GGL RESOURCES CORP.

Consolidated Financial Statements

November 30, 2022

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
GGL Resources Corp.

Opinion

We have audited the accompanying consolidated financial statements of GGL Resources Corp. (the "Company"), which comprise the consolidated statements of financial position as at November 30, 2022 and 2021, and the consolidated statements of changes in shareholders' equity, loss and comprehensive loss, 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, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that 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. As stated in Note 1, 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 Glenn Parchomchuk.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

March 16, 2023

GGL Resources Corp.

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at November 30, 2022 and November 30, 2021

	Note	**November 30, 2022 $**	November 30, 2021 $
Assets			
Current assets			
Cash and cash equivalents	3	1,109,795	711,765
Receivables and prepayments	4	83,777	42,217
Marketable securities	13	-	1
		1,193,572	753,983
Non-current assets			
Prepaid exploration expenditures		67,540	-
Mineral property interests	5	4,053,593	3,785,270
Reclamation and other deposits	6	94,567	100,663
Property and equipment	7	-	14,115
Total assets		**5,409,272**	4,654,031
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		432,434	49,750
Accounts payable to related parties	10	110,271	95,669
Flow-through premium liability	14	39,546	1,698
		582,251	147,117
Non-current liabilities			
Bank loans	15	60,000	60,000
Total liabilities		**642,251**	207,117
Shareholders' equity			
Share capital	8	42,554,272	40,446,326
Contributed surplus	8	382,474	349,721
Deficit		(38,169,725)	(36,349,133)
Total shareholders' equity		**4,767,021**	4,446,914
Total liabilities and shareholders' equity		**5,409,272**	4,654,031
Nature of operations and going concern	1		
Commitment	14		

Approved on behalf of the Board of Directors on March 16, 2023:

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

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

GGL Resources Corp.

Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

For the years ended November 30, 2022 and November 30, 2021

	Number of shares #	Share capital $	Contributed surplus $	Deficit $	Total Shareholders' equity $
December 1, 2020	44,946,190	40,349,872	270,469	(36,002,703)	4,617,638
Exercise of warrants	636,363	95,454	-	-	95,454
Re-allocated on exercise of warrants	-	1,000	(1,000)	-	-
Share-based payments	-	-	80,252	-	80,252
Loss and comprehensive loss for the year	-	-	-	(346,430)	(346,430)
November 30, 2021	45,582,553	40,446,326	349,721	(36,349,133)	4,446,914
December 1, 2021	45,582,553	40,446,326	349,721	(36,349,133)	4,446,914
Private placement shares issued	16,274,922	2,190,740	-	-	2,190,740
Flow-through premium liability	-	(75,000)	-	-	(75,000)
Share issue costs	-	(31,044)	-	-	(31,044)
Re-allocated on expiry of stock options	-	-	(135,528)	135,528	-
Re-allocated on expiry of warrants	-	23,250	(23,250)	-	-
Share-based payments	-	-	191,531	-	191,531
Loss and comprehensive loss for the year	-	-	-	(1,956,120)	(1,956,120)
November 30, 2022	**61,857,475**	**42,554,272**	**382,474**	**(38,169,725)**	**4,767,021**

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

GGL Resources Corp.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

For the years ended November 30, 2022 and November 30, 2021

	Note	**November 30, 2022 $**	November 30, 2021 $
Expenses			
Depreciation	7	2,117	3,513
General administrative expenses		28,196	20,250
Insurance		44,560	25,280
Investor relations and shareholder information		94,245	27,402
Management, administrative and corporate development fees	10	77,461	58,527
Office rent	10	18,000	18,000
Professional fees	10	72,096	82,310
Property examination costs		21,409	19,458
Share-based payments	8,10	191,531	80,252
Transfer agent and filing fees		12,631	14,679
Loss from operating expenses		**(562,246)**	(349,671)
Foreign exchange gain (loss)		29,012	(2,159)
Interest income		11,328	5,538
Settlement of flow-through premium liability	14	37,152	1,047
Write-off of marketable securities	13	(1)	-
Write-off of mineral property interests	5	(1,459,367)	(1,185)
Write-off of property and equipment	7	(11,998)	-
Loss and comprehensive loss for the year		**(1,956,120)**	(346,430)
Loss per share			
Weighted average number of common shares outstanding			
- basic #	9	**53,786,897**	45,289,091
- diluted #	9	**53,786,897**	45,289,091
Basic loss per share $	9	**(0.04)**	(0.01)
Diluted loss per share $	9	**(0.04)**	(0.01)

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

GGL Resources Corp.

Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

For the years ended November 30, 2022 and November 30, 2021

	Note	**November 30, 2022 $**	November 30, 2021 $
Operating activities			
Loss for the year		(1,956,120)	(346,430)
Adjustments for:			
Depreciation		2,117	3,513
Share-based payments		191,531	80,252
Settlement of flow-through premium liability		(37,152)	(1,047)
Write-off of marketable securities		1	-
Write-off of mineral property interests		1,459,367	1,185
Write-off of property and equipment		11,998	-
Net change in non-cash working capital items	12	(42,914)	(4,785)
		(371,172)	(267,312)
Financing activities			
Proceeds from bank loan		-	20,000
Issue of shares for cash	8	2,190,740	95,454
Share issue costs	8	(31,044)	-
		2,159,696	115,454
Investing activities			
Prepaid exploration		(67,540)	-
Reclamation deposits		6,096	-
Deposit on refundable drilling permit		-	(17,516)
Exploration incentive received		-	2,827
Mineral property acquisition costs	5	(245,407)	(325,473)
Deferred exploration and evaluation expenditures		(1,083,643)	(1,024,010)
		(1,390,494)	(1,364,172)
Change in cash and cash equivalents		**398,030**	(1,516,030)
Cash and cash equivalents, beginning of year		**711,765**	2,227,795
Cash and cash equivalents, end of year		**1,109,795**	711,765
Supplemental cash flow information	12		

The accompanying notes are an integral part of these 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.

The continued impact of the COVID-19 pandemic could include significant COVID-19 specific costs, volatility in the prices for gold and other metals, logistical challenges and delays, additional travel restrictions, and workforce interruptions. Depending on the duration and extent of the impact of COVID-19, this could materially impact the Company's results of operations, cash flows and financial condition.

These 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 November 30, 2022, the Company had working capital of $611,321 (November 30, 2021 - $606,866) and shareholders' equity of $4,767,021 (November 30, 2021 - $4,446,914). 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. Management is aware in making its assessment 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

(a) Basis of presentation

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

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 gain (loss) from general administrative expenses as a standalone line item.

(b) 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.

2. Significant accounting policies (continued)

(c) Financial instruments

The Company classifies its financial instruments in the following categories: as fair value through profit or loss ("FVTPL"), financial assets at amortized cost and financial liabilities. The classification depends on the purpose for which the financial assets or liabilities were acquired. Management determines the classification of financial assets and liabilities at initial recognition. The Company accounts for non-derivative financial assets and liabilities as follows:

Recognition

The Company recognizes financial assets and financial liabilities on the date the Company becomes a party to the contractual provisions of the instruments.

Classification

The Company classifies its financial assets and financial liabilities using the following measurement categories:

(a) Those to be measured subsequently at fair value (either through other comprehensive income (loss) or through profit or loss); and

(b) Those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (an irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income (loss).

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method. Interest expense is recorded to profit or loss.

(d) Mineral property interests

The acquisition costs of mineral property interests and any subsequent exploration and evaluation costs are capitalized until the property to which they relate is placed into production, sold, allowed to lapse, or abandoned. Exploration and evaluation costs incurred prior to obtaining ownership, or the right to explore a property, are expensed as incurred as property examination costs. Mineral property interests that have close proximity and have the possibility of being developed as a single mine are grouped as projects and are considered separate cash generating units ("CGU") for the purpose of determining future mineral reserves and impairments.

The acquisition costs include the cash consideration paid and the fair value of any shares issued for mineral property interests being acquired or optioned pursuant to the terms of relevant agreements.

Proceeds received from a partial sale or option of any interest in a property are credited against the carrying value of the property. When the proceeds exceed the carrying costs, the excess is recorded in profit or loss in the year the excess is received. When all of the interest in a property is sold, subject only to any retained royalty interests which may exist, the accumulated property costs are written-off, with any gain or loss included in profit or loss in the year the transaction takes place.

Management reviews its mineral property interests at each reporting period for signs of impairment and annually after each exploration season to consider if there is impairment in value taking into consideration current year exploration results, or likely gains from the disposition or option of the property. If a property is abandoned or inactive for a prolonged period, or considered to have no future economic potential, the acquisition and deferred exploration and evaluation costs are written-off to profit or loss.

2. Significant accounting policies (continued)

(d) Mineral property interests (continued)

Should a project be put into production, the costs of acquisition, exploration and evaluation will be amortized over the life of the project based on estimated economic reserves. If the carrying value of a project exceeds estimated reserves, an impairment provision is recorded.

When entitled, the Company records refundable mineral exploration tax credits or incentive grants on an accrual basis and as a reduction of the carrying value of the mineral property interest. When the Company is entitled to non-refundable exploration tax credits, and it is probable that they can be used to reduce future taxable income, a deferred income tax benefit is recognized.

(e) Property and equipment

Property and equipment are carried at cost less accumulated depreciation and impairment losses. Depreciation of the property and equipment is provided over the estimated useful lives of the assets on a declining-balance basis, unless otherwise noted, at the following annual rates:

Office furniture	20%
Exploration equipment	20%

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures are capitalized. The useful lives are reviewed annually.

(f) Impairment

(i) Financial assets

Impairment provisions for receivables are recognized based on the simplified approach within IFRS 9 using the lifetime expected credit loss model (“ECL”). During this process, the probability of the non-payment of the receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the receivables. For receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognized within profit or loss. On confirmation that the receivable will not be collectable, the gross carrying value of the asset is written-off against the associated provision.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, this reversal is recognized in profit or loss.

(ii) Non-financial assets

Non-financial assets are reviewed at each reporting period by management for indicators that the carrying value is impaired and may not be recoverable. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the CGU level, which is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount of a CGU is the greater of the CGU’s fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent that the carrying amount exceeds the recoverable amount. The Company’s mineral property interest impairment policy is more specifically discussed in Note 2(d) above.

2. Significant accounting policies (continued)

(g) Share capital

Common shares are classified as shareholders' equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from shareholders' equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

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 Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component. The balance, if any, is allocated to the attached warrants. Any value attributed to the warrants is recorded as contributed surplus.

Warrants issued on a standalone basis are valued using the Black-Scholes option pricing model. When warrants are exercised the consideration received is recorded as share capital and the related fair value originally recorded as contributed surplus is transferred to share capital. When a warrant expires, the initial recorded value is also reversed from contributed surplus and credited to share capital.

(h) Flow-through share private placements

As an incentive to complete private placements the Company may issue common shares, which by agreement are designated as flow-through shares. Such agreements require the Company to spend the funds from these placements on qualified exploration expenditures and renounce the expenditures and income tax benefits to the flow-through shareholders, resulting in no exploration deductions for tax purposes to the Company.

The shares are usually issued at a premium to the trading value of the Company's common shares. The premium is a reflection of the value of the income tax benefits that the Company must pass on to the flow-through shareholders. On issue, share capital is increased only by the non-flow-through share equivalent value. Any premium is recorded as a flow-through share premium liability.

The deferred income tax liability and reversal of the flow-through share premium liability are recorded on a pro-rata basis as the required exploration expenditures are completed.

(i) Share-based payments

The Company has a stock option plan that provides for the granting of options to Officers, Directors, related company employees and consultants to acquire shares of the Company. The fair value of the options is measured on grant date and is recognized as an expense with a corresponding increase in contributed surplus as the options vest.

Options granted to employees and others providing similar services are measured at grant date at the fair value of the instruments issued. Fair value is determined using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Each tranche in an award with graded vesting is considered a separate grant with a different vesting date and fair value. Each grant is accounted for on that basis.

Options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

Over the vesting period, share-based payments are recorded as an operating expense and as contributed surplus. When options are exercised the consideration received is recorded as share capital and the related share-based payments originally recorded as contributed surplus are transferred to share capital. When an option is cancelled or expires, the initial recorded value is reversed from contributed surplus and credited to deficit.

2. Significant accounting policies (continued)

(j) Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development, or ongoing production of a mineral property interest. The estimated costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are determined, and capitalized at the start of each project to the carrying amount of the asset as soon as the obligation to incur such costs arises. Discount rates, using a pre-tax rate that reflects the time value of money, are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The related liability is adjusted at each reporting date for the unwinding of the discount rate, for changes to the current market-based discount rate, and for changes to the amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged to profit or loss as extraction progresses.

The Company has no known restoration, rehabilitation, or environmental costs, of any significance, related to its mineral property interests.

(k) Foreign currency transactions

The presentation and functional currency of the Company is the Canadian dollar. Transactions in currencies other than the Canadian dollar are recorded at the rates of exchange prevailing on the dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

(l) Income taxes

Income tax expense is comprised of current and deferred income taxes. Current income tax and deferred income tax are recognized in profit or loss, except to the extent that they relate to items recognized directly in equity or equity investments.

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

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority for the same taxable entity. A deferred income tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable income will be available against which they can be utilized. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related income tax benefit will be realized.

(m) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by dividing the profit or loss attributable to common shareholders by the weighted average number of common shares outstanding, adjusted for own shares held and for the effects of all potential dilutive common shares related to outstanding stock options and warrants issued by the Company for the years presented, except if their inclusion proves to be anti-dilutive.

2. **Significant accounting policies** (continued)

(n) Use of estimates and critical judgments

The preparation of financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates and judgments. Those areas requiring the use of management estimates and judgments include:

Estimates

(i) Option or sale agreements, under which the Company may receive shares as payment, require the Company to determine the fair value of the shares and/or warrants received. Many factors can enter into this determination, including, if public shares, the number of shares received, the trading value of the shares, and volume of shares, and if non-public shares, the underlying asset value of the shares, or value of the claims under option or sale. This determination is subjective and does not necessarily provide a reliable single measure of the fair value of the shares received.

(ii) The determination of the fair value of stock options or warrants using the Black-Scholes option pricing model requires the input of highly subjective variables, including expected price volatility. Wide fluctuations in the variables could materially affect the fair value estimate; therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options and warrants.

Judgments

(i) Recorded costs of mineral property interests are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty, and it is reasonably possible, based on existing knowledge, that changes in future conditions could result in material differences between the recorded costs and the present or future values of the properties. Management is required, at each reporting date, to review its mineral property interests for signs of impairment. This is a highly subjective process taking into consideration exploration results, metal prices, economics, financing prospects, and sale or option prospects. Management makes these judgments based on information available, but there is no certainty that a property is or is not impaired. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

(ii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values.

(iii) Management's assessment in respect of the Company's going concern is subject to judgment (note 1). Specifically, the Company is in a positive working capital position, and expenditures on mineral property interests are largely discretionary based on available funds from recent equity financings or other sources. Additionally, the Company has been successful in the past in raising equity capital, however, management cannot provide assurance that the Company will be able to continue to raise additional equity capital on favorable terms. These financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these financial statements.

(o) 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.

(Expressed in Canadian Dollars)

3. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	November 30, 2022	November 30, 2021
	$	$
Cash	294,795	161,765
Guranteed investment certificates	815,000	550,000
	1,109,795	711,765

As at November 30, 2022, approximately $71,000 is committed to flow-through exploration expenditures (November 30, 2021 - $nil). Refer to Note 14 for details.

4. Receivables and prepayments

Receivables and prepayments consist of the following:

	November 30, 2022	November 30, 2021
	$	$
Other receivables	5,198	86
Prepaid expenses	65,086	39,035
Sales tax recoverable	13,493	3,096
	83,777	42,217

(Expressed in Canadian Dollars)

5. Mineral property interests

In May 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 to hold 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 year ended November 30, 2022 are summarized as follows:

	December 1, 2021 $	Acquisitions / staking $	Exploration and evaluation, net $	Write-off $	November 30, 2022 $
Fishback Lake	-	-	3,485	(3,485)	-
CH	827,823	-	36,799	(864,622)	-
Bishop	242,343	-	8,539	(250,882)	-
Rhombus	164,166	-	9,993	(174,159)	-
Providence Greenstone Belt	-	-	15,059	(15,059)	-
Stein	151,160	-	-	(151,160)	-
McConnell Creek	908,393	-	190,718	-	1,099,111
Gold Point	1,491,385	245,407	1,217,690	-	2,954,482
Total	**3,785,270**	**245,407**	**1,482,283**	**(1,459,367)**	**4,053,593**

	December 1, 2021 $	Additions, net $	Write-off $	November 30, 2022 $
Acquisitions / staking	725,522	245,407	(233,806)	737,123
Exploration and evaluation	3,059,748	1,482,283	(1,225,561)	3,316,470
Total	**3,785,270**	**1,727,690**	**(1,459,367)**	**4,053,593**

(Expressed in Canadian Dollars)

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

Changes in the project carrying amounts for the year ended November 30, 2021 are summarized as follows:

	December 1, 2020 $	Acquisitions / staking $	Exploration and evaluation, net $	Write-offs $	November 30, 2021 $
CH	760,537	-	67,286	-	827,823
Bishop	237,265	-	5,078	-	242,343
Rhombus	164,166	-	-	-	164,166
Providence Greenstone Belt	-	-	1,185	(1,185)	-
Stein	151,160	-	-	-	151,160
McConnell Creek	907,118	-	1,275	-	908,393
Gold Point	241,768	330,583	919,034	-	1,491,385
Total	2,462,014	330,583	993,858	(1,185)	3,785,270

	December 1, 2020 $	Additions, net $	Write-offs $	November 30, 2021 $
Acquisitions / staking	394,939	330,583	-	725,522
Exploration and evaluation	2,067,075	993,858	(1,185)	3,059,748
Total	2,462,014	1,324,441	(1,185)	3,785,270

Exploration and evaluation expenditures on the projects for the years ended November 30, 2022 and November 30, 2021, consisted of the following:

	November 30, 2022 $	November 30, 2021 $
Assays	102,933	162,631
Drilling and excavating	713,245	327,102
Field	203,028	133,450
Labour	349,864	299,335
Survey and consulting	52,545	17,380
Transportation	60,668	53,960
Total	**1,482,283**	993,858

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 $3,485 in capitalized lease rental payments during the year ended November 30, 2022.

(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 wrote-off the carrying value of this project totalling $864,622 during the year ended November 30, 2022.

(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 $15,059 in capitalized lease rental payments during the year ended November 30, 2022.

(vi) McConnell Creek, British Columbia, Canada

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

The Company is eligible to claim British Columbia Mining Exploration Tax Credits ("BCMETC") relating to the McConnell Creek project. As at November 30, 2022 and November 30, 2021, there were no receivables accrued for BCMETC recoveries.

(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).

During the year ended November 30, 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;
- 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 (paid or accrued $150,000 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 $33,548 for 2020 and 2021; accrued $21,647 for 2022); and
  - January 1 to June 30 (paid $75,879 for 2021; paid $18,926 for 2022).

Upon subsequently paying the above mentioned accruals, the Company 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% can be purchased 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 reclamation deposits are pledged to the British Columbia Ministry of Energy, Mines and Low Carbon Innovation (the "BC Ministry"), and the Government of the Northwest Territories. They are invested in guaranteed investment certificates bearing variable rates, with one-year terms that automatically renew. 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 (in the amount of $17,516, which was paid during the year ended November 30, 2021).

7. **Property and equipment**

	Office furniture $	Exploration equipment $	Total $
Cost			
December 1, 2020	13,306	390,813	404,119
November 30, 2021	13,306	390,813	404,119
Accumulated depreciation			
December 1, 2020	13,086	373,405	386,491
Depreciation	26	3,487	3,513
November 30, 2021	13,112	376,892	390,004
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	-	-	-
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	-	-	-
Net book value			
November 30, 2021	194	13,921	14,115
November 30, 2022	-	-	-

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 year ended November 30, 2022:

- On May 30, 2022, the Company completed a private placement consisting of the issue of 13,774,922 non-flow-through common shares at a price of $0.13 each for gross proceeds of $1,790,740, and the issue of 2,500,000 flow-through shares at a price of $0.16 each for gross proceeds of $400,000. The aggregate gross proceeds received were $2,190,740.

  Strategic Metals Ltd. ("Strategic") purchased 3,846,153 non-flow-through common shares out of the above issuance (Note 10).

  The flow-through shares were issued at a premium to the trading value of the Company's common shares which is a reflection of the value of the income tax write-offs that the Company renounced to the flow-through shareholders. The premium was determined to be $75,000 (Note 14) and was recorded as a reduction of share capital with an offset to flow-through premium liability. The premium is being reversed pro rata upon the required exploration expenditures being completed and recorded as income on settlement of the flow-through premium liability.

  There were no finder's fees paid in respect of the placements. Share issue costs consisting of legal and filing fees of $31,044 were incurred in respect of the placements which were recorded as a reduction to share capital.

Transactions for the issue of share capital during the year ended November 30, 2021:

- The Company issued 636,363 common shares pursuant to the exercise of share purchase warrants at a price of $0.15 each for gross proceeds of $95,454. In connection with certain of the warrants exercised, the original fair value of $1,000 was reversed from contributed surplus and credited to share capital.

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 November 30, 2022 and November 30, 2021, and changes during the years then ended are as follows:

	Year ended November 30, 2022		Year ended November 30, 2021	
	Warrants #	Weighted average exercise price $	Warrants #	Weighted average exercise price $
Warrants outstanding, beginning of year	2,325,000	0.15	3,623,485	0.15
Exercised	-	-	(636,363)	0.15
Expired	(2,325,000)	0.15	(662,122)	0.15
Warrants outstanding, end of year	**-**	**-**	2,325,000	0.15

During the year ended November 30, 2022, 2,325,000 warrants exercisable at $0.15 each, expired unexercised. Accordingly, the original fair value of the expired warrants of $23,250 was reversed from contributed surplus and credited to share capital.

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 November 30, 2022 and November 30, 2021, and changes during the years then ended are as follows:

	Year ended November 30, 2022		Year ended November 30, 2021	
	Options	Weighted average exercise price	Options	Weighted average exercise price
	#	$	#	$
Options outstanding, beginning of year	2,600,000	0.15	2,600,000	0.15
Granted	1,620,000	0.18	-	-
Expired	(1,150,000)	0.15	-	-
Options outstanding, end of year	**3,070,000**	**0.17**	2,600,000	0.15

As at November 30, 2022, 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	2.70	August 10, 2025
1,620,000	810,000	0.18	4.25	March 2, 2027
3,070,000	**2,260,000**	**0.17**	**3.52**	

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. There were no stock options granted during the year ended November 30, 2021.

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 year ended November 30, 2022 was $191,531 (2021 - $80,252), which includes only those options that vested during the year.

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 year ended November 30, 2022, is based on the loss attributable to common shareholders of $1,956,120 (2021 - $346,430) and a weighted average number of common shares outstanding of 53,786,897 (2021 – 45,289,091).

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.

During the year ended November 30, 2022, 1,320,000 stock options were granted to key management personnel and Directors having a fair value on grant of $166,050. The options granted are exercisable at $0.18 each until March 2, 2027 and vest over a one-year period ending March 2, 2023.

No stock options were granted to key management during the year ended November 30, 2021.

During the year ended November 30, 2022, $155,140 (2021 - $69,183) was recognized within share-based payments expense for stock options vesting to key management personnel and Directors.

During the year ended November 30, 2022, 825,000 Officer and Director stock options expired unexercised. Accordingly, $97,226 was re-allocated from contributed surplus to deficit.

During the year ended November 30, 2021, 336,363 warrants were exercised by a company controlled by the Company's CEO, for gross proceeds of $50,454.

As at November 30, 2022, Strategic had a 34.5% interest in the Company (November 30, 2021 – 38.4%). The Company and Strategic have certain common Officers, and the large share position of Strategic in the Company gives it control of the Company.

During the year ended November 30, 2022, Strategic subscribed to the Company's private placement. Accordingly, Strategic subscribed to 3,846,153 non-flow-through common shares of the Company at $0.13 each for gross proceeds of $500,000 (Note 8).

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, effective March 2, 2022. 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. Larry Donaldson was the Company's CFO through to March 2, 2022, and is also a principal of DBM CPA.

(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 Year ended November 30, 2022	Transactions Year ended November 30, 2021	**Balances outstanding November 30, 2022**	Balances outstanding November 30, 2021
		$	$	**$**	$
	Dave Kelsch Consulting				
	- geological services	20,750	13,600	709	3,347
	- consulting fees	15,013	10,413	945	669
		35,763	24,013	1,654	4,016
(1)	Archer Cathro	390,229	288,788	90,181	75,303
(2)	Yeadon Law Corp	23,000	8,800	1,680	896
	DBM CPA	35,500	35,500	11,500	11,500
	Drechsler Consulting	16,155	12,645	945	1,134
	Linda Knight	46,294	35,469	4,311	2,820
		546,941	405,215	**110,271**	95,669

(1) Transactions for the year ended November 30, 2022, include $311,514 related to geological services (2021 - $209,321).

(2) Transactions for the year ended November 30, 2022, include $14,980 in share issue costs (2021 - $nil).

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 year ended November 30, 2022 and November 30, 2021 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:

	November 30, 2022	November 30, 2021
	$	$
Loss for the year before income taxes	(1,956,120)	(346,430)
Statutory Canadian corporate tax rate	27.00%	27.00%
Anticipated income tax recovery	528,000	94,000
Change in tax resulting from:		
Unrecognized items for tax purposes	(52,000)	(22,000)
Share issue costs	8,000	-
Tax benefits renounced/to be renounced on flow-through expenditures	(4,000)	(1,000)
Tax benefits on losses not recognized	(480,000)	(71,000)
Income tax recovery	-	-

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

	November 30, 2022	November 30, 2021
	$	$
Mineral property interests	4,396,000	4,057,000
Marketable securities	3,000	3,000
Property and equipment	146,000	142,000
Non-capital loss carry forwards	1,608,000	1,513,000
Capital losses	13,000	13,000
Share issue costs	16,000	14,000
Unrecognized deferred tax assets	(6,182,000)	(5,742,000)
Net deferred tax assets	-	-

As at November 30, 2022, the Company has non-capital loss carry forwards of approximately $5,956,000 (November 30, 2021 - $5,603,000) which expire between 2026 and 2042.

As at November 30, 2022, the Company has unused capital losses of approximately $99,000 (November 30, 2021 - $99,000), which have no expiry date and can only be used to reduce future income from capital gains.

As at November 30, 2022, the Company has unclaimed resource and other deductions in the amount of approximately $20,335,000 (November 30, 2021 - $18,812,000), which may be deducted against future taxable income.

As at November 30, 2022, the Company has share issue costs totaling approximately $58,000 (November 30, 2021 - $51,000), which have not been claimed for income tax purposes.

As at November 30, 2022, the Company has unused temporary differences in respect of property and equipment totaling approximately $541,000 (November 30, 2021 - $527,000), 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 years ended November 30, 2022 and November 30, 2021, were comprised of the following:

	November 30, 2022 $	November 30, 2021 $
Receivables and prepayments	(41,560)	(3,178)
Accounts payable and accrued liabilities	2,633	12,424
Accounts payable to related parties	(3,987)	(14,031)
Net Change	**(42,914)**	(4,785)

The Company incurred non-cash financing and investing activities during the years ended November 30, 2022 and November 30, 2021, as follows:

	November 30, 2022 $	November 30, 2021 $
Non-cash financing activities:		
Share capital reduced by flow-through share premium	75,000	-
Non-cash investing activities:		
Deferred exploration expenditures included in accounts payable and related party payables	473,943	75,303

During the years ended November 30, 2022 and November 30, 2021, 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 November 30, 2022, is comprised of shareholders' equity of $4,767,021 (November 30, 2021 - $4,446,914).

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 year ended November 30, 2022.

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 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 $
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**
November 30, 2021				
Cash and cash equivalents	711,765	-	-	711,765
Marketable securities (1)	-	-	1	1
Reclamation and other deposits	100,663	-	-	100,663
	812,428	-	1	812,429

(1) 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. There were no changes to the Company's Level 3 inputs and assumptions with respect to its marketable securities during the year ended November 30, 2021.

As at November 30, 2022 and November 30, 2021, the Company held 500,000 common shares of a private company (marketable securities) with a carrying value of $nil (November 30, 2021 - $1 nominal value as a result of lack of marketability or supportable fair value indicators). 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 November 30, 2022.

(e) Currency risk

The Company is exposed to currency risk because it holds cash, and has certain accounts payable denominated in United States Dollars (“USD”), 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 November 30, 2022 USD holdings, every 10% increase or decrease in the exchange rate would have impacted profit or loss for the year by approximately $22,000 (2021 – insignificant amount).

14. Commitment

On July 23, 2020, the Company completed a private placement of flow-through units for gross proceeds of $150,000. The Company renounced the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2020. As at November 30, 2022, all of the funds had been spent.

The flow-through units were issued at a premium to the trading value of the Company’s common shares, which reflected the value of the income tax write-offs that were renounced to the flow-through shareholders. The premium was determined to be $27,273 and was recorded as a reduction of share capital. An equivalent flow-through share premium liability was recorded, which was reversed upon the required exploration expenditures being incurred.

On May 30, 2022, the Company completed a private placement of flow-through shares for gross proceeds of $400,000. The Company subsequently renounced the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2022. As at November 30, 2022, approximately $189,000 of the funds had been spent. The Company subsequently amended the flow-through financing to $260,000, with the remaining $140,000 considered to be non-flow-through proceeds.

In connection with the amended flow-through proceeds and resulting $140,000 amended to represent 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.

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 determined to be $75,000 and was recorded as a reduction of share capital. An equivalent flow-through share premium liability was recorded, which is being reversed pro-rata as the required exploration expenditures are incurred.

A summary of the Company’s flow-through premium liability as at November 30, 2022 and November 30, 2021, and changes during the years then ended are as follows:

	November 30, 2022	November 30, 2021
	$	$
Balance, beginning of year	1,698	2,745
Addition	75,000	-
Reduction - pro rata based on eligible expenditures	(37,152)	(1,047)
Balance, end of year	**39,546**	1,698

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.

During the year ended November 30, 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 $2,954,482 (November 30, 2021 - $1,491,385) in the USA. The remainder of the Company's non-current assets are located in Canada.