GOLDEN DAWN MINERALS INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED

NOVEMBER 30, 2020 AND 2019

(*Expressed in Canadian Dollars***)**

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Golden Dawn Minerals Inc.

Opinion

We have audited the accompanying consolidated financial statements of Golden Dawn Minerals Inc. (the "Company"), which comprise the consolidated statements of financial position as at November 30, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, changes in shareholders' deficiency, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated 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 audits 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 Consolidated 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 consolidated 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 of the consolidated financial statements, which indicates that the Company's ability to continue as a going concern is dependent on its ability to raise additional capital to fund its ongoing business operations. As stated in Note 3, these events and conditions 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 obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Stephen Hawkshaw.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

March 30, 2021

GOLDEN DAWN MINERALS INC.
Consolidated Statements of Financial Position
[Expressed in Canadian Dollars]

	Note	November 30 2020	November 30 2019
ASSETS		$	$
CURRENT			
Cash		4,693	1,657
Receivables and Prepayments		53,616	101,218
		58,309	102,875
NON-CURRENT			
Restricted Cash	5	587,570	588,056
Receivables from Related Parties	11	-	333
Plant and Equipment	6	4,397,922	4,803,293
Exploration and Evaluation Assets	7	1	1
		5,043,802	5,494,558
LIABILITIES			
CURRENT			
Accounts Payable and Accrued Liabilities		4,589,973	3,513,804
Due to Related Parties	11	809,626	892,992
Short Term Loan	9	1,296,500	1,328,900
Promissory Notes	12	693,349	972,185
Metal Streaming Interest	8	5,186,000	5,284,000
		12,575,448	11,991,881
NON-CURRENT			
Reclamation Provision	13	744,025	733,025
		13,319,473	12,724,906
SHAREHOLDERS' DEFICIENCY			
Share Capital	10	31,022,712	29,399,565
Reserves	10	2,999,252	3,003,289
Deficit		(42,297,635)	(39,633,202)
		(8,275,671)	(7,230,348)
		5,043,802	5,494,558

Going concern (Note 3(a))

Commitments (Note 16)

Events subsequent to the reporting period (Note 19)

APPROVED AND AUTHORIZED FOR ISSUE BY THE BOARD of DIRECTORS ON March 30, 2021 AND SIGNED ON ITS BEHALF BY:

/S/Stephan Leahy

Stephen Leahy, Director

/S/Dieter Benz

Dieter Benz, Director

The accompanying notes are integral part of these consolidated financial statements

GOLDEN DAWN MINERALS INC.
Consolidated Statements of Loss and Comprehensive Loss
[Expressed in Canadian Dollars]

		Year ended November 30	
	Notes	2020	2019
		$	$
EXPENSES			
Advertising and Marketing		6,785	17,333
Asset Retirement Obligation Accretion Expense	13	11,000	11,000
Consulting Fees	11	180,000	174,500
Depreciation of Plant and Equipment	6	405,371	29,433
Exploration and Evaluation Expenditures	7	1,000,260	724,300
Insurance		4,414	75,755
Interest and Finance Fees	8,9,12	1,433,187	1,344,794
Management, Wages and Salaries	11	-	143,453
Office and Administration Fees		150,134	164,748
Professional Fees		145,721	128,756
Regulatory and Transfer Agent (Recovery) Fees		(3,931)	43,911
Rent and Utilities		42,000	26,549
Share-Based Compensation	10	-	290,449
Travel and Accommodations		4,543	-
		3,379,484	3,174,981
Foreign Exchange Gain		(213,953)	(1,601)
Flow-Through Share Premium Recovery	10	-	(72,811)
Impairment of Plant and Equipment	6	-	883,659
Gain on Debt Settlements	10,12	(498,826)	-
Gain Loss on Sale of Equipment	6	-	(49,025)
Write-off of Receivables		7,598	
Write-off of Receivable from Related Party	11	-	49,809
		(705,181)	810,031
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		2,674,303	3,985,012
Basic and Diluted Loss Per Share		$0.10	$0.26
Weighted Average Number of Common Shares Outstanding, Basic and Diluted		27,517,659	15,443,596

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

GOLDEN DAWN MINERALS INC.
Consolidated Statements of Changes in Shareholders' Deficiency
[Expressed in Canadian Dollars]

	Share Capital				
	Number of Shares (Note 1)	Amount	Reserves	Deficit	Total
		$	$	$	$
Balance, November 30, 2018	13,942,473	28,724,352	2,932,794	(35,875,542)	(4,218,396)
Shares Issued for Cash	3,230,000	724,500	-	-	724,500
Share Issuance Cost	-	(41,889)	-	-	(41,889)
Fair Value of Finders' Warrants Issued		(7,398)	7,398	-	-
Fair Value of Options Expired/Cancelled	-	-	(227,352)	227,352	-
Share-Based Compensation	-	-	290,449	-	290,449
Comprehensive Loss	-	-	-	(3,985,012)	(3,985,012)
Balance, November 30, 2019	**17,172,473**	**29,399,565**	**3,003,289**	**(39,633,202)**	**(7,230,348)**
Shares Issued for Cash	15,600,000	1,293,000	-	-	1,293,000
Shares Issued for Debt	2,372,974	172,768	-	-	172,768
Share Issuance Cost	-	(21,788)	-	-	(21,788)
Shares Issued on Exercise of Warrants	2,200,000	185,000	-	-	185,000
Fair Value of Finders' Warrants Issued		(5,833)	5,833	-	-
Fair Value of Options Expired/Cancelled	-	-	(9,870)	9,870	-
Comprehensive Loss	-	-	-	(2,674,303)	(2,674,303)
Balance, November 30, 2020	**37,345,447**	**31,022,712**	**2,999,252**	**(42,297,635)**	**(8,275,671)**

The accompanying notes are integral part of these consolidated financial statements

GOLDEN DAWN MINERALS INC.
Consolidated Statements of Cash Flows
[Expressed in Canadian Dollars]

	Year ended November 30	
	2020	2019
	$	$
OPERATING ACTIVITES		
Comprehensive Loss for the Year	(2,674,303)	(3,985,012)
Items Not Affecting Cash:		
Depreciation of Plant and Equipment	405,371	29,433
Asset Retirement Obligation Accretion Expense	11,000	11,000
Gain on Debt Settlements	(498,826)	
Gain on Sale of Equipment	-	(49,025)
Interest and Finance Fees	1,433,187	1,344,794
Unrealized Foreign Exchange Gain on Metal Streaming Interest	(98,000)	-
Unrealized Foreign Exchange Gain on Short Term Loan	(32,400)	(1,200)
Unrealized Foreign Exchange Loss on Promissory Notes	(8,479)	2,089
Write-off of Receivables	7,598	-
Write-off of Receivable from Related Party	-	49,809
Share-Based Compensation	-	290,449
Flow -Through Share Premium Recovery	-	(72,811)
Impairment of Plant and Equipment	-	883,659
Changes in Non-Cash Working Capital Accounts:		
Change in Receivables and Prepayments	40,004	(38,668)
Change in Accounts Payables and Accrued Liabilities	90,819	476,268
Change in Due to/from Related Parties	(83,033)	435,133
	(1,407,062)	(624,082)
INVESTING ACTIVITIES		
Decrease (Increase) in Restricted Cash	486	(9,007)
	486	(9,007)
FINANCING ACTIVITES		
Proceeds from Issuance of Shares, Net of Share Issuance Costs	1,224,612	705,211
Proceeds from Exercise of Share Purchase Warrants	185,000	-
Proceeds from Promissory Notes	-	194,053
Repayment of Promissory Notes	-	(20,000)
Repayment of Interest on Metal Streaming Agreement	-	(250,000)
	1,409,612	629,264
CHANGE IN CASH	3,036	(3,825)
Cash, Beginning of Year	1,657	5,482
Cash, End of Year	4,693	1,657

Supplemental disclosures with respect to cash flows (Note 17)
The accompanying notes are integral part of these consolidated financial statements

NOTE 1 - CORPORATION INFORMATION

Golden Dawn Minerals Inc. ("the Company") was incorporated on January 9, 2004, under the British Columbia Business Corporations Act. The current registered office and corporate office of the Company is located at 888 Dunsmuir Street, suite 888, Vancouver, BC.

The principal activity of the Company is the acquisition and exploration of mineral resource properties in Canada. The Company's common shares are listed for trading on the TSX Venture Exchange (TSX-V) under the symbol "GOM". During fiscal 2016, the Company acquired a processing facility and the Greenwood Gold project consisting of the Lexington and Gold Crown exploration properties located in the Greenwood Mining Division of South-Central British Columbia, Canada.

During the year ended November 30, 2018 and 2019, the Company consolidated its common shares. In 2018, the Company consolidated its shares on a two for one basis. In 2019, the Company consolidated its common shares on a five for one basis. All share information within these consolidated financial statements have been updated to retroactively reflect the share consolidation.

NOTE 2 - BASIS OF PREPARATION

a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), which include International Accounting Standards and Interpretations ("IFRIC" and "SIC") adopted by the International Accounting Standards Board.

b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All financial information in these financial statements is presented in Canadian dollars, except as otherwise stated.

c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its three wholly owned Canadian subsidiaries, 6891667 Canada Inc., 1086359 BC Ltd. and Kettle River Resources Ltd. All significant inter-company balances and transactions have been eliminated upon consolidation. Subsidiaries are entities controlled by the Company. Control exists when the Company possesses power over as investee, has exposure to variable returns from the investee and can use its power over the investee to affects its returns.

d) Comparatives

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

NOTE 3 - SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgments and estimates are required. Changes in these judgments and estimates may materially affect the financial position or financial results reported in future periods. Further information on each of these areas and how they impact the various accounting policies are described below and in the relevant notes to the financial statements.

NOTE 3 - SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

a) Going Concern

Management anticipates that the Company will be able to continue as a going concern for the foreseeable future and realize its assets and discharge its liabilities and commitments in the normal course of business, and therefore, these financial statements have been prepared on a going concern basis and do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

The mineral exploration and mining business involve, by its nature, a high degree of risk. There can be no assurance that exploration projects will result in valuable mineral discoveries or profitable mining operations. All the Company's mineral properties are in the exploration stages and have not generated any revenue, and therefore, the Company has incurred significant losses and negative cash flows from operations since its inception.

In the immediate term, the Company's ability to continue as a going concern is dependent upon its ability to raise additional capital to fund its ongoing business operations. Additional capital may be sought from existing shareholders and creditors and from the sale of additional common shares or other equity or debt instruments. In the longer term, the recoverability of the carrying value of the Company's long-lived assets is dependent upon the Company's ability to preserve its ownership in the underlying mineral interests, the discovery of economically recoverable reserves, the achievement of profitable operations, and the ability of the Company to obtain financing to support its ongoing exploration programs. The achievement of profitability and positive cash flow and the ability to obtain adequate financing are material uncertainties. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

The outbreak of the COVID-19 virus and the worldwide pandemic has impacted the Company's plans and activities. The Company may face disruption to operations, supply chain delays, travel and trade restrictions, and impacts on economic activity in affected countries or regions can be expected and are difficult to quantify. Regional disease outbreaks and pandemics represent a serious threat to hiring and maintaining a skilled workforce and could be a major health-care challenge for the Company. There can be no assurance that the Company's personnel will not be impacted by these regional disease outbreaks and pandemics and ultimately that the Company would see its workforce productivity reduced or incur increased medical costs and insurance premiums as a result of these health risks.

In addition, the pandemic has created a dramatic slowdown in the global economy. The duration of the outbreak and the resulting travel restrictions, social distancing recommendations, government response actions, business disruptions and business closures may have an impact on the Company's exploration operations and access to capital. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the pandemic's impact on global industrial and financial markets which may reduce metal prices, share prices and financial liquidity thereby severely limiting access to essential capital.

b) Fair Value of Derivatives and Other Financial Liabilities

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Management uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

c) Reclamation Provisions

The Company assesses its reclamation provisions at each reporting date. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the ultimate amount payable. These factors include estimates of the extent, cost, and timing of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rate, and changes in discount rates. These uncertainties may result in future expenditures differing from the amounts currently provided.

d) Impairment of Long-Lived Assets

The Company considers both external and internal sources of information in assessing whether there are any indications that mining interests are impaired. External sources of information the Company considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of mining interests. Internal sources of information the Company considers include the manner in which mining properties and plant and equipment are being used or are expected to be used and indications of economic performance of the assets.

NOTE 3 - SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

e) Deferred Tax Assets

Judgment is required to determine which types of arrangements are a tax on income in contrast to an operating cost. Judgment is also required in determining whether deferred income tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from un-utilized tax losses, require management to assess the likelihood that the Company will generate enough taxable earnings in future periods, in order to utilize recognized deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sale volumes, commodity prices, reserves, operating costs, closure and reclamation costs, capital expenditure, dividends and other capital management transactions) and judgment about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differs significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting data could be impacted.

In addition, future changes in income tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain income tax deductions in future periods.

f) Accounting for Metals Streaming Interest

The Company entered into a gold purchase agreement in 2017 (Note 8). The Company recognizes advance payments received under the agreement as financial liabilities in accordance with the accounting policy described in Note 4(m). In making this assessment, the Company considered the accounting policies commonly used in practice, to account for the advance payments received as a financial liability or as a sale of a mineral interest and a contract to provide services. The determination was originally made that the Company account for advance payments as deferred revenue based on consideration of the relevant accounting guidance as well as the facts and circumstances of the Company's agreement. The accounting policy was changed during the year ended November 30, 2018 to recognize advance payments received as financial liabilities. The change in accounting policy adopted retrospectively, resulting in an adjustment of $Nil in both 2018 and 2017.

g) Deprecation of the Greenwood Mill and Equipment

The Company estimates the useful lives of plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of plant and equipment are based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the plant and equipment would increase the recorded expenses and decrease the non-current assets.

The Company's mining equipment, mining vehicles and mill and plant assets acquired as part of the Greenwood Precious Metals Project acquisition were not available for use during the years ended November 30, 2018 and 2019. During the year ended November 30, 2019, while idle, the mill and equipment was appraised and an impairment on the plant and mill was recorded in the amount of $883,659 and no amortization was recognized on these assets. For the year ended November 30, 2020, the Company considered its accounting policy in Note 4(c) and assessed that in anticipation of startup operations, the mill and equipment is 'ready for use' therefore a determination was made to start depreciation of the assets. There was a change in accounting estimate during the year ended November 30, 2020 to recognize the adjusted economic useful life of the Greenwood mill to 12 years and mining equipment to 10 years. The economic useful life is based on industry standards and external sources.

NOTE 4 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign Currency

The Company and its subsidiaries' functional currency is the Canadian dollar. Monetary assets and liabilities denominated in currencies other than the Canadian dollar are initially recorded in the functional currency at the respective spot rate of exchange ruling at the date of the transaction, and then translated into Canadian dollars at the rates of exchange prevailing at the reporting date. All differences are taken to profit or loss on the statement of loss comprehensive loss.

Non-monetary assets and liabilities are translated at historical exchange rates prevailing at each transaction date. Revenues and expenses are translated at average rates throughout the reporting period.

(b) Financial Instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (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 if the Company has opted to measure them at FVTPL.

The following table shows the original classification under IFRS 9:

Financial assets/liabilities	
Cash	FVTPL
Accounts payable and Accrued Liabilities	Amortized cost
Receivables	Amortized cost
Receivables from Related Parties	Amortized cost
Restricted Cash	Amortized cost
Due to Related Parties	Amortized cost
Short Term Loan	Amortized cost
Promissory Notes	Amortized cost
Metal Streaming Interest	Amortized cost

(ii) Measurement

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.

NOTE 4 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 statements of comprehensive 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 statements of comprehensive loss in the period in which they arise.

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) 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 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 statements of comprehensive 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.

(iv) 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.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

(c) Plant and Equipment

Plant and equipment are recorded at cost less accumulated amortization, and accumulated net impairment losses, if any.

Recognition and Measurement

The costs of the plant and equipment include the fair value of the consideration given to acquire assets at the time of acquisition or construction and include expenditures that are directly attributable to bringing the asset to the location and condition necessary for their intended use. The cost of replacing a part of an item of a plant and equipment is recorded in the carrying amount of the item provided that there are future economic benefits, and the costs can be measured. The carrying amount of the part being replaced is then derecognized. The costs of day-to-day servicing of equipment are recognized in the consolidated statements of loss and comprehensive loss.

NOTE 4 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation of Plant and Equipment

Plant and equipment are amortized to their estimated residual value on a straight-line basis over their estimated useful lives and economic lives as follows:

Mining equipment and vehicles:	10 years
Mill and plant:	12 years
Furniture and fixture:	3 years
Camp:	6 years
Computer equipment:	3 years

An item of plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss when the asset is derecognized.

The residual value, useful lives, and methods of amortization of plant and equipment are reviewed at each reporting period, and adjusted prospectively, if appropriate.

(d) Exploration and Evaluation Assets

Recognition and Measurement

Exploration and evaluation costs are those costs required to find a mineral property and determine technical feasibility and commercial viability. These include costs to establish an initial mineral resource and determine whether inferred mineral resources can be upgraded to measured and indicated mineral resources and whether measured and indicated mineral resources are commercially viable. Costs incurred before the Company has obtained the legal right to explore an area are recognized in the consolidated statement of operations and comprehensive loss.

Costs relating to the acquisition of, exploration for and development of mineral properties are expensed and recognized within the Consolidated Statement of Loss and Comprehensive Loss in accordance with the Company’s accounting policy. These expenditures include, but are not restricted to drilling, trenching, sampling, surveying and gathering exploration data; tunneling and development, calculation and definition of mineral resource; test work on geology, metallurgy, mining, geotechnical and geophysical; and conducting geological, geophysical, engineering, environmental, marketing and financial studies.

All pre-production and bulk sampling revenues are credited against the expenditures and recognized within the Consolidated Statement of Loss and Comprehensive Loss. Option payments received are also recorded in the Consolidated Statement of Loss and Comprehensive Loss as exploration and evaluation recoveries.

Administration costs that do not relate directly to specific exploration activity for capitalized projects are expensed as incurred.

Impairment

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Indicators of impairment include, but are not limited to:
(a) the period for which the right to explore is less than one year and renewal is not expected;
(b) further exploration expenditures are not anticipated;
(c) a decision to discontinue activities in a specific area; and
(d) the existence of sufficient data indicating that the carrying amount of an exploration and evaluation asset is unlikely to be recovered from the development or sale of the asset.

Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration and evaluation assets are not expected to be recovered, they are charged to operations.

NOTE 4 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Impairment of Long-Lived Assets

The Company assesses at each reporting date whether there is an indication that an asset (or CGU) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's or CGU's recoverable amount. The recoverable amount is the higher of an asset's or CGU's fair value less costs to sell ("FVLCS") and its value in use ("VIU"). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or groups of assets, in which case, the asset is tested as part of a larger CGU. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset/CGU is considered impaired and is written down to its recoverable amount.

In calculating the VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and risks specific to the asset/CGU. In determining FVLCS, recent market transactions are considered.

If no such transactions can be identified, an appropriate valuation model is used, which would generally be determined based on the present value of the estimated future cash flows arising from the continued use and eventual disposal of the asset. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or the other available fair value indicators.

Impairment losses on continuing operations are recognized in profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued when revaluation was taken to other comprehensive income. In this case, the impairment is also recognized in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's/CGU's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset/CGU does not exceed either its recoverable amount, or the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset/CGU in prior years. Such a reversal is recognized in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase and is recognized through other comprehensive income.

(f) Provisions

Provisions are liabilities that are uncertain in timing or amount. The Company records a provision when and only when:

- The Company has a present obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and,
- A reliable estimate can be made of the amount of the obligation.

Constructive obligations are obligations that derive from the Company's actions where:

- By an established pattern of past practice, published policies or a sufficiently specific current statement, the Company has indicated to other parties that it will accept certain responsibilities; and,
- As a result, the Company has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Provisions are reviewed at the end of each reporting period and adjusted to reflect management's current best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Provisions are reduced by actual expenditures for which the provision was originally recognized. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risk specific to the liability. Where discounting has been used, the carrying amount of a provision increases in each period to reflect the passage of time. The periodic unwinding of the discount is recognized in profit or loss as part of finance costs.

NOTE 4 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes to estimated future costs are recognized in the statement of financial position by either increasing or decreasing the liability and asset to which it relates if the initial estimate was originally recognized as part of an asset measured in accordance with IAS 16 Property, Plant and Equipment.

(g) Share Capital

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

The Company may enter into flow-through share agreements whereby the Company agrees to transfer the rights to income tax deductions related to exploration expenditures to the flow-through shareholders. The premium, if any, paid for flow-through shares in excess of the market value of the shares without the flow-through features at the time of issuance is excluded from share capital and recorded as a flow-through share premium liability on the statement of financial position. The Company reduces its flow-through share premium on renunciation.

Valuation of Equity Units Issued in Private Placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

(h) Share-Based Payment Transactions

The share option plan allows the Company's employees and consultants to acquire shares of the Company. The fair value of share options granted is recognized as a share-based compensation expense with a corresponding increase in the equity settled share-based payments reserve 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.

For employees, the fair value is measured at grant date and each tranche is recognized separately on a straight-line basis over the period during which the share options vest. The fair value of the share options granted is measured using the Black-Scholes option pricing model considering the terms and conditions upon which the share options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. On expiry, the fair value of share options is reversed to deficit.

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 Company receives the goods or the services.

(i) Income Taxes

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.

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

Deferred tax is provided using the statement of financial position method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

NOTE 4 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss).
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the parent, investor or venturer and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry-forward of unused income tax credits and any unused income tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused income tax credits and unused income tax losses can be utilized.

(j) Loss Per Share

Basic earnings or loss per share is calculated by dividing the earnings or loss for the period by the weighted average number of shares outstanding during the same period. Diluted earnings or loss per share is calculated by dividing the earnings or loss for the period by the weighted average number of shares outstanding during the same period adjusted for the effects of all dilutive potential common shares, which comprise options granted to employees and warrants. Under this method, the weighted average number of common shares outstanding for the calculation of diluted earnings or 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. The basic and diluted loss per share are the same because the exercise of options and warrants would have an anti-dilutive effect.

(k) Embedded Derivatives

Derivatives may be embedded in other financial instruments (the “host instrument”). Embedded derivatives are treated as separate derivatives when their economic characteristics and risks are not clearly and closely related to those of the host instrument, the terms of the embedded derivative are the same as those of a stand-alone derivative, and the combined contract is not held for trading or designated at fair value. These embedded derivatives are measured at fair value with subsequent changes recognized in gains or losses on derivative instruments in the statement of loss and comprehensive loss.

(l) Borrowing Costs

Interest directly related to the acquisition, development and construction, and production of qualifying assets are capitalized as construction in progress or in mineral properties until they are complete and available for use, at which time they are transferred to the appropriate category within mineral properties, plant and equipment. Borrowing costs incurred after the asset has been placed into service as well as all other borrowing costs are charged to the statement of loss and comprehensive loss when incurred.

(m) Metal Streaming Interest

Advance payments received under the metal stream interest acquired by RIVI Opportunity Fund LP (“RIVI”) are recognized as financial liabilities. The amount recognized each period represents the proportion of gold ounces deliverable under the streaming interest on account of gold production sold that period, to the total ounces of gold which at the time are estimated as remaining to be delivered under the streaming interest. Also recognized within cost of sales each period is the actual or estimated market price of the gold ounces delivered or deliverable under the streaming interest on account of gold production sold that period, less the related per-ounce cash amount received or to be received from RIVI on such delivery.

(n) New Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for the November 30, 2020 reporting period. Management is assessing whether these standards will have an impact on the measurement or presentation of balances or transactions as reported in these financial statements. For the year ended November 30, 2020, there are no upcoming accounting standards anticipated to have an impact on the Company’s financial statements.

(Expressed in Canadian Dollars, unless otherwise stated)

NOTE 5 - RESTRICTED CASH

As at November 30, 2020, the Company has a total of $587,570 (2019 - $588,056) in restricted cash as follows:

- $Nil (2019 - $486) in lawyer's trust account.
- $587,570 (2019 - $587,570) as deposits for exploration permits for the Company's mineral exploration and evaluation assets in accordance with related statutory requirements.

Such funds are not available to finance the Company's day-to-day operations and therefore have been excluded from cash for the purposes of the statement of cash flows and are disclosed as non-current assets.

NOTE 6 - PLANT AND EQUIPMENT

	Mining Equipment and Vehicles	Mill and Plant	Camp	Total
Cost				
Balance, November 30, 2018	$ 366,568	$ 5,381,159	$ 62,757	$ 5,810,484
Disposals	(60,775)	-	-	(60,775)
Impairment	-	(883,659)	-	(883,659)
Balance, November 30, 2019 and 2020	$ 305,793	$ 4,497,500	$ 62,757	$ 4,866,050
Accumulated Depreciation				
Balance, November 30, 2018	$ 47,286	$-	$ 41,838	$89,124
Depreciation	8,514	-	20,919	29,433
Disposals	(55,800)	-	-	(55,800)
Balance, November 30, 2019	-	-	62,757	62,757
Depreciation	30,579	374,792	-	405,371
Balance, November 30, 2020	$ 30,579	$ 374,792	$ 62,757	$ 468,128
Carrying Amounts				
At November 30, 2019	$305,793	$4,497,000	$-	$4,803,293
At November 30, 2020	$275,214	$4,122,708	$ -	$4,397,922

During the year ended November 30, 2019, the Company disposed of $4,975 in mining equipment in exchange for the forgiveness of $54,000 in amounts due to related parties, resulting in a gain of $49,025.

The Company's mining equipment, mining vehicles and mill and plant assets acquired as part of the Greenwood Precious Metals Project acquisition were not available for use during the years ended November 30, 2018 and 2019. During the year ended November 30, 2019, an impairment on the plant and mill was recorded in the amount of $883,659 and no amortization was recognized on these assets. The impairment of the Company's plant and mill was determined with reference to the underlying asset's salvage value, using a replacement cost approach.

For the year ended November 30, 2020, the Company assessed that in anticipation of startup operation, the mill and equipment is 'ready for use' therefore made the determination to start depreciation of the assets. The accounting estimate was changed during the year ended November 30, 2020 to recognize the adjusted economic useful life of the Greenwood mill to 12 years and mining equipment to 10 years.

During the year ended November 30, 2020, amortization expense of $405,371 (2019 - $29,433) was recorded in the statement of loss and comprehensive loss.

(Expressed in Canadian Dollars, unless otherwise stated)

NOTE 7 - EXPLORATION AND EVALUATION ASSETS

During the years ended November 30, 2020 and 2019, the Company incurred the following exploration expenditures by property:

	Boundary Falls	Greenwood Project	Kettle River Project	Total
Year Ended November 30, 2019	-	$ 724,300	-	$ 724,300
Year Ended November 30, 2020	$ 46,240	$ 938,406	$ 15,614	$ 1,000,260

During the year ended November 30, 2020 and 2019, costs relating to the acquisition of, exploration for and development of mineral properties are expensed and recognized within the Consolidated Statement of Loss and Comprehensive Loss.

The Company maintained capitalized exploration and evaluation assets of $1 regard the Boundary Falls Property at November 30, 2020, 2019 and 2018.

(a) Boundary Falls Property, British Columbia

The Company acquired a 100% interest to three mineral claims and the May Mac mine and related facilities for a payment of 100,000 common shares valued at $130,000.

On March 24, 2015, the Company entered into a purchase agreement to acquire 100% interest in the Amigo property for consideration of $10,000 and 20,000 common shares valued at $16,000.

The property is adjacent to the May Mac claims and included in the Boundary Falls Project. On April 17, 2017, 10,000 shares were issued for the purchase of the remaining cells of the same claim. The shares were valued at $32,000.

The property is subject to a 3.0% net smelter royalty (“NSR”).

At November 30, 2020, 2019 and 2018, the Company maintained capitalized E&E assets of $1.

(b) Greenwood Precious Metals Project, British Columbia

The Company acquired 100% of the Greenwood Precious Metals Project consisting of the Lexington and Golden Crown properties located in the Greenwood Mining Division, South Central British Columbia, Canada.

The properties are subject to NSRs of up to 4.5% and a 2.5% net profits interest on a portion of the Lexington property claims.

c) Kettle River Project, British Columbia

On October 17, 2016, the Company entered into a Letter of Intent (“LOI”) with New Nadina Explorations Limited (“New Nadina”) with respect to acquiring New Nadina’s 100% owned subsidiary, Kettle River Resources Ltd. (“Kettle River”) which owns mineral and land properties in the Greenwood area.

Pursuant to the LOI, the Company paid $95,000 during the year ended November 30, 2016. In February 2017, the Company completed the Kettle River acquisition in consideration for cash payments of $915,000 and the issuance of 222,225 common shares with a value of $600,008. The Company considers the Kettle River acquisition to be an asset acquisition. The transaction also incurred regulatory fees of $3,500.

The mineral properties included in the acquisition are subject to a 1% NSR where the Company can purchase a ½% for $1,000,000 within five years and thereafter $1,200,000 up to 10 years leaving a ½% NSR payable to New Nadina.

In May 2019, the Company signed a letter of intent with GGX Gold Corp. to explore if a mutually agreed agreement could be entered into to acquire all or part of the property. The Company has decided not to move forward with the agreement.

(Expressed in Canadian Dollars, unless otherwise stated)

NOTE 7 - EXPLORATION AND EVALUATION ASSETS (Continued)

d) Iron Ridge Property

On December 21, 2017, the Company entered into a sales and purchase agreement with Koios to purchase the Iron Ridge Property located near Creston, British Columbia, by forgiving $50,000 of related party accounts receivable owed from Koios. The transaction was completed in January 2018.

e) J&L Property

On December 18, 2017, the Company entered into an option agreement (the "Agreement") with Huakan International Mining Inc. ("Huakan") to acquire the mineral properties and assets generally known as the J&L Property, located in the Revelstoke Mining Division, British Columbia, Canada in exchange for a series of staged payments and common share issuances.

At the execution of the Agreement, the Company transferred to Huakan 100,000 common shares, valued at $280,000.

NOTE 8 - METAL STREAMING INTEREST

	Metal Streaming Loan	Interest Payable (Recognized within Accounts Payable and Accrued Liabilities)	Total
Cost			
Balance, November 30, 2018	$ 5,284,000	$ 602,202	$ 5,886,202
Additions	-	852,538	852,538
Payments	-	(250,000)	(250,000)
Foreign Exchange Adjustment	-	(2,489)	(2,489)
Balance, November 30, 2019	5,284,000	1,202,251	6,486,251
Additions	-	1,066,011	1,066,011
Payments	-	-	-
Foreign Exchange Adjustment	(98,000)	(54,052)	(152,052)
Balance, November 30, 2020	$5,186,000	$2,214,210	$7,400,210

On December 23, 2016, the Company entered into a Gold Purchase Agreement ("GPA") with RIVI Opportunity Fund LP ("RIVI"). The GPA was further amended on February 8, 2017.

The terms of the GPA are as follows: RIVI shall be entitled to 15% of the total combined gross production of gold ounces from the Lexington and Golden Crown Mines, at the lessor of a gold-equivalent price per ounce of US$400 or 80% of the market price of gold for the life of the projects. RIVI purchased the metal stream for a total of US$4,000,000; US$3,000,000 was received on February 9, 2017 upon signing the final agreement, and a second payment of US$1,000,000 was received on March 13, 2017 after certain criteria was met. The GPA will accrue interest at a rate of 10% interest per annum on the US$4,000,000 until the end of three full (consecutive) months of commercial production. Should the Company not advance the projects to commercial production within 12 months, beginning on the first day of the thirteenth month, the rate of interest payable will increase to 16% per annum. The Company has granted as security to RIVI a first-ranking registered mining tenements mortgage over the Lexington and Golden Crown properties.

Upon meeting certain criteria and delivery commitments, the Company shall have the option to reduce the metal stream and increase the per-ounce payment. The Company has paid a structuring fee relating to the GPA.

(Expressed in Canadian Dollars, unless otherwise stated)

NOTE 8 - METAL STREAMING INTEREST (Continued)

On April 8, 2019, the Company had entered into a Debt Reorganization Agreement with 1136130 B.C. Ltd. ("1136130"), a private company owned by a related party. The agreement will allow the Company to convert a significant amount of its existing liabilities into equity and favourably amend the terms for the remaining senior secured liability owing to RIVI. 1136130 and RIVI have entered into a debt option agreement giving 1136130 an option exercisable to acquire certain debts owing by the Company to RIVI, and to trigger amendments to the terms of the remaining RIVI debts.

1136130 has agreed to assign to the Company subject to the Company's obligation to fund the option payment of US$1,524,500 and to make certain payments of cash and shares to 1136130.

In consideration for 1136130's interest, on the closing the Company will issue a maximum of 3,105,487 common shares in the capital of the Company provided that the actual number of shares issued will be adjusted downward by the minimum extent necessary to ensure that, based on the total number of issued and outstanding shares of the Company as at the date of the closing, 1136130 does not become a new control person (as defined in the policies of the TSX-V), with any reduction in value being payable to 1131630 in cash, or at the option of 1136130 by issuance of a demand promissory note bearing 10% interest. Additionally, the Company will grant an option right to 1136130, exercisable at 1136130's sole discretion at any time in the 36 months following the closing, to purchase from the Company a new net smelter returns royalty rights in the production on the Company's Lexington and Golden Crown properties.

1136130 may purchase royalty rights in 0.5% increments at a price of $25,000 per increment up to a maximum royalty rate of 2.5% (subject to reduction in proportion to any new NSR royalties granted to RIVI).

In October 2019, the Company made a cash payment of $250,000 to be applied to the Debt Reorganization Agreement commitments in consideration of RIVI extending the deadline for the Company to complete the transactions.

The completion of the Company's proposed debt reorganization is subject to the acceptance of the Debt Reorganization Agreement by the TSX-V. As of the date of these Financial Statements, the Company has not received acceptance and have not executed on the agreements. All RIVI agreement terms and conditions remain in effect.

During the year ended November 30, 2020, the Company accrued a total of $1,066,011 (2019 - $852,538) as interest expense in the current year. As at November 30, 2020, the Company had $2,214,210 interest payable included in accounts payable and accrued liabilities (2019 - $1,202,251).

NOTE 9 - SHORT TERM LOAN

	Loan	Interest Payable (Recognized within Accounts Payable and Accrued Liabilities)	Total
Cost			
Balance, November 30, 2018	$ 1,330,100	$ 66,505	$ 1,396,605
Additions	-	334,635	334,635
Foreign Exchange Adjustment	(1,200)	(2,470)	(3,670)
Balance, November 30, 2019	1,328,900	398,670	1,727,570
Additions	-	333,260	333,260
Foreign Exchange Adjustment	(32,400)	(18,855)	(51,255)
Balance, November 30, 2020	$1,296,500	$713,075	$2,009,575

NOTE 9 - SHORT TERM LOAN (Continued)

On May 4, 2018, the Company entered into a promissory note with a private lender, pursuant to which the lender advanced US$1,000,000 to the Company. The promissory note matures on August 4, 2018 and can be extended for an additional 90 days at the discretion of the lender. The Company paid a one-time structuring fee and must pay interest of US$50,000. In August 2018, the loan was extended and accrued $65,000 of extending costs in accounts payable and accrued liabilities. Until the loan is repaid, the Company is required to pay an extending fee of US$50,000 per quarter. For the year ended November 30, 2020, the Company accrued in accounts payable and accrued liabilities a total of US$550,000 ($713,075) (2019 – US$300,000 ($398,670) in fees for a total payable amount of US$1,550,000 ($2,009,575).

NOTE 10 - SHARE CAPITAL AND RESERVES

As at November 30, 2020, there were 37,345,447 (2019 – 17,172,473) common shares issued and outstanding.

a) Common Shares

<u>During the Year Ended November 30, 2019</u>

<u>Shares for Cash:</u>

- In May 2019, the Company issued 1,570,000 units for gross proceeds of $392,500. Each unit consists of one common share and one common share purchase warrant exercisable at $0.375 for five years from the date of issuance.
- In October 2019, the Company issued 1,660,000 units, raising gross proceeds of $332,000. Each unit consists of one common share and one transferable common share purchase warrant exercisable at $0.35 for 18 months from the date of issuance. The Company paid a cash commission of $9,680 and issued 48,400 broker warrants. The broker warrants have a calculated fair market value of $7,398 used the Black Scholes model and have the same terms as the private placement.

  During the year ended November 30, 2019, the Company incurred other issuance costs of $32,209 associated with the above private placements.

<u>During the Year Ended November 30, 2020</u>

<u>Shares for Cash:</u>

- In January, February and March 2020, the Company closed a non-brokered private placement through the issuance of 6,600,000 units over three tranches, raising gross proceeds of $528,000. The units were issued at a price of $0.08 per unit, each unit consisting of one common share and one share purchase warrant exercisable at $0.125 for an 18-month period. The Company paid a cash commission of $6,720 and issued 84,000 finders' warrants valued at $5,833.
- June and July 2020, the Company issued a total of 4,000,000 units at a price of $0.06 for gross proceeds of $240,000. Each unit consists of one common share and one share purchase warrant exercisable of $0.08 for a two-year period.
- In September 2020, the Company issued a total of 5,000,000 units at a price of $0.105 for gross proceeds of $525,000. Each unit consists of one common share and one share purchase warrant exercisable of $0.15 for 18 months from date of issuance. The warrants also have terms for acceleration.

<u>Shares for Debt:</u>

- March 26, 2020, the Company issued 2,150,974 shares common shares at a fair value of $150,568 in settlement of indebtedness to creditors in the amount of $632,201. The Company recognized a gain of $481,633 on the settlement agreement.
- In July and August 2020, the Company issued cash and shares to settle debts with creditors. 222,000 common shares at a fair value of $22,200 were issued in settlement of $33,300 and $80,000 cash was paid to settle $86,093 in debt. The Company recognized a gain of $11,100 on the share settlement agreement and $6,093 on the cash settlement.

  The Company issued a total of 2,372,974 common shares, paid $80,000 in cash to settle $751,594 in debt, recognizing a total gain of $498,826.

(Expressed in Canadian Dollars, unless otherwise stated)

NOTE 10 - SHARE CAPITAL AND RESERVES (Continued)

b) Stock Options

The Company grants stock options to employees, directors, officers, and consultants as compensation for services pursuant to its Stock Option Plan (the "Plan"). Options issued pursuant to the Plan must have an exercise price greater than or equal to the market price of the Company's stock on the grant date less applicable discounts. Options have a maximum expiry period of up to five years from the grant date and are subject to the minimum vesting requirements, as determined by the Board of Directors. The number of options that may be issued under the Plan is limited to no more than 10% of the Company's issued and outstanding shares on the grant date. Stock options granted to management, employees, and directors vest immediately on the grant date.

The following tables summarize the continuity of the Company's stock options:

	Number of Options	Weighted Average Price
Outstanding and Exercisable at November 30, 2018	330,000	$ 2.45
Granted	1,300,000	0.25
Expired/Cancelled	(80,000)	2.91
Outstanding and Exercisable at November 30, 2019	1,550,000	0.58
Expired/Cancelled	(5,000)	1.80
Outstanding and Exercisable at November 30, 2020	1,545,000	$0.58

Information regarding options outstanding as November 30, 2020 is as follows:

Number of Options	Exercise Price	Expiry Date
*20,000	$ 1.50	February 4, 2021
75,000	1.50	April 1, 2021
30,000	3.00	October 28, 2021
70,000	2.65	July 11, 2022
50,000	3.00	October 20, 2022
1,300,000	0.25	July 22, 2024
1,545,000	$0.58	

*Subsequent to year ended November 30, 2020, 20,000 stock options expired.

Stock-based compensation costs have been determined based on the fair value of the stock options at the grant date using the Black-Scholes option-pricing model. During the year ended November 30, 2020, the Company granted Nil (2019 - 1,300,000) stock options to employees and consultants. Stock-based compensation using the Black-Scholes option pricing model was $Nil (2019 - $290,449). The weighted average fair value of the options granted during the year was $Nil (2019 - $0.22) per option.

The following assumptions were used for the Black-Scholes valuation of stock options granted:

	November 30, 2020	November 30, 2019
Risk Free Interest Rate	-	1.40%
Volatility	-	129%
Expected Life of Options	-	5 years
Dividend Rate	-	0%

(Expressed in Canadian Dollars, unless otherwise stated)

NOTE 10 - SHARE CAPITAL AND RESERVES (Continued)

c) Share Purchase Warrants

The following table summarizes warrant activity:

	Number of Warrants	Weighted Average Price
Outstanding and Exercisable at November 30, 2018	4,242,353	$ 2.88
Issued	3,230,000	0.36
Expired	(2,753,060)	3.50
Outstanding and Exercisable at November 30, 2019	4,719,293	1.00
Issued	15,600,000	0.12
Exercised	(2,200,000)	0.08
Expired	(914,878)	2.84
Outstanding and Exercisable at November 30, 2020	17,204,415	$0.22

Information regarding share purchase warrants outstanding at November 30, 2020 is as follows:

Number of Warrants	Exercise Price	Expiry Date
1,660,000	$ 0.35	April 10, 2021
120,415	1.48	April 30, 2021
454,000	1.75	June 1, 2021
*2,300,000	0.125	July 13, 2021
2,000,000	0.125	August 25, 2021
2,100,000	0.125	September 12, 2021
5,000,000	0.15	May 4, 2022
2,000,000	0.08	June 4, 2022
900,000	0.375	May 7, 2024
670,000	0.375	May 16, 2024
17,204,415		

*250,000 warrants were exercised subsequent to the year ended November 30, 2020.

d) Finders' Warrants

During the year ended November 30, 2020, the Company issued 84,000 (2019 – 48,400) warrants in relation to various financings.

Number of Warrants	Exercise Price	Expiry Date
48,400	$ 0.35	April 10, 2021
84,000	$0.125	July 13, 2021
132,400		

Stock-based compensation costs have been determined based on the fair value of the Finders' warrants at the grant date using the Black-Scholes option-pricing model. During the year ended November 30, 2020, the Company granted 84,000 (2019 - 48,400) Finders' warrants. Stock-based compensation using the Black-Scholes option pricing model was $5,833 (2019 - $7,398).

(Expressed in Canadian Dollars, unless otherwise stated)

NOTE 10 - SHARE CAPITAL AND RESERVES (Continued)

The following assumptions were used for the Black-Scholes valuation of Finders' warrants granted:

	November 30, 2020	November 30, 2019
Risk-free interest rate	1.70%	1.58%
Expected life of stock options	1.5 years	1.5 years
Annualized volatility	132.24%	120.57%
Dividend rate	0.00%	0.00%

NOTE 11 - RELATED PARTY TRANSACTIONS

Key management includes directors (executive and non-executive) and senior management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). The amounts paid by the Company for the services provided by related parties have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions are in the normal course of operations. Details of transactions between the Company and related parties, in addition to those transactions disclosed elsewhere in these financial statements, are described below.

a) **Amount Due to Related Party**

Amounts due to related parties are in the normal course of business, unsecured, non-interest bearing, and have no specific terms of repayment.

As at November 30, 2020 and 2019, the Company has the following amounts due to a related parties.

	November 30, 2020 $	November 30, 2019 $
Due to a former CEO and Director	376,916	376,916
Due to a Director	3,000	3,000
Due to a former interim CEO	76,650	76,650
Due to a former CFO	67,458	67,458
Due to a former Secretary of the Board	-	15,000
Due to a company controlled by a Director	33,160	33,160
Due to the CEO and a Director	252,442	320,808
	809,626	892,992

b) **Compensation of Key Management Personnel**

All related party transactions were in the ordinary course of business and were measured at their exchange amount.

	November 30, 2020 $	November 30, 2019 $
Management and Consulting Fees	180,000	171,125
Office Administration and Support Fees	10,817	42,716
Interest Expense on Loans	21,860	2,945
Stock-Based Compensation	-	234,591
	212,677	451,377

c) During the year ended November 30, 2020, the Company incurred $190,817 (2019 - $213,841) in consulting fees and reimbursements for travel and other expenses to an Officer and Director of the Company. In 2019, $112,500 was paid for consulting/management services, $14,000 was paid for CFO services, $44,625 for Interim CEO services and $12,500 paid for Corporate services/wages.

(Expressed in Canadian Dollars, unless otherwise stated)

NOTE 11 - RELATED PARTY TRANSACTIONS (Continued)

d) During the year ended November 30, 2020, the Company incurred an interest expense of $21,860 (2019 - $2,945) on loans payable to an Officer and Director of the Company.

e) During the year ended November 30, 2020, a director and officer participated in private placement offerings totalling $376,000.

f) During the year ended November 30, 2019, the Company recorded share compensation of $234,591 relating to 1,050,000 stock options granted to Officers and Directors.

g) During the year ended November 30, 2019, the Company sold equipment to an Officer and Director of the Company for $54,000 in debt forgiveness.

h) During the year ended November 30, 2020, the Company had promissory notes outstanding to a former Director of the Company totalling $339,294 (2019 - $347,773) and $94,510 in accrued interest (2019 - $48,050). The promissory notes bear an annual interest rate of 14% payable at the maturity date (Note 12).

NOTE 12 - PROMISSORY NOTES

	Promissory Note	Interest Payable (Recognized within Accounts Payable and Accrued Liabilities	Total
Cost			
Balance, November 30, 2018	$ 796,043	$ 102,590	$ 898,633
Additions	194,053	83,243	277,296
Payments	(20,000)	(713)	(20,713)
Foreign Exchange Adjustment	2,089	691	2,780
Balance, November 30, 2019	972,185	185,811	1,157,996
Additions	-	75,390	75,390
Settled	(270,357)	(39,631)	(309,988)
Foreign Exchange Adjustment	(8,479)	(3,267)	(11,746)
Balance, November 30, 2020	$693,349	$218,303	$911,652

The Company entered into promissory notes totaling $624,412. The promissory notes bear an annual rate of 6% per annum payable semi-annually.

From August to November 2018, the Company entered into promissory notes with two directors of the Company, totaling $171,631. The promissory notes bear an annual rate of 14% per annum payable at the maturity date.

During the year ended November 2019, the Company entered into six additional promissory notes from December 2018 to February 2019, totaling $196,142 with a director of the Company. The promissory notes bear an annual rate of 14% per annum payable at the maturity date.

During the year ended November 30, 2019, the Company repaid $20,000 to one noteholder.

During the year ended November 30, 2020, the Company issued shares and made a cash payment to settle accounts payable and promissory notes payable. The Company settled promissory note debt of $270,357 and accrued interest in the amount of $39,631 (Note 10 (a)).

As of November 30, 2020, the balance of note principal is $693,349 (2019 - $972,185) and there was $218,303 (2019 - $185,811) of interest included in accounts payable and accrued liabilities.

NOTE 13 - RECLAMATION PROVISION

	November 30, 2020	November 30, 2019
Balance, beginning of year	$733,025	$722,025
Accretion expenses	11,000	11,000
Balance, end of year	$ 744,025	$733,025

The Company's reclamation provision consists mainly of costs associated with the eventual closure of the Greenwood Precious Metals Project properties, the structures on the Boundary Falls property and the mill and plant. These include costs for earthworks, including detoxification and re-contouring, re-vegetation, water treatment, asset removal and demolition and ongoing monitoring. The Company has reclamation bonds and funds in trust totaling $587,570 (2019 - $587,570) regarding these reclamation provision (Note 5).

The Company discounted the estimated costs relating to the reclamation provision using a real discount rate of 0% since the short-term inflation and risk-free rates are similar.

NOTE 14 - FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, restricted cash, receivables, accounts payable and accrued liabilities, due to and from related parties, promissory notes, short term loan, and metal streaming interest. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or currency risks arising from these financial instruments.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, and receivables. The Company limits its exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Foreign exchange risk

The Company is exposed to foreign exchange risk as the Company has major financing arrangements in US dollars ("US$"). The Company usually exchanges a large amount of US dollars into Canadian dollars upon receiving the US$ funds and leave only a small US$ balance in bank, as the Company's operation is primary in Canadian dollars.

A change in the currency exchange rates between the US dollars and Canadian dollars could influence the Company's results of operations, financial position or cash flows. As of November 30, 2020, the Company has total US$ liabilities of US$7,592,432.

The Company currently does not enter foreign exchange hedging arrangements.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will be able to secure additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings.

The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities.

NOTE 14 - FINANCIAL INSTRUMENTS (Continued)

The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Interest rate risk

Currently, the Company's long-term debts all have fixed interest rates.

Fair value measurements of financial assets and liabilities

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure

fair value as follows:

Level 1 – Fair values measured using unadjusted quoted prices in active markets for identical instruments
Level 2 – Fair values measured using directly or indirectly observable inputs, other than those included in level 1
Level 3 – Fair values measured using inputs that are not based on observable market data

The carrying value of receivables, due to/from related parties, accounts payable and accrued liabilities, short term loan, metal streaming interest, and promissory notes approximate their fair values due to their immediate or short-term maturity. Cash is carried at fair value using level 1 fair value measurements.

NOTE 15 - CAPITAL MANAGEMENT

The Company's capital structure consists of shareholders' deficiency. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its business and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly-liquid, high-grade financial instruments.

There were no changes to the Company's approach to capital management during the year ended November 30, 2020.

NOTE 16 - COMMITMENTS

The Company currently has no commitments beyond terms and condition imposed by loans and promissory notes (Note 8, 9 and 12). The Company has month-to-month agreements for rent and consulting services.

NOTE 17 - SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

Significant non-cash financing and investing activities for the year ended November 30, 2020:

a) Share issuance costs $5,833 recorded due to the issuance of Finders' warrants (2019 - $7,398)
b) The Company paid $Nil (2019 - $256,183) in interest.
c) The Company had $Nil (2019 – 46,600) in share issuance costs in accounts payable.
d) The Company sold $Nil (2019 - $55,800) in equipment as settlement of debt.
e) The Company issued shares for settlement of debt valued at $172,768 (2019 - $Nil).

(Expressed in Canadian Dollars, unless otherwise stated)

NOTE 18 - INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	2020	2019
Loss for the year	$ (2,674,303)	$ (3,985,012)
Expected income tax (recovery)	(722,000)	(1,076,000)
Change in statutory, foreign tax, foreign exchange rates and other	(82,000)	(99,000)
Permanent differences	115,000	54,000
Impact of flow through share	-	-
Change in unrecognized deductible temporary differences	689,000	1,121,000
Total income tax expense (recovery)	**$ -**	**$ -**

Significant components of the Company's unrecognized deductible temporary differences and tax losses are as follows:

	2020	Expiry Date Range	2019	Expiry Date Range
Temporary differences	$		$	
Allowable capital losses	290,000	No expiry date	290,000	No expiry date
Share issue costs	303,000	2041 to 2044	735,000	2040 to 2042
Exploration and evaluation assets	7,899,000	No expiry date	6,104,000	No expiry date
Property, Plant and Equipment, and Other	943,000	No expiry date	-	No expiry date
Non-capital losses available for future period	21,546,000	2026 to 2040	19,556,000	2026 to 2039

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

NOTE 19 - EVENTS SUBSEQUENT TO THE REPORTING PERIOD

a) In December 2020, the Company closed a non-brokered private placement through the issuance of 2,625,000 flow through units, raising gross proceeds of $525,000. The flow-through units were issued at a price of $0.20 per unit. Each unit consists of one common share that qualifies as a flow-through share and one share purchase warrant exercisable at $0.25 for 24 months from the date of issuance.

b) Subsequent to November 30, 2020, the Company issued 856,055 common shares of the Company in settlement of payables of $128,408, including due to related parties of $67,458.