ROCK EDGE RESOURCES LTD.

INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED JANUARY 31, 2022 AND 2021

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsible of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of unaudited condensed interim financial statements and are in accordance with International Accounting Standard 34 - Interim Financial Reporting.

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

ROCK EDGE RESOURCES LTD.
STATEMENTS OF FINANCIAL POSITION
AS AT JANUARY 31, 2022 AND APRIL 30, 2021
(Expressed in Canadian dollars)

		January 31, 2022		April 30, 2021
ASSETS				
CURRENT				
Cash	$	34,865	$	69,265
Amounts receivable		1,132		8,003
Prepaid expenses		38,210		10,000
		74,207		87,263
EXPLORATION AND EVALUATION ASSET (*Note 4)*		135,913		137,553
	$	**210,120**	**$**	**224,821**
LIABILITIES				
CURRENT				
Accounts payable (Note 6)	$	135,572	$	31,069
SHAREHOLDERS' EQUITY				
SHARE CAPITAL (*Note 5*)		247,201		247,201
CONTRIBUTED SURPLUS (*Note 5*)		54,181		24,181
DEFICIT		(226,834)		(77,630)
		74,546		193,752
	$	**210,120**	**$**	**224,821**

NATURE OF BUSINESS AND CONTINUING OPERATIONS (*Note 1*)
COMMITMENTS (*Note 10)*

Approved on behalf of the Board:

"Gary Musil"
Director

"Mark Lotz"
Director

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

ROCK EDGE RESOURCES LTD.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED JANUARY 31, 2022 and 2021
(Expressed in Canadian dollars)

	Three months ended, January 31, 2021	Three months ended, January 31, 2021	Nine months ended, January 31, 2022	Nine months ended January 31, 2021
EXPENSES				
Incorporation costs	-	-	-	1,927
Interest and bank charges	67	22	190	38
Professional fees	6,466	-	81,935	-
Management fees (*Note 6)*	5,000	15,500	20,000	19,250
Share based compensation			30,000	
Office expense	-	259	175	259
Listing fees	16,904	-	16,904	-
NET LOSS AND COMPREHENSIVE LOSS	**$ (28,437)**	**$ (15,781)**	**$ (149,204)**	**$ 21,474)**
LOSS PER SHARE – BASIC AND DILUTED	**$ (0.01)**	**$ (0.01)**	**$ (0.01)**	**$ (0.01)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – BASIC AND DILUTED	**6,800,001**	**6,737,363**	**6,800,001**	**2,818,361**

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

ROCK EDGE RESOURCES LTD.
STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED JANUARY 31, 2022 AND 2021
(Expressed in Canadian dollars)

	2022	2021
OPERATING ACTIVITIES		
Net loss for the period	$ (149,204)	$ (21,474)
Items not effecting cash		
Share based compensation	30,000	-
Changes in non-cash working capital balances:		
Amounts receivable	6,871	(5,868)
Prepaid expenses	(28,210)	-
Accounts payable	104,503	5,425
Cash used by operating activities	(36,040)	(21,917)
INVESTING ACTIVITY		
Capitalized exploration costs	1,640	(104,746)
FINANCING ACTIVITY		
Shares issued for cash, net	-	247,201
Cash flow from financing activities	-	247,201
CHANGE IN CASH	(34,400)	120,538
CASH, BEGINNING OF PERIOD	69,265	-
CASH, END OF PERIOD	$ 34,865	$ 120,538

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

ROCK EDGE RESOURCES LTD.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE MONTHS PERIODS ENDED JANUARY 31, 2022 AND 2021
(Expressed in Canadian dollars)

	Common shares								
	Number of shares		**Amount**		**Contributed surplus**		**Deficit**		**Total equity**
As at May 1, 2020	**1**	**$**	**1**	**$**	**-**	**$**	**-**	**$**	**1**
Shares issued for cash, net of costs	9,700,000		247,200						247,200
Net loss	-		-		-		(21,474)		(21,474)
As at January 31, 2021	9,700,001		247,201				(21,474)		225,727
As at May 1, 2021	9,700,001	$	247,201	$	24,181	$	(77,630)	$	193,752
Share based compensation					30,000				30,000
Net loss	-		-		-		(149,204)		(149,204)
As at January 31, 2022	**9,700,001**	**$**	**247,201**	**$**	**54,181**	**$**	**(226,834)**	**$**	**74,548**

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

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Rock Edge Resources Ltd. was incorporated on January 10, 2020 under the laws of British Columbia. The address of the Company's corporate office and principal place of business is Suite 1170 – 1040 West Georgia Street, Vancouver, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at January 31, 2022, the Company has not yet determined whether the Company's mineral property asset contain ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

The Company had a deficit of $226,834 as at January 31, 2022, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying value is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

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

The outbreak of COVID-19, is impacting worldwide economic activity. This pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal.

2. BASIS OF PREPARATION

Statement of Compliance

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

Approval of the Financial Statements

The financial statements were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on March 31P, 2022.

Basis of Measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 3.

The functional and presentation currency of the Company is the Canadian dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

a) Cash equivalents include short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As of January 31, 2022, the Company held no cash equivalents.

b) Significant Accounting Estimates and Judgements

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

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

Significant accounting estimates

i. the measurement of deferred income tax assets and liabilities; and

ii. the inputs used in accounting for stock-based payments.

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities;

ii. the evaluation of the Company’s ability to continue as a going concern; and

iii. the assessment of indications of impairment of the Company’s exploration and evaluation asset and related determination of the net realizable value and write-down of the Company’s exploration and evaluation asset where applicable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Income Taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the financial statements date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

d) Loss Per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. Basic and diluted loss per share excludes all of the Company’s common shares from the weighted average shares calculation that are contingently returnable.

e) Share Issuance Costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise, they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to operations.

f) Share-based payments

The fair value of equity settled stock options awarded to employees defined under IFRS 2 Share-based payments (i.e. employees for legal and tax purpose, directors and certain consultants), determined as of the date of grant, and awarded to non-employees defined under IFRS 2, as of the date of delivery of service, is recognized as share-based payments, included in general and administrative expenses in the statement of comprehensive loss, over the vesting period of the stock options based on the estimated number of options expected to vest, with a corresponding increase to equity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments

On initial recognition financial assets are classified as measured at:

i. Amortized cost;

ii. Fair value through other comprehensive income (“FVOCI”); and

iii. Fair value through profit and loss (“FVTPL”).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at amortized cost.

ii. FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at FVOCI.

iii. FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of loss and comprehensive loss in the period in which it arises.

The Company’s cash is classified at FVTPL.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments (continued)

Financial Liabilities and Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company classifies its accounts payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

h) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Exploration and evaluation assets (continued)

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

i) Decommissioning, restoration and similar liabilities

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

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

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

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

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

j) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Adoption of new accounting standards, interpretations and amendments

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

4. EXPLORATION AND EVALUATION ASSET

.	Acquisition Costs	Exploration Costs	Total
Balance at April 30, 2020	$ -	$ -	$ -
Additions:			
Cash	5,000	-	5,000
Assaying		9,847	9,847
Equipment rental	-	2,355	2,355
Fuel, shipping and supplies	-	998	998
Geological consulting	-	13,970	13,970
Labour	-	55,700	55,700
Management fee	-	7,960	7,960
Meals and accommodation	-	17,600	17,600
Transportation	-	8,588	8,588
Permitting	-	15,535	15,535
Balance at April 30, 2021	$ 5,000	$ 132,553	$ 137,553
Labour – adjustment		(1,500)	54,200
Consulting - adjustment		(140)	13,830
Balance at January 31, 2022	$ 5,000	$ 130,913	$ 135,913

Stockwork Property

On September 23, 2020 , the Company was entered an agreement to acquire a 100% undivided interest subject to the net smelter returns (“NSR”) of 3% in the Stockwork Project near Vernon, British Columbia in the Vernon Mining Division.

The Company is required to issue a total of 600,000 common shares, make cash totaling $155,000, and incurring an aggregate of $500,000 in exploration expenditures on the property as follows:

	Common Shares	Cash	Exploration Expenditures
	#	**$**	**$**
Upon signing the Option agreement (**paid**)	-	5,000	-
Upon listing of the Company's Common Shares on a Canadian Stock Exchange (the "Listing")	100,000	-	-
On or before the first anniversary of the Listing	100,000	20,000	100,000
On or before the second anniversary of Listing	100,000	30,000	100,000
On or before the third anniversary of the Listing	300,000	100,000	300,000
Total	600,000	155,000	500,000

The Company has the right to purchase the first 1% of the NSR for $750,000 and the remaining 2% of for $1,000,000.

(Expressed in Canadian dollars)

5. SHARE CAPITAL

a) Authorized: Unlimited number of common shares without par value.

b) Issued and outstanding as at January 31, 2022: 9,700,001 common shares

On August 24, 2021 the Company engaged a lead agent for the Company's proposed initial public offering of common shares to be completed concurrent with the anticipated listing of the Company's shares on the Canadian Securities Exchange.

The Company intends to offer 3,500,000 common shares at a price of $0.10 for gross proceeds of $350,000 with a possible over-allotment of 15%.

b) Issued and outstanding as at April 30, 2021: 9,700,001 common shares.

On January 10, 2020, the Company issued one common share for gross proceeds of $1.

During the year ended April 30, 2021, the Company had the following transactions:

On September 22, 2020, the Company issued 2,000,000 common shares at a price of $0.005 per share for gross proceeds of $10,000.

On September 25, 2020, the Company issued 4,500,000 flow-through common shares at a price of $0.02 per share for gross proceeds of $90,000. The Company also issued 200,000 non-flow through common shares at a price of $0.02 per share for gross proceeds of $4,000 on the same date.

On November 20, 2020, the Company completed a private placement for 3,000,000 common shares at a price of $0.05 per share for gross proceeds of $150,000.

c) Stock Options

The Company's has adopted stock option plan provides options to be granted to a limit of 15% of the total number of issued and outstanding shares on a non-diluted basis.

On March 30, 2021, the Company granted 700,000 stock options to directors and officers of the Company. The stock options vested on the grant date and are exercisable at $0.10 per share until March 30, 2024.

A continuity of the stock options outstanding as at April 30, 2021 is as follows;

	Number of Stock Options	**Weighted average exercise price**
Outstanding, beginning of period (January 10, 2020) and April 30, 2020	-	$ -
Granted	700,000	$0.10
Outstanding, April 30, 2021	700,000	$0.10

(Expressed in Canadian dollars)

5. SHARE CAPITAL (*continued*)

c) Stock Options

The fair value of the stock options granted during the year ended April 30, 2021 was $24,181 using the Black-Scholes pricing model. The inputs used in the Black-Scholes calculation for the stock options are as follows:

	2021
Share price	$ 0.05
Risk-free dividend rate	0.5%
Expected life	3 years
Dividend Rate	0%
Annualized volatility	140%

d) Shares held in escrow

The common shares issued on September 22, 2020 of 2,000,000 and are subject to escrow provisions. As at January 31, 2022 no shares have been released.

6. RELATED PARTY BALANCES AND KEY MANAGEMENT TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Key management includes directors and key officers of the Company, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

The Company incurred the following key management personnel costs during the nine months ended January 31, 2022:

	Nine Months ended January 31, 2022	**Nine months ended January 31, 2020**
Management fees (Company controlled by CEO)	20,000	$ 11,250
Management fees (Company controlled by CFO)	3,762	-

As at January 31, 2022, included in the accounts payable balance is a total of $34,050 was owed to related parties. This includes $23,625 owed to a Company controlled by the CEO for management fees, $10,426 owed to a Company controlled by the CFO for management fees

7. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the identification, evaluation and acquisition of a Qualified Transaction. The Company does not have any externally imposed capital requirements to which it is subject.

The Company's capital structure consists of equity and share subscriptions. As at October 31, 2021, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash.

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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).

Fair value of financial instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at October 31, 2021 were as follows:

		Fair value measurement using		
	Carrying amount	Level 1	Level 2	Level 3
Cash	$ 34,865	$ 34,865	$ -	$ -

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (*continued*)

Currency risk

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

Interest Rate Risk

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

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

Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.