ARCLAND RESOURCES INC.

Financial Statements

(Expressed in Canadian Dollars)

Years Ended November 30, 2020 and 2019

Index

Management's Responsibility for Financial Reporting

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and the Audit Committee is composed primarily of Directors who are neither management nor employees of Arcland Resources Inc. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Committee is also responsible for recommending the appointment of Arcland Resources Inc.'s external auditors.

De Visser Gray LLP, an independent firm of Chartered Professional Accountants, is appointed by the shareholders to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

March 16, 2021

"Yan Zhang"	*"George Lian"*
Director	Director

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Independent Auditor's Report

To the Shareholders of Arcland Resources Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Arland Resources Inc. (the "Company"), which comprise the statements of financial position as at November 30, 2020 and 2019, and the statements of comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, 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 November 30, 2020 and 2019, and its financial performance and its cash flows for the years then ended 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 ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company has no source of operating revenues, has an accumulated deficit as at November 30, 2020 and is dependent upon the ability to receive continued financial support from related parties, to obtain public equity financing, or to generate profitable operations in the future. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis," but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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 G. Cameron Dong.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada
March 16, 2021

ARCLAND RESOURCES INC.
Statements of Financial Position
As at November 30, 2020 and 2019

Expressed in Canadian Dollars	**Note**		**2020**		**2019**
ASSETS					
Current assets					
Cash		$	-	$	242
GST receivable			5,118		1,245
Prepaid expenses			417		431
Total Assets		$	5,535	$	1,918
LIABILITIES AND EQUITY (DEFICIENCY)					
LIABILITIES					
Current liabilities					
Cheques issued in excess of funds on deposit		$	9,072	$	-
Trade and other payables	7		52,288		21,592
Short-term loan	3		50,589		-
Total Liabilities			111,949		21,592
EQUITY (DEFICIENCY)					
Share capital	4		6,249,526		6,249,526
Contributed surplus			90,093		90,093
Deficit			(6,446,033)		(6,359,293)
Total deficiency			(106,414)		(19,674)
Total liabilities and equity (deficiency)		$	5,535	$	1,918

Subsequent Event (Note 9)

The accompanying notes are an integral part of these financial statements

Approved by the Directors: *"George Lian"* George Lian *"Yan Zhang"* Yan Zhang

ARCLAND RESOURCES INC.
Statements of Comprehensive Loss
For the years ended November 30, 2020 and 2019

Expressed in Canadian Dollars		**2020**		**2019**
Expenses				
Office and miscellaneous	$	3,852	$	3,347
Professional fees		74,313		16,199
Transfer and filing fees		7,170		9,503
Net operating expenses		(85,335)		(29,049)
Finance income		-		51
Finance cost		(1,405)		(970)
Net finance income (costs)		(1,405)		(919)
Net loss and comprehensive loss for the year	$	(86,740)	$	(29,968)
Loss per share for the year				
- basic and diluted	$	(0.01)	$	(0.00)
Weighted average number of common shares outstanding				
- basic and diluted		12,929,335		12,929,335

The accompanying notes are an integral part of these financial statements

ARCLAND RESOURCES INC.
Statement of Changes in Shareholders' Equity (Deficiency)
For the years ended November 30, 2020 and 2019

Expressed in Canadian Dollars	**Number of shares**		**Share capital**		**Contributed surplus**		**Deficit**		**Total equity (deficiency)**
Balance, November 30, 2018	12,929,335	$	6,249,526	$	90,093	$	(6,329,325)	$	10,294
Net loss for the year ended November 30, 2019	-		-		-		(29,968)		(29,968)
Balance, November 30, 2019	12,929,335		6,249,526		90,093		(6,359,293)		(19,674)
Net loss for the year ended November 30, 2020	-		-		-		(86,740)		(86,740)
Balance, November 30, 2020	12,929,335	$	6,249,526	$	90,093	$	(6,446,033)	$	(106,414)

The accompanying notes are an integral part of these financial statements

ARCLAND RESOURCES INC.
Statements of Cash Flows
For the years ended November 30, 2020 and 2019

Expressed in Canadian Dollars		**2020**		**2019**
Cash flows used in operating activities				
Net loss for the year	$	(86,740)	$	(29,968)
Interest received		-		54
Interest accrued on short-term loan		589		-
Changes in non-cash working capital items:				
GST receivable		(3,873)		274
Prepaid expenses		14		-
Trade and other payables		30,696		15,928
Net cash used in operating activities		(59,314)		(13,712)
Cash flows provided by investing activities				
Short-term loan		50,000		-
Redemption of Short-term investment		-		10,000
Net cash provided by investing activities		50,000		10,000
Decrease in cash		(9,314)		(3,712)
Cash, beginning of the year		242		3,954
Cash (Cheques issued in excess of funds), end of the year	$	(9,072)	$	242

The accompanying notes are an integral part of these financial statements

1. Nature of Operations and Continuance of Operations

Arcland Resources Inc. ("the Company") is a company domiciled in Canada. The address of the Company's registered office is Suite 700, 595 Burrard Street, Vancouver, British Columbia, V7X 1S8. The Company is currently inactive and is looking for a suitable acquisition to begin operations. The Company's principal business is acquisition, exploration and development of mining properties and is currently evaluating acquisition targets. To date, the Company has not generated revenues from operations.

These financial statements have been prepared by management on the basis of International Financial Reporting Standards applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. The Company has in place a planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operations on an ongoing basis. The Company expects to have sufficient liquidity and capital resources to meet its ongoing obligations and future contractual commitments for at least twelve months from November 30, 2020. Liquidity beyond the twelve-month period is dependent on the ability to receive continued financial support from related parties, to obtain public equity financing, or to generate profitable operations in the future.

As at November 30, 2020, the Company had no source of operating revenues, had accumulated a deficit of $6,446,033 (November 30, 2019 - $6,359,293) since inception and a working capital deficit of $106,414 (November 30, 2019 - $19,674). There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Additional equity and/or debt financing is subject to the global financial markets and prevailing economic conditions, which have recently been volatile and distressed. These factors will likely make it more challenging to obtain financing for the Company going forward. These conditions indicate the existence of a material uncertainty that raises significant doubt as to the Company's ability to continue as a going concern.

2. Significant Accounting Policies

(a) Statement of compliance

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

The policies applied in these financial statements are based on IFRS issued as of November 30, 2020. These financial statements were authorized to issue by the audit committee and Board of Directors of the Company on March 16, 2021.

(b) Basis of measurement

These financial statements have been prepared using the accrual basis of accounting, except for cash flow information. Furthermore, these financial statements are presented in Canadian dollars which is the functional currency of the Company and all values are rounded to the nearest dollar.

2. Significant Accounting Policies - Continued

(c) Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. 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.

In particular, information about significant areas of estimation uncertainty considered by management in preparing the financial statements is described below:

Going concern assumption

Management has applied judgments in the assessment of the Company’s ability to continue as a going concern when preparing its financial statements for the year ended November 30, 2020. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing.

(d) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and deposits in banks. There were no cash equivalents as at November 30, 2020 and 2019.

(e) Financial instruments

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes a party to the contractual provisions of the instrument.

At initial recognition, financial assets are measured at fair value and classified as subsequently measured at amortized cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”). At initial recognition, financial liabilities are measured at fair value and classified as, subject to certain exceptions, subsequently measured at amortized cost. For financial assets and financial liabilities not at FVTPL, fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

2. Significant Accounting Policies - Continued

(e) Financial instruments - Continued

We have assessed the classification and measurement of our financial assets and financial liabilities under IFRS 9 as follows:

Financial Assets	IAS 39	IFRS 9
Cash	FVTPL	Amortized cost
Financial Liabilities		
Trade and other payables	Amortized cost	Amortized cost
Short-term loan	Amortized cost	Amortized cost

Impairment of Financial assets

The Company recognizes an allowance using the Expected Credit Loss ("ECL") model on financial assets classified as subsequently measured at amortized cost. The Company has elected to use the simplified approach for measuring ECL by using a lifetime expected loss allowance for all amounts recoverable. Under this model, impairment provisions are based on credit risk characteristics and days past due. When there is no reasonable expectation of collection, financial assets classified as subsequently measured at amortized cost are written off. Indications of credit risk arise based on failure to pay and other factors. Should objective events occur after an impairment loss is recognized, a reversal of impairment is recognized in the statement of comprehensive loss.

(f) Share capital

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

(g) Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2. Significant Accounting Policies - Continued

(g) Employee benefits - Continued

Share-based payment arrangement

The stock option plan allows the Company's directors, officers and technical consultants to acquire shares of the Company. The fair value of share purchase options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value is measured at grant date and the share-based compensation is expensed based on graded vesting. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value of the share purchase options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the share purchase options were granted. Forfeiture rates are estimated in advance and are used in the estimate of the share-based expense for the financial statement period. Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the non-employee receives the goods or the services.

(h) Income tax

Any income tax on profit or loss for the period 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 or other comprehensive income (loss), in which case the income tax is recognized in equity or other comprehensive income (loss).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, on a non-discounted basis using tax rates at the end of the reporting period applicable to the period of expected realization.

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.

2. Significant Accounting Policies - Continued

(i) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. 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. As at November 30, 2020 and 2019, the diluted loss per share was equal to basic loss per share as the potential exercise of the equity-based financial instruments was anti-dilutive.

(j) Related party 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. Parties are also considered to be related if they are subject to common control. 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.

(k) New Standards and Interpretations Adopted During the Period

IFRS 16 Leases ("IFRS 16")

On December 1, 2019, the Company adopted IFRS 16, replacing IAS17, "Leases". IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its balance sheet providing the reader with greater transparency of an entity's lease obligations. Adoption of the new standard does not have any impact on the Company's financial statements.

(l) New Standards and Interpretations Not Yet Adopted During the Period

The Company continuously monitors the potential changes proposed by the International Accounting Standards Board ("IASB") and analyze the effect that changes in the standards may have on the financial statements when they become effective. There have been no significant changes to future accounting policies that could impact the Company from what was disclosed in the November 30, 2020 financial statements.

3. Short-term Loan

The Company received an unsecured short-term loan of $50,000 bearing an interest of 10% per annum from a company controlled by a director of the Company. The loan is repayable on or before October 19, 2021.

As at November 30, 2020, interest payable of $589 has been accrued.

(Expressed in Canadian Dollars)

4. Share Capital

(a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

(b) Issued and outstanding

During the years ended November 30, 2020 and 2019, there were no shares issued.

5. Stock Options and Share Purchases Warrants

(a) Stock options

The Company has a stock option plan (the "Plan") that reserves up to 10% of the issued and outstanding common shares to be issued upon exercise of options to be granted pursuant to the Plan.

As at November 30, 2020, the Company has the following stock options outstanding and exercisable:

	Number of Shares	Weighted Average Exercise Price Per Share	Expiry Date
Balance, November 30, 2020 and 2019	500,000	$ 0.10	November 1, 2021

The options outstanding at November 30, 2020 have a weighted average remaining contractual life of 0.92 years (November 30, 2019 - 1.92 years).

During the year ended November 30, 2020, no new stock options were granted.

(b) Share purchase warrants

During the years ended November 30, 2020 and 2019, there were no warrants issued or cancelled.

There are no warrants outstanding as of November 30, 2020 and 2019.

6. Financial Instruments and Risk

(a) Fair value of financial instruments

The Company's financial instruments include: cash, short-term loan, and trade and other payables. The carrying value of these financial instruments approximates their fair value due to their short-term nature.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – inputs that are not based on observable market data.

The fair value of short-term investment is based on level 1 inputs of the fair value hierarchy.

(b) Risk exposure and capital management

The Company is exposed to various risks associated with its financial instruments. These risks include: credit risk, liquidity risk and market risk. The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management activities include the preservation of its capital by minimizing risk related to its cash. The Company does not have a risk management committee or written risk management policies.

Credit risk

Credit risk is the risk of an unexpected loss if a party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and short-term investment. The Company limits its exposure to credit risk on liquid financial assets through holding and investing its cash with high credit quality financial institutions. The Company mitigates credit risk on these financial instruments by adhering to its investment policy that outlines credit risk parameters and concentration limits.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company ensures that there is sufficient working capital to fund its ongoing operating expenditures, after taking into account cash flows from operations and the Company's holdings of cash and short-term investment. As at November 30, 2020, the Company had a working capital deficit of $106,414 (November 30, 2019: $19,674).

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices.

6. Financial Instruments and Risk - Continued

(b) Risk exposure and capital management - Continued

Market risk - Continued

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short-term interest rates through the interest earned on cash and short-term investment balances. The Company has no interest-bearing debt. The Company's current policy is to invest excess cash in short-term deposits with its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(ii) Foreign currency exchange rate risk

Foreign currency exchange rate risk is the risk that the fair value of financial instruments or future cash flows will fluctuate as a result of changes in foreign exchange rates.

The Company's functional currency is the Canadian dollar and all major transactions are transacted in Canadian dollars. Management believes the foreign exchange risk derived from currency conversions is minimal.

Capital management

The Company’s objective when managing capital is to safeguard the entity’s ability to continue as a going concern. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to meet its daily operating expenses. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended November 30, 2019 and 2018. The Company is not subject to externally imposed capital requirements.

7. Related Party Transactions

All transactions with related parties have occurred in the normal course of operations, occurring on terms and conditions that are similar to those of transactions with unrelated parties and, therefore, are measured at the exchange amount.

The key management personnel of the Company are the directors and officers of the Company. There was no amount paid to the related parties for services during the years ended November 30, 2020 and 2019.

(Expressed in Canadian Dollars)

7. Related Party Transactions - Continued

There is an amount of $1,082 owing to a director for expenses paid on behalf of the Company included in trade and other payables as at November 30, 2020 (November 30, 2019 - $nil).

See also Note 3 and 9.

8. Income Tax

The reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

	2020	2019
Comprehensive loss for the year	$ (86,740)	$ (29,968)
Expected income tax recovery	$ (23,000)	$ (8,000)
Change in deferred tax assets not recognized	23,000	8,000
Total income tax recovery	$ -	$ -

There are no deferred tax assets (liabilities) presented in the statements of financial position.

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets (liabilities) have been recognized are attributable to the following:

	2020	2019
Deferred income tax assets:		
Non-capital loss carryforwards	$ 1,030,000	$ 944,000
Mineral properties	808,000	808,000
	$ 1,838,000	$ 1,752,000

This potential future tax benefit has been offset entirely by a valuation allowance and has not been recognized in these financial statements.

(Expressed in Canadian Dollars)

8. Income Tax - Continued

The non-capital loss carry-forwards will expire according to the following schedule:

2026	$ 101,000
2027	181,000
2028	76,000
2029	51,000
2030	51,000
2031	70,000
2032	82,000
2033	75,000
2034	45,000
2035	44,000
2036	51,000
2037	43,000
2038	44,000
2039	30,000
2040	86,000
	$ 1,030,000

The deferred tax assets have not been recognized because at this stage of the Company's development, it is not determinable that future taxable profit will be available against which the Company can utilize such deferred tax assets.

9. Subsequent Event

The Company entered into another unsecured short-term loan agreement for $50,000 bearing interest at 8% per annum with a company controlled by a director of the Company. The loan is repayable on or before November 19, 2021. The loan was received in December 2020.