.6 Summary of Quarterly Results - Provide the following information in summary form, derived from the Issuer's financial statements, for each of the eight most recently completed quarters:

- (a) net sales or total revenues;
- (b) income or loss before discontinued operations and extraordinary items, in total and on a per-share and diluted per-share basis; and
- (c) net income or loss, in total and on a per-share and diluted per-share basis.

Discuss the factors that have caused variations over the quarters necessary to understand general trends that have developed and the seasonality of the business.

The Company has only prepared financial statements for the period from incorporation on October 18, 2020 to August 31, 2021. The following is a summary of the Company's financial results for the four most recently completed quarters:

Period Ending	Net Loss	Net Comprehensive Loss	Basic and Diluted Loss per Share
	\$	\$	\$
August 31, 2021	(29,004)	(29,004)	(0.00)
May 31, 2021	(3,054)	(3,054)	(0.00)
February 28, 2021	-	-	-
From October 18, 2020 to			
November 30, 2020	-	-	-

6.7 Liquidity - Provide an analysis of the Issuer's liquidity, including:

- (a) its ability to generate sufficient amounts of cash and cash equivalents, in the short term and the long term, to maintain the Issuer's capacity, to meet the Issuer's planned growth or to fund development activities;
- (b) trends or expected fluctuations in the Issuer's liquidity, taking into account demands, commitments, events or uncertainties;
- (c) its working capital requirements;
- (d) liquidity risks associated with financial instruments;
- (e) if the Issuer has or expects to have a working capital deficiency, discuss its ability to meet obligations as they become due and how you expect it to remedy the deficiency;
- (f) balance sheet conditions or income or cash flow items that may affect the Issuer's liquidity;
- (g) legal or practical restrictions on the ability of subsidiaries to transfer funds to the Issuer and the effect these restrictions have had or may have on the ability of the Issuer to meet its obligations; and
- (h) defaults or arrears or anticipated defaults or arrears on
 - a. dividend payments, lease payments, interest or principal payment on debt,
 - b. debt covenants during the most recently completed financial year, and
 - c. redemption or retraction or sinking fund payments; and
- (i) details on how the Issuer intends to cure the default or arrears.

Since incorporation, the Company's capital resources have been limited. The Company has had to rely upon the sale of equity securities for the cash required for property acquisition payments, office and miscellaneous expenses and accounting, audit and legal fees, among other expenses.

During the period from incorporation to August 31, 2021, the Company raised \$1,611,580 (net of finder's fees totalling \$45,570) through the issuance of 7,250,000 common shares,

13,110,000 units and 4,879,500 special warrants. As at August 31, 2021, the Company's working capital totalled \$1,452,342.

The Company expects that its working capital of \$1,424,880 as at the most recent month end being September 30, 2021, will be sufficient for the Company to become operational to begin meeting its objectives and milestones. Once the Company is operational, it will require additional working capital in order to further its business objectives and may seek to raise additional funds via one or more private placements.

6.8 Capital Resources - Provide an analysis of the Issuer's capital resources, including

- (a) commitments for capital expenditures as of the date of the Issuer's financial statements including:
 - (i) the amount, nature and purpose of these commitments,
 - (ii) the expected source of funds to meet these commitments, and
 - (iii) expenditures not yet committed but required to maintain the Issuer's capacity, to meet the Issuer's planned growth or to fund development activities;
- (b) known trends or expected fluctuations in the Issuer's capital resources, including expected changes in the mix and relative cost of these resources; and
- (c) sources of financing that the Issuer has arranged but not yet used.

The Company will continue to require funds for exploration work on the Property, as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over either the near or long term and none are presently contemplated other than as disclosed above and/or over normal operating requirements.

The Company estimates that the remaining costs of the intended stock exchange listing (including legal, accounting and regulatory fees) will total about \$20,000.

The Company's ongoing legal, accounting, auditing, stock exchange, transfer agent, administration, and office expenses are estimated to cost about \$85,000 during the first 12 months after the intended listing of the Company's common shares on the CSE (about \$7,083 per month). The Company's management fees are estimated to cost about \$180,000 during the first 12 months after the intended listing of the Company's common shares on the CSE (about \$15,000 per month) and are expected to be paid to Jag Sandhu, President, CEO and a director of the Company, as to \$120,000 and to Paul Grewal, CFO of the Company, as to \$60,000.

In accordance with the recommendations of the Company's independent geologists, the Company has allocated \$342,100 of the available funds for the recommended Phase I and II exploration programs. If the results of the Phase I and II programs are successful, the Company intends to proceed with a further work program and the Company will need to raise additional funds to carry out further work on the Property. There is no guarantee that the Company will be able to raise the funds needed.

The Company intends to spend the funds available to it as stated herein. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary.

6.9 Off-Balance Sheet Arrangements - Discuss any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Issuer including, without limitation, such considerations as liquidity and capital resources. This discussion shall include their business purpose and activities, their economic substance, risks associated with the arrangements, and the key terms and conditions associated with any commitments, including:

- (a) a description of the other contracting part(ies);
- (b) the effects of terminating the arrangement;
- (c) the amounts receivable or payable, revenues, expenses and cash flows resulting from the arrangement;
- (d) the nature and amounts of any other obligations or liabilities arising from the arrangement that could require the Issuer to provide funding under the arrangement and the triggering events or circumstances that could cause them to arise; and
- (e) any known event, commitment, trend or uncertainty that may affect the availability or benefits of the arrangement (including any termination) and the course of action that management has taken, or proposes to take, in response to any such circumstances.

As of the date of this MD&A, there are no off-balance sheet arrangements to which the Company is committed.

6.10 Transactions with Related Parties - Discuss all transactions involving related parties as defined by the Handbook.

During the period ended August 31, 2021, the Company did not enter into any transactions with related parties other than the Company paid \$2,857 in consulting fees to Rodney Stevens, a director of the Company.

During the period ended August 31, 2021, the Company entered into an option agreement dated February 25, 2021, which was amended June 3, 2021 (the "Option Agreement"), with Rich Copper Exploration Corp. ("Rich Copper"). James Atkinson, who is a director and Vice President Exploration of Rich Copper, became a director of the Company on

September 13, 2021; i.e., subsequent to the Company entering into the Option Agreement and subsequent to the financial year-end of August 31, 2021. Given that the Company and Rich Copper entered into the Option Agreement prior to Mr. Atkinson's appointment to the Company's board of directors, the Company does not consider this transaction as constituting a related party transaction.

- 6.11 Fourth Quarter - Discuss and analyze fourth quarter events or items that affected the Issuer's financial condition, cash flows or results of operations, including extraordinary items, year-end and other adjustments, seasonal aspects of the Issuer's business and dispositions of business segments.

During the fourth quarter, the Company raised \$228,800 (net of finder's fees of \$11,200) via the issuance of 960,000 units of its securities and \$941,530 (net of finder's fees of \$34,370) via the issuance of 4,879,500 special warrants. The Company's net loss for the fourth quarter was \$29,004 or \$0.00 per share and was attributable to professional fees of \$17,190, office and miscellaneous expenses of \$6,270 and travel expenses of \$5,544. During the fourth quarter the Company incurred \$89,696 in exploration expenditures of which \$89,009 comprised geological consulting fees and \$687 comprised field expenses.

- 6.12 Proposed Transactions - Discuss the expected effect on financial condition, results of operations and cash flows of any proposed asset or business acquisition or disposition if the Issuer's board of directors, or senior management who believe that confirmation of the decision by the board is probable, have decided to proceed with the transaction. Include the status of any required shareholder or regulatory approvals.

No asset or business acquisition or disposition is proposed by the Company as at the date of this MD&A.

- 6.13 Changes in Accounting Policies including Initial Adoption - Discuss and analyze any changes in the Issuer's accounting policies, including:

- (a) for any accounting policies that management has adopted or expects to adopt subsequent to the end of the most recently completed financial year, including changes management has made or expects to make voluntarily and those due to a change in an accounting standard or a new accounting standard that you do not have to adopt until a future date:
- (i) describe the new standard, the date the Issuer required to adopt it and, if determined, the date the Issuer plans to adopt it,
 - (ii) disclose the methods of adoption permitted by the accounting standard and the method management expects to use,
 - (iii) discuss the expected effect on the Issuer's financial statements, or if applicable, state that management cannot reasonably estimate the effect, and

- (iv) discuss the potential effect on the Issuer's business, for example technical violations or default of debt covenants or changes in business practices; and
- (b) for any accounting policies that management has initially adopted during the most recently completed financial year,
 - (i) describe the events or transactions that gave rise to the initial adoption of an accounting policy,
 - (ii) describe the accounting principle that has been adopted and the method of applying that principle,
 - (iii) discuss the effect resulting from the initial adoption of the accounting policy on the Issuer's financial condition, changes in financial condition and results of operations,
 - (iv) if the Issuer is permitted a choice among acceptable accounting principles,
 - (A) state that management made a choice among acceptable alternatives,
 - (B) identify the alternatives,
 - (C) describe why management made the choice that you did, and
 - (D) discuss the effect, where material, on the Issuer's financial condition, changes in financial condition and results of operations under the alternatives not chosen; and
 - (v) if no accounting literature exists that covers the accounting for the events or transactions giving rise to management's initial adoption of the accounting policy, explain management's decision regarding which accounting principle to use and the method of applying that principle.

As the Company began its operations on October 18, 2020 and the financial statements for the period ended August 31, 2021 are its first financial statements, all accounting policies were initially adopted during the financial period ended August 31, 2021.

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.

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.

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
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.

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 August 31, 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.

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 shares are issued together with 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.

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.

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.

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:

Recovery of deferred tax assets

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.

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.

Fair-value of finders' warrants

The Company measures the cost of finders' warrants by reference to the fair value of the warrants at the date on which they are granted. Estimating the fair value of finder warrants requires applying the Black-Scholes valuation model to each grant based on the terms and conditions of such issuance.

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.

n) **Flow-through Shares**

Any premium received by the Company on the issuance of flow-through shares is initially recorded as a liability ("flow-through tax liability"). Upon renouncement by the Company of the tax benefits associated with the related expenditures, a flow-through share premium liability is recognized, and the liability will be reversed as

eligible expenditures are made. If such expenditures are capitalized, a deferred tax liability is recognized. To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability.

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.

6.14 Financial Instruments and Other Instruments - For financial instruments and other instruments:

- (a) discuss the nature and extent of the Issuer's use of, including relationships among, the instruments and the business purposes that they serve;
- (b) describe and analyze the risks associated with the instruments;
- (c) describe how management manages the risks in paragraph (b), including a discussion of the objectives, general strategies and instruments used to manage the risks, including any hedging activities;
- (d) disclose the financial statement classification and amounts of income, expenses, gains and losses associated with the instrument; and
- (e) discuss the significant assumptions made in determining the fair value of financial instruments, the total amount and financial statement classification of the change in fair value of financial instruments recognized in income for the period, and the total amount and financial statement classification of deferred or unrecognized gains and losses on financial instruments.

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 August 31, 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 \$1,498,296 at August 31, 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 August 31, 2021, the Company had current liabilities totaling \$61,175 and cash and cash equivalents of \$1,498,296 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.

Interim MD&A

6.15 Date - Specify the date of the interim MD&A.

Not applicable.

6.16 Updated Disclosure - Interim MD&A must update the Issuer's annual MD&A for all disclosure required by sections 6.2 to 6.14 except sections 6.3 and 6.4. This disclosure must include:

- (a) a discussion of management's analysis of
 - (i) current quarter and year-to-date results including a comparison of results of operations and cash flows to the corresponding periods in the previous year;
 - (ii) changes in results of operations and elements of income or loss that are not related to ongoing business operations;
 - (iii) any seasonal aspects of the Issuer's business that affect its financial condition, results of operations or cash flows; and
- (b) a comparison of the Issuer's interim financial condition to the Issuer's financial condition as at the most recently completed financial year-end.

Not applicable.

6.17 Additional Disclosure for Issuers without Significant Revenue:

- i. unless the information is disclosed in the financial statements to which the annual or interim MD&A relates, an Issuer that has not had significant revenue from operations in either of its last two financial years must disclose a breakdown of material components of:
 - (i) capitalized or expensed exploration and development costs,
 - (ii) expensed research and development costs,
 - (iii) deferred development costs,
 - (iv) general and administration expenses, and
 - (v) any material costs, whether capitalized, deferred or expensed, not referred to in paragraphs (i) through (iv);
- ii. if the Issuer's business primarily involves mining exploration and development, the analysis of capitalized or expensed exploration and development costs must be presented on a property-by-property basis; and
- iii. the disclosure in the annual MD&A must be for the two most recently completed financial years and the disclosure in the interim MD&A for the each year-to-date interim period and the comparative period presented in the interim statements.

The Company has not had significant revenue from operations since its incorporation on October 18, 2020.

Period From Incorporation to August 31, 2021

During the period from incorporation on October 18, 2020 to August 31, 2021, the Company raised an aggregate net cash amount of \$1,611,580 through the sale of 7,250,000 common shares, 13,110,000 units and 4,879,500 special warrants. Expenses during this period totalled \$32,058 and were comprised of professional fees of \$17,190, office and miscellaneous expenses of \$6,467, travel expenses of \$5,544 and consulting fees of \$2,857. As at August 31, 2021 the Company had mineral property interests of \$117,680 which consisted of \$7,500 in acquisition costs and \$110,180 in exploration costs comprised of \$92,324 in geological consulting fees, \$16,309 in geophysical costs and \$1,547 in field expenses.

6.18 Description of Securities:

- (a) disclose the designation and number or principal amount of:
 - (i) each class and series of voting or equity securities of the Issuer for which there are securities outstanding,
 - (ii) each class and series of securities of the Issuer for which there are securities outstanding if the securities are convertible into, or exercisable or exchangeable for, voting or equity securities of the Issuer, and
 - (iii) subject to subsection (b), each class and series of voting or equity securities of the Issuer that are issuable on the conversion, exercise or exchange of outstanding securities of the Issuer;
- (b) if the exact number or principal amount of voting or equity securities of the Issuer that are issuable on the conversion, exercise or exchange of outstanding securities of the Issuer is not determinable, the Issuer must disclose the maximum number or principal amount of each class and series of voting or equity securities that are issuable on the conversion, exercise or exchange of outstanding securities of the Issuer and, if that maximum number or principal amount is not determinable, the Issuer must describe the exchange or conversion features and the manner in which the number or principal amount of voting or equity securities will be determined; and
- (c) the disclosure under subsections (a) and (b) must be prepared as of the latest practicable date.

As at the date hereof, the Issuer had 25,289,500 common shares without par value outstanding and 12,131,150 share purchase warrants exercisable into 12,131,150 common shares.

6.19 Provide Breakdown:

- (a) if the Issuer has not had significant revenue from operations in either of its last two financial years, disclose a breakdown of material components of:
 - (i) capitalized or expensed exploration and development costs,
 - (ii) expensed research and development costs,

- (iii) deferred development costs,
 - (iv) general and administrative expenses, and
 - (v) any material costs, whether capitalized, deferred or expensed, not referred to in paragraphs (i) through (iv);
- (b) present the analysis of capitalized or expensed exploration and development costs required by subsection (a) on a property-by-property basis, if the Issuer's business primarily involves mining exploration and development; and
- (c) provide the disclosure in subsection (a) for the following periods:
- (i) the two most recently completed financial years, and
 - (ii) the most recent year-to-date interim period and the comparative year-to-date period presented in the interim financial statements included, if any.

Subsection (a) does not apply if the information required under that subsection has been disclosed in the financial statements.

See section 6.17 above.

6.20 Negative cash-flow - If the Issuer had negative operating cash flow in its most recently completed financial year for which financial statements have been included, disclose:

- (a) the period of time the proceeds raised are expected to fund operations;
- (b) the estimated total operating costs necessary for the Issuer to achieve its stated business objectives during that period of time; and
- (c) the estimated amount of other material capital expenditures during that period of time.

The Issuer expects that the total available funds will fund operations in excess of 12 months. See "*Principal Uses of Funds*" under item 4.1 above.

6.21 Additional disclosure for Issuers with significant equity investees:

if the Issuer has a significant equity investee

- (i) summarized information as to the assets, liabilities and results of operations of the equity investee, and
- (ii) the Issuer's proportionate interest in the equity investee and any contingent issuance of securities by the equity investee that might significantly affect the Issuer's share of earnings; and

provide the disclosure in subsection (a) for the following periods

- (i) the two most recently completed financial years, and
- (ii) the most recent year-to-date interim period and the comparative year-to-date period presented in the interim financial statements included in the Listing Statement, if any.

Subsection (a) does not apply if:

- (i) the information required under that subsection has been disclosed in the financial statements included, or
- (ii) the Issuer includes separate financial statements of the equity investee for the periods referred to in subsection (b).

The Issuer does not have significant equity investees.

7. Market for Securities

- 7.1 Identify the exchange(s) and quotation and trade reporting system(s) on which the Issuer's securities are listed and posted for trading or quoted.

The Issuer's securities are currently not listed and posted for trading on any exchange or quotation and trade reporting system. The Issuer has applied to have its common shares listed and posted for trading or quoted on the CSE.

8. Consolidated Capitalization

- 8.1 Describe any material change in, and the effect of the material change on, the share and loan capital of the Issuer, on a consolidated basis, since the date of the comparative financial statements for the Issuer's most recently completed financial year contained in the Listing Statement.

The following table details summarizes the changes to the consolidated share capital of the Company since August 31, 2021 to the date of this Listing Statement. This table should be read in conjunction with the Company's audited financial statements for the year ended August 31, 2021.

Designation of Security	Number Authorized	Number Outstanding as at August 31, 2021 (audited)	Number Outstanding as at the date of this Listing Statement
Common Shares	unlimited	20,410,000	25,289,500
Special Warrants	4,879,500	4,879,500	Nil
Warrants	12,131,150	7,251,650	12,131,150

All 4,879,500 special warrants were converted to 4,879,500 units of the Issuer's securities without further payment effective October 27, 2021, each unit consisting of one common share and one non-transferable share purchase warrant, each such warrant exercisable to purchase one common share at \$0.25 per share on or before October 28, 2024.

9. Options to Purchase Securities

- 9.1 State, in tabular form, as at a specified date not more than 30 days before the date of the

Listing Statement, information as to options to purchase securities of the Issuer or a subsidiary of the Issuer that are held by:

- (a) all executive officers and past executive officers of the Issuer as a group and all directors and past directors of the Issuer who are not also executive officers as a group, indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies, without naming them;
- (b) all executive officers and past executive officers of all subsidiaries of the Issuer as a group and all directors and past directors of those subsidiaries who are not also executive officers of the subsidiary as a group, in each case, without naming them and excluding individuals referred to in paragraph (a), indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies;
- (c) all other employees and past employees of the Issuer as a group, without naming them;
- (d) all other employees and past employees of subsidiaries of the Issuer as a group, without naming them;
- (e) all consultants of the Issuer as a group, without naming them; and
- (a) any other person or company, including the underwriter, naming each person or company.

Stock Option Plan

The Issuer has a stock option plan (the “Plan”) under which it may grant incentive stock options to its directors, officers, employees and consultants or any affiliate thereof. The Issuer’s Plan is a “rolling” stock option plan reserving a maximum of 10% of the issued shares of the Issuer at the time of the stock option grant.

The purpose of the Stock Option Plan is to allow us to grant options to: (i) provide additional incentive and compensation, (ii) provide an opportunity to participate in our success; and (iii) align the interests of option holders with those of our shareholders.

The material terms of the Stock Option Plan are as follows:

- The maximum number of shares issuable is 10% of our issued and outstanding Shares on each grant date, inclusive of all Shares currently reserved for issuance pursuant to previously granted stock options.
- The term of any options will be fixed by our directors at the grant date to a maximum term of ten years.
- The exercise price of any options will be determined by our directors in accordance with any applicable stock exchange policies.
- All options will be non-assignable and non-transferable.

- Options to acquire not more than (i) 5% of the issued and outstanding Shares may be granted to any one individual in any 12 month period; (ii) 2% of the issued and outstanding Shares may be granted to any one consultant; and (iii) 1% of the issued and outstanding Shares may be granted to all providers of investor relations activities, in any 12 month period.
- Vesting requirements with respect to options may be imposed by our directors; and a four month hold period will apply to all Shares issued on the exercise of an option, commencing from the grant date.
- If the option holder ceases to be an employee of the Company (other than by reason of death), then the option will expire on a date as determined by the directors at the time of the grant but no later than 90 days following the date that the option holder ceases to be an employee and no later than 30 days if the option holder was an employee engaged in investor relations activities.
- If the option holder ceases to be director or consultant of the Company (other than by reason of death), then the option will expire within a reasonable period following the date that the option holder ceases to be a director or consultant.
- Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of our Shares.

Options to Purchase Securities

As at the date of this Listing Statement, no incentive stock options were outstanding.

10. Description of the Securities

10.1 General - State the description or the designation of each class of equity securities and describe all material attributes and characteristics, including:

- dividend rights;
- voting rights;
- rights upon dissolution or winding-up;
- pre-emptive rights;
- conversion or exchange rights;
- redemption, retraction, purchase for cancellation or surrender provisions,
- sinking or purchase fund provisions;
- provisions permitting or restricting the issuance of additional securities and any other material restrictions; and
- provisions requiring a securityholder to contribute additional capital.

Common Shares

The Issuer has one class of shares outstanding: common shares. The Issuer is authorized to issue an unlimited number of common shares without par value. As at the date of this Listing Statement, a total of 25,289,500 common shares were issued and outstanding.

All of the common shares of the Issuer rank equally as to voting rights, participation in a distribution of the assets of the Issuer on a liquidation, dissolution or winding-up of the Issuer and the entitlement to dividends. The holders of the common shares are entitled to receive notice of all meetings of shareholders and to attend and vote the shares at the meetings. Each common share carries with it the right to one vote.

In the event of the liquidation, dissolution or winding-up of the Issuer or other distribution of its assets, the holders of the common shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Issuer has paid out its liabilities. Distribution in the form of dividends, if any, will be set by the board of directors.

10.2 Debt securities - If debt securities are being listed, describe all material attributes and characteristics of the indebtedness and the security, if any, for the debt, including:

- (a) provisions for interest rate, maturity and premium, if any;
- (b) conversion or exchange rights;
- (c) redemption, retraction, purchase for cancellation or surrender provisions,
- (d) sinking or purchase fund provisions;
- (e) the nature and priority of any security for the debt securities, briefly identifying the principal properties subject to lien or charge;
- (f) provisions permitting or restricting the issuance of additional securities, the incurring of additional indebtedness and other material negative covenants, including restrictions against payment of dividends and restrictions against giving security on the assets of the Issuer or its subsidiaries, and provisions as to the release or substitution of assets securing the debt securities;
- (g) the name of the trustee under any indenture relating to the Issuer and
- (h) any financial arrangements between the Issuer and any of its affiliates or among its affiliates that could affect the security for the indebtedness.

No debt securities are being listed.

10.4 Other securities - If securities other than equity securities or debt securities are being listed, describe fully the material attributes and characteristics of those securities.

No other securities are being listed.

10.5 Modification of terms:

- (a) describe provisions about the modification, amendment or variation of any rights attached to the securities being listed; and
- (b) if the rights of holders of securities may be modified otherwise than in accordance with the provisions attached to the securities or the provisions of the governing statute relating to the securities, explain briefly.

Not applicable.

10.6 Other attributes:

- (a) if the rights attaching to the securities being listed are materially limited or qualified by the rights of any other class of securities, or if any other class of securities ranks ahead of or equally with the securities being listed, include information about the other securities that will enable investors to understand the rights attaching to the securities being listed; and
- (b) if securities of the class being listed may be partially redeemed or repurchased, state the manner of selecting the securities to be redeemed or repurchased.

Not applicable.

10.7 Prior Sales - State the prices at which securities of the same class as the securities to be listed have been sold within the 12 months before the date of the Listing Statement, or are to be sold, by the Issuer or any Related Person and the number of securities of the class sold or to be sold at each price.

During the 12 months preceding the date of this Listing Statement, the Issuer sold the following common shares and securities convertible into common shares:

Date	Number of Securities	Class of Securities	Price per security	Total Consideration
October 18, 2020	200	Common shares ⁽¹⁾	\$0.005	\$1
February 22, 2021	5,000,000	Common shares ⁽²⁾	\$0.005	\$25,000
March 15, 2021	12,150,000	Common shares ⁽³⁾	\$0.025 ⁽³⁾	\$303,750
March 15, 2021	6,075,000	Warrants ⁽³⁾		
March 30, 2021	2,250,000	Common shares ⁽⁴⁾	\$0.05	\$112,500
April 5, 2021	50,000	Common shares ⁽⁵⁾	\$0.05	\$2,500 ⁽⁶⁾
July 5, 2021	1,163,000	Special Warrants (Series A) ⁽⁷⁾	\$0.20	\$232,600 ⁽⁸⁾
July 5, 2021	31,200	Warrants ⁽⁹⁾	⁽⁹⁾	⁽⁹⁾
July 23, 2021	503,500	Special Warrants (Series B) ⁽⁷⁾	\$0.20	\$100,700 ⁽¹⁰⁾
July 23, 2021	16,250	Warrants ⁽¹¹⁾	⁽¹¹⁾	⁽¹¹⁾
August 18, 2021	1,024,000	Special Warrants (Series C) ⁽⁷⁾	\$0.20	\$204,800 ⁽¹²⁾
August 18, 2021	62,000	Warrants ⁽¹³⁾	⁽¹³⁾	⁽¹³⁾
August 18, 2021	960,000	Common shares ⁽¹⁴⁾	\$0.25 ⁽¹⁴⁾	\$240,000 ⁽¹⁵⁾
August 18, 2021	960,000	Warrants ⁽¹⁴⁾		
August 18, 2021	44,800	Warrants ⁽¹⁶⁾	⁽¹⁶⁾	⁽¹⁶⁾
August 20, 2021	733,500	Special Warrants (Series D) ⁽⁷⁾	\$0.20	\$146,700 ⁽¹⁷⁾
August 20, 2021	56,800	Warrants ⁽¹⁸⁾	⁽¹⁸⁾	⁽¹⁸⁾
August 31, 2021	1,455,500	Special Warrants (Series E) ⁽⁷⁾	\$0.20	\$291,100 ⁽¹⁹⁾
August 31, 2021	5,600	Warrants ⁽²⁰⁾	⁽²⁰⁾	⁽²⁰⁾

- (1) Repurchased by the Company and returned to treasury effective February 22, 2021.
- (2) These shares are subject to the provisions of an escrow agreement and will be released in accordance therewith (see section 11 “Escrowed Securities” below).
- (3) Unit financing at a price of \$0.025 per unit. Each unit consists of one common share and one-half of one common share purchase warrant whereby each whole warrant entitles the holder thereof to purchase one common share at a price of \$0.20 per common share on or before March 16, 2026. Of the 12,150,000 common shares, 3,200,000 common shares were issued on a flow-through basis. All units are subject to the provisions of an escrow agreement and will be released in accordance therewith (see section 11 “Escrowed Securities” below).
- (4) These shares i) are subject to a contractual restriction on transfer, which restriction is revoked in stages so that these shares become free-trading over a period of 18 months following listing of the Company’s shares and ii) are restricted from trading until February 28, 2022 (see section 11 “Escrowed Securities” below).
- (5) Shares issued as (part) consideration for the Property. These shares are restricted from trading until February 28, 2022.
- (6) Deemed consideration.
- (7) Each special warrant was deemed exercised on October 27, 2021 and converted, without payment of any additional consideration, into 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 common share purchase warrant where each warrant entitles the holder to purchase one additional common share at an exercise price of \$0.25 per share until October 28, 2024. All units were issued without trading restrictions with the exception of 250,000 units issued to holders in Alberta and Quebec which are restricted from trading until February 28, 2022.
- (8) Gross proceeds before deducting \$6,240 in finder’s fees.
- (9) Finder’s warrants issued in connection with the Series A special warrant financing. Each warrant entitles the holder thereof to purchase one common share at a price of \$0.40 per share on or before April 27, 2023. These warrants and any shares issued on exercise of the warrants are restricted from trading until February 28, 2022.
- (10) Gross proceeds before deducting \$3,250 in finder’s fees.
- (11) Finder’s warrants issued in connection with the Series B special warrant financing. Each warrant entitles the holder thereof to purchase one common share at a price of \$0.40 per share on or before April 27, 2023. These warrants and any shares issued on exercise of the warrants are restricted from trading until February 28, 2022.
- (12) Gross proceeds before deducting \$12,400 in finder’s fees.
- (13) Finder’s warrants issued in connection with the Series C special warrant financing. Each warrant entitles the holder thereof to purchase one common share at a price of \$0.25 per share on or before August 19, 2024. These warrants and any shares issued on exercise of the warrants are restricted from trading until February 28, 2022.
- (14) Unit financing at a price of \$0.25 per unit. Each unit consists of one flow-through common share and one common share purchase warrant whereby each warrant entitles the holder thereof to purchase one common share at a price of \$0.30 per common share on or before August 21, 2023. These shares and warrants and any shares issued on exercise of the warrants are restricted from trading until February 28, 2022.
- (15) Gross proceeds before deducting \$11,200 in finder’s fees.
- (16) Finder’s warrants issued in connection with the financing of 960,000 units issued on August 18, 2021. Each warrant entitles the holder thereof to purchase one common share at a price of \$0.30 per share on or before August 21, 2023. These warrants and any shares issued on exercise of the warrants are restricted from trading until February 28, 2022.
- (17) Gross proceeds before deducting \$11,360 in finder’s fees.
- (18) Finder’s warrants issued in connection with the Series D special warrant financing. Each warrant entitles the holder thereof to purchase one common share at a price of \$0.25 per share on or before March 1, 2023. These warrants and any shares issued on exercise of the warrants are restricted from trading until February 28, 2022.
- (19) Gross proceeds before deducting \$1,120 in finder’s fees.
- (20) Finder’s warrants issued in connection with the Series E special warrant financing. Each warrant entitles the holder thereof to purchase one common share at a price of \$0.25 per share. Of these warrants 2,000 are exercisable on or before March 1, 2023 and 3,600 are exercisable on or before September 3, 2024. These warrants and any shares issued on exercise of the warrants are restricted from trading until February 28, 2022.

10.8 Stock Exchange Price:

- a) if shares of the same class as the shares to be listed were or are listed on a Canadian stock exchange or traded on a Canadian market, provide the price ranges and volume traded on the Canadian stock exchange or market on which the greatest volume of trading generally occurs;

- b) if shares of the same class as the shares to be listed were or are not listed on a Canadian stock exchange or traded on a Canadian market, provide the price ranges and volume traded on the foreign stock exchange or market on which the greatest volume of trading generally occurs; and
- c) information is to be provided on a monthly basis for each month or, if applicable, part month, of the current quarter and the immediately preceding quarter and on a quarterly basis for the next preceding seven quarters.

Not applicable.

11. Escrowed Securities

- 11.1 State as of a specified date within 30 days before the date of the Listing Statement, in substantially the following tabular form, the number of securities of each class of securities of the Issuer held, to the knowledge of the Issuer, in escrow (which, for the purposes of this Form includes any securities subject to a pooling agreement) and the percentage that number represents of the outstanding securities of that class. In a note to the table, disclose the name of the depository, if any, and the date of and conditions governing the release of the securities from escrow.

The following table sets out the securities of the Company that are being held in escrow as at the date of this Listing Statement:

Designation of class	Number of securities held in escrow	Percentage of class
Common shares	17,150,000 ⁽¹⁾⁽²⁾	67.81%
Warrants	6,075,000 ⁽¹⁾⁽³⁾	50.08%

- (1) Held in escrow pursuant to an escrow agreement dated September 9, 2021 among the Issuer, Olympia Trust Company and the principal shareholders and certain other non-principal shareholders.
- (2) 13,300,000 of the common shares are held by principal shareholders (including directors and officers) and the remaining 3,850,000 common shares are held by non-principal shareholders.
- (3) 4,150,000 of the warrants are held by principal shareholders (including directors and officers) and the remaining 1,925,000 warrants are held by non-principal shareholders.

The escrowed securities will be released according to the following schedule:

Date	Quantity
On the date the Company's securities are listed on a Canadian exchange (the listing date)	1/10 of the escrowed securities
6 months after the listing date	1/6 of the remaining escrowed securities
12 months after the listing date	1/5 of the remaining escrowed securities
18 months after the listing date	1/4 of the remaining escrowed securities
24 months after the listing date	1/3 of the remaining escrowed securities
30 months after the listing date	1/2 of the remaining escrowed securities
36 months after the listing date	the remaining escrowed securities

In addition to the 17,150,000 common shares and 6,075,000 warrants being held in escrow, 2,250,000 common shares are subject to a contractual restriction on transfer, which restriction is revoked in stages so that these shares become free-trading over a period of 18 months following

listing of the Company's shares.

The 2,250,000 common shares will become free-trading according to the following schedule:

Date	Quantity
On the date that is three (3) months after the date the Company's shares are listed on a Canadian stock exchange (the listing date)	562,500 common shares
6 months after the listing date	562,500 common shares
12 months after the listing date	562,500 common shares
18 months after the listing date	562,500 common shares

12. Principal Shareholders

12.1 (1) Provide the following information for each principal shareholder of the Issuer as of a specified date not more than 30 days before the date of the Listing Statement:

- (a) Name;
- (b) The number or amount of securities owned of the class to be listed;
- (c) Whether the securities referred to in subsection 12(1)(b) are owned both of record and beneficially, of record only, or beneficially only; and
- (d) The percentages of each class of securities known by the Issuer to be owned.

To the knowledge of the Issuer, as of the date hereof the following table sets out the names of its principal shareholders, the number and percentage of common shares owned and type of ownership, control or direction:

Name of Principal Shareholder	Number and class of securities beneficially owned (directly or indirectly), controlled and directed ⁽¹⁾	Type of Ownership, Control or Direction	Percentage of class ⁽¹⁾
Jag Sandhu	11,500,000 common shares ⁽²⁾	Owner of record and beneficially as to 9,000,000 common shares Controlled and directed as to 2,500,000 common shares	45.47% ⁽³⁾
	3,250,000 warrants ⁽²⁾	Owner of record and beneficially as to 2,000,000 warrants Controlled and directed as to 1,250,000 warrants	26.79%

⁽¹⁾ Based on 25,289,500 common shares issued and outstanding.

⁽²⁾ Including 2,500,000 common shares and 1,250,000 warrants owned by Amarjit Sandhu, Mr. Sandhu's spouse.

⁽³⁾ 35.59% of the issued and outstanding shares are owned by Mr. Sandhu and 9.88% of the issued and outstanding shares are controlled by Mr. Sandhu. On a fully diluted basis, assuming the exercise of all outstanding warrants, including the 3,250,000 warrants held or controlled by Mr. Sandhu, and assuming a total of 37,420,650 common shares issued and outstanding, a total of 29.40% of the issued and outstanding shares will be owned by Mr. Sandhu and 10.02% of the issued and outstanding shares will be controlled by Mr. Sandhu.

- (2) If the Issuer is requalifying following a fundamental change or has proposed an acquisition, amalgamation, merger, reorganization or arrangement, indicate, to the extent known, the holding of each person of company described in paragraph (1) that will exist after giving effect to the transaction.

Not applicable.

- (3) If, to the knowledge of the Issuer, more than 10 per cent of any class of voting securities of the Issuer is held, or is to be held, subject to any voting trust or other similar agreement, disclose, to the extent known, the designation of the securities, the number or amount of the securities held or to be held subject to the agreement and the duration of the agreement. State the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.

Not applicable.

- (4) If, to the knowledge of the Issuer, any principal shareholder is an associate or affiliate of another person or company named as a principal shareholder, disclose, to the extent known, the material facts of the relationship, including any basis for influence over the Issuer held by the person or company other than the holding of voting securities of the Issuer.

Not applicable.

- (5) In addition to the above, include in a footnote to the table, the required calculation(s) on a fully-diluted basis.

13. Directors and Officers

- 13.1 List the name and municipality of residence of each director and executive officer of the Issuer and indicate their respective positions and offices held with the Issuer and their respective principal occupations within the five preceding years.

Directors and Officers of the Issuer

To the knowledge of the Issuer, the following table sets out information regarding each of directors and executive officers of the Issuer, including the names, municipality of residence, the position and office held and their principal occupation for the preceding five years, as of the date hereof:

Name, Municipality, Province or State and Country of Residence and Position(s) held	Principal occupations within the five preceding years
Jag Sandhu Surrey, BC, Canada President, CEO and Director	President of JNS Capital Corp., a private consulting firm; President & CEO of NSJ Gold Corp. since May 22, 2020
Rodney Stevens Delta, BC, Canada Director	Chartered Financial Analyst

Name, Municipality, Province or State and Country of Residence and Position(s) held	Principal occupations within the five preceding years
James Atkinson Guelph, ON, Canada Director	Exploration geologist; CEO of Advance United Holdings Inc. since Jan. 13, 2021; President and CEO of Talisker Gold Corp. since 2018; self-employed geological consultant with Atkinson Consulting and a director of Champagne Resources Corp. from March 2017 to March 2018; VP Exploration of Americas Silver Corp. and predecessors since 2011
Paul Grewal Surrey, BC, Canada CFO & Corporate Secretary	Chartered Professional Accountant

- 13.2 State the period or periods during which each director has served as a director and when his or her term of office will expire.

Director	Period served as a Director
Jag Sandhu	February 22, 2021 to date
Rodney Stevens	March 29, 2021 to date
James Atkinson	September 13, 2021 to date

Directors hold office until the next annual meeting of shareholders or until their successors are appointed.

- 13.3 State the number and percentage of securities of each class of voting securities of the Issuer or any of its subsidiaries beneficially owned, directly or indirectly, or over which control or direction is exercised by all directors and executive officers of the Issuer as a group.

12,000,000⁽¹⁾ common shares (47.45%)⁽²⁾
3,500,000⁽³⁾ warrants (28.85%)⁽⁴⁾

⁽¹⁾ Based on information provided to the Issuer by the directors.

⁽²⁾ Based on 25,289,500 common shares issued and outstanding; 41.42% based on the exercise of the 3,500,000 warrants held or controlled by directors and executive officers and 37,420,650 common shares issued and outstanding (fully diluted).

⁽³⁾ Based on information provided to the Issuer by the directors.

⁽⁴⁾ Based on 12,131,150 warrants issued and outstanding. The 3,500,000 warrants are held or controlled by the directors and executive officers of which Jag Sandhu, director, President & CEO holds or controls 3,250,000 warrants (including 1,250,000 warrants owned by Amarjit Sandhu, Mr. Sandhu's spouse. See section 12 "Principal Shareholders"); 100,000 warrants are held by Paul Grewal, CFO; and 150,000 warrants are held by Rodney Stevens, director.

- 13.4 Disclose the board committees of the Issuer and identify the members of each committee.

The Issuer has one committee, namely an audit committee which is comprised of Jag Sandhu, Rodney Stevens and James Atkinson.

- 13.5 If the principal occupation of a director or officer of the Issuer is acting as an officer of a person or company other than the Issuer, disclose the fact and state the principal business of the person or company.

See section 13.1.

- 13.6 Disclose if a director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Issuer that, while that person was acting in that capacity:
- (a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect;
 - (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect;
 - (c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact; or
 - (d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.

To the knowledge of the Issuer, none of the Issuer's directors, officers or principal shareholders and none of the proposed directors or officers of the Issuer are, or have been within the last 10 years, directors or officers of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that issuer.

- 13.7 Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, has:
- (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

To the knowledge of the Issuer, none of the Issuer's directors, officers or principal shareholders are, or have been within the last 10 years, the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

- 13.8 Despite section 13.7, no disclosure is required of a settlement agreement entered into before December 31, 2000 unless the disclosure would likely be important to a reasonable investor in making an investment decision.

- 13.9 If a director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer, state the fact.

To the knowledge of the Issuer, none of the Issuer's directors, officers or principal shareholders of the Issuer or any personal holding company of such persons, has, within the last 10 years, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his, her or its assets.

- 13.10 Disclose particulars of existing or potential material conflicts of interest between the Issuer or a subsidiary of the Issuer and a director or officer of the Issuer or a subsidiary of the Issuer.

The directors of the Issuer are required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interests, which they may have in any project or opportunity of the Issuer. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Issuer's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest between the Issuer and its directors and officers except that certain of the directors and officers may serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Issuer and their duties as a director or officer of such other companies.

- 13.11 Management — In addition to the above provide the following information for each member of management:

- (a) state the individual's name, age, position and responsibilities with the Issuer and relevant educational background;

- (b) state whether the individual works full time for the Issuer or what proportion of the individual's time will be devoted to the Issuer;
- (c) state whether the individual is an employee or independent contractor of the Issuer;
- (d) state the individual's principal occupations or employment during the five years prior to the date of the Listing Statement, disclosing with respect to each organization as of the time such occupation or employment was carried on:
 - (i) its name and principal business,
 - (ii) if applicable, that the organization was an affiliate of the Issuer,
 - (iii) positions held by the individual, and
 - (iv) whether it is still carrying on business, if known to the individual;
- (e) describe the individual's experience in the Issuer's industry; and
- (f) state whether the individual has entered into a non-competition or non-disclosure agreement with the Issuer.

The following are the members of management of the Issuer:

Jag Sandhu – Director, President and Chief Executive Officer of the Company

Jag Sandhu, age 53, has been the President of JNS Capital Corp., a corporate development and advisory firm since January 7, 2007. Mr. Sandhu has held various senior level executive positions with, and has been a director of a number of listed companies. Mr. Sandhu has over 20 years' experience with publicly traded companies and has extensive knowledge of corporate development and providing investor relations services to public companies. Mr. Sandhu received his Bachelor of Economics degree from Simon Fraser University in 1990.

Mr. Sandhu will be devoting approximately 40% of his time to the affairs of the Company. Mr. Sandhu provides his services to the Company as an independent contractor. Mr. Sandhu has not entered into a non-competition or non-disclosure agreement with the Company.

Rodney Stevens – Director of the Company

Rodney Stevens, age 48, is a Chartered Financial Analyst (CFA), is Vice-President, interim CFO and a director of Discovery Harbour Resources Corp. as well as a director of several other TSX Venture Exchange listed mineral exploration companies. Previously, Mr. Stevens was a senior investment analyst with RCI Capital Group Inc., a portfolio manager with Wolverton Securities Ltd. and research analyst at Salman Partners Inc.

Mr. Stevens will be devoting approximately 10% of his time to the affairs of the Company. Mr. Stevens provides his services to the Company as an independent contractor. Mr. Stevens has not entered into a non-competition or non-disclosure agreement with the Company.

James Atkinson – Director of the Company

James Atkinson, age 71, is an exploration geologist and exploration manager with over 45 years of experience. Mr. Atkinson has been CEO of Advance United Holdings Inc., a CSE listed mineral resource Company, since January 13, 2021 and has been President and CEO of Talisker Gold Corp., a wholly-owned subsidiary of Advanced United Holdings Inc., since 2018. From March 2017 to March 2018 Mr. Atkinson was self-employed as a geological consultant with Atkinson Consulting and served as a director of Champagne Resources Corp. Prior to March 2017 Mr. Atkinson served as VP Exploration of Americas Silver Corp. Mr. Atkinson spent his career in both mineral exploration and mining and in the environmental field as Vice President, Exploration Manager and Regional Manager with junior and major mining companies. Mr. Atkinson received his Bachelor of Science degree from Brock University in 1972, his Master of Science degree from the University of Toronto in 1992 and his P.Geo. designation from the Association of Professional Geoscientists of Ontario in 2004.

Mr. Atkinson will be devoting approximately 20% of his time to the affairs of the Company. Mr. Atkinson provides his services to the Company as an independent contractor. Mr. Atkinson has not entered into a non-competition or non-disclosure agreement with the Company.

Paul Grewal – CFO and Corporate Secretary of the Company

Paul Grewal, age 47, is a Partner with HWG (formerly, Heming, Wyborn & Grewal), Chartered Professional Accountants in Surrey, BC. He received his Bachelor of Commerce from UNBC in 1998, received his CA designation in 2000 and has completed Parts I & II of the CICA In-Depth Tax Course. Mr. Grewal joined Heming, Wyborn & Grewal in 2005 and was promoted to Partner on January 1, 2009. Mr. Grewal has been the CFO of a number of publicly listed junior mining companies in Canada. He has extensive experience in the financial management of corporations that are doing business in a variety of industries.

Mr. Grewal will be devoting approximately 20% of his time to the affairs of the Company. Mr. Grewal provides his services to the Company as an independent contractor. Mr. Grewal has not entered into a non-competition or non-disclosure agreement with the Company.

14. Capitalization

14.1 Prepare and file the following chart for each class of securities to be listed:

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	25,289,500	37,420,650	100.0%	100.0%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control,	14,600,000	19,400,000	57.7%	51.8%

directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)

Total Public Float (A-B)

10,689,500	18,020,650	42.3%	48.2%
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Freely-Tradeable Float

Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)

20,660,000	27,945,000	81.7%	74.7%
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Total Tradeable Float (A-C)

4,629,500	9,475,650	18.3%	25.3%
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Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

Size of Holding

Number of holders

Total number of securities

1 – 99 securities

0

0

100 – 499 securities

0

0

500 – 999 securities

16

8,000

1,000 – 1,999 securities

6

6,500

2,000 – 2,999 securities

4

10,000

3,000 – 3,999 securities

0

0

4,000 – 4,999 securities

0

0

5,000 or more securities

121

10,665,000

147

10,689,500

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	16	8,000
1,000 – 1,999 securities	6	6,500
2,000 – 2,999 securities	4	10,000
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	135	10,665,000
Unable to confirm	0	0
	<u>161</u>	<u>10,689,500</u>

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	0	0
100 – 499 securities	0	0

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	6	14,600,000
	<u>6</u>	<u>14,600,000</u>

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Share purchase warrants. Each warrant is exercisable to purchase one common share at a price of \$0.25 per share at any time on or before March 1, 2023.	58,800	58,800
Share purchase warrants. Each warrant is exercisable to purchase one common share at a price of \$0.40 per share at any time on or before April 27, 2023.	47,450	47,450
Share purchase warrants. Each warrant is exercisable to purchase one common share at a price of \$0.30 per share at any time on or before August 21, 2023.	1,004,800	1,004,800
Share purchase warrants. Each warrant is exercisable to purchase one common share at a price of \$0.25 per share at any time on or before August 19, 2024.	62,000	62,000
Share purchase warrants. Each warrant is exercisable to purchase one common share at a price of \$0.25 per share at any time on or before September 3, 2024.	3,600	3,600
Share purchase warrants. Each warrant is exercisable to purchase one common share at a price of \$0.25 per share at any time on or before October 28, 2024.	4,879,500	4,879,500
Share purchase warrants. Each warrant is exercisable to purchase one common share at a price of \$0.20 per share at any time on or before March 16, 2026.	6,075,000	6,075,000

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

Not applicable.

15. Executive Compensation

15.1 Attach a Statement of Executive Compensation from Form 51-102F6 or any successor instrument and describe any intention to make any material changes to that compensation.

Compensation Discussion and Analysis

“NEO” or “Named Executive Officer” means each of the following individuals:

- (a) the Issuer’s chief executive officer (“CEO”);
- (b) the Issuer’s chief financial officer (“CFO”);
- (c) each of the three most highly compensated executive officers of the Issuer, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Issuer or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

During the period from incorporation on October 18, 2020 to August 31, 2021, being the only completed fiscal year of the Issuer, the Issuer had two NEOs, namely Jag Sandhu, the CEO and President of the Issuer and Paul Grewal, CFO of the Issuer.

At its present stage of development, the Issuer does not have any formal objectives, criteria and analysis for determining the compensation of its Named Executive Officers and primarily relies on the discussions and determinations of the board of directors. With a view to minimizing its cash expenditures not directed at the exploration of the Issuer’s Property, compensation of Named Executive Officers is mainly expected to be through the grant of incentive stock options while some management fees are expected to be paid. The type and amount of future compensation to be paid to NEOs and directors has not been determined. The Issuer has budgeted \$180,000 for management fees for the next 12 months which management fees are expected to be paid to Jag Sandhu, President, CEO and a director of the Issuer, as to \$120,000 and to Paul Grewal, CFO of the Issuer, as to \$60,000.

Cash compensation amounts to executive officers are determined solely by board discussion without any formal objectives, criteria or analysis. Option based awards to executive officers are determined by the board which considers both the past and future expected contributions of the individual officers, previous grants of stock options, and the number of available stock options.

Summary Compensation Table

The following table sets out all compensation awarded to, earned by or paid to the Named Executive Officers for the period from incorporation on October 18, 2020 to August 18, 2021, being the only completed fiscal year of the Issuer. No other executive officer’s total salary and bonus during such periods exceeded \$150,000.

Name and principal position (a)	Year ⁽¹⁾ (b)	Salary (\$) (c)	Share-based awards (\$) (d)	Option-based awards ⁽²⁾ (\$) (e)	Non-equity incentive plan compensation (\$) (f)		Pension value (\$) (g)	All other compensation (\$) (h)	Total compensation (\$) (i)
					Annual incentive plans (f1)	Long-term incentive plans (f2)			
Jag Sandhu CEO, President and director	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Paul Grewal CFO	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Period from incorporation on October 18, 2020 to August 31, 2021.

(2) Value of option-based awards calculated using Black-Scholes model.

Incentive Plan Awards

Management of the Issuer believes that awards of equity in the Issuer serve an important function in furnishing directors, officers, employees and consultants (collectively the “Eligible Parties”) of the Issuer an opportunity to invest in the Issuer in a simple and effective manner and better aligning the interests of the Eligible Parties with those of the Issuer and its shareholders through ownership of shares in the Issuer.

No stock options and share based awards were granted or awarded to, earned by or paid to Named Executive Officers during the financial year ended August 31, 2021 and no stock options and share based awards were outstanding to Named Executive Officers at any time during the financial year or at the end of the most recently completed financial year.

Incentive plan awards – value vested or earned during the year

No option or stock based awards vested during the most recently completed financial year and no non-equity incentive plan compensation was earned during the most recently completed financial year by any NEO.

Termination and Change of Control Benefits

The Issuer does not have any contract, agreement, plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the company or a change in an NEO’s responsibilities.

Director Compensation Table

The following table sets out details of compensation provided to the directors who are not NEOs for the Issuer’s most recently completed financial year.

Name (a)	Fees earned (\$) (b)	Share-based awards (\$) (c)	Option-based awards ⁽¹⁾ (\$) (d)	Non-equity incentive plan compensation (\$) (e)	Pension value (\$) (f)	All other compensation (\$) (g)	Total (\$) (h)
Rodney Stevens	Nil	Nil	Nil	Nil	Nil	\$2,857	\$2,857
James Atkinson	Nil	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ Value of option-based awards calculated using Black-Scholes model.

Narrative Discussion

The Issuer does not have any arrangements, standard or otherwise, for cash or non-cash compensation pursuant to which directors were compensated by the Issuer for their attendance at board meetings or in their capacity as directors. The directors may be reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors. The Board intends to compensate directors primarily through the grant of stock options.

Share-based awards, option-based awards and non-equity incentive plan compensation

Outstanding share-based awards and option-based awards

No stock options and share based awards were granted or awarded to, earned by or paid to the directors during the financial year ended August 31, 2021 and no stock options and share based awards were outstanding to the directors at any time during the financial year or at the end of the most recently completed financial year.

Incentive plan awards – value vested or earned during the year

No option or stock based awards vested during the most recently completed financial year and no non-equity incentive plan compensation was earned during the most recently completed financial year by any NEO.

Intended Material Changes to Executive Compensation

After the shares of the Issuer being listed for trading on the CSE the Issuer intends to grant incentive stock options to its Named Executive Officers, directors and consultants at a minimum exercise price of \$0.20 per share in accordance with the policies of the CSE. Other than the intended grant of stock options, the type and amount of future compensation to be paid to NEOs and directors has not been determined. The Issuer has budgeted \$180,000 for management fees for the 12 months after the intended listing of the Issuer's common shares on the CSE which management fees are expected to be paid to Jag Sandhu, President, CEO and a director of the Issuer, as to \$120,000 and to Paul Grewal, CFO of the Issuer, as to \$60,000.

16. Indebtedness of Directors and Executive Officers

16.1 Aggregate Indebtedness

See section 16.2.

16.2 Indebtedness of Directors and Executive Officers under (1) Securities Purchase and (2) Other Programs

At no time during the fiscal year ended August 31, 2021 and at no time from August 31, 2021 to the date of this Listing Statement, was a director, executive officer, employee, proposed management nominee for election as a director of the Issuer or any associate of any such director, executive officer, or proposed management nominee of the Issuer or any former director, executive officer or employee of the Issuer or any of its subsidiaries indebted to the Issuer or any of its

subsidiaries or was indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or any of its subsidiaries, other than routine indebtedness and other than as disclosed herein.

17. Risk Factors

- 17.1 Disclose risk factors relating to the Issuer and its business, such as cash flow and liquidity problems, if any, experience of management, the general risks inherent in the business carried on by the Issuer, environmental and health risks, reliance on key personnel, regulatory constraints, economic or political conditions and financial history and any other matter that would be likely to influence an investor's decision to purchase securities of the Issuer.
- 17.2 If there is a risk that securityholders of the Issuer may become liable to make an additional contribution beyond the price of the security, disclose that risk.
- 17.3 Describe any risk factors material to the Issuer that a reasonable investor would consider relevant to an investment in the securities being listed and that are not otherwise described under section 17.1 or 17.2.

The securities of the Issuer should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in this Listing Statement prior to making an investment in our securities. In addition to the other information presented in this Listing Statement, the following risk factors should be given special consideration when evaluating an investment in any of our securities.

Exploration and Development.

The Property is in an exploration stage only and is without a known body of commercial ore. Development of the Property will only follow upon obtaining satisfactory results. Exploration and development of natural resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that resources will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Title to Assets.

While the Company has followed and intends to follow certain due diligence procedures with respect to title for any concessions in which it has or will acquire a material interest, there is no guarantee that title to such concessions will be not challenged or impugned. In some jurisdictions, the system for recording title to the rights to explore, develop and mine natural resources is such that a title opinion provides only minimal comfort that the holder has title. Also, in many countries, claims have been made and new claims are being made by aboriginal peoples that call into question the rights granted by the governments of those jurisdictions.

First Nations Land Claims

First Nations rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada in *Tsilhqot'in Nation v. British Columbia* held that aboriginal title is a beneficial interest in the land, the underlying control of which is retained by the Crown. The rights conferred by the aboriginal title include the right to determine how the land will be used, to enjoy, occupy and possess and to proactively use and manage the land including the natural resources. The *Tsilhqot'in Nation* case sets out criteria by which the Crown can override the aboriginal title in the public interest which includes consultations and accommodation, substantive and compelling objectives and respecting the fiduciary obligations to the aboriginal body in question. The Company's Dobie Lake Property may now or in the future be the subject of aboriginal or indigenous land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the Dobie Lake Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Dobie Lake Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of aboriginal interests in order to facilitate exploration and development work on the Dobie Lake Property, there is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Dobie Lake Property.

Value of Company.

The Company's assets are of indeterminate value. For further particulars see the financial statements scheduled hereto.

Competitive pressures may adversely affect the Company.

The resource industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition could adversely affect the Company's ability to acquire suitable properties for exploration in the future.

The Company has no operating history and an evolving business model.

The Company has a very limited operating history and its business model is still evolving. The Company has not earned any revenue and the development of its exploration and evaluation assets are still in an infancy stage. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain necessary financing to meet its obligations and repay its liabilities. There can be no assurance that the Company will achieve profitability or obtain future financing.

Negative Cash Flow From Operating Activities.

The Company has no history of earnings and had negative cash flow from operating activities for the period from incorporation to August 31, 2021. To the extent that the Company has negative cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative cash flow. The Company's Property is in the exploration stage and there are no known mineral resources or reserves and the proposed exploration program on the Property is exploratory in nature. Significant capital investment will be required to achieve commercial production from the Company's existing project. There is no assurance that the Property will generate earnings, operate profitably or provide a return on investment in the future. Accordingly,

the Company will be required to obtain additional financing in order to meet its future cash commitments.

Dilution

Common shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into common shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board of Directors may determine. In addition, the Company will issue additional common shares from time to time pursuant to the options to purchase common shares issued from time to time by the Board. The issuance of these common shares will result in dilution to holders of common shares.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Company's ability to raise capital through future sales of common shares. The Company has previously issued common shares at an effective price per share which is lower than the effective price of the common shares that were qualified under the Issuer's non offering prospectus dated October 25, 2021. Accordingly, a significant number of shareholders of the Company have an investment profit in the common shares that they may seek to liquidate.

Operating Hazards and Risks May be Insurmountable and/or Uninsurable.

Exploration for natural resources involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Although the Company has or will obtain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Fluctuating Prices of Raw Materials May Adversely Affect the Company.

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of gold. The price of commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of copper, and therefore the economic viability of the Company's exploration project, cannot accurately be predicted.

Changing Environmental Regulations May Adversely Affect the Company.

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Political and Economic Instability May Adversely Affect the Company.

The Company may be affected by possible political or economic instability. The risks include, but are not limited to, terrorism, military repression and high rates of inflation. Changes in resource development or investment policies or shifts in political attitude in certain countries may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. The effect of these factors cannot be accurately predicted.

Loss of Key Management Personnel Could Adversely Affect the Company.

The Company is dependent on a relatively small number of key employees, the loss of any of whom could have an adverse effect on the Company.

Requirement of New Capital.

As an exploration company without revenues, the Company typically needs more capital than it has available to it or can expect to generate through the sale of any minerals that may be found on its mineral property. In the past, the Company has had to raise, by way of equity financings, considerable funds to meet its capital needs. There is no guarantee that the Company will be able to continue to raise funds needed for its business. Failure to raise the necessary funds in a timely fashion could limit the Company's growth.

Lack of Dividends.

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain its earnings to finance further growth and, when appropriate, retire debt.

Lack of Liquidity.

The common shares of the Company are subject to certain trade restrictions, which may include a hold period restricting the trading of the securities.

COVID-19 Pandemic

The coronavirus (COVID-19) outbreak could persist for a prolonged period. The global COVID-19 pandemic could result in adverse development results due to workforce reductions, supply and/or demand interruptions, travel restrictions and downturn in new equity and debt financings for mining projects. The Company's employees, contractors and suppliers could be affected by contagious diseases, including COVID-19, that could result in a reduction in the Company's workforce due to illness or quarantine, critical supply disruptions, transportation and travel restrictions, and other factors beyond the Company's control. These and other factors could negatively affect the Company's business in complex ways, which are difficult or impossible to predict. While the Company's operating activities have not been materially impacted by the COVID-19 pandemic to date, the pandemic may create uncertainty around the timing of exploration activities at the Property and available financing opportunities. The Company continues to closely monitor and assess the impact of COVID-19 on its planned exploration activities and available financing opportunities.

18. Promoters

- 18.1 For a person or company that is, or has been within the two years immediately preceding the date of the Listing Statement, a promoter of the Issuer or of a subsidiary of the Issuer,

state:

- (a) the person or company's name;
- (b) the number and percentage of each class of voting securities and equity securities of the Issuer or any of its subsidiaries beneficially owned, directly or indirectly, or over which control is exercised;
- (c) the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received or to be received by the promoter directly or indirectly from the Issuer or from a subsidiary of the Issuer, and the nature and amount of any assets, services or other consideration therefor received or to be received by the Issuer or a subsidiary of the Issuer in return; and
- (d) for an asset acquired within the two years before the date of the Listing Statement or thereafter, or to be acquired, by the Issuer or by a subsidiary of the Issuer from a promoter:
 - (i) the consideration paid or to be paid for the asset and the method by which the consideration has been or will be determined,
 - (ii) the person or company making the determination referred to in subparagraph (i) and the person or company's relationship with the Issuer, the promoter, or an associate or affiliate of the Issuer or of the promoter, and
 - (iii) the date that the asset was acquired by the promoter and the cost of the asset to the promoter.

Jag Sandhu, CEO, President and a director of the Issuer, took the initiative in substantially organizing the business of the Issuer and accordingly may be considered to be a promoter of the Issuer. See "*Directors and Officers*" and "*Executive Compensation*" for further information regarding Mr. Sandhu. The Issuer does not have any written or verbal contracts or any other arrangement in effect with any person to provide promotional or investor relations services.

- 18.2 (1) If a promoter referred to in section 18.1 is, as at the date hereof, or was within 10 years before the date hereof, a director, chief executive officer, or chief financial officer of any person or company that:
- a) was subject to an order that was issued while the promoter was acting in the capacity as director, chief executive officer or chief financial officer; or
 - b) was subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity as director, chief executive officer or chief financial officer,

state the fact and describe the basis on which the order was made and whether the order is still in effect.

See "*Directors and Officers*" above.

- (2) For the purposes of section 18.2 (1), “order” means:
- (a) a cease trade order;
 - (b) an order similar to a cease trade order; or
 - (c) an order that denied the relevant person or company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.
- (3) If a promoter referred to in section 18.2 (1):
- (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any person or company that, while the promoter was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact; or
 - (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter, state the fact.

See “*Directors and Officers*” above.

- (4) Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a promoter referred to in section 18.2(1) has been subject to:
- (a) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement agreement with a provincial and territorial securities regulatory authority; or
 - (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

See “*Directors and Officers*” above.

- (5) Despite section 18.2(4), no disclosure is required of a settlement agreement entered into before December 31, 2000 unless the disclosure would likely be considered important to a reasonable investor in making an investment decision.

19. Legal Proceedings

- 19.1 Describe any legal proceedings material to the Issuer to which the Issuer or a subsidiary of the Issuer is a party or of which any of their respective property is the subject matter and any such proceedings known to the Issuer to be contemplated, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

The Issuer is not aware of any legal proceedings or pending legal proceedings to which the Issuer is or is likely to be a party to or of which its business is likely to be the subject of.

- 19.2 Regulatory actions - Describe any:

- (a) penalties or sanctions imposed against the Issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date hereof;
- (b) other penalties or sanctions imposed by a court or regulatory body against the Issuer necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed; and
- (c) settlement agreements the Issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date hereof.

Not applicable.

20. Interest of Management and Others in Material Transactions

- 20.1 Describe, and state the approximate amount of, any material interest, direct or indirect, of any of the following persons or companies in any transaction within the three years before the date of the Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer:

- (a) any director or executive officer of the Issuer;
- (b) a person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10 percent of any class or series of your outstanding voting securities; and
- (c) an associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b).

To the best of the Issuer's knowledge, and other than disclosed herein, none of the Issuer's directors, executive officers, principal shareholders or an associate or affiliate of any of those persons or companies, had or has any material interest, direct or indirect, in any transaction within the three years before the date of this Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer.

21. Auditors, Transfer Agents and Registrars

21.1 State the name and address of the auditor of the Issuer.

The Issuer's auditor is Harbourside CPA, LLP, Chartered Professional Accountants, located at Suite 1140 – 1185 West Georgia Street, Vancouver, British Columbia, V6E 4E6.

21.2 For each class of securities, state the name of any transfer agent, registrar, trustee, or other agent appointed by the Issuer to maintain the securities register and the register of transfers for such securities and indicate the location (by municipality) of each of the offices of the Issuer or transfer agent, registrar, trustee or other agent where the securities register and register of transfers are maintained or transfers of securities are recorded.

The transfer agent and registrar of the Issuer's common shares is Olympia Trust Company, located at Suite 1900, 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

22. Material Contracts

22.1 Give particulars of every material contract, other than contracts entered into in the ordinary course of business that was entered into within the two years before the date of Listing Statement by the Issuer or a subsidiary of the Issuer.

The following are the material contracts entered into by the Issuer or a subsidiary of the Issuer within the two years before the date of this Listing Statement:

1. Option Agreement dated February 25, 2021 between the Company and Rich Copper Exploration Corp.
2. Option Amendment Agreement dated June 3, 2021 between the Company and Rich Copper Exploration Corp.
3. Transfer Agent, Registrar and Disbursing Agent Agreement dated September 8, 2021 between the Company and Olympia Trust Company.
4. Escrow Agreement dated September 9, 2021 between the Company, Olympia Trust Company and certain shareholders (see section 11 "*Escrowed Securities*").
5. Stock Option Plan dated September 10, 2021 (see section 9 "*Options To Purchase Securities*").

22.2 If applicable, attach a copy of any co-tenancy, unitholders' or limited partnership agreement.

Not applicable.

23. Interest of Experts

23.1 Disclose all direct or indirect interests in the property of the Issuer or of a Related Person of the Issuer received or to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named

as having prepared or certified a part of the Listing Statement or prepared or certified a report or valuation described or included in the Listing Statement.

- 23.2 Disclose the beneficial ownership, direct or indirect, by a person or company referred to in section 23.1 of any securities of the Issuer or any Related Person of the Issuer.
- 23.3 For the purpose of section 23.2, if the ownership is less than one per cent, a general statement to that effect shall be sufficient.
- 23.4 If a person, or a director, officer or employee of a person or company referred to in section 23.1 is or is expected to be elected, appointed or employed as a director, officer or employee of the Issuer or of any associate or affiliate of the Issuer, disclose the fact or expectation.

The information on the Property is summarized from the report titled the “NI 43-101 Technical Report on the Dobie Lake Copper Property, Algoma, Ontario” dated August 15, 2021 (the “Report”), prepared by Brian H. Newton, P.Geo. and Mark P. Wellstead, P.Geo. of Minroc Management Ltd. (the “Technical Report”). Each of Mr. Newton and Mr. Wellstead has informed the Company that he is a “Qualified Person” for the purposes of NI 43-101. A copy of the Report can be found on the Company’s disclosure page on www.sedar.com after it has been posted. Neither Mr. Newton nor Mr. Wellstead has any direct or indirect interest in the Property and neither holds, directly or indirectly, any securities of the Company.

Harbourside CPA, LLP, Chartered Professional Accountants, auditor of the Issuer, who prepared the independent auditor's report on the Issuer's audited financial statements included in and forming part of this Listing Statement, has informed the Issuer that it is independent of the Issuer within the meaning of the rules of professional conduct of the Chartered Professional Accountants of British Columbia (CPABC).

24. Other Material Facts

- 24.1 Give particulars of any material facts about the Issuer and its securities that are not disclosed under the preceding items and are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

Not applicable.

25. Financial Statements

- 25.1 Provide the following audited financial statement for the Issuer:
 - (a) copies of all financial statements including the auditor's reports required to be prepared and filed under applicable securities legislation for the preceding three years as if the Issuer were subject to such law; and
 - (b) a copy of financial statements for any completed interim period of the current fiscal year.

Attached to this Listing Statement are the Company's audited financial statements for the period from incorporation to August 31, 2021.

25.2 For Issuers re-qualifying for listing following a fundamental change provide

- (a) the information required in sections 5.1 to 5.3 for the target;
- (b) financial statement for the target prepared in accordance with the requirements of National Instrument 41-101 *General Prospectus Requirements* as if the target were the Issuer;
- (c) pro-forma consolidated financial statements for the New Issuer giving effect to the transaction for:
 - (i) the last full fiscal year of the Issuer, and
 - (ii) any completed interim period of the current fiscal year.

Not applicable.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Big Red Mining Corp. hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Big Red Mining Corp. as of October 30, 2021. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Surrey, British Columbia

Effective as of the 30th day of October, 2021

“Jag Sandhu”

Jag Sandhu
Chief Executive Officer

“Paul Grewal”

Paul Grewal
Chief Financial Officer

“Jag Sandhu”

Jag Sandhu
Promoter

“Rodney Stevens”

Rodney Stevens
Director

“James Atkinson”

James Atkinson
Director

Schedule 1 – Financial Statements

**BIG RED MINING CORP.
FINANCIAL STATEMENTS**

For the period from incorporation on October 18, 2020 to August 31, 2021

(Expressed in Canadian dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Big Red Mining Corp.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Big Red Mining Corp. (the "Company") which comprise the statement of financial position as at August 31, 2021 and the statement of loss and comprehensive loss, statement of changes in shareholders' equity and statement of cash flows for the period from incorporation on October 18, 2020 to August 31, 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 August 31, 2021 and its financial performance and its cash flows for the period from incorporation on October 18, 2020 to August 31, 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

Without qualifying our opinion, we draw attention to Note 1 to the financial statements which indicates the existence of a material uncertainty that may cast significant doubt about Big Red Mining Corp.'s ability to continue as a going concern.

Information other than the Consolidated Financial Statements and the Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, included in Management's discussion and analysis report.

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 identified above 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.

We obtained Management's discussion and analysis report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Mickey Goldstein

HARBOURSIDE CPA LLP

Vancouver, British Columbia
October 22, 2021

Harbourside CPA, LLP
Chartered Professional Accountants

BIG RED MINING CORP.
Statement of Financial Position
As at August 31, 2021
(Expressed in Canadian dollars)

	Note	2021
		\$
ASSETS		
Current		
Cash and cash equivalents		1,498,296
GST receivable		15,221
Total current assets		1,513,517
Exploration and evaluation asset	5	117,680
Total assets		1,631,197
LIABILITIES		
Current		
Accounts payable and accrued liabilities	6	49,175
Flow-through liability	7	12,000
Total current liabilities		61,175
SHAREHOLDERS' EQUITY		
Share capital	7	599,461
Special warrants	7	975,900
Reserves	7	26,719
Deficit		(32,058)
Total shareholders' equity		1,570,022
Total liabilities and shareholders' equity		1,631,197

Nature of operations and going concern (Note 1)

Approved on behalf of the Board of Directors on October 22, 2021:

<i>/s/ Jag Sandhu</i>	<i>/s/ Rodney Stevens</i>
Director	Director

BIG RED MINING CORP.**Statement of Loss and Comprehensive Loss****For the period from incorporation on October 18, 2020 to August 31, 2021**

(Expressed in Canadian dollars, except number of shares)

	Note	2021
		\$
Operating expenses		
Consulting Fees	6	2,857
Office and Miscellaneous		6,467
Professional fees		17,190
Travel Expenses		5,544
Total operating expenses		32,058
Net Loss		(32,058)
Loss per share:		
Basic and diluted		\$(0.00)
Weighted average number of shares outstanding:		
Basic and diluted		10,630,063

The accompanying notes are an integral part of the financial statements

BIG RED MINING CORP.**Statement of Changes in Shareholders' Equity****For the period from incorporation on October 18, 2020 to August 31, 2021**

(Expressed in Canadian Dollars, except number of shares)

	Share capital		Special warrants	Reserves	Deficit	Total
	Number of common shares	Amount				
Balance at October 18, 2020 (Incorporation)	-	\$ -	\$ -	\$ -	\$ -	\$ -
Founder shares (Note 7)	5,000,000	25,000	-	-	-	25,000
Private placements (Note 7)	11,200,000	336,250	-	-	-	336,250
Flow-through private placements (Note 7)	4,160,000	308,000	-	-	-	308,000
Special warrant private placements (Note 7)	-	-	975,900	-	-	975,900
Shares issued for property (Note 5, 7)	50,000	2,500	-	-	-	2,500
Share-issuance costs - cash (Note 7)	-	(45,570)	-	-	-	(45,570)
Share-issuance costs – agent warrants (Note 7)	-	(26,719)	-	26,719	-	-
Net Loss	-	-	-	-	(32,058)	(32,058)
Balance at August 31, 2021	20,410,000	\$ 599,461	\$ 975,900	\$ 26,719	\$ (32,058)	\$ 1,570,022

The accompanying notes are an integral part of the financial statements

BIG RED MINING CORP.**Statement of Cash Flows****For the period from incorporation on October 18, 2020 to August 31, 2021**

(Expressed in Canadian dollars)

	Note	2021
		\$
Operating activities		
Net loss for the period		(32,058)
Changes in non-cash working capital		
GST receivable		(15,221)
Accounts payable and accrued liabilities		7,959
Net cash flows used in operating activities		(39,320)
Investing activities		
Exploration and evaluation asset		(85,724)
Net cash flows used in investing activities		(85,724)
Financing activities		
Cash received from private placements		681,250
Cash received from issuance of special warrants		975,900
Cash share issuance costs		(33,810)
Net cash flows provided by financing activities		1,623,340
Increase in cash and cash equivalents		1,498,296
Cash and cash equivalents, beginning of year		-
Cash and cash equivalents, end of year		1,498,296
Non-cash transactions affecting cash flows from investing and financing activities:		
Exploration and evaluation assets included in accounts payable		\$29,456
Share issuance costs include in accounts payable		\$11,760
Shares issued for property option payment		\$2,500
Cash paid for:		
Interest		\$-
Income taxes		\$-

The accompanying notes are an integral part of the financial statements

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

1. NATURE OF OPERATIONS AND GOING CONCERN

Big Red Mining 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 October 18, 2020. The address of the Company's registered and records office and principal place of business is Suite 100, 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 5) 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 \$32,058 during the period ended August 31, 2021 and has an accumulated deficit as at August 31, 2021 of \$32,058. 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.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

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 October 22, 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.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

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
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.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

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 August 31, 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.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

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 shares are issued together with 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.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

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.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

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.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

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:

Recovery of deferred tax assets

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.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

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.

Fair-value of finders' warrants

The Company measures the cost of finders' warrants by reference to the fair value of the warrants at the date on which they are granted. Estimating the fair value of finder warrants requires applying the Black-Scholes valuation model to each grant based on the terms and conditions of such issuance.

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.

n) Flow-through shares

Any premium received by the Company on the issuance of flow-through shares is initially recorded as a liability ("flow-through tax liability"). Upon renouncement by the Company of the tax benefits associated with the related expenditures, a flow-through share premium liability is recognized, and the liability will be reversed as eligible expenditures are made. If such expenditures are capitalized, a deferred tax liability is recognized. To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

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. EXPLORATION AND EVALUATION ASSET

The Company entered into an option agreement with Rich Copper Exploration Corp. (the “Vendor”) dated February 25, 2021, as amended on June 3, 2021, (the “Option Agreement”) to acquire a 100% interest in certain claims comprising the Dobie Lake Property (the “Property”) located in Ontario, Canada, subject to a 2% net smelter returns royalty payable to the Vendor.

Pursuant to the Option Agreement, to exercise the option the Company is required to:

- a) make a cash payment of \$5,000 to the Vendor within 30 days of signing of the Option Agreement (paid)
- b) issue a total of 350,000 common shares in the capital of the Company (“Shares”) to the Vendor per the following schedule:
 - 50,000 Shares within 90 days of signing the Option Agreement (issued)
 - 100,000 Shares on or before the first anniversary date of the Option Agreement
 - 100,000 Shares on or before the second anniversary date of the Option Agreement
 - 100,000 Shares on or before the third anniversary date of the Option Agreement
- c) incur exploration expenditures totaling \$830,000 on the Property per the following schedule:
 - \$80,000 on or before the first anniversary date of the Option Agreement
 - a further \$150,000 on or before the second anniversary date of the Option Agreement
 - a further \$250,000 on or before the third anniversary date of the Option Agreement
 - a further \$350,000 on or before the fourth anniversary date of the Option Agreement

During the period ended August 31, 2021, the Company incurred a total of \$117,680 in exploration expenditures.

BIG RED MINING CORP.**Notes to the Financial Statements****For the period from October 18, 2020 (date of incorporation) to August 31, 2021**

(Expressed in Canadian dollars – unless otherwise noted)

5. EXPLORATION AND EVALUATION ASSET (continued)

	October 18, 2020	Additions	August 31, 2021
	\$	\$	\$
Acquisition costs	-	7,500	7,500
Exploration costs			
Field expenses	-	1,547	1,547
Geological consulting	-	92,324	92,324
Geophysical	-	16,309	16,309
Total exploration costs	-	110,180	110,180
Total	-	117,680	117,680

6. RELATED PARTY TRANSACTIONS

During the period ended August 31, 2021, the Company paid \$2,857 in consulting fees to Rodney Stevens, a director of the Company.

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 August 31, 2021 are included in accounts payable:

	August 31, 2021
	\$
Due to directors and officers of the Company	233
Other related parties	716
Total	949

7. SHARE CAPITAL

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

Share transactions

During the period ended August 31, 2021, the Company issued the following:

- On February 22, 2021 the Company issued 5,000,000 common shares at \$0.005 per share for gross proceeds of \$25,000.
- On March 15, 2021 the Company closed its \$0.025 flow-through unit offering issuing 3,200,000 flow-through units for gross proceeds of \$80,000. Each flow-through unit consists of one flow-through 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 March 16, 2026. The warrants were valued at \$nil, using the residual value method and the Company recorded \$nil in flow-through liability in connection to the financing.

BIG RED MINING CORP.**Notes to the Financial Statements****For the period from October 18, 2020 (date of incorporation) to August 31, 2021**

(Expressed in Canadian dollars – unless otherwise noted)

7. SHARE CAPITAL (CONTINUED)**Share transactions (continued)**

- c) On March 15, 2021 the Company closed its \$0.025 unit offering issuing 8,950,000 units for gross proceeds of \$223,750. 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 March 16, 2026. The warrants were valued at \$nil using the residual value method.
- d) On March 30, 2021 the Company issued 2,250,000 common shares at \$0.05 per share for gross proceeds of \$112,500.
- e) On April 5, 2021 the Company issued 50,000 common shares at a fair value of \$0.05 per share, for a total value of \$2,500, in connection to the first option payment on the Dobie Lake Property.
- f) On August 18, 2021 the Company closed its \$0.25 flow-through unit offering issuing 960,000 flow-through units for gross proceeds of \$240,000. Each flow-through unit consist of one flow-through common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional share at an exercise price of \$0.30 per share on or before August 21, 2023. The warrants were valued at \$nil, using the residual value method and the Company recorded \$12,000 in flow-through liability in connection to the financing. In connection to the financing the Company paid a cash finder's fee of \$11,200 and issued 44,800 finder's warrants that were valued at \$6,087 using the Black Scholes model with an expected life of 2 years, volatility of 122% and a risk free rate of 0.40%. The finder's warrants are exercisable for a period of 2 years at a price \$0.30 per share.

Special warrants

During the period ended August 31, 2021, the Company issued a total of 4,879,500 special warrants (the "Special Warrants") at \$0.20 for gross proceeds of \$975,900. 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 common share purchase warrant where each warrant entitles the holder to purchase one additional common share at an exercise price of \$0.25 per share for a period of 3 years from the date of the exercise of the special warrants.

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.

BIG RED MINING CORP.**Notes to the Financial Statements****For the period from October 18, 2020 (date of incorporation) to August 31, 2021**

(Expressed in Canadian dollars – unless otherwise noted)

7. SHARE CAPITAL (CONTINUED)**Special warrants (continued)**

The Company issued the special warrants in the following tranches:

- On July 5, 2021 the Company closed its first tranche issuing 1,163,000 special warrants for gross proceeds of \$232,600. In connection to the financing the Company paid a cash finder's fee of \$6,240 and issued 31,200 finder's warrants that were valued at \$2,965 using the Black Scholes model with an expected life of 2 years, volatility of 122% and a risk free rate of 0.46%. The finder's warrants are exercisable at a price \$0.40 per share until the earlier of (a) 2 years from the date of issuance of the finder's warrants and (b) 18 months from the first business day following the day on which a receipt for a (final) prospectus has been issued.
- On July 23, 2021 the Company closed its second tranche issuing 503,500 special warrants for gross proceeds of \$100,700. In connection to the financing the Company paid a cash finder's fee of \$3,250 and issued 16,250 finder's warrants that were valued at \$2,043 using the Black Scholes model with an expected life of 2 years, volatility of 122% and a risk free rate of 0.38%. The finder's warrants are exercisable at a price \$0.40 per share until the earlier of (a) 2 years from the date of issuance of the finder's warrants and (b) 18 months from the first business day following the day on which a receipt for a (final) prospectus has been issued.
- On August 18, 2021 the Company closed its third tranche issuing 1,024,000 special warrants for gross proceeds of \$204,800. In connection to the financing the Company paid a cash finder's fee of \$12,400 and issued 62,000 finder warrants that were valued at \$8,424 using the Black Scholes model with an expected life of 3 years, volatility of 122% and a risk free rate of 0.40%. The finder's warrants are exercisable for a period of 3 years at a price \$0.25 per share.
- On August 20, 2021 the Company closed its fourth tranche issuing 733,500 special warrants for gross proceeds of \$146,700. In connection to the financing the Company paid a cash finder's fee of \$11,360 and issued 56,800 finder's warrants that were valued at \$6,483 using the Black Scholes model with an expected life of 18 months, volatility of 122% and a risk free rate of 0.39%. The finder's warrants were issued on August 31, 2021 and are exercisable for a period of 18 months at a price \$0.25 per share.
- On August 31, 2021 the Company closed its fifth and final tranche issuing 1,455,500 special warrants for gross proceeds of \$291,100. In connection to the financing the Company paid cash finder's fees of \$1,120 and issued 5,600 finder's warrants that were valued at \$717 using the Black Scholes model with an expected life of 2 years, volatility of 122% and a risk free rate of 0.39%. Of the finder's warrants, 3,600 warrants are exercisable for a period of 3 years at a price \$0.25 per share and 2,000 warrants are exercisable for a period of 18 months at a price \$0.25 per share.

BIG RED MINING CORP.**Notes to the Financial Statements****For the period from October 18, 2020 (date of incorporation) to August 31, 2021**

(Expressed in Canadian dollars – unless otherwise noted)

7. SHARE CAPITAL (CONTINUED)**Warrants**

Below is a summary of warrant activity during the period ended August 31, 2021:

	Amount Outstanding	Weighted Average Exercise Price
Outstanding October 18, 2020 (Incorporation)	-	\$-
Issued	7,251,650	\$0.22
Balance at August 31, 2021	7,251,650	\$0.22

The following table summarizes information about the warrants outstanding as at August 31, 2021:

Number of warrants outstanding	Exercise price	Remaining life (years)	Expiry date
58,800 ⁽¹⁾	\$0.25	1.5	March 1, 2023
31,200 ⁽¹⁾	\$0.40	1.84	July 5, 2023 ⁽²⁾
16,250 ⁽¹⁾	\$0.40	1.89	July 23, 2023 ⁽³⁾
44,800 ⁽¹⁾	\$0.30	1.96	August 21, 2023
960,000	\$0.30	1.96	August 21, 2023
62,000 ⁽¹⁾	\$0.25	2.97	August 19, 2024
3,600 ⁽¹⁾	\$0.25	3	September 3, 2024
6,075,000	\$0.20	4.54	March 16, 2026
7,251,650	\$0.22	4.13	

⁽¹⁾Agent warrants⁽²⁾ These warrants expire on the date that is the earlier of (a) July 5, 2023 and (b) 18 months from the first business day following the day on which a receipt for a (final) prospectus has been issued by or on behalf of the last of the securities regulatory authorities in the Province of British Columbia and in such other jurisdictions as may be determined by the Company qualifying the distribution of the shares to be issued upon exercise of the special warrants issued by the Company on July 5, 2021.⁽³⁾ These warrants expire on the date that is the earlier of (a) July 23, 2023 and (b) 18 months from the first business day following the day on which a receipt for a (final) prospectus has been issued by or on behalf of the last of the securities regulatory authorities in the Province of British Columbia and in such other jurisdictions as may be determined by the Company qualifying the distribution of the shares to be issued upon exercise of the special warrants issued by the Company on July 23, 2021.

For the period ended August 31, 2021, no stock options were granted.

BIG RED MINING CORP.

Notes to the Financial Statements

For the period from October 18, 2020 (date of incorporation) to August 31, 2021

(Expressed in Canadian dollars – unless otherwise noted)

8. 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 August 31, 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 \$1,498,296 at August 31, 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 August 31, 2021, the Company had current liabilities totaling \$61,175 and cash and cash equivalents of \$1,498,296 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.

BIG RED MINING CORP.**Notes to the Financial Statements****For the period from October 18, 2020 (date of incorporation) to August 31, 2021**

(Expressed in Canadian dollars – unless otherwise noted)

9. 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.

10. INCOME TAX

The following is a reconciliation of oncome taxes attributable to operations at the statutory rates to income tax expense (recovery):

	August 31, 2021
	\$
Loss before income taxes	(32,058)
Combined federal and provincial statutory income tax rates	27%
Income tax recovery at statutory rates	(9,000)
Share issuance costs	(12,000)
Change in unrecognized deductible temporary differences	21,000
Total income tax recovery	-

BIG RED MINING CORP.**Notes to the Financial Statements****For the period from October 18, 2020 (date of incorporation) to August 31, 2021**

(Expressed in Canadian dollars – unless otherwise noted)

10. INCOME TAX (CONTINUED)**Deferred tax balances**

The tax effects of temporary differences that give rise to future income tax assets are as follows:

	August 31, 2021
	\$
Non-capital losses carry forward	11,000
Share issuance costs	10,000
Total deferred tax assets	21,000
Less: unrecognised deferred tax assets	(21,000)
Net deferred tax assets	-

The significant components of the Company's unrecognized tax assets are as follows:

	August 31, 2021	Expiry date range
	\$	
Non-capital losses carry forward	32,058	2041
Share issuance costs	36,456	2022 - 2025

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