Cache
Exploration Inc.

Consolidated Financial Statements

For the Years Ended September 30, 2020 and 2019

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Cache Exploration Inc.

Opinion

We have audited the consolidated financial statements of Cache Exploration Inc. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

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

We draw attention to Note 1 to the financial statements, which describes events or conditions that 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.

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 prior to the date of this auditor's report. 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 International Financial Reporting Standards, 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 Steven Reichert.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

March 31, 2021

CACHE EXPLORATION INC.
Consolidated Statements of Financial Position
As at September 30,
(Expressed in Canadian Dollars)

	2020	2019
	$	$
ASSETS		
Current Assets		
Cash	108,761	-
Receivables (Notes 5 and 8)	262,948	252,180
Prepaid expenses and deposits (Note 4)	13,533	-
	385,242	252,180
Capital Assets		
Exploration and evaluation assets (Note 6)	2,176,490	1,500,242
Total Assets	**2,561,732**	**1,752,422**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Bank indebtedness	-	26
Accounts payable and accrued liabilities (Notes 9 and 13)	1,096,941	833,894
Loans payable (Note 7)	31,000	34,000
Total Liabilities	**1,127,941**	**867,920**
Shareholders' Equity		
Share capital (Note 5)	9,454,024	8,144,873
Subscription received (Note 5)	13,800	44,500
Reserves (Note 5)	450,546	163,277
Deficit	(8,484,579)	(7,468,148)
	1,433,791	**884,502**
Total Liabilities and Shareholders' Equity	**2,561,732**	**1,752,422**

Nature and continuance of operations (Note 1)
Subsequent events (Note 16)

These consolidated financial statements were authorized for issue by the Board of Directors March 31, 2021. They are signed on the Company's behalf by:

"Ian Graham" **, Director** "Jack Bal" **, Director**
Ian Graham **Jack Bal**

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

CACHE EXPLORATION INC.
Consolidated Statements of Loss and Comprehensive Loss
For the Years Ended September 30,
(Expressed in Canadian Dollars)

		2020		2019
Expenses				
Management and consulting fees (Note 13)	$	585,907	$	581,768
Investor and public relations		72,443		9,229
Office and miscellaneous		17,036		21,157
Professional fees		64,572		34,687
Regulatory and listing fees		30,838		35,943
Rent and administration (Note 13)		14,603		21,738
Share-based compensation (Note 5)		237,317		-
Travel expense		1,062		5,063
		(1,023,778)		(709,585)
Other items				
Foreign exchange gain		22		59
Settlement of flow-through liability (Note 12)		-		79,653
Impairment loss (Notes 4, 6 and 8)		-		(133,510)
Gain on debt settlement (Note 13)		7,325		-
Net loss and comprehensive loss for the year	**$**	**(1,016,431)**	**$**	**(763,383)**
Basic and diluted loss per share	**$**	**(0.04)**	**$**	**(0.09)**
Weighted average shares outstanding - basic and diluted		**26,646,164**		**8,920,732**

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

CACHE EXPLORATION INC.
Consolidated Statements of Change in Shareholders' Equity
For the Years Ended September 30, 2020 and 2019
(Expressed in Canadian Dollars)

	Share capital		Subscription received			
	Number of shares	**Share capital**	**(receivable)**	**Reserves**	**Deficit**	**Total**
		$	**$**	**$**	**$**	**$**
Balance as at September 30, 2018	**8,678,465**	**7,827,373**	**-**	**163,277**	**(6,704,765)**	**1,285,885**
Subscription received	-	-	44,500	-	-	44,500
Options exercised (Note 5)	907,143	317,500	-	-	-	317,500
Net loss for the year	-	-	-	-	(763,383)	(763,383)
Balance as at September 30, 2019	**9,585,608**	**8,144,873**	**44,500**	**163,277**	**(7,468,148)**	**884,502**
Shares issued for cash (Note 5)	20,000,000	1,400,000	(30,700)	-	-	1,369,300
Share issuance costs - cash (Note 5)	-	(40,897)	-	-	-	(40,897)
Share issuance costs - finders' warrants (Note 5)	-	(49,952)	-	49,952	-	-
Share-based compensation (Note 5)	-	-	-	237,317	-	237,317
Net loss for the year	-	-	-	-	(1,016,431)	(1,016,431)
Balance as at September 30, 2020	**29,585,608**	**9,454,024**	**13,800**	**450,546**	**(8,484,579)**	**1,433,791**

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

CACHE EXPLORATION INC.
Consolidated Statements of Cash Flows
For the Years Ended September 30,
(Expressed in Canadian Dollars)

	2020	2019
	$	**$**
Operating activities		
Net loss for the year	(1,016,431)	(763,383)
Items not affecting cash:		
Impairment loss	-	133,510
Settlement of flow-through liability	-	(79,653)
Share-based compensation	237,317	-
Changes in non-cash working capital items:		
Accounts receivable	-	19,443
Prepaid expenses and deposits	(13,533)	-
Accounts payable and accrued liabilities	263,047	434,823
Net cash flows used in operating activities	**(529,600)**	**(255,260)**
Investing activity		
Exploration and evaluation assets expenditures	(676,248)	(5,905)
Net cash flows used in investing activity	**(676,248)**	**(5,905)**
Financing activities		
Proceeds from private placement	1,146,352	-
Proceeds from options exercised	212,180	187,820
Share issuance costs	(40,897)	-
Subscription received	-	44,500
Loan proceeds (repayment)	(3,000)	34,000
Net cash flows provided by financing activities	**1,314,635**	**266,320**
Change in cash	**108,787**	**5,155**
Bank indebtedness, beginning	(26)	(5,181)
Cash (bank indebtedness), ending	**108,761**	**(26)**

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Cache Exploration Inc. (the "Company") was incorporated under the provisions of the British Columbia Business Corporations Act in October 2005. On March 1, 2010, the Company's Qualifying Transaction was approved, and the Company's common shares commenced trading as a TSX Venture Exchange ("TSX-V") Tier 2 mining issuer under the symbol CAY. The Company's head office address is 213-333 Terminal Avenue, Vancouver BC V6A 4C1.

On July 6, 2020, the Company consolidated its common shares on a one-new-for-seven old basis. All share figures have been retroactively adjusted to reflect the share consolidation.

These consolidated financial statements have been prepared on the basis that the Company and its subsidiary will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of business.

As at September 30, 2020, the Company has not advanced its mining properties to commercial production or identified mineral reserves. The appropriateness of using the going concern basis of consolidated financial statement preparation is dependent upon among other things, the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future. These conditions indicate the existence of material uncertainties that may cast significant doubt that the Company will be able to continue on a going concern basis. Management currently believes that sufficient working capital may be obtained from public share offerings to meet the Company's liabilities and commitments as they come due. These consolidated financial statements do not reflect any adjustments to amounts that would be necessary if the going concern assumption were not appropriate.

In March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact of the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, the Company anticipates this outbreak might increase the difficulty in capital raising which may negatively impact the Company's business and financial condition.

2. STATEMENT OF COMPLIANCE

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

These consolidated financial statements were approved and authorized for issue by the Board of Directors of the Company on March 31, 2021.

3. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These audited consolidated financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments that are measured at fair value. All amounts are presented in Canadian dollars.

Significant estimates and assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting period include determining the fair value of measurements of financial instruments, the fair value of options and warrants granted and the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's consolidated financial statements include: 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 of financial instruments.

Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Cache Minerals Inc., incorporated in British Columbia, Canada. The subsidiary is an inactive company. All significant inter-company balances and transactions have been eliminated on consolidation.

Cash and cash equivalents

Cash in the consolidated statement of cash flows and statement of financial position, includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and amounts held in trust.

Determination of functional currency

The functional currency of the Company is measured using the currency of the primary economic environment in which that the Company operates. The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity. The Company's functional currency is Canadian dollar.

Transactions and balances

Transactions denominated in foreign currencies are translated into the relevant functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of loss and comprehensive loss.

3. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Exploration and evaluation assets

Upon acquiring the legal right to explore a property, costs related to the acquisition, exploration and evaluation are capitalized by property. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the exploration and evaluation assets, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. The recoverability of the exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

General exploration costs consist of exploration expenditures incurred in the process of evaluating potential property acquisitions. Such expenditures will continue to be expensed until the property is acquired. The proceeds from royalties granted and operator fees earned are deducted from the costs of the related property and any excess is recorded as income.

Impairment of long-lived assets

At each reporting date, the Company reviews the carrying amounts of its long-lived assets to determine whether there are any indications of impairment. 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 of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of cash inflows of other assets or groups of assets (the “cash-generating unit” or “CGU”). This generally results in the Company evaluating its non-financial assets on an exploration asset by exploration asset basis.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized as an expense in the consolidated statement of comprehensive loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reduced if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

3. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Share-based payments

The Company operates an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using a Black-Scholes Pricing Model which incorporates all market vesting conditions.

The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Share purchase warrants

The Company has adopted the residual method with respect to the measurement of warrants issued as private placement units. This method allocates the proceeds received based on the fair value of the shares, with any remaining value greater than the share's fair value being allocated to the warrants. The value attributed to the warrants is recorded to a reserve. When warrants are exercised, the value is transferred from the reserve to capital stock. If the warrants expire unexercised, the related amount remains in the reserve.

Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding during the year. For all years presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for 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 period. Because the Company incurred net losses, the effect of dilutive instruments would be anti-dilutive and therefore diluted loss per share equals basic loss per share.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in the consolidated statement of loss and comprehensive loss except to the extent it relates to items recognized in other comprehensive income or directly in equity.

Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Deferred tax

Deferred income tax is recognized, using the asset and liability method, on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Flow-through shares

On the issuance of flow-through shares, any premium received in excess of the market price of the Company's common shares is initially recorded as a liability ("flow-through premium liability"). Provided that the Company has renounced or intends to renounce the related expenditures, the flow-through tax liability is reduced on a pro-rata basis as the expenditures are incurred. If such expenditures are capitalized, a deferred tax liability is recognized. To the extent that the Company has suitable unrecognized deductible temporary differences, an offsetting recovery of deferred income taxes would be recorded.

Financial instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive loss ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held-for-trading or derivatives) or the Company has opted to measure them at FVTPL.

3. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Classification (continued)

The following table shows the classification under IFRS 9:

Financial assets/ liabilities	
Cash	FVTPL
Receivables	Amortized cost
Loans payable	Amortized cost
Accounts payable	Amortized cost

Measurement

Financial assets at FVTOCI
Elected 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 recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of net loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of net loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset 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's credit risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

3. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of net loss.

Change in accounting policies

IFRS 16 - *Leases*

The Company adopted IFRS 16 which replaced IAS 17 "*Leases*" and related interpretations, using the modified retrospective method which does not require restatement of prior period financial information. The new standard introduces a single lessee accounting model and requires a lessee to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. In determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The assessment is reviewed if a significant event of a significant changes in circumstance occurs which affects this assessment. The adoption of IFRS 16 had no transitional impact on the Company's consolidated financial statements.

From October 1, 2019, leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use, with the exception of leases of low-value assets or leases with a term of 12 months or less, which are recognized on a straight-line basis as an expense. Each lease payment is allocated between the repayment of the lease liability and finance cost. The finance cost is charged to the statement of income (loss) and comprehensive income (loss) over the lease period to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The right-of-use asset is depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. Right-of-use assets and lease liabilities arising from a lease are initially measured on a present value basis. During the year ended September 30, 2020, the Company recognized $14,603 in rent expense for contracts exempted under the IFRS 16 provisions due to lease terms of less than 12 months (Note 15).

(Expressed in Canadian Dollars)

4. PREPAID EXPENSES AND DEPOSITS

	September 30, 2018	Impairment	September 30, 2019	September 30, 2020
Rent	$ 1,045	$ (1,045)	$ -	$ 3,558
Exploration advance	31,940	(31,940)	-	-
Professional fees	-	-	-	5,475
Consulting fees	-	-	-	2,625
Filing fees	-	-	-	1,875
Total	$ 32,985	$ (32,985)	$ -	$ 13,533

5. SHARE CAPITAL

a. Authorized, issued and outstanding shares

The Company's authorized capital consists of an unlimited number of common shares without par value.

On July 6, 2020, the Company consolidated its common shares on a one-new-for-seven-old basis. All share figures have been retroactively adjusted to reflect the share consolidation.

b. Issuances

At September 30, 2020, there were 29,585,608 (2019 - 9,585,608) common shares issued and outstanding.

Share issuances during the year ended September 30, 2020:

On August 4, 2020, the Company closed its non-brokered private placement of 14,766,435 units at a price of $0.07 per unit for aggregate proceeds of $1,033,650. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of $0.15 per share for a period of 24 months from the date of closing. Proceeds of $215,948 were not received during the year ended September 30, 2020 and are included in receivables (Note 8).

In connection with the private placement, the Company paid $27,440 in cash and issued 392,000 finders' warrants as finders' fees. The fair value of the finders' warrants was estimated to be $41,267 and was determined using the Black-Scholes Option Pricing Model with the following weighted average assumptions: share price of $0.13, expected share price volatility of 190.66%, expected life of 2 years and risk-free interest rate of 0.22%.

On August 13, 2020, the Company closed its non-brokered private placement of 5,233,565 units at a price of $0.07 per unit for aggregate proceeds of $366,350. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of $0.15 per share for a period of 24 months. Proceeds of $7,000 were not received during the year ended September 30, 2020 and are included in receivables (Note 8).

(Expressed in Canadian Dollars)

5. SHARE CAPITAL *(continued)*

b. Issuances *(continued)*

Share issuances during the year ended September 30, 2020: (continued)

In connection with the private placement, the Company paid $5,320 in cash and issued 76,000 finders' warrants as finders' fees. The fair value of the finders' warrants was estimated to be $8,685 and was determined using the Black-Scholes Option Pricing Model with the following weighted average assumptions: share price of $0.14, expected share price volatility of 190.48%, expected life of 2 years and risk-free interest rate of 0.28%.

Share issuances during the year ended September 30, 2019:

On November 2, 2018, the Company issued 221,429 common shares on the exercise of 221,429 options at a price of $0.35 per share for proceeds of $77,500.

On September 3, 2019, the Company issued 514,286 common shares on the exercise of 514,286 options at a price of $0.35 per share for proceeds of $180,000. Proceeds of $180,000 were received during the year ended September 30, 2020.

On September 24, 2019, the Company issued 171,429 common shares on the exercise of 171,429 options at a price of $0.35 per share for proceeds of $60,000. During the year ended September 30, 2020, $20,000 was received and the remaining proceeds of $40,000 are included in receivables (Note 8).

During the year ended September 30, 2020, the Company received excess share subscriptions of $13,800 (2019 - $44,500) from several subscribers as compared to their actual subscription amount from the recently closed private placement in August 2020.

c. Share purchase warrants

In connection with the private placement in August 2020, the Company issued a total of 20,000,000 share purchase warrants at an exercise price of $0.15 per share for a period of 24 months. The Company also issued 468,000 finders' warrants as part of finders' fee. The finders' warrants have the same terms as the warrants issued under the private placement but are non-transferable.

The continuity of share purchase warrants for the years ended September 30, 2020 and 2019 is as follows:

	September 30, 2020			**September 30, 2019**		
	Number of Warrants		Weighted Average Exercise Price	Number of Warrants		Weighted Average Exercise Price
Warrants outstanding, beginning of year	**1,318,929**	**$**	**0.70**	**2,379,429**	**$**	**1.12**
Granted	20,468,000		0.15	-		-
Expired	(1,318,929)		0.70	(1,060,500)		1.61
Warrants outstanding, end of year	**20,468,000**	**$**	**0.15**	**1,318,929**	**$**	**0.70**

(Expressed in Canadian Dollars)

5. SHARE CAPITAL *(continued)*

c. Share purchase warrants *(continued)*

As at September 30, 2020, the Company had the following share purchase warrants outstanding:

Date Issued	Expiry Date	Exercise Price	Number of Warrants Outstanding
August 4, 2020	August 4, 2022	$0.15	14,766,435
August 4, 2020	August 4, 2022	$0.15	392,000
August 13, 2020	August 13, 2022	$0.15	5,233,565
August 13, 2020	August 13, 2022	$0.15	76,000
			20,468,000

All warrants outstanding at September 30, 2020 are exercisable. As at September 30, 2020, the weighted-average remaining contractual life of the warrants outstanding is 1.85 years.

d. Share purchase options

The Company adopted a stock option plan (the "Plan"), which provides that the Board of Directors may, at its discretion, grant directors, officers, employees and consultants non-transferable stock options to purchase common shares of the Company at a price determined by the fair market value of the shares at the date immediately preceding the date on which the option is granted. Under this plan, the aggregate number of common stock options shall not exceed 10% of the issued and outstanding common shares of the Company, and if any option granted under the plan expires or terminates for any reason in accordance with the terms of the plan without being exercised, that option shall again be available for the purpose of the plan. All options vest over a period determined by the Board of Directors and expire up to five years after issuance. For the options exercised immediately, the expected life was determined to be Nil and because the stock price was the same as the exercise price, the fair value of the options was determined to be $Nil.

The continuity of stock options for the years ended September 30, 2020 and 2019 is as follows:

	September 30, 2020			**September 30, 2019**		
	Number of Options	Weighted Average Exercise Price		Number of Options	Weighted Average Exercise Price	
Options outstanding, beginning of year	**235,714**	**$**	**0.70**	**235,714**	**$**	**0.70**
Granted	2,200,000		0.12	907,143		0.35
Exercised	-		-	(907,143)		0.35
Expired	(71,429)		0.35	-		-
Options outstanding, end of year	**2,364,285**	**$**	**0.17**	**235,714**	**$**	**0.70**

(Expressed in Canadian Dollars)

5. SHARE CAPITAL *(continued)*

d. Share purchase options *(continued)*

As at September 30, 2020, the Company had the following stock options outstanding:

Date Issued	Expiry Date	Exercise Price	Number of Options Outstanding
January 17, 2017	January 17, 2022	$0.70	128,571
May 12, 2017	May 12, 2022	$1.40	35,714
August 4, 2020	August 4, 2022	$0.12	2,200,000
			2,364,285

All options outstanding at September 30, 2020 are exercisable. As at September 30, 2020, the weighted-average remaining contractual life of options outstanding is 1.81 years.

During the year ended September 30, 2020, the Company granted 2,200,000 stock options to certain directors, officers and consultants of the Company which vested immediately.

The fair value of stock options granted during the year ended September 30, 2020 was $237,317 and was estimated using the Black-Scholes option-pricing model on the grant date using the following weighted average assumptions: share price of $0.13, volatility of 190.66%; expected life of 2 years; dividend rate of Nil; and a risk-free interest rate of 0.22%.

During the year ended September 30, 2019, the Company granted 907,143 stock options to consultants of the Company which vested immediately and were exercised during the year.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION EXPENDITURES

	For the years ended September 30, 2020	2019
Kiyuk Lake Property, Nunavut		
Acquisition cost:		
Balance, beginning	$ 450,000	$ 450,000
Additions - shares	-	-
Balance, ending	450,000	450,000
Exploration expenditures:		
Balance, beginning	1,050,242	1,044,337
Claim fees	-	4,150
Consultants	-	1,755
Geological survey	479,900	-
Reports and analysis	1,875	-
Field expenses - other	26,054	-
Travel and accommodation	168,419	-
Balance, ending	1,726,490	1,050,242
	2,176,490	1,500,242
Deep Lake Cobalt Property, New Brunswick		
Acquisition cost:		
Balance, beginning	-	32,000
Impairment	-	(32,000)
Balance, ending	-	-
Total exploration and evaluation assets	**$ 2,176,490**	**$ 1,500,242**

Kiyuk Lake Property

Effective February 28, 2017 (the "Closing Date"), the Company signed a property option agreement with Montego Resources Inc. ("Montego") to acquire a 100% interest in and to a series of mineral claims and leases located in Nunavut commonly referred to as the Kiyuk Lake Property (the "Property").

Terms to Acquire 100% Interest in the Property:

- $200,000 payable on the Closing Date (paid);
- $200,000 payable on or before 6 months after the Closing Date (settled through shares); and
- $100,000 payable on or before 12 months after the Closing Date (settled through shares).

The Company paid a finder 43,956 common shares with a fair value of $40,000 which has been included in acquisition costs.

The Property is subject to a 2% net smelter royalty to the original owner.

6. EXPLORATION AND EVALUATION EXPENDITURES *(continued)*

Kiyuk Lake Property (continued)

On February 4, 2019, the Company (the “Optionor”) granted an exclusive option to Margaret Lake Diamonds Inc. (the “Optionee” or “Margaret Lake”) to acquire an undivided 50% interest in the Kiyuk Lake Property (the “Property”) upon spending $3,000,000 on the Property and other considerations.

Pursuant to the transaction, the Optionor grants to the Optionee the sole, exclusive option to acquire an undivided 50% interest in the Property by doing the following:

- Issue 714,286 common shares of the optionee to the Optionor within 10 days of exchange acceptance of the transaction (not received);
- Invest $150,000 in the Optionor through the purchase of 428,571 common shares of the Optionor at $0.35 per share on a private placement basis within 30 days of the effective date (not received);
- On or before the first anniversary of the effective date, making a payment of $100,000 to the Optionor; and
- On or before the third anniversary of the effective date, financing expenditures totalling $3,000,000.

Provided that the Optionee has exercised the option, the Optionee may, within 90 days of the 50% interest earn-in date, elect, by notice in writing to the Optionor, to acquire an additional 30% interest in and to the Property by paying to the Optionor an additional $5,000,000 within the election period.

Margaret Lake Diamonds Inc., the Company’s joint venture partner for Kiyuk Lake has filed a National Instrument 43-101 Technical Report (the “Report”) for the Kiyuk Lake Gold with an effective date of June 24, 2019.

During the year ended September 30, 2019, Margaret Lake paid $55,545 to Land Administration in Nunavut Region as payment for lease application by Montego to Kiyuk Lake Property for a one-year lease.

On October 10, 2019, the Company received TSX-V approval for the disposition of an un-divided 50% interest in the Kiyuk Property to Margaret Lake Diamond Inc. pursuant to an option agreement between the Company and Margaret Lake Diamonds Inc. On January 28, 2020, the Company terminated the option agreement with Margaret Lake due to failure to make certain payments to the Company and incur required expenditures.

Deep Lake Cobalt Property

On January 30, 2018, the Company signed a Purchase Agreement to acquire a 100% interest in the Deep Lake Cobalt Property, located near Saint John, New Brunswick from Horizon Cobalt Corp. (“Horizon”) in consideration of the issuance of 114,286 common shares of the Company to Horizon. The purchase was approved by TSX-V on May 2, 2018. Upon approval, the Company issued 114,286 common shares at a fair value of $32,000.

During the year ended September 30, 2019, the Company let certain claims lapse and is no longer focused on the property. The Company recorded an impairment loss of $32,000.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION EXPENDITURES *(continued)*

Mali Gold Project

On May 2, 2019, the Company signed a definitive agreement with a private vendor, Rachid Mogabgab, to acquire a 100% mineral interest in a gold project in Mali, Africa. The acquisition includes an estimated $250,000 in mining equipment previously utilized at the Mali gold project. On September 4, 2019, the Company received the TSX-V approval for this acquisition.

As full consideration for the purchase, the Company will issue to the vendor:

- 357,143 common shares of the Company on the September 9, 2019 (closing date) at a deemed price of $0.35 per share; and
- $210,000 payable as follows:
    - $35,000 upon TSX-V approval; and
    - Seven payments of $25,000 payable every three months after September 9, 2019 (closing date) of the definitive agreement.

On January 20, 2020, Rachid Mogabgab canceled the property purchase agreement. The Company was notified that its operating license has been withdrawn by the town hall of Nouga in Mali on December 6, 2019 and has also been notified by a legal representative of the town hall of Nouga that the cancellation can be cured by payment of outstanding security fees of $7,500. The Company decided not to pay the outstanding security fee of $7,500 and let the license lapse without issuing any shares or making any payments.

7. LOANS PAYABLE

During the year ended September 30, 2019, the Company borrowed $34,000 from a related party. During the year ended September 30, 2020, a repayment of $3,100 was made and an additional $100 was received by the Company. These loans are unsecured, non-interest bearing and have no set of repayment terms. As at September 30, 2020, the loans remain outstanding (Note 13).

8. RECEIVABLES

	September 30, 2020	September 30, 2019
Receivable on share options (Note 5)	$ 40,000	$ 252,180
Subscription receivable (Note 5)	222,948	-
	$ 262,948	$ 252,180

During the year ended September 30, 2019, the Company recorded an impairment loss of $68,525 of its GST receivable as collection was determined to be uncertain.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2020	September 30, 2019
Accounts payable (Note 13)	$ 1,080,941	$ 817,894
Accrued liabilities	16,000	16,000
	$ 1,096,941	$ 833,894

10. CAPITAL RISK MANAGEMENT

The Company's capital consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the acquisition, exploration and development of exploration properties. The Company manages its capital structure in a manner that provides sufficient funding for operational activities.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will be required to spend its existing working capital and to raise additional amounts as needed.

Funds are primarily secured through equity capital raised by way of private placements. There can be no assurances that the Company will be able to raise additional equity capital in this manner.

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 year ended September 30, 2020.

11. FINANCIAL INSTRUMENTS AND RISK FACTORS

Fair value of financial statements

As at September 30, 2020 and 2019, the Company's financial instruments consist of cash (bank indebtedness), receivables, accounts payable and accrued liabilities and loans payable. Financial instruments on the consolidated financial statements are recorded at fair value. Following are three levels of the fair value hierarchy are used to assess the significance of the inputs in making the measurements:

- Level 1 - Quoted prices 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.

The Company's cash (bank indebtedness) are classified as Level 1, whereas receivables, accounts payable and accrued liabilities and loans payable are classified as Level 2. As at September 30, 2020, the Company believes that the carrying values of cash (bank indebtedness), receivables, accounts payable and accrued liabilities and loans payable approximate their fair values because of their nature and relatively short maturity dates or durations.

Financial risk factors

The Company may be exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management process are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below. There were no changes in the risks, objectives, policies and procedures from the previous year.

11. FINANCIAL INSTRUMENTS AND RISK FACTORS *(continued)*

Financial risk factors ***(continued)***

Credit Risk Management
Credit risk relating to cash and receivables arises from the possibility that a counter party to an instrument fails to perform. Management believes that credit risk is minimal.

Liquidity Risk
The Company budgets on an ongoing basis to determine the amount of funds required to support the Company's operations and planned exploration activities. The Company ensures there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. At September 30, 2020, the Company has a working capital deficiency of $742,699. The Company may not have sufficient funds to meet its current liabilities as they become due.

Interest Rate Risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the Company's cash balances earn interest at fixed rates over the next three to twelve months. It is management's opinion that the Company is not exposed to significant interest rate risk.

12. FLOW-THROUGH PREMIUM

During the year ended September 30, 2017, the Company issued 357,143 flow-through units for gross proceeds of $500,000. The Company determined that value of the flow-through component was $88,670 determined based on the additional warrant issued with the non-flow-through units. During the year ended September 30, 2019, the Company determined that it had incurred the required exploration expenditures and therefore reduced the flow-through liability balance to $Nil.

13. RELATED PARTY TRANSACTIONS

During the years ended September 30, 2020 and 2019, the Company incurred the expenses to related parties as follows:

- $126,000 in management fees (2019 - $126,000) to the CEO of the Company;
- $13,395 in rent (2019 - $10,395) to the CEO of the Company;
- $Nil in consulting fees (2019 - $55,300) to the former directors of the Company; and
- $7,750 in management fees (2019 - $Nil) to a company controlled by the CFO of the Company.

During the year ended September 30, 2020, a total of 850,000 (2019 - Nil) stock options valued at $91,691 were granted to key management personnel of the Company (Note 5).

During the year ended September 30, 2020, the Company received $140,000 from the CEO and director as part of the private placement completed on August 4, 2020 (Note 5).

(Expressed in Canadian Dollars)

13. RELATED PARTY TRANSACTIONS *(continued)*

Related parties balance

During the year ended September 30, 2020, the Company settled its balance owing to a former director that resigned during the year for $35,000. The settlement resulted in a gain on related party debt settlement of $7,325 and was recorded in the Consolidated Statements of Loss and Comprehensive Loss.

As at September 30, 2020, the Company has $98,286 (2019 - $325,016) included in accounts payable owed to directors, officers and former directors of the Company (Note 9).

During the year ended September 30, 2019, the Company borrowed $34,000 (2018 - $Nil) from an officer and director of the Company. During the year ended September 30, 2020, a repayment of $3,100 was made and an additional $100 was received by the Company. These related party loans are unsecured, non-interest bearing and have no set of repayment terms. As at September 30, 2020, the loans remain outstanding (Note 7).

14. INCOME TAXES

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

		September 30, 2020		September 30, 2019
Net loss before income taxes	$	(1,016,431)	$	(763,383)
Statutory tax rate		27%		27%
Expected income tax recovery at the statutory tax rate		(274,436)		(206,113)
Non-deductible expenses and other		(64,219)		-
Adjustment to prior years provision versus statutory tax returns and other		125,068		294,602
Deferred tax assets not recognized		213,587		(88,489)
Income tax recovery	$	-	$	-

The Company's deferred tax assets are as follows:

		September 30, 2020		September 30, 2019
Non-capital loss carry-forwards	$	1,608,927	$	1,307,402
Exploration and evaluation assets		(3,238)		90,419
Share issuance costs		4,417		-
Valuation allowance		(1,610,106)		(1,397,821)
	$	-	$	-

As at September 30, 2020, the Company had non-capital losses of approximately $5,959,000, which may be available to reduce future taxable income with an expiry between 2028 and 2039.

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

15. COMMITMENT

During the year ended September 30, 2020, the Company entered into a sublease agreement for basic rent of $1,150 per month from September 1, 2020 to August 31, 2021.

16. SUBSEQUENT EVENTS

On October 29, 2020, the Company issued 900,000 common shares on the exercise of 900,000 stock options at a price of $0.12 per share for gross proceeds of $108,000.

On November 9, 2020, the Company issued 100,000 common shares on the exercise of 100,000 stock options at a price of $0.12 per share for gross proceeds of $12,000.

On December 1, 2020, the Company signed a loan agreement in the amount of $200,000 with $10,000 charge fee with a third party Lender. The loan has been repaid on Dec 29, 2020.

On December 4, 2020, the Company closed the first tranche of its non-brokered private placement of units at a price of $0.12 cents per unit. At this closing, the Company issued an aggregate of 9,112,581 units for gross proceeds of $1,093,510. Each unit consists of one common share and one common share purchase warrant, entitling the holder to purchase one additional common share at an exercise price of $0.20 per share for a period of 24 months from the date of closing.

In connection with the first tranche closing of the private placement, the Company paid cash finders' fees in the amount of $10,560 and issued a total of 88,000 finders' warrants. The finders' warrants have the same terms as the warrants issued under the private placement but are non-transferable.

On December 9, 2020, the Company granted incentive stock options to certain directors, officers and consultants of the Company to purchase up to 2,000,000 common shares in the capital of the Company pursuant to the Company's stock option plan. The options are exercisable on or before December 9, 2022, at an exercise price of $0.16 per share.

On December 14, 2020, the Company issued 1,157,143 common shares on the exercise of 600,000 stock options at a price of $0.12 per share for gross proceeds of $72,000 and 557,143 share purchase warrants at a price of $0.15 per share for gross proceeds of $83,571.

On December 23, 2020, the Company closed the final tranche of its non-brokered private placement of units at a price of $0.12 per unit. At this closing, the Company issued an aggregate of 10,887,419 units for gross proceeds of $1,306,490. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of $0.20 per share for a period of 24 months from the date of closing.

In connection with the final closing of the private placement, the Company paid cash finders' fees in the amount of $26,880 and issued a total of 224,000 finder warrants. The finder warrants have the same terms as the warrants issued under the private placement but are non-transferable.

On December 29, 2020, the Company issued 292,857 common shares on the exercise of 292,857 share purchase warrants at a price of $0.15 per share for gross proceeds of $43,929.

On December 31, 2020, the Company issued 500,000 common shares on the exercise of 500,000 share purchase warrants at a price of $0.15 per share for gross proceeds of $75,000.

(Expressed in Canadian Dollars)

16. SUBSEQUENT EVENTS *(continued)*

On January 5, 2021, the Company issued 2,792,000 common shares on the exercise of 2,792,000 share purchase warrants at a price of $0.15 per share for gross proceeds of $418,800.

On January 7, 2021, the Company issued 1,300,000 common shares on the exercise of 1,300,000 share purchase warrants at a price of $0.15 per share for gross proceeds of $195,000.

On January 21, 2021, the Company issued 290,000 common shares on the exercise of 290,000 share purchase warrants at a price of $0.15 per share for gross proceeds of $43,500.

On January 29, 2021, the Company issued 100,000 common shares on the exercise of 100,000 share purchase warrants at a price of $0.15 per share for gross proceeds of $15,000.

On February 2, 2021, the Company granted to certain directors, officers and consultants of the Company options to purchase up to 2,000,000 common shares in the capital of the Company pursuant to the Company's stock option plan. The options are exercisable on or before February 2, 2023, at an exercise price of $0.16 per share. The grant of options is subject to regulatory approval.

On February 8, 2021, the Company issued 359,565 common shares on the exercise of 359,565 share purchase warrants at a price of $0.15 per share for gross proceeds of $53,945.

On February 24, 2021, the Company issued 850,000 common shares on the exercise of 850,000 share purchase warrants at a price of $0.15 per share for gross proceeds of $127,500.

On March 29, 2021, the Company signed a definitive agreement to acquire a 100% option on the Marmot precious metals project located in the Golden Triangle of British Columbia, Canada, and held by Granby Gold Corp., an arm's-length private company. The terms of the definitive agreement are shown in the table below:

Date	Cash Payment	Share Issuance	Expenditures
	$		$
On execution of the Definitive Agreement	15,000	1,000,000	-
On or before first anniversary of the Definitive Agreement	-	1,500,000	400,000
On or before second anniversary of the Definitive Agreement	-	2,500,000	500,000
On or before third anniversary of the Definitive Agreement	-	3,000,000	500,000
On or before fourth anniversary of the Definitive Agreement	-	-	600,000

Granby will retain a 2% royalty with the company retaining the right to acquire 50% of the royalty (equal to a 1% net smelter return royalty) for a cash payment of $1,000,000.

Any transaction with Granby is subject to any required regulatory and third-party approvals.