



(A Development Stage Enterprise)

**Condensed Interim Financial Statements
For the nine months ended September 30, 2021**

(Stated in Canadian Dollars)

Responsibility for Financial Statements

The accompanying financial statements for Metals Creek Resources Corp. have been prepared by management in accordance with International Financial Reporting Standards (“IFRS”) consistently applied. Only changes in accounting policies have been disclosed in these unaudited condensed interim financial statements. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the period ended September 30, 2021.

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

September 30, 2021 and 2020

Condensed Interim Statements of Financial Position	1
Condensed Interim Statements of Comprehensive Income (Loss)	2
Condensed Interim Statement of Changes in Equity	3
Condensed Interim Statements of Cash Flows	4
Notes to the Condensed Interim Financial Statements	5

METALS CREEK RESOURCES CORP.

(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**(Prepared by Management)**

	September 30, 2021 \$ (Unaudited)	December 31, 2020 \$ (Audited)
ASSETS		
Current		
Cash	181,303	205,425
Cash – restricted (note 5)	-	363,959
Short term investments (notes 3 and 5)	1,373,031	768,277
Short term investments – restricted (notes 3 and 5)	1,919,146	-
H.S.T. and other receivables	59,995	83,944
Staking security deposits (note 12)	24,100	200
Prepaid expenses	158,847	42,008
	3,716,422	1,463,813
Property and equipment (note 4)	53,567	63,389
Long term investments (note 6)	1,380,963	1,296,018
Exploration and evaluation assets (note 7)	8,787,779	6,657,518
	13,938,731	9,480,738
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities (note 10)	452,594	102,406
Current portion of lease liability (note 9)	11,575	10,631
Deferred premium on flow-through shares (note 8(vi))	511,772	-
	975,941	113,037
Lease liability (note 9)	25,505	34,306
	1,001,446	147,343
Equity		
Share Capital (note 8)	16,642,695	14,692,493
Reserves (note 8)	10,192,663	8,043,473
Deficit	(13,898,073)	(13,402,571)
	12,937,285	9,333,395
	13,938,731	9,480,738

*Nature and Continuance of Operations – Note 1
Commitments – Notes 7 and 14*

These financial statements are authorized for issue by the Board of Directors on November 22, 2021. They are signed on the Corporation's behalf by:

“Alexander Stares” Director
“Nick Tsimidis” Director

METALS CREEK RESOURCES CORP.

(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**(Prepared by Management – Unaudited)**

	Three Months Ended Sept. 30, 2021 \$	Three Months Ended Sept. 30, 2020 \$	Nine Months Ended Sept. 30, 2021 \$	Nine Months Ended Sept. 30, 2020 \$
EXPENSES				
Business development	62,307	6,089	127,517	85,426
Depreciation	4,445	2,540	13,335	8,365
Office and general	22,043	28,332	102,406	76,576
Professional fees (note 10)	19,593	22,524	39,793	33,744
Consultants (note 10)	4,500	5,000	34,369	15,000
Salaries and benefits	66,103	56,316	204,758	205,261
Share-based payments (note 8(iii))	278,372	-	502,361	223
Write-down of exploration and evaluation assets	-	-	-	24,865
Pre-acquisition exploration and evaluation expenses	2,400	192	12,977	18,428
	(459,763)	(120,993)	(1,037,516)	(467,888)
Loss before the following:	(459,763)	(120,993)	(1,037,516)	(467,888)
Gain on sale of investments (note 6)	-	73,211	9,455	82,801
Gain on sale or option of exploration and evaluation assets, net	619,000	155,500	641,403	195,500
Interest and investment income	3,576	682	7,491	3,297
Other income	-	-	1,642	-
Adjustment to fair value for fair value through profit and loss investments	(966,310)	(134,335)	(481,776)	804,513
Income (loss) before deferred tax recovery	(803,497)	(25,935)	(859,301)	618,223
Deferred tax recovery – flow-through (notes 8(vi))	129,300	40,242	363,799	60,118
Income (loss) and comprehensive income (loss) for the period	(674,197)	14,307	(495,502)	678,341
Income (loss) per share – basic and diluted (note 13)	-	-	-	0.01
Weighted Average Shares Outstanding – basic and diluted	134,698,686	85,984,998	124,165,055	79,294,813

The accompanying notes form an integral part of these condensed interim financial statements

METALS CREEK RESOURCES CORP.

(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**(Prepared by Management – Unaudited)****For the nine months ended September 30, 2021 and 2020**

	<u>Share Capital</u>		<u>Reserves</u>		<u>Deficit</u>	<u>Total</u>
	<u>Number of Shares</u>	<u>Share Capital</u>	<u>Warrants</u>	<u>Equity Settled Benefits</u>		
	<u>#</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	
Balance at December 31, 2019	74,865,268	13,860,048	523,982	7,084,331	(14,038,728)	7,429,633
Share-based payments	-	-	-	223	-	223
Issued for cash:						
Private placement	10,083,466	325,627	225,381	-	-	551,008
Share issue costs	-	(61,075)	-	-	-	(61,075)
Flow-through share premium (note 8(vi))	-	(11,668)	-	-	-	(11,668)
Expiration of warrants	-	-	(98,232)	98,232	-	-
Issued in connection with property option agreements	1,500,000	75,000	-	-	-	75,000
Income and comprehensive income for the period	-	-	-	-	678,341	678,341
Balance, September 30, 2020	86,448,734	14,187,932	651,131	7,182,786	(13,360,387)	8,661,462
Balance, December 31, 2020	100,698,968	14,692,493	479,463	7,564,010	(13,402,571)	9,333,395
Share-based payments	-	-	-	502,361	-	502,361
Issued for cash:						
Private placement	27,996,602	2,207,750	1,747,447	-	-	3,955,197
Share issue costs	-	(170,175)	-	-	-	(170,175)
Flow-through share premium (note 8(vi))	-	(875,571)	-	-	-	(875,571)
Issued upon exercise of warrants	3,702,567	368,018	(70,688)	-	-	297,330
Issued upon exercise of stock options	425,000	70,180	-	(29,930)	-	40,250
Issued in connection with property option agreements	2,000,000	350,000	-	-	-	350,000
Expiration of warrants during period	-	-	(4,918)	4,918	-	-
Loss and comprehensive loss for the period	-	-	-	-	(495,502)	(495,502)
Balance, September 30, 2021	134,823,137	16,642,695	2,151,304	8,041,359	(13,898,073)	12,937,285

The accompanying notes form an integral part of these condensed interim financial statements

METALS CREEK RESOURCES CORP.

(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS CASH FLOWS**(Prepared by Management – Unaudited)**

	Nine Months Ended Sept. 30, 2021 \$	Nine Months Ended Sept. 30, 2020 \$
CASH FLOWS FROM (USED IN):		
OPERATING ACTIVITIES		
Income (loss) and comprehensive income (loss) for the period	(495,502)	678,341
Items not requiring an outlay of cash:		
Deferred tax recovery – flow-through	(363,799)	(60,118)
Depreciation	13,335	8,365
Share-based payments	502,361	223
Adjustment to fair value for fair value through profit and loss investments	481,776	(804,513)
Write-down of exploration and evaluation assets	-	24,865
Imputed interest on lease liability	3,438	1,387
Gain on sale of long-term investments	(9,455)	(82,801)
Gain on sale of exploration and evaluation assets	(641,403)	(195,500)
Change in non-cash working capital items:		
Decrease (increase) in H.S.T. and other receivables	23,949	(20,947)
Increase in prepaid expenses	(116,839)	(1,853)
Increase in accounts payable and accrued liabilities	350,188	6,564
Cash flows used in operating activities	(251,951)	(445,987)
FINANCING ACTIVITIES		
Decrease in share subscription proceeds receivable	-	175,250
Payments on lease liability	(11,295)	(4,874)
Purchase of short-term investments	(2,523,900)	(264,303)
Issuance of capital stock for cash in private placements	3,955,197	551,008
Proceeds from exercise of warrants	297,330	-
Proceeds from exercise of stock options	40,250	-
Share issue costs – cash commissions and expenses	(170,175)	(61,075)
Cash flows from financing activities	1,587,407	396,006
INVESTING ACTIVITIES		
Decrease (increase) staking security deposits	(23,900)	12,150
Expenditures on exploration and evaluation assets	(1,801,089)	(459,681)
Expenditure recoveries on exploration and evaluation assets	10,228	-
Net proceeds on sale of long-term investments	74,735	578,087
Purchase of long-term investments	-	(160,000)
Purchase of property and equipment	(3,511)	(4,558)
Proceeds on sale of exploration and evaluation assets	20,000	80,000
Cash flows provided by (used in) investing activities	(1,723,537)	45,998
Decrease in cash	(388,081)	(3,983)
Cash – beginning of period	569,384	116,641
Cash – end of period	181,303	112,658
Supplemental cash flow information (note 11)		

The accompanying notes form an integral part of these condensed interim financial statements

METALS CREEK RESOURCES CORP.

(A Development Stage Enterprise)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

September 30, 2021

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Metals Creek Resources Corp. (the “Company”) was incorporated on June 21, 2004 under the Business Corporations Act (Ontario). The Company’s head office is located at 945 Cobalt Crescent, Thunder Bay, Ontario, Canada, P7B 5Z4.

The Company is an exploration stage company and is in the process of exploring its resource properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

The accompanying financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability of the Company to raise additional capital. Specifically, the recovery of the Company’s investment in exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop its properties and establish future profitable production from the properties, or from the proceeds of their disposition. The Company has working capital in the amount of \$2,740,481 (December 31, 2020- \$1,350,776) and has a deficit in the amount of \$13,898,073 (December 31, 2020 - \$13,402,571). The Company has not earned any significant revenues to date and is considered to be in the exploration stage.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB (“International Accounting Standards Board”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34 - Interim Financial Reporting. The accounting policies followed in these condensed interim financial statements are the same as those applied in the Company’s audited annual financial statements for the year ended December 31, 2020.

The policies applied in these financial statements are based on IFRS issued and outstanding as of November 22, 2021, the date the Board of Directors approved the statements. Any subsequent changes to IFRS after this date could result in changes to the financial statements for the year ended December 31, 2021.

The condensed interim financial statements do not contain all disclosures required under IFRS and should be read in conjunction with Company’s audited annual financial statements and the notes thereto for the year ended December 31, 2020.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income taxes. Differences may be material.

3. SHORT TERM INVESTMENTS:

	September 30, 2021 \$	December 31, 2020 \$
Money Market Mutual Funds	3,292,177	768,277
Less: Restricted for flow-through purposes (note 5)	<u>(1,919,146)</u>	<u>-</u>
	<u>1,373,031</u>	<u>768,277</u>

These funds are available for exploration and evaluation expenditures and operations upon the request of the Company.

The money market mutual funds consist of fully liquid, managed money market fund units that yield regular monthly dividends at market rates.

4. PROPERTY AND EQUIPMENT

	Cost	Acc. Depr.	Sept. 30, 2021 Net
Computer equipment	\$ 33,029	\$ 29,974	\$ 3,055
Furniture and fixtures	13,467	12,759	708
Computer software	63,020	63,020	-
General equipment	40,665	32,016	8,649
Automobile	66,047	60,354	5,693
Leasehold improvements	4,812	4,812	-
Right-of-use assets – office (i)	48,634	13,172	35,462
	<u>\$ 269,674</u>	<u>\$ 216,107</u>	<u>\$ 53,567</u>

	Cost	Acc. Depr.	Dec. 31, 2020 Net
Computer equipment	\$ 29,517	\$ 29,062	\$ 455
Furniture and fixtures	13,467	12,634	833
Computer software	63,020	63,020	-
General equipment	40,665	30,490	10,175
Automobile	66,047	58,702	7,345
Leasehold improvements	4,812	4,812	-
Right-of-use assets – office (i)	48,634	4,053	44,581
	<u>\$ 266,162</u>	<u>\$ 202,773</u>	<u>\$ 63,389</u>

(i) The Company's leased assets include its office premises. Amounts related to leased assets included in profit in loss include:

	September 30, 2021 \$	June 30, 2020 \$
Interest on lease liabilities	3,438	1,387
Depreciation charge – right-of-use assets	9,119	3,456

5. RESTRICTION ON THE USE OF CASH AND CASH EQUIVALENTS

During the period ended September 30, 2021, and the year ended December 31, 2020, the Company issued common shares that were designated as being flow-through shares. One of the conditions of issuing flow-through shares is that the Company is required to retain the gross proceeds for the exclusive purpose of paying for qualified Canadian exploration expenditures associated with its exploration and evaluation assets.

	September 30, 2021	December 31, 2020
Restriction on use of cash and cash equivalents, beginning of year	\$ 363,959	\$ 67,000
Settlement of share subscription proceeds receivable	-	175,250
Gross proceeds received upon issuance of flow-through shares	3,283,391	712,422
Qualified exploration expenditures paid from these funds during period	(1,728,204)	(590,713)
Restriction on use of cash and cash equivalents, end of period	<u>\$ 1,919,146</u>	<u>\$ 363,959</u>
Restriction on cash and cash equivalents consists of:		
Cash	-	363,959
Short term investments	<u>1,919,146</u>	<u>-</u>
	<u>1,919,146</u>	<u>363,959</u>

6. LONG TERM INVESTMENTS

	September 30, 2021			December 31, 2020		
	Number of Shares #	Market \$	Cost \$	Number of Shares #	Market \$	Cost \$
Canadian Equities						
Americas Silver Corporation (i)	953	963	21,249	953	3,888	21,249
Sokoman Minerals Corp. (ii)	1,000,000	360,000	226,818	1,146,000	320,880	259,934
Xmet Inc. (iii)	2,300,000	-	83,500	2,300,000	-	83,500
White Metal Resources Corp. (iv)	500,000	37,500	19,750	500,000	37,500	19,750
Benton Resources Inc. (v)	250,000	45,000	13,036	250,000	42,500	13,036
Anaconda Mining Inc. (vi)	40,000	26,000	10,133	80,000	48,800	15,574
Trifecta Gold Ltd. (vii)	1,000,000	85,000	260,000	1,000,000	85,000	260,000
Quadro Resources Ltd. (viii)	3,525,000	176,250	393,500	3,525,000	423,000	393,500
O3 Mining Inc. (ix)	35,000	68,250	84,000	35,000	110,950	84,000
Manning Ventures Inc. (x)	1,000,000	130,000	112,000	1,000,000	150,000	112,000
Magna Terra Minerals Inc. (vi)	350,000	42,000	115,500	350,000	73,500	115,500
General Gold Resources Inc. (xi)	200,000	60,000	32,000	-	-	-
Class 1 Nickel and Tech. Ltd (xii)	1,250,000	350,000	600,000	-	-	-
		<u>1,380,963</u>	<u>1,971,486</u>		<u>1,296,018</u>	<u>1,378,043</u>

- (i) The shares of Americas Silver Corporation (TSX:USA) were received from Spruce Ridge originally as shares of RX Gold & Silver (which later merged with U.S. Gold & Silver Inc.) as a dividend-in-kind based on the Company's pro-rata ownership of Spruce Ridge and are valued at the September 30, 2021 closing price of \$1.01 per common share (December 31, 2020 - \$4.08).
- (ii) The shares of Sokoman Minerals Corp. (formerly Sokoman Iron Corp.) (TSX-V: SIC) are valued at the September 30, 2021 closing price of \$0.36 (December 31, 2020 - \$0.28). During the period ended September 30, 2021, the Company disposed of 146,000 shares of Sokoman Minerals Corp. for gross proceeds of \$41,535. A gain on disposal of \$655 was recorded in income in the current year.
- (iii) The shares of Xmet Inc. ("Xmet") held by the Company are valued at nil at September 30, 2021 (December 31, 2020 - nil) as the shares were downgraded to the NEX Exchange. The common shares of Xmet formerly traded on the TSX Venture Exchange under the symbol "XME".
- (iv) The shares of White Metal Resources Corp. (TSX-V: WHM) are valued at the September 30, 2021 closing price of \$0.075 per share (December 31, 2020- \$0.075).

- (v) The shares of Benton (TSX-V: BEX) currently held by the Company are valued at the September 30, 2021 closing price of \$0.18 per share (December 31, 2020 - \$0.17).
- (vi) The shares of Anaconda (TSX: ANX) are valued at the September 30, 2021 closing price of \$0.65 per share (December 31, 2020 - \$0.61). During the period ended September 30, 2021, the Company disposed of 40,000 shares of Anaconda for gross proceeds of \$32,000. The Company recorded a gain on disposition of \$8,800 in the current period. In addition, the Company received 350,000 shares of Magna Terra Minerals Inc. (TSX-V: MTT) pursuant to the Jackson's Arm option. These shares were valued at the September 30, 2021 closing price of \$0.12 per share (December 31, 2020 - \$0.21).
- (vii) The shares of Trifecta Gold Ltd. ("Trifecta") (TSX-V: TG) are valued at the September 30, 2021 closing price of \$0.085 per share (December 31, 2020 - \$0.085).
- (viii) The 3,525,000 shares of Quadro Resources Ltd. ("Quadro") (TSX-V: QRO) are valued at the September 30, 2021 closing price of \$0.05 per share (December 31, 2020 - \$0.12). The shares were received pursuant to the Company's disposition of its 50% interest in the Staghorn gold project in Newfoundland and a 33.3% interest in claims on the Great Northern Peninsula in Newfoundland. The Company received an additional 300,000 shares of Quadro during the year ended December 31, 2020 pursuant to an option agreement on the Careless Cove and Jackson's Arm properties held by the Company.
- (ix) The shares of O3 Mining Inc. (TSX-V – OIII) are valued at the September 30, 2021 closing price of \$1.95 per share (December 31, 2020 - \$3.13). The shares were received pursuant to the Company's disposition of its option on the Garrison property in Ontario during the 2019 fiscal year.
- (x) The shares of Manning Ventures Inc. (CSE: MANN) are valued at the September 30, 2021 closing price of \$0.13 per share (December 31, 2020 - \$0.15). The shares were received pursuant to the Company's option agreements with Manning on the Yukon property and the Flint Lake JV.
- (xi) The shares of General Gold Resources Inc. (TSX-V – GGLD) are valued at the September 30, 2021 closing price of \$0.30 per share. The shares were received pursuant to the Company's option agreement on the Clark's Brook property (see note 7(d)).
- (xii) The shares of Class 1 Nickel and Technologies Limited (CSE: NICO) are valued at the September 30, 2021 closing price of \$0.28 per share. The shares were received pursuant to the Company's sale of its 100% interest in claims located in the River Valley area of Ontario (see note 7(d)).

7. EXPLORATION AND EVALUATION ASSETS

Mineral property acquisition, exploration and development expenditures are deferred until the properties are placed into production, sold, impaired or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following commencement of production, or written-down if the properties are allowed to lapse, are impaired, or are abandoned. The deferred costs associated with each property for the period ended September 30, 2021 and year ended December 31, 2020 is summarized in the tables below:

For the nine months ended September 30, 2021

	Flint Lake	Ogden	Dona Lake	Other	Total
	(a)	(b)	(c)	(d)	
Dec. 31, 2020 - Acquisition Costs	\$ 6,259	538,447	104,468	11,738	660,912
Additions	-	17,760	350,000	8,250	376,010
Writedowns/Recoveries	-	-	-	(1,555)	(1,555)
<i>Subtotal</i>	\$ -	17,760	350,000	6,695	374,455
Sept. 30, 2021 - Acquisition Costs	\$ 6,259	556,207	454,468	18,433	1,035,367
Dec. 31, 2020 - Exploration and Evaluation Expenditures	\$ 80,717	5,099,104	789,668	27,117	5,996,606
Assaying	3,256	808	22,085	484	26,633
Prospecting	-	38,153	-	3,780	41,933
Geological	2,853	15,360	15,228	1,585	35,026
Geophysical	-	5,380	51,710	-	57,090
Line Cutting	-	72,373	-	-	72,373
Trenching	-	-	-	-	-
Diamond Drilling	-	329,708	1,179,550	-	1,509,258
Miscellaneous	-	-	-	-	-
Aboriginal Consultation	-	-	31,563	-	31,563
Road Building/Maintenance	-	-	1,200	-	1,200
Writedowns/Recoveries	(10,228)	-	-	(9,042)	(19,270)
<i>Subtotal</i>	\$ (4,119)	461,782	1,301,336	(3,193)	1,755,806
Sept. 30, 2021 - Exploration and Evaluation Expenditures	\$ 76,598	5,560,886	2,091,004	23,924	7,752,412
Sept. 30, 2021 - Total	\$ 82,857	6,117,093	2,545,472	42,357	8,787,779

For the year ended December 31, 2020

	Flint Lake (a)	Ogden (b)	Dona Lake (c)	Other (d)	Total
Dec. 31, 2019 - Acquisition Costs	\$ 6,259	520,117	24,365	6,552	557,293
Additions		18,330	80,103	23,285	121,718
Writedowns/Recoveries				(18,099)	(18,099)
<i>Subtotal</i>	\$ -	18,330	80,103	5,186	103,619
Dec. 31, 2020 - Acquisition Costs	\$ 6,259	538,447	104,468	11,738	660,912
Dec. 31, 2019 - Exploration and Evaluation Expenditures	\$ 137,590	5,064,802	171,263	21,149	5,394,804
Assaying			8,375	289	8,664
Prospecting	5,125	19,634	6,278	7,776	38,813
Geological	6,002	13,668	31,097	7,229	57,996
Geophysical			30,435	3,500	33,935
Line Cutting					-
Trenching					-
Diamond Drilling		1,000	447,715		448,715
Miscellaneous				300	300
Aboriginal Consultation			48,999		48,999
Road Building/Maintenance			45,506		45,506
Writedowns/Recoveries	(68,000)			(13,126)	(81,126)
<i>Subtotal</i>	\$ (56,873)	34,302	618,405	5,968	601,802
Dec. 31, 2020 - Exploration and Evaluation Expenditures	\$ 80,717	5,099,104	789,668	27,117	5,996,606
Dec. 31, 2020 - Total	\$ 86,976	5,637,551	894,136	38,855	6,657,518

a. Flint Lake Gold Property

In 2007, the Company acquired an option on the Flint Lake Gold project which is located approximately 40 km east of Kenora, Ontario and consists of 14 claims totaling 160 units. The Company entered into an option agreement with Endurance Gold Corp. whereby under the initial option the Company could earn a 70% interest in the property by making share payments totaling 400,000 shares (completed in 2008) and completing work commitments of \$200,000 on the property (completed). The Company exercised a second option to earn a further 5% in the property by issuing a further 50,000 common shares (completed in 2008) and spent an additional \$250,000 on the property (completed). The Company has now earned a 81.3% interest and a joint venture has been formed on a 81.3% (the Company) and 18.7% (Endurance Gold Corp.) basis.

During the year ended December 31, 2020, the Company signed an option agreement with Manning Ventures Inc, ("Manning") whereby Manning has the right to earn a 100% interest of the Company's 81.3 % interest in the Flint Lake project by making cash payments to the Company totaling \$145,000 over three years (\$20,000 upon signing received); issue a total of 2,200,000 common shares of Manning to the Company over three years (300,000 shares upon signing and received); and incur work expenditures of \$775,000 over three years. Upon exercise of the Flint Lake Option, the Company will retain a 1% NSR royalty. Manning will retain the right to purchase 50% of this NSR royalty from the Company upon payment of \$500,000 at any time.

b. Ogden

The Company has entered into an agreement with Goldcorp Canada Ltd. ("Goldcorp") a wholly owned subsidiary of Newmont Goldcorp Corporation, to jointly explore Goldcorp's mining claims located in Ogden and Deloro Townships, located six kilometres south of Timmins, Ontario. The property consists of 84 patented and unpatented claims totaling approximately 1,184 hectares. The Company has earned a 50% interest in the property under the terms of the agreement.

The Company was the operator of the Property during the earn-in period has continued to operate the project afterwards, provided it continues to hold a 50% or greater interest in the property. During 2012, the Company received notice that Goldcorp did not intend to pursue its back-in right on the Ogden property and as a result, the Company and Goldcorp executed a 50/50 joint venture agreement. If either party becomes diluted to a 10% interest, that interest will be converted into a 2% Net Smelter Return Royalty.

c. Dona Lake

The Dona Lake property consists of 32 patented and leased mining claims totaling approximately 430.1 hectares and covers the past producing Dona Lake Mine.

During the year ended December 31, 2019, the Company entered into an option and joint venture agreement with Goldcorp Canada Ltd. ("Goldcorp"), a wholly owned subsidiary of Newmont Goldcorp Corporation ("Newmont Goldcorp"). The option agreement allows for the Company to earn 100% of Goldcorp's interest in the Dona Lake property by issuing to Goldcorp a total of 7,000,000 common shares of the Company and funding \$4,000,000 in exploration expenditures over 36 months as per the following schedule:

- Issuing 500,000 shares (issued) within 5 days of definitive agreement and TSX approval (the "Start Date") (received) and spending a minimum \$500,000 prior to 1st anniversary of the Start Date (completed)
- Issuing 1,500,000 shares on or before 1st anniversary (issued) of the Start Date and spending an additional \$1,000,000, to include a minimum 2,500 m drilling, prior to 2nd anniversary of the Start Date (optional)
- Issuing 2,000,000 shares on or before 2nd anniversary (issued) of the Start Date and spending an additional \$2,500,000, to include a minimum 10,000 m drilling, prior to 3rd anniversary of the Start Date (optional)
- Issuing 3,000,000 shares on or before 3rd anniversary of the Start Date (Year 3 – optional)

After vesting, Newmont Goldcorp will have a one-time option to elect to earn back 51% of the Dona Lake property by spending \$4,000,000 on exploration over the following 24 months.

d. Other Properties

Other Properties consists of several early-stage projects that the Company is evaluating for exploration potential. Included in Other Properties are certain projects that are subject to agreements that are more fully described below.

Iron Horse

The Company retains a 0.9% royalty from the Iron Horse Project located approximately 120 km Northeast of Labrador City, Labrador and held by Sokoman Minerals Corp.

Yukon

The Yukon property consists of 148 staked claims in two separate claim blocks in the Dawson Range gold district. The claim blocks are located in the Matson Creek area (Squid East and West properties). The Company owns a 100% interest in all claim blocks.

During the 2018 fiscal year, the Company optioned the property to Manning Ventures Inc. (“Manning”). Under the terms of the agreement, which was amended during the year ended December 31, 2020, Manning has the option to acquire a 75% interest in the property by making cash payments to the Company of \$55,000 (\$35,000 received with remaining \$20,000 due on or before December 31, 2021), issue to the Company a total of 800,000 Manning common shares (600,000 received with remaining 200,000 due on or before December 31, 2021) and incur work expenditures of \$1,050,000 (as amended) over four years (\$50,000 by December 31, 2021). Manning is the operator during the option period.

Tilt Cove

During the 2016 year, the Company entered into an option agreement, (the “Agreement”) with Anaconda Mining Inc. (“Anaconda”), whereas Anaconda has the right to acquire a 100% undivided interest in the Company’s property. To earn a 100% interest in the Tilt Cove property, Anaconda is required to make aggregate payments to the Company of \$200,000 in cash (\$120,000 received), and issue 125,000 common shares (post 1 for 4 share consolidation that occurred during the current year) of Anaconda (75,000 shares received) over a three-year period. The Tilt Cove Agreement provides for a one percent (1%) NSR to the Company on the sale of gold-bearing mineral products from the Tilt Cove property. Anaconda is also assuming an existing two percent (2%) NSR (the “Existing NSR”) on one of the two licenses that comprises the Tilt Cove property. One percent (1%) of the Existing NSR is purchasable for \$1,250,000. Anaconda is required to spend a total of \$750,000 in qualified exploration expenditures on the Tilt Cove property during the option period.

During the year ended December 31, 2019, the Company and Anaconda renegotiated the third and final anniversary payment of the Agreement. On or before November 7, 2019, Anaconda will pay the Company \$20,000 and issue 100,000 common shares (received). Anaconda will also pay the Company an additional \$20,000 in cash on or before each of February 6, 2020 (received), May 6, 2020 (received) and August 6, 2020 (received) (\$60,000 total received). Finally, Anaconda commits to incur a minimum of \$150,000 in exploration expenditures during the remainder of the option period. All other terms of the Agreement remain unchanged.

Jackson’s Arm

The Jackson’s Arm property consists of 53 staked claim units totaling 1,325 hectares and is located in north-central Newfoundland. The Company owns a 100% interest in the project.

During the 2016 year, the Company entered into an option agreement, (the “Jackson’s Arm Agreement”) with Anaconda Mining Inc. (“Anaconda”), whereas Anaconda has the right to acquire a 100% undivided interest in the Company’s Jackson’s Arm property. To earn a 100% interest in the Jackson’s Arm property, Anaconda is required to make aggregate payments to the Company of \$200,000 in cash (\$120,000 received), and issue 125,000 common shares (post 1 for 4 share consolidation that occurred during the current year) of Anaconda (75,000 shares received) over a three-year period. The Jackson’s Arm Agreement provides for a two percent (2%) net smelter returns royalty (“NSR”) to the Company on the sale of gold bearing mineral products from the Jackson’s Arm property. The NSR is capped at \$1,500,000, after which, the NSR will be reduced to one percent (1%). Anaconda is required to spend a total of \$750,000 in qualified exploration expenditures on the Jackson’s Arm property during the option period.

During the year ended December 31, 2019, Anaconda and Magna Terra Minerals Inc. (“Magna Terra”) announced they have entered into a definitive share purchase agreement dated October 14, 2019, whereby Magna Terra proposes to acquire all of the issued and outstanding common shares of Anaconda's wholly owned subsidiary, 2647102 Ontario Inc. (ExploreCo). ExploreCo owns a 100-percent interest in the Great Northern and Viking projects in Newfoundland and Labrador, and the Cape Spencer project in New Brunswick. The Jackson’s Arm project is part of ExploreCo’s Great Northern Project. In conjunction with this restructuring, the Company and Anaconda renegotiated the third and final anniversary payment of the Jackson’s Arm Agreement. On or before November 7, 2019, Anaconda will issue to the Company 50,000 common shares of Anaconda (received). In addition, on or before January 6, 2020, and later extended to on or before August 31, 2020, Magna Terra will pay the Company \$20,000 (received) and issue common shares of Magna Terra valued at \$70,000 at the time of issuance (350,000 shares received). All other terms of the Jackson’s Arm Agreement remain unchanged.

Clarks Brook

During the year ended December 31, 2020, the Company signed a letter of intent outlining terms whereby Deep Blue Trading Inc. (“DBT”) (a private company owned by an arm’s length third party) can earn a 100% interest in the Clarks Brook property by making cash payments of \$195,000 over three years (\$50,000 received) and issuing a total of 1,500,000 common shares over three years (200,000 shares of General Gold Resources Inc., the resultant issuer, received). Metals Creek will retain a 2% NSR, one-half (1%) of which can be purchased by DBT for \$1,000,000. DBT must also complete a 43-101 report on the property by the first anniversary.

Garrison

During the year ended December 31, 2018, the Company executed a Letter of Intent (“LOI”) to acquire 10 Patented Mining Claims (The Patents) in Garrison Township approximately 35 kms north- northeast of Kirkland Lake, Ontario. The patents are contiguous with Osisko Mining to the west, south and east and contiguous with Kirkland Lake Gold to the north.

Metals Creek can earn a 100% interest in the patents by making cash payments totaling \$310,000 over a period of 4 years following the execution of the LOI (\$30,000 paid). The vendors will retain a 2% NSR which the Company can purchase 1% for \$1 million.

During the year ended December 31, 2019, the Company entered into an Asset purchase agreement with O3 Mining Inc. to sell 100% of the right to its option on the Garrison project. Under the terms of the Asset Purchase Agreement, The aggregate purchase price (the "Purchase Price") payable by O3 Mining to Metals Creek for 100% of the Option shall be \$250,000 and shall be satisfied by the issuance from treasury of O3 Mining of such number of Purchaser Shares as is equal to the Purchase Price divided by the issue price of \$3.88 per Purchaser Share. In addition O3 Mining will assume the responsibility of fulfilling the liabilities of the original agreement with the owners. The Company recorded a loss on disposition of the Garrison property totaling \$150,750 during the year related to the excess deferred exploration and evaluation expenditures on the property over the proceeds on disposition.

Following closing of the transaction Metals Creek will retain a half percent (0.5%) NSR which can be purchased anytime by O3 Mining for \$140,000.

Careless Cove/Yellow Fox

During the year ended December 31, 2020, the Company signed a letter of intent (“LOI”) with Quadro Resources Ltd. (“Quadro”) pursuant to which Quadro has the right to earn a 100% interest in the Company’s Careless Cove/Yellow Fox claims in Central Newfoundland. Pursuant to the terms of the LOI, Quadro must issue to the Company a total of \$100,000 and 1,500,000 Quadro common shares according to the following schedule:

- i.) \$15,000 (received) and 300,000 Quadro common shares (received);
- ii.) \$20,000 and 300,000 Quadro common shares on or before the first anniversary;
- iii.) \$20,000 and 400,000 Quadro common shares on or before the second anniversary; and
- iv.) \$45,000 and 500,000 Quadro common shares on or before the third anniversary.

Upon completion of the above payments, Quadro will have earned a 100% interest. The Company will retain a 2% net smelter royalty (“NSR”) on any future mineral production. Quadro will retain the right to buy back one-half the of the NSR (1% of the 2%) from the Company for \$1 million.

River Road

The Company acquired the River Road property via staking. The property is located in central Newfoundland, encompasses 508 claim units totalling 12,700 hectares.

River Valley, Ontario

The Company owns a 100% interest in 20 claim units encompassing 500 hectares, located in Crerar Township approximately 70km east of Sudbury, Ontario and approximately 4.5km west of the Town of River Valley, Ontario. During the period ended September 30, 2021, the Company sold their 100% interest in the claims to Class 1 Nickel and Technologies Limited (“Class 1”) for 1,250,000 Class 1 common shares. The Company will retain a 2% NSR on the claims, one-half (1%) of which may be purchased by Class 1 at any time for \$1 million. The Class 1 shares are restricted from trading until December 31, 2021.

8. CAPITAL AND RESERVES

i. Share Capital

At September 30, 2021, the authorized share capital comprised an unlimited number of common shares and an unlimited number of preferred shares.

To date, no preferred shares have been issued.

ii. Share Purchase Warrants

Details of share purchase warrant transactions for the period ended September 30, 2021 and year ended December 31, 2020 are as follows:

	# of Warrants	Amount \$	Wtd. Avg. Ex. Price
Balance, December 31, 2019	23,980,988	523,982	\$0.11
Issued pursuant to private placements	19,340,864	434,937	\$0.10
Expired during the year	(21,230,088)	(479,456)	\$0.11
Balance, December 31, 2020	22,091,764	479,463	\$0.10
Issued pursuant to private placements	28,447,147	1,747,447	\$0.165
Exercised during the period	(3,702,567)	(70,688)	\$0.08
Expired during the period	(320,000)	(4,918)	\$0.07
Balance, September 30, 2021	46,516,344	2,151,304	\$0.14

For purposes of the warrants granted, the fair value of each warrant was estimated on the date of grant using an option pricing model.

Pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

For the 28,447,147 warrants issued on March 17, 2021, the fair value of each warrant ranges from \$0.0543 to \$0.1071 and was estimated on the date of issuance with the following assumptions: dividend yield of 0%, expected volatility of 146%, a risk-free interest rate of 0.29% and an expected life of 2 years.

For the 6,380,744 warrants issued on June 3, 2020, the fair value of each warrant ranges from \$0.0198 to \$0.0327 and was estimated on the date of issuance with the following assumptions: dividend yield of 0%, expected volatility of 162%, a risk-free interest rate of 0.29% and an expected life of 2 years.

For the 10,988,454 warrants issued on June 17, 2020, the fair value of each warrant ranges from \$0.0199 to \$0.0331 and was estimated on the date of issuance with the following assumptions: dividend yield of 0%, expected volatility of 151%, a risk-free interest rate of 0.21% and an expected life of 2 years.

For the 1,971,666 warrants issued on July 13, 2020, the fair value of each warrant is \$0.0378 and was estimated on the date of issuance with the following assumptions: dividend yield of 0%, expected volatility of 158%, a risk-free interest rate of 0.25% and an expected life of 2 years.

The following table summarizes information about the warrants outstanding at September 30, 2021 and December 31, 2020:

Expiry Dates	Exercise Price	September 30, 2021 # of Warrants	December 31, 2020 # of Warrants
June 30, 2021	\$0.07	-	2,750,900
June 3, 2022	\$0.10	5,555,744	6,380,744
June 17, 2022	\$0.10	10,755,121	10,988,454
July 14, 2022	\$0.10	1,758,332	1,971,664
March 17, 2023	\$0.165	28,447,147	-
		<u>46,516,344</u>	<u>22,091,762</u>

iii. Stock Options

Details of stock option transactions for the period ended September 30, 2021 and year ended December 31, 2020 are as follows:

	# of Options	Wtd. Avg. Ex. Price
Balance, December 31, 2019 and 2020	6,560,000	\$0.09
Granted during the period	6,850,000	\$0.14
Exercised during the period	(425,000)	\$0.095
Expired during the period	<u>(3,285,000)</u>	<u>\$0.11</u>
Balance, September 30, 2021	<u>9,700,000</u>	<u>\$0.11</u>

The following table summarizes information about the options outstanding at September 30, 2021 and December 31, 2020:

Expiry Dates	Exercise Price	September 30, 2021 # of Options	December 31, 2020 # of Options
March 2021	\$0.11	-	1,260,000
July 2021	\$0.12	-	850,000
September 2021	\$0.10	-	1,150,000
March 2022	\$0.10	100,000	100,000
January 2023	\$0.10	925,000	1,000,000
January 2024	\$0.07	2,025,000	2,200,000
February 2026	\$0.13	2,400,000	-
June 2021	\$0.18	500,000	-
July 2026	\$0.15	3,750,000	-
		<u>9,700,000</u>	<u>6,560,000</u>

The Company applies the fair value method of accounting for share-based payments using an option pricing model. During the period ended September 30, 2021, 3,285,000 options with an average exercise price of \$0.11 expired unexercised.

Stock options granted to directors, officers, employees and consultants vested during the period ended September 30, 2021 are as follows:

<u>Grant Date</u>	<u># of Options</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
February 11, 2021	2,284,201	\$0.13	February 11, 2026
June 10, 2021	319,812	\$0.18	June 10, 2026
July 30, 2021	1,875,571	\$0.15	July 30, 2026

The Company has calculated \$502,361 (September 30, 2020 - \$223) as share-based payments expense and under capital stock as reserves for the 4,479,584 options vesting to directors, officers and employees and consultants during the year:

- For the 2,284,201 options vesting from the February 11, 2021 grant, the fair value of each vested option is \$0.104 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 135%, a risk-free interest rate of 0.50% and an expected life of approximately 5 years.
- For the 319,912 options vesting from the June 10, 2021 grant, the fair value of each vested option is \$0.152 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 135%, a risk-free interest rate of 0.83% and an expected life of approximately 5 years.
- For the 1,875,571 options vesting from the July 30, 2021 grant, the fair value of each vested option is \$0.115 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 131%, a risk-free interest rate of 0.83% and an expected life of approximately 5 years.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

iv. Stock Option Plan

The Company has a Stock Option Plan (the “Plan”) for directors, officers, employees and consultants. The Plan authorizes the granting of options to purchase up to a maximum of 13,447,313 common shares of which 9,700,000 are outstanding at September 30, 2021. The Plan provides that:

- any options granted pursuant to the Plan shall expire no later than five years after the date of grant;
- any options granted pursuant to the Plan shall be non-assignable and non-transferable;
- the number of common shares issuable pursuant to the Plan to any one person in any 12 month period shall not exceed 5% of the outstanding common shares;
- the number of common shares issuable pursuant to the Plan to any one consultant in any 12 month period may not exceed 2% of the outstanding common shares;
- the number of common shares issuable pursuant to the Plan to persons employed in technical consulting activities may not exceed 2% of the outstanding common shares in any 12 month period.
- the Plan provides that options shall expire and terminate 90 days following the date the optionee ceases to be an employee, director or officer of, or consultant to, the Company, provided that if such termination is as a result of death of the optionee, the optionee’s personal representative shall have one year to exercise such options.
- the maximum number of common shares which may be reserved and set aside for issue under Plan is equal to up to 10% of the issued and outstanding common shares, provided that the Board may, subject to Shareholder and regulatory approvals, increase such number.

- the Plan provides that options granted under the plan shall vest in the optionee, and may be exercisable by the optionee as follows: (1) 1/3 on the date of granting; (2) 1/3 six months from the date of granting; and (3) 1/3 twelve months from the date of granting.

v. Shareholder Rights Plan

The Company has adopted a shareholder rights plan (the “Rights Plan”) to ensure the fair treatment of all Company shareholders in connection with any take-over bid for the outstanding common shares of the Company. The Rights Plan will provide the Company’s shareholders with adequate time to properly evaluate and assess a take-over bid without facing undue pressure or coercion. The Rights Plan also provides the board of directors of the Company with additional time to consider any take-over bid and, if applicable, to explore alternative transactions in order to maximize shareholder value.

Pursuant to the Rights Plan, any bid that meets certain criteria intended to protect the interests of all shareholders are deemed to be “Permitted Bids”. A Permitted Bid must be made by way of a take-over bid circular prepared in compliance with applicable securities laws and, in addition to certain other conditions, must remain open for 60 days. In the event a take-over bid does not meet the Permitted Bid requirements of the Rights Plan, the rights issued under the plan will entitle shareholders, other than any shareholder or shareholders involved in the take-over bid, to purchase additional common shares of the Company at a significant discount to the market price of the common shares at that time.

vi. Private Placements

During the period ended September 30, 2021, the Company completed the following private placement:

- In March 2021, the Company completed a non-brokered private placement of both flow through and non-flow through units. The Company issued 21,889,276 flow through units at a price of \$0.15 per unit. Each flow through unit consists of one flow-through common share and one common share purchase warrant, each whole warrant entitling the holder therein to purchase an additional common share of the Company for \$0.165 until March 17, 2023. The Company also issued 6,107,326 non-flow through units at a price of \$0.11 per unit. Each non-flow through unit consists of one common share and one common share purchase warrant, each warrant entitling the holder therein to purchase an additional common share of the Company for \$0.165 until March 17, 2023. Aggregate proceeds raised in the private placement were \$3,955,197.

In connection with the private placement, the Company paid cash finders’ fees totalling \$111,126 as well as 450,545 finders’ warrants exercisable at \$0.165 expiring March 17, 2023.

During the year ended December 31, 2020, the Company completed the following private placements:

- In December 2020, the Company completed a non-brokered private placement of both flow-through and non-flow through units. The Company issued 7,190,234 flow-through units at a price of \$0.06 per unit. Each flow-through unit consists of one flow-through common share and one-half of one common share purchase warrant, each whole warrant entitling the holder therein to purchase an additional common share of the Company for \$0.10 until June 17, 2022. The Company also issued 7,060,000 non-flow through units at a price of \$0.05 per unit. Each non-flow through unit consists of one common share and one common share purchase warrant, each warrant entitling the holder therein to purchase an additional common share of the Company for \$0.10 until June 17, 2022. Aggregate proceeds raised in the private placement were \$781,414.

In connection with the private placement, the Company paid cash finders’ fees totalling \$50,835 as well as 333,338 finders’ warrants exercisable at \$0.10 expiring June 17, 2022.

- In July 2020, the Company completed a non-brokered private placement of flow-through units. The Company issued 3,516,666 flow-through units at a price of \$0.06 per unit. Each flow-through unit consists of one flow-through common share and one-half of one common share purchase warrant, each whole warrant entitling the holder therein to purchase an additional common share of the Company for \$0.01 until July 14, 2022. Aggregate proceeds raised in the private placement were \$211,000

In connection with the private placement, the Company paid cash finders' fees totalling \$14,770 as well as 213,333 finders' warrants, which are exercisable at \$0.10 expiring July 14, 2022.

- In June 2020, the Company completed a non-brokered private placement of both flow-through and non-flow through units. The Company issued 1,166,800 flow through units at a price of \$0.06 per unit. Each flow-through unit consists of one flow-through common share and one-half of one common share purchase warrant, each whole warrant entitling the holder therein to purchase an additional common share of the Company for \$0.10 until June 3, 2022. The Company also issued 5,400,000 non-flow through units at a price of \$0.05 per unit. Each non-flow through unit consists of one common share and one common share purchase warrant, each warrant entitling the holder therein to purchase an additional common share of the Company for \$0.10 until June 3, 2022. Aggregate proceeds raised in the private placement were \$340,008.

In connection with the private placement, the Company paid cash finders' fees totalling \$23,801 as well as 397,344 finders' warrants exercisable at \$0.10 expiring June 3, 2022.

The deferred premium on the issuance of the flow-through common shares described above was \$875,571. This difference between the proceeds of the placement and the net amount recorded in the Company's share capital account is treated as a liability in accordance with IFRS. This liability is reversed into earnings as the Company incurs flow-through eligible exploration and evaluation expenditures. This reversal amounted to \$363,799 for the period ended September 30, 2021 (September 30, 2020 - \$60,118) resulting in a deferred premium balance of \$511,77 at September 30, 2021 (December 31, 2020 – nil).

9. LEASE LIABILITY

The lease liability relates to a lease for the Company's office premises. The lease expired on March 31, 2020. The Company executed a new lease on its existing office in September 2020 for a two-year period with renewal options. Using an estimated interest rate of 12% (the Company's estimated incremental borrowing rate) at September 30, 2021, the undiscounted lease obligation is as follows:

	September 30, 2021	December 31, 2020
	\$	\$
Lease liability	37,080	44,937
Less: Current portion	(11,575)	(10,631)
Long-term portion	<u>25,505</u>	<u>34,306</u>

10. RELATED PARTY TRANSACTIONS

The Company paid or accrued the following amounts to related parties during the periods ended September 30, 2021 and 2020:

Payee	Description of Relationship	Nature of Transaction	September 30, 2021 Amount (\$)	September 30, 2020 Amount (\$)
Eastrock Exploration/ Wayne Reid	Company controlled by Wayne Reid, Director and Officer	Payments for geological consulting services and reimbursement of expenses	10,800	-
Nick Tsimidis	Director and Officer	Payments for consulting fees	13,500	9,000
Stares Prospecting Ltd.	Company controlled by Alexander Stares, Director and Officer	Payments for field services capitalized in deferred development expenditures	813	-

The purchases from/fees charged by related parties are in the normal course of operation and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Included in accounts payable and accrued liabilities at September 30, 2021 is:

- \$1,380 payable to Eastrock Exploration Inc., (September 30, 2020: nil) (inclusive of HST)

Key management personnel remuneration during the period ended September 30, 2021 included \$242,284 (September 30, 2020 - \$241,033) in salaries and benefits and \$160,015 (September 30, 2020 - \$89) in share-based payments. There were no post-retirement or other long-term benefits paid to key management personnel during the year.

11. SUPPLEMENTAL CASH FLOW INFORMATION

The following transactions did not result in cash flows and have been excluded from operating, financing and investing activities:

	<u>September 30,</u> <u>2021</u> \$	<u>September 30,</u> <u>2020</u> \$
<i>Non-cash financing activities</i>		
Fair value of warrants issued	1,747,447	-
<i>Non-cash investing activities</i>		
Shares received for exploration and evaluation assets	632,000	-
Shares issued for mineral property option	350,000	75,000

12. STAKING SECURITY DEPOSITS

Staking security deposits of \$24,100 (December 31, 2020 – \$200) represents security amounts paid to the Government of Newfoundland and Labrador in connection with mineral property claims located in that province. These staking security deposits are refundable to the company upon submission by the company of a report covering the first-year work undertaken which meets the requirements of the Government of Newfoundland and Labrador.

13. INCOME (LOSS) PER SHARE

Basic income (loss) per common share has been calculated using the weighted average number of common shares outstanding in each respective period. As the issue of shares upon the exercise of stock options and warrants would be anti-dilutive, diluted loss per common share is equivalent to basic loss per common share.

14. COMMITMENTS

The Company has an obligation to expend \$1,919,146 on qualified Canadian exploration expenditures related to private placements from which flow-through shares were issued during the period ended September 30, 2021. These funds must be fully expended on qualified Canadian exploration expenditures by December 31, 2022. The Company is in compliance with all mineral property obligations to the best of the Company's knowledge.

The Company executed a lease agreement in September 2020 on its existing office premises. The term of the lease is for a period of two years with an option to renew for an additional two years. The agreement calls for monthly payments in the amount of \$1,255 plus HST. See note 9.

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, which may negatively impact the Company's business and financial condition.