GGL RESOURCES CORP.

Condensed Interim Consolidated Financial Statements

For the three months ended

February 28, 2023

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

GGL Resources Corp.

Condensed Interim Consolidated Statements of Financial Position
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

As at February 28, 2023 and November 30, 2022

	Note	**February 28, 2023 $**	November 30, 2022 $
Assets			
Current assets			
Cash and cash equivalents	3	468,279	1,109,795
Receivables and prepayments	4	40,532	83,777
		508,811	1,193,572
Non-current assets			
Prepaid exploration expenditures		-	67,540
Mineral property interests	5	4,219,189	4,053,593
Reclamation and other deposits	6	94,567	94,567
Total assets		**4,822,567**	5,409,272
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		35,871	432,434
Accounts payable to related parties	10	43,984	110,271
Bank loans	15	60,000	-
Flow-through premium liability	14	11,226	39,546
		151,081	582,251
Non-current liabilities			
Bank loans	15	-	60,000
Total liabilities		**151,081**	642,251
Shareholders' equity			
Share capital	8	42,580,522	42,554,272
Contributed surplus	8	395,659	382,474
Deficit		(38,304,695)	(38,169,725)
Total shareholders' equity		**4,671,486**	4,767,021
Total liabilities and shareholders' equity		**4,822,567**	5,409,272

Nature of operations and going concern	1
Commitment	14
Event after the reporting period	17

Approved on behalf of the Board of Directors on April 28, 2023:

"W. Douglas Eaton" **Director**   *"David Kelsch"* **Director**

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

GGL Resources Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

For the three months ended February 28, 2023 and February 28, 2022

	Number of shares #	Share capital $	Contributed surplus $	Deficit $	Total Shareholders' equity $
December 1, 2021	45,582,553	40,446,326	349,721	(36,349,133)	4,446,914
Loss and comprehensive loss for the period	-	-	-	(99,731)	(99,731)
February 28, 2022	45,582,553	40,446,326	349,721	(36,448,864)	4,347,183
December 1, 2022	61,857,475	42,554,272	382,474	(38,169,725)	4,767,021
Revision to flow-through premium liability	-	26,250	-	-	26,250
Share-based payments	-	-	13,185	-	13,185
Loss and comprehensive loss for the period	-	-	-	(134,970)	(134,970)
February 28, 2023	**61,857,475**	**42,580,522**	**395,659**	**(38,304,695)**	**4,671,486**

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

GGL Resources Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

For the three months ended February 28, 2023 and February 28, 2022

	Note	**February 28, 2023 $**	February 28, 2022 $
Expenses			
Depreciation	7	-	706
General administrative expenses		4,582	2,858
Insurance		13,818	6,637
Investor relations and shareholder information		35,306	22,841
Management, administrative and corporate development fees	10	20,341	19,763
Office rent	10	4,500	4,500
Professional fees	10	17,074	11,880
Property examination costs		2,150	4,325
Share-based payments	8,10	13,185	-
Transfer agent and filing fees		9,448	7,437
Loss from operating expenses		**(120,404)**	(80,947)
Foreign exchange loss		(3,186)	(1,024)
Interest income		4,288	28
Settlement of flow-through premium liability	14	2,070	164
Write-off of mineral property interests	5	(17,738)	(17,952)
Loss and comprehensive loss for the period		**(134,970)**	(99,731)
Loss per share			
Weighted average number of common shares outstanding			
- basic #	9	**61,857,475**	45,582,553
- diluted #	9	**61,857,475**	45,582,553
Basic loss per share $	9	**(0.00)**	(0.00)
Diluted loss per share $	9	**(0.00)**	(0.00)

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

GGL Resources Corp.

Condensed Interim Consolidated Statements of Cash Flows
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

For the three months ended February 28, 2023 and February 28, 2022

	Note	**February 28, 2023 $**	February 28, 2022 $
Operating activities			
Loss for the period		(134,970)	(99,731)
Adjustments for:			
Depreciation		-	706
Share-based payments		13,185	-
Settlement of flow-through premium liability		(2,070)	(164)
Write-off of mineral property interests		17,738	17,952
Net change in non-cash working capital items	12	42,383	(7,171)
		(63,734)	(88,408)
Investing activities			
Reclamation deposits		-	(5,953)
Mineral property acquisition costs	5	(1,000)	(133,579)
Deferred exploration and evaluation expenditures		(576,782)	(109,507)
		(577,782)	(249,039)
Change in cash and cash equivalents		**(641,516)**	(337,447)
Cash and cash equivalents, beginning of period		**1,109,795**	711,765
Cash and cash equivalents, end of period		**468,279**	374,318
Supplemental cash flow information	12		

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

1. Nature of operations and going concern

GGL Resources Corp. (the "Company") was incorporated in British Columbia on May 25, 1981 under the provisions of the British Columbia Company Act and is registered extra-territorially to conduct operations in the Northwest Territories and Nunavut, Canada. The Company also has a US incorporated subsidiary company as detailed in Note 5. The Company's head office is located at 510 - 1100 Melville Street, Vancouver, BC, V6E 4A6. The Company's registered and records address is 1710 - 1177 West Hastings Street, Vancouver, BC, V6E 2L3, Canada. The Company is listed on the TSX Venture Exchange (the "Exchange") under the symbol "GGL.V".

The Company's principal business activity is the acquisition, exploration, and evaluation of mineral properties. The Company is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition or option of the mineral property interests. The carrying amounts of mineral property interests are based on costs incurred to date, less impairments, and do not necessarily represent present or future values.

These condensed interim consolidated financial statements (the "financial statements") are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have traditional sources of revenue, and historically has relied on property option or sale proceeds, loans, and share capital financing to cover its operating expenses.

As at February 28, 2023, the Company had working capital of $357,730 (November 30, 2022 - $611,321) and shareholders' equity of $4,671,486 (November 30, 2022 - $4,767,021). The Company has incurred losses since inception and is expected to continue to do so for the foreseeable future.

Management estimates that additional funding will be required to continue current operations and further advance its existing mineral property interests in the upcoming year. If the Company is unable to raise additional private placement funds or obtain other sources of financing, management expects that the Company will need to curtail operations, seek additional capital on less favorable terms, and/or pursue other remedial measures, or cease operations. In making its assessment, management is aware of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for these financial statements, it could be necessary to restate the Company's assets and liabilities on a liquidation basis.

2. Significant accounting policies

Basis of presentation

These financial statements have been prepared in conformity with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company's annual audited consolidated financial statements for the year ended November 30, 2022, and do not include all the information required for full annual financial statements 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"). It is suggested that these financial statements be read in conjunction with the annual audited consolidated financial statements.

These financial statements have been prepared on an historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

All amounts in these financial statements are presented in Canadian dollars which is the functional currency of the Company and its wholly-owned subsidiary (Note 5).

Comparative figures

Certain comparative figures on the consolidated statements of loss and comprehensive loss have been reclassified to conform to the current year's presentation. This includes the separation of foreign exchange loss from general administrative expenses as a standalone line item.

Principles of consolidation

These financial statements include the financial statements of the Company and its wholly-owned subsidiary, Pointer Inc. (Note 5).

Subsidiaries are entities controlled by the Company and are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are changed where necessary to align them with the policies adopted by the Company.

Associates are those entities in which the Company has significant influence, but not control over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity. Investments in associates are accounted for using the equity method (equity accounted investees) and are recognized initially at cost. When applicable, the financial statements include the Company's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Company from the date that significant influence or joint control commences, until the date that significant influence or joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued, except to the extent that the Company has an obligation, or has made payments on behalf of the investee. The Company has no associates requiring equity accounting.

A jointly controlled operation is a joint venture carried on by each venturer using its own assets in pursuit of the joint operations. When applicable, the financial statements include the assets that the Company controls and the liabilities that it incurs in the course of pursuing the joint operation and its share of any revenues and expenses from the joint operation.

Inter-company balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing these financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment, to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

The accounting policies, estimates and critical judgments, methods of computation and presentation applied in these financial statements are consistent with those of the most recent annual audited consolidated financial statements and are those the Company expects to adopt in its financial statements for the year ending November 30, 2023. Accordingly, these financial statements should be read in conjunction with the Company's most recent annual audited consolidated financial statements.

New accounting policies

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2023. The Company has reviewed these updates and determined that none are applicable or consequential to the Company and have been excluded from discussion within these significant accounting policies.

3. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	February 28, 2023 $	November 30, 2022 $
Cash	73,279	294,795
Guranteed investment certificates	395,000	815,000
	468,279	1,109,795

As at February 28, 2023, approximately $60,000 (November 30, 2022 - $71,000) is committed to flow-through exploration expenditures. Refer to Note 14 for details.

4. Receivables and prepayments

Receivables and prepayments consist of the following:

	February 28, 2023 $	November 30, 2022 $
Other receivables	6,242	5,198
Prepaid expenses	28,901	65,086
Sales tax recoverable	5,389	13,493
	40,532	83,777

(Expressed in Canadian Dollars)

5. Mineral property interests

In 2021, the Company incorporated Pointer Inc. ("Pointer"), a wholly-owned subsidiary in the State of Nevada, USA. Pointer was incorporated to hold title to the Company's mineral property interests in Nevada, as it is a requirement in the USA that title to USA mineral interests be held by US corporations. Since incorporation, Pointer has had no transactions other than to hold title to the Nevada mineral claims. All costs to acquire or explore the claims are incurred by the Company. Other than holding title to the Nevada minerals claims, Pointer has no assets or liabilities, and has had no transactions since incorporation.

The Company's mineral property interests consist of exploration stage mineral properties located in the Northwest Territories, Nunavut, and British Columbia in Canada and in Nevada, USA. Properties which are in close proximity and could be developed as a single economic unit are grouped into projects.

Changes in the project carrying amounts for the three months ended February 28, 2023 are summarized as follows:

	December 1, 2022 $	Acquisitions / staking $	Exploration and evaluation, net $	Write-off $	February 28, 2023 $
Fishback Lake	-	-	1,709	(1,709)	-
CH	-	-	8,829	(8,829)	-
Providence Greenstone Belt	-	-	7,200	(7,200)	-
McConnell Creek	1,099,111	-	10,366	-	1,109,477
Gold Point	2,954,482	1,000	154,230	-	3,109,712
Total	**4,053,593**	**1,000**	**182,334**	**(17,738)**	**4,219,189**

	December 1, 2022 $	Additions, net $	Write-off $	February 28, 2023 $
Acquisitions / staking	747,123	1,000	-	748,123
Exploration and evaluation	3,306,470	182,334	(17,738)	3,471,066
Total	**4,053,593**	**183,334**	**(17,738)**	**4,219,189**

(Expressed in Canadian Dollars)

5. Mineral property interests (continued)

Changes in the project carrying amounts for the three months ended February 28, 2022 are summarized as follows:

	December 1, 2021	Acquisitions / staking	Exploration and evaluation, net	Write-offs	February 28, 2022
	$	$	$	$	$
Fishback Lake	-	-	3,485	(3,485)	-
CH	827,823	-	2,515	-	830,338
Bishop	242,343	-	6,000	-	248,343
Rhombus	164,166	-	9,993	-	174,159
Providence Greenstone Belt	-	-	14,467	(14,467)	-
Stein	151,160	-	-	-	151,160
McConnell Creek	908,393	-	900	-	909,293
Gold Point	1,491,385	133,579	5,172	-	1,630,136
Total	3,785,270	133,579	42,532	(17,952)	3,943,429

	December 1, 2021	Additions, net	Write-offs	February 28, 2022
	$	$	$	$
Acquisitions / staking	725,522	133,579	-	859,101
Exploration and evaluation	3,059,748	42,532	(17,952)	3,084,328
Total	3,785,270	176,111	(17,952)	3,943,429

Exploration and evaluation expenditures on the projects for the three months ended February 28, 2023 and February 28, 2022, consisted of the following:

	February 28, 2023	February 28, 2022
	$	$
Assays	37,365	275
Drilling and excavating	80,429	-
Field	23,180	36,491
Labour	35,763	2,242
Survey and consulting	300	3,524
Transportation	5,297	-
Total	**182,334**	42,532

5. Mineral property interests (continued)

(a) Wholly-owned projects

(i) Fishback Lake, Northwest Territories, Canada

The Company owns one mining lease. As the Company has no current or future budgeted exploration programs in place for this project, it incurred and wrote-off $1,709 in capitalized lease rental payments during the three months ended February 28, 2023 (year ended November 30, 2022 - $3,485).

(ii) CH, Northwest Territories, Canada

The Company owns various claims and leases north-northeast of Yellowknife which include the Starfish and Zip projects. As the Company has no current or future budgeted exploration programs in place for this project, it incurred and wrote-off $8,829 in capitalized lease rental payments during the three months ended February 28, 2023. During the year ended November 30, 2022, the Company wrote-off the carrying value of this project totalling $864,622.

(iii) Bishop, Northwest Territories, Canada

The Company owns various claims and one lease north-northeast of Yellowknife. As the Company has no current or future budgeted exploration programs in place for this project, it wrote-off the carrying value of this project totalling $250,882 during the year ended November 30, 2022.

(iv) Rhombus, Northwest Territories, Canada

The Company owns various claims north-northeast of Yellowknife. As the Company has no current or future budgeted exploration programs in place for this project, it wrote-off the carrying value of this project totalling $174,159 during the year ended November 30, 2022.

(v) Providence Greenstone Belt ("PGB"), Northwest Territories, Canada

The Company owns various leases in the PGB area of the Northwest Territories.

As the Company has no current or future budgeted exploration programs in place for this project, it incurred and wrote-off $7,200 in capitalized lease rental payments during the three months ended February 28, 2023 (year ended November 30, 2022 - $15,059).

(vi) McConnell Creek, British Columbia, Canada

The Company owns various mineral claims in the Omineca Mining Division of British Columbia.

(b) Projects under option

(i) Stein, Nunavut, Canada

The Company has an option agreement with Arctic Star Exploration Corp. ("Arctic Star") whereby it can earn a 60% interest in Arctic Star's wholly-owned Stein Diamond Project in Nunavut, Canada. The Stein Diamond Project consists of claims on the Southern Boothia Peninsula.

The Company can acquire a 60% undivided interest in the Stein Diamond Project by conducting detailed ground geophysics on high priority airborne targets (completed), discovering kimberlite by drilling, trenching or in outcrop, and by converting prospecting permits to mineral claims (completed). Upon discovery of kimberlite, a joint venture would be formed with an initial 60/40 contributing relationship.

As the Company has no current budgeted exploration programs in place for this project, it wrote-off the carrying value of this project totalling $151,160 during the year ended November 30, 2022.

5. **Mineral property interests** (continued)

(b) Projects under option (continued)

(ii) Gold Point, Nevada, USA

On July 27, 2020, the Company entered into three option agreements in respect of contiguous parcels of mining claims in Nevada (LBD property, EGP property, and TOM property), collectively referred to as the Gold Point Project. In addition to the cash payments as set out below in respect of each group of claims, the Company is required to incur aggregate minimum exploration expenditures of US$1,500,000 on the collective Gold Point Project by July 31, 2023 (completed).

In 2021, the Company staked and purchased additional claims within the project area of the Gold Point Project. The consideration paid to the sellers for the additional claims purchased totalled $116,951 (US$92,000), with an additional $64,679 (US$50,000) paid during the year ended November 30, 2022, for an increased interest in certain claims, for aggregate consideration totaling $181,630 (US$142,000).

Certain of the purchased claims carry either a 1% or 2% NSR on all mineral production from the claims.

(1) The Company signed an option agreement with a private Nevada corporation (the "Optionor"), allowing the Company to earn a 100% interest in the LBD property. The option agreement was amended on July 20, 2022. Pursuant to the terms of the option agreement, the Company can acquire the property by making cash payments as detailed below and incurring aggregate minimum exploration expenditures of US$850,000 by July 31, 2025 (completed).

Cash payments of US$1,000,000:

- US$25,000 upon the execution of the option agreement (paid, $33,831 plus additional staking costs of $5,330 (US$4,000));
- US$50,000 on or before July 31, 2021 (paid, $60,956);
- US$30,000 on or before July 31, 2022 (paid, $38,616);
- US$23,334 on or before November 30, 2022 (paid, $31,520);
- US$23,333 on or before March 31, 2023 (subsequently paid);
- US$198,333 on or before July 31, 2023;
- US$250,000 on or before July 31, 2024; and
- US$400,000 on or before July 31, 2025.

The Optionor will retain a 2% Net Smelter Return royalty ("NSR") on all material production from the property, of which up to 1% can be purchased by the Company for US$1,000,000.

5. **Mineral property interests** (continued)

(b) Projects under option (continued)

(ii) Gold Point, Nevada, USA (continued):

(2) The Company signed an option agreement with Silver Range Resources Ltd. (“Silver Range”), allowing the Company to earn a 75% interest in the EGP property. Pursuant to the terms of the option agreement, the Company can acquire the property by making staged cash payments as detailed below and incurring minimum aggregate exploration expenditures as discussed above.

Cash payments of $180,000:

- $10,000 upon the execution of the option agreement (paid);
- Reimbursing Silver Range for certain staking costs and fees (paid, $15,605);
- $20,000 on or before December 31, 2020 (paid); and
- The aggregate of $150,000 (completed, as detailed below) as calculated semi-annually and based on 10% of the expenditures incurred within the overall project area comprising the TOM, LBD, and EGP properties during each of the periods from:
  - July 1 to December 31 (paid $55,195 for 2020, 2021, and 2022); and
  - January 1 to June 30 (paid $94,805 for 2021 and 2022).

The Company has earned a 75% interest in the EGP property. Accordingly, the Company will enter into a 75%/25% joint venture with Silver Range for further exploration of the property. Additionally, Silver Range will be entitled to receive a one-time cash payment of US$4 per ounce of gold identified in a National Instrument 43-101 (“NI 43-101”) compliant measured or indicated resource estimate (or proven or probable reserve estimate) on the property.

(3) The Company signed an option agreement with Silver Range and a private Nevada corporation (collectively, the “Optionors”), allowing the Company to earn a 100% interest in the TOM property. Pursuant to the terms of the option agreement, the Company can acquire the property by incurring aggregate minimum exploration expenditures as discussed above and reimbursing the Optionors for certain staking costs and fees (paid, $7,228).

The Company has earned a 100% interest in the TOM property, and the Optionors are entitled to receive a one-time cash payment of US$1 per ounce of gold identified in a NI 43-101 compliant measured or indicated resource estimate (or proven or probable reserve estimate) on the property.

Additionally, the Optionors shall each retain a 1% NSR on all mineral production from the property, of which up to 1/2% can be purchased from each Optionor by the Company for a payment of US$2 per ounce on the first 250,000 ounces of gold contained in any measured or indicated resource estimate (or proven or probable reserve estimate), and US$1 per ounce of gold above 250,000 ounces thereafter.

(Expressed in Canadian Dollars)

5. **Mineral property interests** (continued)

(c) **Other interests**

Net Returns Royalty ("NR") – Doyle leases

During 2013, the Company sold certain of its mineral leases and reinstated leases, including Bob Camp, to Kennady Diamonds Inc. ("Kennady"), for $150,000 cash and a retained 1.5% NR on all of the leases, except for one where the Company retains a 0.5% NR. Kennady has the right, at any time prior to commencement of production from the property, to purchase one-third of the NR, for the sum of $2,000,000.

During 2016, the Company sold its interest in the remaining Doyle leases to Kennady for $200,000. The Company retains a 0.75% NR on all mineral production from the property. Kennady has the right at any time prior to commencement of production to purchase one-third of the NR, being 0.25%, for the sum of $1,000,000.

6. **Reclamation and other deposits**

The Company holds a reclamation deposit on its McConnell Creek project with the British Columbia Ministry of Energy, Mines and Low Carbon Innovation (the "BC Ministry"), which is invested in a guaranteed investment certificate bearing a variable rate, with a one-year term that automatically renews. The Company also holds a reclamation deposit with the Government of the Northwest Territories. Management has determined that the Company has no material reclamation work related to the properties requiring the deposits.

Reclamation and other deposits also includes a Multi-Year Area Based Permit (active until January 31, 2026) from the BC Ministry on its McConnell Creek project, as well as a deposit for a refundable drilling permit in Nevada.

7. **Property and equipment**

	Office furniture $	Exploration equipment $	Total $
Cost			
December 1, 2021	13,306	390,813	404,119
Less: property and equipment written-off	(13,306)	(390,813)	(404,119)
November 30, 2022 and February 28, 2023	-	-	-
Accumulated depreciation			
December 1, 2021	13,112	376,892	390,004
Depreciation	25	2,092	2,117
Less: property and equipment written-off	(13,137)	(378,984)	(392,121)
November 30, 2022 and February 28, 2023	-	-	-
Net book value			
November 30, 2022 and February 28, 2023	-	-	-

During the year ended November 30, 2022, the Company wrote-off the net book value of property and equipment as the equipment was determined to have no further use or economic benefit to the Company's operations, resulting in a write-off of $11,998 during the year then ended.

(Expressed in Canadian Dollars)

8. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. All issued shares are fully paid.

Transactions for the issue of share capital during the three months ended February 28, 2023:

- There were no issuances of share capital during the three months ended February 28, 2023.

During the three months ended February 28, 2023, the Company amended the flow-through financing which was completed in May 2022 (Note 14) to $260,000 resulting in a conversion of $140,000 to non-flow-through proceeds.

In connection with the amendment to convert $140,000 of the financing to non-flow-through proceeds, the Company has applied to the Exchange in respect of the issuance of 201,923 common shares to the subscriber, being a company controlled by the CEO of the Company, to give effect to the variance between the flow-through subscription price of $0.16 per share, and the non-flow-through subscription price of $0.13 per share.

Transactions for the issue of share capital during the three months ended February 28, 2022:

- There were no issuances of share capital during the three months ended February 28, 2022.

Warrants

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to the warrants attached to the units sold in completed private placements.

A summary of the status of the Company's warrants as at February 28, 2023 and November 30, 2022, and changes during the period/year then ended are as follows:

	Period ended February 28, 2023		Year ended November 30, 2022	
	Warrants #	Weighted average exercise price $	Warrants #	Weighted average exercise price $
Warrants outstanding, beginning of period/year	-	-	2,325,000	0.15
Expired	-	-	(2,325,000)	0.15
Warrants outstanding, end of period/year	**-**	**-**	-	-

During the year ended November 30, 2022, 2,325,000 warrants exercisable at $0.15 each, expired unexercised.

Stock options

The Company has a Stock Option Plan (the "Plan") whereby the Company may grant stock options to purchase up to 10% of the issued capital of the Company at the time of the grant of any option. Under the policies of the Exchange, options granted under the 10% rolling plan will not be required to include the mandatory vesting provisions required by the Exchange for a fixed number stock option plan, except for stock options granted to investor relations consultants which vest over 12 months. Awarded stock options are exercisable over a period not exceeding five years at exercise prices determined by the Board of Directors based on the most recent trading prices and subject to the Exchange policies.

(Expressed in Canadian Dollars)

8. **Share capital** (continued)

Stock options (continued)

A participant who is not a consultant conducting investor relations activities, who is granted an option under the plan with exercise prices at or above "Market Price" will have their options vest immediately, unless otherwise determined by the Board of Directors. A participant who is a consultant conducting investor relations activities who is granted options under the plan will have their options become vested with the right to exercise one-quarter of the options upon conclusion of every three months subsequent to the grant date.

A summary of the status of the Company's stock options as at February 28, 2023 and November 30, 2022, and changes during the period/year then ended are as follows:

	Period ended February 28, 2023		Year ended November 30, 2022	
	Options	Weighted average exercise price	Options	Weighted average exercise price
	#	$	#	$
Options outstanding, beginning of period/year	3,070,000	0.17	2,600,000	0.15
Granted	-	-	1,620,000	0.18
Expired	-	-	(1,150,000)	0.15
Options outstanding, end of period/year	**3,070,000**	**0.17**	3,070,000	0.17

As at February 28, 2023, the Company has stock options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Weighted average exercise price $	Weighted average remaining life (years)	Expiry date
1,450,000	1,450,000	0.15	2.45	August 10, 2025
1,620,000	1,215,000	0.18	4.01	March 2, 2027
3,070,000	**2,665,000**	**0.17**	**3.27**	

During the year ended November 30, 2022, 1,620,000 stock options were granted to Officers, Directors, related company employees and consultants. The Company recorded the fair value of all options granted using the Black-Scholes option pricing model. Share-based payment expense was calculated using the following weighted average assumptions: expected life of options – five years, stock price volatility – 129.19%, no dividend yield, and a risk-free interest rate yield – 1.60%. The fair value is particularly impacted by the Company's stock price volatility, determined using data from the previous five years. Using the above assumptions, the fair value of options granted during the year ended November 30, 2022, was approximately $0.13 per option, for a total of $205,000.

During the year ended November 30, 2022, 1,150,000 Officer, Director, and consultant options expired unexercised. As a result, the original share-based payments expense of $135,528 was reversed from contributed surplus and credited to deficit.

Total share-based payments expense for the three months ended February 28, 2023 was $13,185 (2022 - $nil), which includes only those options that vested during the period.

Contributed surplus

Contributed surplus is comprised of the accumulated fair value of stock options recognized as share-based payments, the residual value of share purchase warrants attached to unit private placements and share purchase warrants recognized within share issue costs. Contributed surplus is increased by the fair value of these items on vesting and is reduced by corresponding amounts when stock options or share purchase warrants expire, are exercised, or cancelled.

9. Loss per share

The calculation of basic and diluted loss per share for the three months ended February 28, 2023, is based on the loss attributable to common shareholders of $134,970 (2022 - $99,731) and a weighted average number of common shares outstanding of 61,857,475 (2022 – 45,582,553).

All stock options and warrants were excluded from the diluted weighted average number of shares calculation for the periods presented, as their effect would have been anti-dilutive.

10. Related party payables and transactions

The Company's related parties include key management personnel and Directors, and companies in which they have control or significant influence over the financial or operating policies of those entities.

No stock options were granted to key management personnel and Directors during the three months ended February 28, 2023 and February 28, 2022.

During the three months ended February 28, 2023, $10,680 (2022 - $nil) was recognized within share-based payments expense for stock options vesting to key management personnel and Directors.

As at February 28, 2023, Strategic had a 34.5% interest in the Company (November 30, 2022 – 34.5%). The Company and Strategic have certain common Officers, and the large share position of Strategic in the Company gives it control of the Company.

The Company transacted with the following related parties:

(a) David Kelsch is a Director of the Company, as well as the President and Chief Operating Officer. He controls Dave Kelsch Consulting Ltd. ("Dave Kelsch Consulting"), which provides the Company with consulting services, as well as technical and professional services.

(b) Douglas Eaton is a Director and the Company's CEO. Until March 1, 2022, he was a Director and shareholder of, and had significant influence over Archer, Cathro & Associates (1981) Limited ("Archer Cathro"), which is a geological consulting firm. Archer Cathro provides the Company with office space, administrative support, and geological services. He is also a Director, President and CEO of Strategic.

(c) Glenn Yeadon is a Director and Corporate Secretary of Strategic. He controls Glenn R. Yeadon Personal Law Corporation ("Yeadon Law Corp."), which provides the Company with legal services.

(d) Dan Martino is the Company's CFO. He is a principal of Donaldson Brohman Martin CPA, Inc. ("DBM CPA"), a firm in which he has significant influence. DBM CPA provides the Company with accounting and tax services.

(e) Drechsler Consulting Ltd. ("Drechsler Consulting") is controlled by Richard Drechsler, who is Vice-President of Communications for Strategic. Drechsler Consulting Ltd. provides the Company with consulting services.

(f) Linda Knight is the Corporate Secretary of the Company.

(Expressed in Canadian Dollars)

10. Related party payables and transactions (continued)

The aggregate value of transactions and outstanding balances with related parties are as follows:

	Transactions Three months ended February 28, 2023	Transactions Three months ended February 28, 2022	**Balances outstanding February 28, 2023**	Balances outstanding November 30, 2022
	$	$	**$**	$
Dave Kelsch Consulting				
- geological services	8,100	5,225	698	709
- consulting fees	3,825	3,988	1,665	945
	11,925	9,213	2,363	1,654
(1) Archer Cathro	39,064	17,023	12,832	90,181
Yeadon Law Corp	3,500	1,070	3,920	1,680
DBM CPA	8,000	8,000	20,000	11,500
Drechsler Consulting	3,610	3,870	1,050	945
Linda Knight	12,906	11,906	3,819	4,311
	79,005	51,082	**43,984**	110,271

(1) Transactions for the three months ended February 28, 2023, include $25,075 related to geological services (2022 - $6,269).

All related party balances are unsecured and are due within thirty days without interest.

The transactions with the key management personnel and Directors are included in operating expenses as follows:

(a) Management, administrative and corporate development fees
- Includes the consulting fees charged to the Company by Dave Kelsch Consulting and a related business.
- Includes the consulting fees charged to the Company by Drechsler Consulting.
- Includes the accounting and administrative services charged to the Company by Linda Knight.

(b) Office rent
- Includes office rent charged to the Company by Archer Cathro.

(c) Professional fees
- Includes legal services charged to the Company by Yeadon Law Corp.
- Includes the accounting and tax services charged to the Company by DBM CPA.

(Expressed in Canadian Dollars)

11. Income taxes

Income tax recovery for the three months ended February 28, 2023 and February 28, 2022 varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before income taxes as follows:

	February 28, 2023 $	February 28, 2022 $
Loss for the period before income taxes	(134,970)	(99,731)
Statutory Canadian corporate tax rate	27.00%	27.00%
Anticipated income tax recovery	36,000	27,000
Change in tax resulting from:		
Unrecognized items for tax purposes	(4,000)	-
Tax benefits renounced/to be renounced on flow-through expenditures	(3,000)	-
Tax benefits on losses not recognized	(29,000)	(27,000)
Income tax recovery	**-**	-

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

	February 28, 2023 $	November 30, 2022 $
Mineral property interests	4,396,000	4,396,000
Marketable securities	3,000	3,000
Property and equipment	146,000	146,000
Non-capital loss carry forwards	1,639,000	1,608,000
Capital losses	13,000	13,000
Share issue costs	14,000	16,000
Unrecognized deferred tax assets	(6,211,000)	(6,182,000)
Net deferred tax assets	**-**	-

As at February 28, 2023, the Company has non-capital loss carry forwards of approximately $6,068,000 (November 30, 2022 - $5,956,000) which expire between 2026 and 2043.

As at February 28, 2023, the Company has unused capital losses of approximately $99,000 (November 30, 2022 - $99,000), which have no expiry date and can only be used to reduce future income from capital gains.

As at February 28, 2023, the Company has unclaimed resource and other deductions in the amount of approximately $20,502,000 (November 30, 2022 - $20,335,000), which may be deducted against future taxable income.

As at February 28, 2023, the Company has share issue costs totaling approximately $51,000 (November 30, 2022 - $58,000), which have not been claimed for income tax purposes.

As at February 28, 2023, the Company has unused temporary differences in respect of property and equipment totaling approximately $541,000 (November 30, 2022 - $541,000), which have no expiry date.

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

(Expressed in Canadian Dollars)

12. Supplemental cash flow information

Changes in non-cash operating working capital during the three months ended February 28, 2023 and February 28, 2022, were comprised of the following:

	February 28, 2023	February 28, 2022
	$	$
Receivables and prepayments	43,245	(4,893)
Accounts payable and accrued liabilities	(11,276)	(9,619)
Accounts payable to related parties	10,414	7,341
Net Change	**42,383**	(7,171)

The Company incurred non-cash financing and investing activities during the three months ended February 28, 2023 and February 28, 2022, as follows:

	February 28, 2023	February 28, 2022
	$	$
Non-cash investing activities:		
Deferred exploration expenditures included in accounts payable and related party payables	11,955	8,328

During the three months ended February 28, 2023 and February 28, 2022, no amounts were paid on behalf of interest or income tax expenses.

13. Financial risk management

Capital management

The Company is a resource exploration company and considers items included in shareholders' equity as capital.

Except for the temporary bank loans (Note 15), the Company has no debt and does not expect to enter into debt financing. The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. Additionally, the Company may seek to invest excess capital in guaranteed investment certificates bearing fixed or variable rates of interest that are redeemable on demand (cash equivalents) and have terms not exceeding 12 months. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Company's capital structure as at February 28, 2023, is comprised of shareholders' equity of $4,671,486 (November 30, 2022 - $4,767,021).

The Company currently has no source of revenues. In order to fund future projects and pay for general and administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral property interests and its ability to borrow or raise additional financing from equity markets (Note 1).

There were no changes to the Company's capital management approach during the three months ended February 28, 2023.

Financial instruments - fair value

The Company's financial instruments consist of cash and cash equivalents, other receivables, reclamation and other deposits, accounts payable and accrued liabilities, accounts payable to related parties, and bank loans.

The carrying value of other receivables, accounts payable and accrued liabilities and accounts payable to related parties approximate their fair value because of the short-term nature of these instruments. Bank loans also approximate their fair value as they are not subject to material fluctuations.

(Expressed in Canadian Dollars)

13. Financial risk management (continued)

Financial instruments - fair value (continued)

Financial instruments measured at fair value on the condensed interim consolidated statements of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 $	Level 2 $	Level 3 $	Total $
February 28, 2023				
Cash and cash equivalents	468,279	-	-	468,279
Reclamation and other deposits	94,567	-	-	94,567
	562,846	**-**	**-**	**562,846**
November 30, 2022				
Cash and cash equivalents	1,109,795	-	-	1,109,795
Marketable securities (1)	-	-	-	-
Reclamation and other deposits	94,567	-	-	94,567
	1,204,362	-	-	1,204,362

(1) There were no changes to the Company's Level 3 inputs and assumptions with respect to its marketable securities during the three months ended February 28, 2023. During the year ended November 30, 2022, the Company determined that its marketable securities recorded at fair value using Level 3 inputs were impaired as discussed below.

As at February 28, 2023 and November 30, 2022, the Company held 500,000 common shares of a private company (marketable securities) with a carrying value of $nil. The common shares were received on the option of mineral property interests. During the year ended November 30, 2022, the Company identified impairment indicators with the private company, which resulted in a write-off of marketable securities of $1.

Financial instruments - risk

The Company's financial instruments can be exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk, market risk, and currency risk.

(a) Credit risk

The Company is exposed to credit risk by holding cash and cash equivalents. All of the Company's cash and cash equivalents are held in a Canadian financial institution, and management believes the exposure to credit risk with respect to such an institution is not significant. The Company has minimal receivables exposure as other receivables (comprising interest receivable), and sales tax recoverable, are due from the Canadian Government.

(b) Interest rate risk

The Company's exposure to interest rate risk is limited to its cash and cash equivalents, and reclamation deposits. The Company's cash equivalents which include holdings in guaranteed investment certificates ("GICs") are subject to variable rates, and certain of its reclamation deposits also bear variable rates. Fluctuations in market rates would have an insignificant impact on the Company's operations.

13. Financial risk management (continued)

Financial instruments – risk (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due (Note 1). The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources.

(d) Market risk

The Company is not exposed to market risk as it does not hold publicly traded marketable securities as at February 28, 2023.

(e) Currency risk

The Company is exposed to currency risk because it holds cash and cash equivalents, and has certain accounts payable denominated in United States Dollars, which, because of fluctuating exchange rates can create gains or losses at the time cash is converted to Canadian dollars, or when payables are settled. The Company has no control over these fluctuations and does not hedge its foreign currency holdings. Based on its February 28, 2023 holdings in United States Dollars, every 10% increase or decrease in the exchange rate would have impacted profit or loss for the period by a nominal amount (2022 – nominal amount).

14. Commitment

On May 30, 2022, the Company completed a private placement of flow-through shares for gross proceeds of $400,000 and amended the flow-through financing to $260,000, with the remaining $140,000 being converted to non-flow-through proceeds (Note 9). Accordingly, the Company renounced the expenditures of $260,000 and available income tax benefits to the flow-through shareholders effective December 31, 2022. As at February 28, 2023, approximately $200,000 of the funds had been spent.

The flow-through shares were issued at a premium to the trading value of the Company's common shares, which reflect the value of the income tax write-offs that will be renounced to the flow-through shareholders. The premium was initially determined to be $75,000 which was recorded as a reduction of share capital and was reduced by $26,250 during the three months ended February 28, 2023 as a result of the amendment described above, resulting in an overall premium of $48,750. An equivalent flow-through share premium liability is being reversed pro-rata as the required exploration expenditures are incurred.

A summary of the Company's flow-through premium liability as at February 28, 2023 and November 30, 2022, and changes during the period/year then ended are as follows:

	February 28, 2023	November 30, 2022
	$	$
Balance, beginning of period/year	39,546	1,698
Addition	-	75,000
Revision due to amendment	(26,250)	-
Reduction - pro rata based on eligible expenditures	(2,070)	(37,152)
Balance, end of period/year	**11,226**	39,546

15. Government guaranteed bank loans

In 2020, the Company qualified for a government-guaranteed bank loan of $40,000 which is interest-free until December 31, 2023. The loan is part of the Canadian Emergency Business Account ("CEBA") benefit in relation to COVID-19 relief. If the loan is repaid by December 31, 2023, $10,000 of the loan will be forgiven. If the loan is not repaid by then, the remaining unpaid balance will bear interest at 5% per annum and must be paid in full by December 31, 2025. The loan is unsecured.

In 2021, the Company received an additional $20,000 pursuant to the CEBA benefit, of which $10,000 is forgivable if repaid by December 31, 2023.

16. Segmented information

The Company operates in one reportable operating segment being the acquisition, exploration, and evaluation of mineral properties in Canada and the USA. The Company holds non-current assets comprising mineral property interests of $3,109,712 (November 30, 2022 - $2,954,482) in the USA. The remainder of the Company's non-current assets are located in Canada.

17. Event after the reporting period

In April 2023, the Company granted 2,445,000 stock options to Officers, Directors, related company employees and consultants. The stock options are exercisable at $0.07 each for five years and vest quarterly over a one-year period.