PACTON GOLD INC.

Condensed Consolidated Interim Financial Statements

For the Three Months Ended February 28, 2021 and 2020

(Unaudited – Expressed in Canadian Dollars)

PACTON GOLD INC.

February 28, 2021 and 2020

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NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed consolidated interim financial statements by an entity's auditor.

April 28, 2021

PACTON GOLD INC.

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

	February 28, 2021	November 30, 2020
Assets		
Current		
Cash and cash equivalents	$ 3,760,248	$ 2,721,339
Marketable securities (note 7)	2,303,100	-
Receivables (note 12)	546,070	325,268
Prepaid expenses	166,427	109,302
	6,775,845	3,155,909
Equipment (note 8)	105,211	110,748
Exploration and Evaluation Assets (note 9)	17,628,352	18,521,789
	$ 24,509,408	$ 21,788,446
Liabilities		
Current		
Accounts payable and accrued liabilities (notes 11 and 12)	$ 617,016	$ 1,029,424
Other liabilities (note 10)	240,229	217,993
	857,245	1,247,417
Shareholders' Equity		
Capital Stock (note 11)	50,616,610	47,234,016
Share-based Payments Reserve (note 11)	5,907,492	5,890,785
Deficit	(32,830,062)	(32,367,786)
Accumulated Other Comprehensive Loss – Cumulative Translation Adjustments	(41,877)	(215,986)
	23,652,163	20,541,029
	$ 24,509,408	$ 21,788,446

Going Concern (note 2)
Subsequent Events (note 15)

Approved on behalf of the Board:

"Richard Boulay" ……………………………… Director
Richard Boulay

"Alec Pismiris" ……………………………… Director
Alec Pismiris

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

PACTON GOLD INC.

Condensed Consolidated Interim Statements of Comprehensive Loss
For the Three Months Ended
(Unaudited – Expressed in Canadian Dollars)

	February 28, 2021	February 29, 2020
Expenses		
Consulting fees (note 12)	$ 311,474	$ 348,961
Management fees (note 12)	22,500	22,500
Office and miscellaneous (note 12)	55,875	170,522
Professional fees (note 12)	67,405	83,922
Rent (note 12)	30,000	21,333
Shareholder communications and investor relations	102,203	197,615
Transfer agent and filing fees	20,203	29,706
Foreign exchange gain	(78)	-
	(609,582)	(874,559)
Other Items		
Part XII.6 tax (note 10)	(35,858)	(16,614)
Interest income	4,400	5,929
Other income (note 10)	178,764	205,928
Net Loss for the Period	(462,276)	(679,316)
Other Comprehensive Income (Loss)		
Exchange difference on translating foreign operations	174,109	(221,613)
Comprehensive Loss for the Period	$ (288,167)	$ (900,929)
Basic and Diluted Loss Per Share	$ (0.01)	$ (0.03)
Weighted Average Number of Common Shares Outstanding – Basic and Diluted	36,735,081	21,548,454

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

PACTON GOLD INC.

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

	Capital Stock										
	Number of Shares		Capital Stock		Share-based Payments Reserve		Deficit		Accumulated Other Comprehensive Income (Loss)		Total
Balance, November 30, 2019	**18,367,303**	**$**	**34,021,523**	**$**	**4,261,056**	**$**	**(25,950,709)**	**$**	**(623,392)**	**$**	**11,708,478**
Private placements	4,496,492		5,713,166		-		-		-		5,713,166
Share issue costs	-		(69,639)		13,053		-		-		(56,586)
Flow-through liability	-		(317,376)		-		-		-		(317,376)
Shares issued for exploration and evaluation assets	40,000		40,000		-		-		-		40,000
Net loss for the period	-		-		-		(679,316)		-		(679,316)
Exchange difference on translating foreign operations	-		-		-		-		(221,613)		(221,613)
Balance, February 29, 2020	**22,903,795**		**39,387,674**		4,274,109		**(26,630,025)**		**(845,005)**		16,186,753
Private placements	8,051,224		6,617,838		-		-		-		6,617,838
Share issue costs	-		(174,057)		69,333		-		-		(104,724)
Flow-through liability	-		(281,980)		-		-		-		(281,980)
Shares issued for exploration and evaluation assets	1,592,500		1,626,025		-		-		-		1,626,025
Exercise of stock options	25,500		33,915		-		-		-		33,915
Fair value of stock options	-		24,601		(24,601)		-		-		-
Share-based payments (note 11)	-		-		1,688,352		-		-		1,688,352
Expiry of stock options	-		-		(18,807)		18,807		-		-
Expiry of warrants	-		-		(97,601)		97,601		-		-
Net loss for the period	-		-		-		(5,854,169)		-		(5,854,169)
Reclassification on deregistration of foreign operation	-		-		-		-		34,241		34,241
Exchange difference on translating foreign operations	-		-		-		-		594,778		594,778
Balance, November 30, 2020	**33,573,019**		**47,234,016**		**5,890,785**		**(32,367,786)**		**(215,986)**		**20,541,029**
Private placements	3,817,778		3,637,000		-		-		-		3,637,000
Share issue costs	-		(81,306)		16,707		-		-		(64,599)
Flow-through liability	-		(201,000)		-		-		-		(201,000)
Shares issued for exploration and evaluation assets	30,000		27,900		-		-		-		27,900
Net loss for the period	-		-		-		(462,276)		-		(462,276)
Exchange difference on translating foreign operations	-		-		-		-		174,109		174,109
Balance, February 28, 2021	**37,420,797**	**$**	**50,616,610**	**$**	**5,907,492**	**$**	**(32,830,062)**	**$**	**(41,877)**	**$**	**23,652,163**

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

PACTON GOLD INC.

Condensed Consolidated Interim Statements of Cash Flows
For the Three Months Ended
(Unaudited – Expressed in Canadian Dollars)

	February 28, 2021	February 29, 2020
Operating Activities		
Net loss	$ (462,276)	$ (679,316)
Items not involving cash		
Foreign exchange gain	(78)	-
Other income	(178,764)	(220,369)
Changes in non-cash working capital		
Receivables	(220,779)	(79,006)
Prepaid expenses	(57,120)	(283,373)
Accounts payable and accrued liabilities	(16,987)	(189,753)
Cash Used in Operating Activities	(936,004)	(1,451,817)
Investing Activities		
Exploration and evaluation assets, net	(2,098,468)	(1,418,104)
Sale of exploration and evaluation assets	500,000	-
Cash Used in Investing Activities	(1,598,468)	(1,418,104)
Financing Activity		
Net proceeds from share issuances	3,572,401	5,671,021
Cash Provided by Financing Activity	3,572,401	5,671,021
Inflow of Cash and Cash Equivalents	1,037,929	2,801,100
Effect of Foreign Exchange on Cash and Cash Equivalents	980	(4,351)
Cash and Cash Equivalents, Beginning of Period	2,721,339	905,356
Cash and Cash Equivalents, End of Period	$ 3,760,248	$ 3,702,105

Supplemental Disclosure with Respect to Cash Flows (note 13)

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

1. NATURE OF OPERATIONS

Pacton Gold Inc. (the “Company" or “Pacton”) was incorporated pursuant to the British Columbia *Business Corporations Act* on December 15, 2010. The address of the Company's corporate office and its principal place of business is 1680 – 200 Burrard Street, Vancouver, British Columbia, Canada, V6C 3L6. The Company's registered and records office is 400 – 725 Granville Street, Vancouver, British Columbia, Canada, V7Y 1G5. The Company operates in Canada and Australia. On July 17, 2012, the Company's stock was listed on the TSX Venture Exchange ("TSX-V") trading under the symbol "NX". On April 27, 2017, the Company changed its name to Pacton Gold Inc. and began trading under the symbol “PAC”. The Company’s shares also trade on the OTC Exchange in the United States under the symbol “PACXF” and on the Frankfurt Stock Exchange under the symbol “2NKN”. The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired. The Company is an exploration stage company and is in the process of acquiring and exploring its mineral property interests.

On June 9, 2020, the Company consolidated its common shares on the basis of one new share for ten old shares. All share and per share amounts have been revised to reflect the consolidation.

2. GOING CONCERN

These condensed consolidated interim financial statements (the “financial statements”) have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company has incurred a loss during the three months ended February 28, 2021 of $462,276 (2020 - $679,316) and as at February 28, 2021 has a deficit of $32,830,062 (November 30, 2020 - $32,367,786), has limited resources, no sources of operating cash flow and no assurances that sufficient funding will be available to continue operations for an extended period of time. The Company is in the exploration stage, and accordingly, has not yet commenced revenue-producing operations.

In March 2020, there was a global outbreak of coronavirus (COVID-19). The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company’s shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company’s operations.

These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

The application of the going concern concept is dependent upon the Company’s ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests, the attainment of profitable mining operations or the receipt of proceeds from the disposition of its mineral property interests. Management is actively engaged in the review and due diligence on opportunities of merit in the mining sector and is seeking to raise the necessary capital to meet its funding requirements. There can be no assurance that management’s plan will be successful.

If the going concern assumption were not appropriate for these financial statements, then adjustments may be necessary in the carrying values of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

(Unaudited – Expressed in Canadian Dollars)

3. BASIS OF PREPARATION

a) Statement of compliance

The condensed consolidated interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

The condensed consolidated interim financial statements of the Company should be read in conjunction with the Company's 2020 annual consolidated financial statements that have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board.

These financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on April 28, 2021.

b) Basis of measurement

These financial statements have been prepared under the historical cost basis, except for certain financial instruments, which are measured at fair value, as explained in the significant accounting policies (note 4). These financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

c) Subsidiaries

These financial statements include all subsidiaries in the accounts of the Company for the periods presented. These subsidiaries are listed as follows:

Subsidiary	Ownership February 28, 2021	Ownership November 30, 2020	Incorporated	Nature
Pacton Pilbara Pty. Ltd. ("Pacton Pilbara")	100%	100%	Australia	Mineral exploration
CTTR Gold Pty. Ltd. ("CTTR")	Nil	Nil*	Australia	Mineral exploration
Drummond East Pty. Ltd. ("Drummond East")	100%	100%	Australia	Mineral exploration
Arrow (Pilbara) Pty. Ltd. ("Arrow Pilbara")	100%	100%	Australia	Mineral exploration

*CTTR was de-registered during the year ended November 30, 2020

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

4. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in note 4 to the audited consolidated financial statements for the year ended November 30, 2020.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income or loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Critical judgments in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below.

a) Impairment of exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditures and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

b) Title to mineral property interests

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.

c) Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability, including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity that are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

Critical judgments in applying accounting policies (continued)

d) Going concern

The assessment of the Company's ability to continue as a going concern requires significant judgment. The financial statements have been prepared on the basis of accounting principles applicable to a going concern, as disclosed in note 2.

e) Joint arrangement

Significant judgment is required in determining whether the Company's interest in arrangements constitutes a joint arrangement. The Company has not, after considering the structure and form of the arrangement and the terms agreed by the parties in the contractual arrangement and the Company's rights and obligations arising from the arrangement, classified its interests as joint ventures under IFRS 11 *Joint Arrangements*. Consequently, it accounts for its interest under IFRS 6 *Exploration for and Evaluation of Mineral Resources*.

Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in material adjustments to the financial statements.

a) Decommissioning liabilities

Rehabilitation provisions have been created based on the Company's internal estimates. Assumptions, based on the current economic environment, have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from year to year. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs that will reflect the market condition at the time the rehabilitation costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for. As at February 28, 2021, the Company had no known rehabilitation requirements, and accordingly, no provision has been made.

b) Fair value of stock options granted

The Company uses the Black-Scholes option pricing model to value the stock options granted during the year. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. The model requires management to make estimates that are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values.

(Unaudited – Expressed in Canadian Dollars)

6. FINANCIAL INSTRUMENTS

Financial instruments are agreements between two parties that result in promises to pay or receive cash or equity instruments. The Company classifies its financial instruments as follows: cash and cash equivalents and marketable securities, as fair value through profit or loss; receivables, as amortized cost; and accounts payable and accrued liabilities, as amortized cost. The carrying values of these instruments approximate their fair values due to their short term to maturity.

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy:

February 28, 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 3,760,248	$ -	$ -	$ 3,760,248
Marketable securities	2,303,100	-	-	2,303,100
	$ 6,063,348	$ -	$ -	$ 6,063,348

November 30, 2020	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 2,721,339	$ -	$ -	$ 2,721,339

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing it at major Canadian financial institutions. Included in receivables is $507,156 (November 30, 2020 - $271,753) owing from the Canada Revenue Agency and the Australian Taxation Office. The Company has minimal credit risk.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of February 28, 2021 equal $617,016 (November 30, 2020 - $1,029,424). All of the liabilities presented as accounts payable and accrued liabilities are due within 30 days of February 28, 2021.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return on capital.

6. FINANCIAL INSTRUMENTS (Continued)

c) Market risk (continued)

i) *Currency risk* – Currency risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company has operations in Canada and Australia and incurs operating and exploration expenditures in both currencies. The fluctuation of the Canadian dollar in relation to the Australian dollar ("AUD") will have an impact upon the results of the Company. The Company does not hold substantial funds in a foreign currency, and only a small amount of its accounts payable and accrued liabilities is denominated in AUD. A fluctuation in the exchanges rates between the Canadian and Australian dollars of 10% would result in a $5,200 change in the Company's cash, $1,000 change in accounts payable and accrued liabilities and $569,500 change in other comprehensive income (loss). The Company does not use any techniques to mitigate currency risk.

ii) *Interest rate risk* – Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates, and therefore, the Company does not consider interest rate risk to be significant. The Company has no interest-bearing financial liabilities.

iii) *Other price risk* – Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is exposed to price risk on its marketable securities.

d) Capital management

The Company considers its capital to be comprised of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. Although the Company has been successful at raising funds in the past through the issuance of capital stock, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company's approach to capital management during the three months ended February 28, 2021. The Company is not subject to externally imposed capital requirements.

7. MARKETABLE SECURITEIS

During the three months ended February 28, 2021, the Company sold a 75% interest in the Arrow Pilbara property and the Yandicoogina and Boodalyerrie property (note 9(a)) and received 129,721,250 common shares of Raiden Resources Limited ("Raiden"), a company listed on the Australian Securities Exchange (valued at $2,327,503 based on the trading price on February 19, 2021 and net of their put option value for a six-month hold period). There was no unrealized gain or loss on the marketable securities at February 28, 2021.

(Unaudited – Expressed in Canadian Dollars)

8. EQUIPMENT

		Furniture and Equipment
Cost		
Balance, November 30, 2019	**$**	**150,453**
Additions		2,692
Balance, November 30, 2020 and February 28, 2021	**$**	**153,145**
Accumulated Depreciation		
Balance, November 30, 2019	**$**	**15,046**
Depreciation*		27,351
Balance, November 30, 2020		**42,397**
Depreciation**		5,537
Balance, February 28, 2021	**$**	**47,934**
Net Book Value, November 30, 2020	**$**	**110,748**
Net Book Value, February 28, 2021	**$**	**105,211**

* $27,351 capitalized to exploration and evaluation assets
** $5,537 capitalized to exploration and evaluation assets

9. EXPLORATION AND EVALUATION ASSETS

a) Pilbara Project

Arrow Pilbara

On May 11, 2018, the Company entered into a share purchase and option agreement whereby the Company could earn up to an 80% interest in Arrow Pilbara, an Australian proprietary limited exploration company. Arrow Pilbara holds two granted tenement licenses and two applications for licenses in the Pilbara Region of Western Australia.

Under the terms of the agreement, the Company was required to make cash payments and issue common shares and common share purchase warrants of the Company to acquire a 51% interest in Arrow Pilbara as follows:

- Issue 108,695 common shares (issued and valued at $695,652) and 108,695 common share purchase warrants (issued and valued at $583,761) exercisable into one share at $3.50 for three years and pay $500,000 (paid $400,000), with remaining due upon grant of application. On January 7, 2020, the outstanding $100,000 payment was renegotiated down to $45,995 and paid.

To acquire a further 29% interest in Arrow Pilbara, the Company was required to:

- Pay $250,000 or an equivalent number of common shares based on the five-day trailing volume-weighted average price at the time of issue, subject to a floor price of no lower than $1.90 per common share; and
- Fund exploration expenditures up to a maximum of $500,000.

(Unaudited – Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS (Continued)

a) Pilbara Project (continued)

Arrow Pilbara (continued)

The vendor retains a right to explore for, mine and extract lithium, caesium and tantalum from the property.

A discovery bonus of $500,000 cash is payable if the Company reports a National Instrument ("NI") 43-101-defined "measured mineral resource" or "inferred mineral resource" of at least 100,000 ounces of gold on the property.

The Company also issued 22,794 common shares valued at $58,125 as a finder's fee on the transaction.

The acquisition of 51% of Arrow Pilbara has been accounted for as an acquisition of assets and liabilities, as Arrow Pilbara does not meet the definition of a business under IFRS 3 *Business Combinations*. The acquisition of the net assets of Arrow Pilbara was recorded at the fair value of the consideration transferred of $1,637,538, as detailed above. The net assets acquired were as follows:

Net Assets Acquired		
Exploration and evaluation assets	$	3,210,860
Non-controlling interest		(1,573,322)
	$	1,637,538

On August 20, 2018, the Company entered into a share purchase agreement to acquire the remaining ownership interest in Arrow Pilbara. Under the terms of the agreement, the Company acquired the remaining 49% ownership interest in Arrow Pilbara by paying $1,000,000 (paid) and issuing 200,000 common shares (issued and valued at $820,000).

The purchase of the remaining 49% interest was accounted for as follows:

Acquisition of 49% Interest		
Additional consideration paid	$	1,820,000
Elimination of non-controlling interest		(1,573,322)
Loss on acquisition	$	246,678

On January 6, 2020, the Company surrendered two tenement licenses, which resulted in an impairment charge of $636,906 for the year ended November 30, 2019.

On February 16, 2021, the Company sold a 75% interest in the Arrow Pilbara property and the Yandicoogina and Boodalyerrie property. The Company received $500,000 and 129,721,250 common shares of Raiden, a company listed on the Australian Securities Exchange (valued at $2,327,503 based on the trading price on February 19, 2021 and net of their put option value for a six-month hold period). The Company will receive a further $500,000 by February 16, 2022.

9. EXPLORATION AND EVALUATION ASSETS (Continued)

a) Pilbara Project (continued)

Arrow Pilbara (continued)

The Company retains a 25% carried interest in the Arrow Pilbara property and the Yandicoogina and Boodalyerrie property until the delineation of a mineral resource in accordance with the Joint Ore Reserves Committee 2012 guidelines (or other globally recognized code) of at least 250,000 ounces gold at a minimum grade of one gram per tonne gold across any of the properties. Following that, the parties will be required to enter into a joint venture, under which the Company can contribute proportional to its respective equity interest or dilute.

Drummond East

On August 15, 2018, the Company entered into a share purchase agreement to acquire a 100% interest in Drummond East, an arm's length Australian exploration company wholly owned by Impact Minerals Ltd. ("Impact"). Drummond East holds seven granted tenement licenses in the Pilbara Region of Western Australia.

Under the terms of the agreement, the Company paid Impact a total of $350,000 and issued to Impact 212,500 common shares of the Company valued at $860,625.

In addition, the Company will pay a bonus to Impact of $500,000 if the Company publishes measured, indicated or inferred gold resources of more than 250,000 ounces on the property. The Company granted Impact a 2% net smelter return royalty ("NSR") in respect of the property. The Company retains an exclusive and unlimited right to purchase back 50% of the NSR from Impact for $500,000.

The Company paid a finder's fee of 29,187 common shares (issued and valued at $145,938).

The acquisition of Drummond East has been accounted for as an acquisition of assets and liabilities, as Drummond East does not meet the definition of a business under IFRS 3. The acquisition of the net assets of Drummond East was recorded at the fair value of the consideration transferred of $1,356,563, as detailed above. The net assets acquired consisted entirely of exploration and evaluation assets.

On January 6, 2020, the Company surrendered three tenement licenses, which resulted in an impairment charge of $629,073 for the year ended November 30, 2019.

At November 30, 2021, the Company decided not to complete expenditure on three additional tenement licenses. An impairment charge of $644,600 has been recorded effective November 30, 2021.

Friendly Creek

On August 11, 2018, the Company entered into a tenement sale agreement to acquire 100% of the Friendly Creek exploration license and mining leases in the Pilbara Region of Western Australia.

Under the terms of the agreement, the Company purchased a 100% interest in Friendly Creek by paying the vendors a total of $25,000 (paid) and issuing to the vendors 250,000 common shares of the Company (issued and valued at $562,500).

9. EXPLORATION AND EVALUATION ASSETS (Continued)

a) Pilbara Project (continued)

Yandicoogina and Boodalyerrie

On September 25, 2018, the Company entered into a tenement sale agreement to acquire 100% of both the Yandicoogina and Boodalyerrie exploration licenses and mining leases from Gardner Mining Pty. Ltd. ("Gardner Mining"), an Australian proprietary limited exploration company.

Under the terms of the agreement, the Company purchased a 100% ownership interest in the projects by paying Gardner Mining $25,000 (paid) and issuing to Gardner Mining 300,000 common shares of the Company (issued and valued at $720,000).

On February 16, 2021, the Company sold a 75% interest in Yandicoogina and Boodalyerrie. See "Arrow Pilbara".

Golden Palms Project

On November 5, 2018, the Company entered into a tenement sale agreement to acquire the Golden Palms tenement license in Western Australia.

Under the terms of the agreement, Pacton can purchase 100% of the property by paying a total of $100,000 (paid) and issuing 40,000 common shares on completion of the transaction (issued on February 18, 2020 and valued at $40,000).

Hong Kong Project

On November 23, 2018, the Company entered into a tenement sale agreement to acquire a 70% interest in the Hong Kong project from Clancy Exploration Ltd. ("Clancy"), an Australian Securities Exchange-listed exploration company.

Under the terms of the agreement, the Company purchased a 70% interest in the Hong Kong project by paying Clancy $200,000 (paid) and issuing to Clancy 378,061 common shares of the Company (issued and valued at $1,323,215). In addition, the Company issued 30,000 common shares valued at $82,500 as a finder's fee on the project.

Upon completion of the acquisition, the Company and Clancy will enter into a joint venture, with Pacton acting as operator of the Hong Kong project. A minimum of AUD $520,000 must be spent by the Company within two years of completion of the transaction. Clancy will be free carried with respect to expenditures until a decision to mine is made unanimously by both parties.

At November 30, 2020, the Company decided not to complete expenditure on the tenement license. An impairment charge of $1,624,322 has been recorded effective November 30, 2020.

Keras Project

On October 18, 2018, the Company entered into a grant of gold rights agreement to acquire the conglomerate gold rights of Calidus Resources Ltd. in both the Marble Bar sub basin and the northeast Pilbara sub basin of Western Australia's Pilbara craton.

9. EXPLORATION AND EVALUATION ASSETS (Continued)

a) Pilbara Project (continued)

Keras Project (continued)

Under the terms of the agreement, the Company acquired the gold rights by paying $10,000 (paid) and issuing 700,000 common shares of the Company (issued and valued at $1,925,000) and deferred compensation of 300,000 additional common shares of the Company (issued and valued at $330,000). A minimum of AUD $55,000 was required to be spent by the Company on each anniversary of the completion of the transaction.

On January 6, 2020, the Company decided not to pursue further exploration on the project. An impairment charge of $2,221,479 has been recorded effective November 30, 2019.

Tardarinna Project

On March 22, 2019, the Company entered into a tenement sale agreement to acquire the Tardarinna tenement license in Western Australia.

Under the terms of the agreement, the Company acquired a 100% interest in the property by issuing 125,000 common shares on completion of the transaction (issued on August 27, 2019 and valued at $281,250).

Sandstorm Royalties

On May 25, 2020, the Company entered into an agreement with Sandstorm Gold Ltd. ("Sandstorm"), whereby the Company granted Sandstorm a 1% NSR on all the tenements owned by Pacton in Australia for $81,819. The tenements covered are part of Arrow Pilbara, Friendly Creek, Yandicoogina and Boodalyerrie, Golden Palms Project, Hong Kong Project and Tardarinna Project above. The Company also assigned its royalty buyback on Drummond East to Sandstorm.

b) Red Lake Project

On May 23, 2017, the Company entered into an option agreement to earn a 100% interest in 14 mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company was required to make cash payments and issue common shares of the Company as follows:

- Issue 30,000 common shares of the Company (issued and valued at $42,000) and pay $16,000 (paid) within five days of approval by the TSX-V, which was received on May 26, 2017;
- Pay $12,000 on or before May 26, 2018 (paid);
- Pay $16,000 on or before May 26, 2019 (paid); and
- Pay $26,000 on or before May 26, 2020 (paid).

The claims are subject to an underlying 2% NSR.

9. EXPLORATION AND EVALUATION ASSETS (Continued)

b) Red Lake Project (continued)

On May 23, 2017, and as amended November 23, 2017, June 14, 2018 and May 22, 2019, the Company entered into an additional option agreement to earn a 100% interest in 30 additional mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company was required to make cash payments and issue common shares of the Company as follows:

- Issue 250,000 common shares of the Company (issued and valued at $350,000) within five days of approval by the TSX-V, which was received on May 26, 2017;
- Pay $20,000 on or before June 30, 2018 (paid);
- Pay $80,000 on or before January 31, 2019 (paid); and
- Pay $150,000 on or before June 30, 2019 (paid).

The vendors retain a 2.5% NSR, of which two-fifths (1%) can be repurchased by the Company for $1,500,000. On October 25, 2018, one of the vendors became a director of the Company.

On November 1, 2018, the Company entered into an option agreement to earn a 100% interest in 12 mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company was required to make cash payments and issue common shares of the Company as follows:

- Pay $15,000 on or before November 6, 2018 (paid);
- Pay $15,000 (paid) and issue 10,000 common shares of the Company (issued and valued at $25,500) within five days of approval by the TSX-V, which was received November 19, 2018;
- Pay $40,000 (paid) and issue 7,500 common shares of the Company on or before November 19, 2019 (issued and valued at $7,875); and
- Pay $40,000 (paid) and issue 7,500 common shares of the Company on or before November 19, 2020 (issued and valued at $7,425).

The vendors retain a NSR that ranges from 0.25% to 2.25%, of which one-half can be repurchased by the Company for $250,000.

On January 29, 2019, the Company entered into an agreement to acquire a 100% interest in additional mineral claims in the Red Lake Mining District, located in Ontario. The Company issued 19,231 common shares on February 6, 2019 valued at $48,077. The claims are subject to a NSR ranging from 0.25% to 2.25%, of which a portion can be repurchased by the Company for $250,000.

On February 12, 2019, the Company entered into an agreement to acquire a 100% interest in additional mineral claims in the Red Lake Mining District, located in Ontario. The Company paid $15,000 and on February 28, 2019 issued 7,500 common shares valued at $19,125. The claims are subject to a 2% NSR, of which one-half can be repurchased by the Company for $200,000.

On February 20, 2019, the Company entered into an option agreement to acquire a 100% interest in additional mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company must make cash payments and issue common shares of the Company as follows:

- Pay up to $30,000 on behalf of the vendor for exploration expenditures (paid);
- Issue 12,500 common shares of the Company within five days of approval by the TSX-V, which was received March 5, 2019 (issued and valued at $31,250);
- Pay $50,000 (paid) and issue 10,000 common shares of the Company on or before March 5, 2020 (issued and valued at $8,500); and
- Pay $50,000 (paid) and issue 12,500 common shares of the Company on or before March 5, 2021 (issued subsequent to February 28, 2021 and valued at $9,750).

9. EXPLORATION AND EVALUATION ASSETS (Continued)

b) Red Lake Project (continued)

The claims are subject to a 0.25% to 1.75% NSR, of which a portion can be repurchased by the Company at a rate of $250,000 for each 0.25% portion that is repurchased.

On March 13, 2019, the Company entered into an option agreement to acquire a 100% interest in additional mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company must make cash payments and issue common shares of the Company as follows:

- Pay up to $40,000 on behalf of the vendor for exploration expenditures (paid);
- Issue 10,000 common shares of the Company within five days of approval by the TSX-V, which was received March 21, 2019 (issued and valued at $23,000);
- Pay $50,000 (paid) and issue 10,000 common shares of the Company on or before March 21, 2020 (issued and valued at $6,000); and
- Pay $50,000 (paid subsequent to February 28, 2021) and issue 12,500 common shares of the Company on or before March 21, 2021 (issued subsequent to February 28, 2021 and valued at $10,875).

The claims are subject to a 2.5% NSR, of which one-half can be repurchased by the Company for $2,000,000.

On April 23, 2019, the Company entered into an option agreement to acquire a 100% interest in additional mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company was required to make cash payments and issue common shares of the Company as follows:

- Pay $30,000 (paid) and issue 10,000 common shares of the Company (issued and valued at $16,500) within five days of approval by the TSX-V, which was received on May 6, 2019;
- Pay $30,000 (paid) and issue 15,000 common shares of the Company on or before May 6, 2020 (issued and valued at $11,250); and
- Pay $30,000 (paid) on or before May 6, 2021.

On July 23, 2019, the Company entered into two agreements to acquire 100% interests in additional mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of each agreement, the Company must make a cash payment of $100,000 and issue 40,000 common shares of the Company upon approval by the TSX-V. A total of $200,000 was paid and 80,000 common shares were issued on August 12, 2019 and valued at $140,000.

On October 22, 2019, the Company entered into an option agreement to acquire a 100% interest in additional mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company must make cash payments and issue common shares of the Company as follows:

- Pay $35,000 (paid) and issue 15,000 common shares of the Company within five days of approval by the TSX-V, which was received November 6, 2019 (issued and valued at $16,500);
- Pay $22,500 (paid) and issue 15,000 common shares of the Company on or before November 6, 2020 (issued and valued at $14,850);
- Pay $22,500 and issue 15,000 common shares of the Company on or before November 6, 2021;
- Pay $22,500 and issue 15,000 common shares of the Company on or before November 6, 2022; and
- Pay $22,500 and issue 15,000 common shares of the Company on or before November 6, 2023.

The claims are subject to a 0.25% to 2.25% NSR, of which one-half may be repurchased by the Company for $1,000,000.

9. EXPLORATION AND EVALUATION ASSETS (Continued)

b) Red Lake Project (continued)

On April 23, 2020, the Company entered into an option agreement to acquire a 100% interest in additional mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company must make cash payments and issue common shares of the Company as follows:

- Pay $15,000 (paid) and issue 25,000 common shares of the Company on or before April 30, 2020 (issued and valued at $20,000);
- Pay $15,000 (paid) and issue 15,000 common shares (issued and valued at $13,950) of the Company on or before April 30, 2021; and
- Pay $25,000 (paid) and issue 15,000 common shares (issued and valued at $13,950) of the Company on or before April 30, 2022.

The claims are subject to a 1.5% NSR, of which one-half may be repurchased by the Company for $500,000.

On April 24, 2020, the Company entered into an option agreement to acquire a 100% interest in additional mineral claims in the Red Lake Mining District, located in Ontario. Under the terms of the agreement, the Company must make cash payments and issue common shares of the Company as follows:

- Pay $6,000 (paid) and issue 10,000 common shares of the Company on or before April 30, 2020 (issued and valued at $8,000);
- Pay $10,000 and issue 10,000 common shares of the Company on or before April 30, 2021 (issued subsequent to February 28, 2021 and valued at $7,900); and
- Pay $20,000 and issue 10,000 common shares of the Company on or before April 30, 2022.

The claims are subject to a 1.5% NSR, of which one-half may be repurchased by the Company for $400,000.

On May 25, 2020, the Company entered into an agreement with Sandstorm, whereby the Company granted Sandstorm a 0.5% to 1% NSR on certain mineral claims owned by the Company in Red Lake, and certain mineral claims in which the Company was currently earning an interest in Red Lake. As of February 28, 2021, the Company has received $136,365 for the mineral claims it owns. Sandstorm has agreed to pay an additional $81,819 once the Company has earned a 100% interest in the remaining Red Lake mineral claims. The Company also assigned its royalty buybacks on all Red Lake agreements to Sandstorm.

Red Lake – Sidace

On April 1, 2020, the Company accepted a purchase agreement with TomaGold Corporation (“TomaGold”), whereby the Company will acquire all of TomaGold’s interest, being 39.5%, in a joint venture it currently holds with Evolution Mining and Newmont Corporation (formerly GoldCorp Inc. when TomaGold entered into the joint venture) on the Sidace Property, located in the Red Lake Mining District in Ontario.

9. EXPLORATION AND EVALUATION ASSETS (Continued)

b) Red Lake Project (continued)

Red Lake – Sidace (continued)

Under the terms of the agreement, the Company must pay and issue the following to TomaGold:

- Upon final acceptance of the transaction by the TSX-V, pay \$250,000 (paid) and issue 1,000,000 common shares (issued and valued at \$750,000);
- Within six months of TSX-V acceptance, pay \$250,000 (paid) and issue \$800,000 worth of common shares at a price per share equal to the greater of \$1.60 and the five-day volume weighted average price of the Company's shares immediately preceding the date of issuance (issued 500,000 common shares valued at \$800,000); and
- Upon the Company filing a NI 43-101 technical report on the property showing a gold resource estimate of 750,000 ounces or greater of gold, issue 416,666 common shares or pay \$500,000.

(Unaudited – Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION ASSETS (Continued)

	Pilbara	Red Lake	Red Lake – Sidace	Total
Balance, November 30, 2019	**$ 7,427,262**	**$ 3,508,486**	**$ -**	**$ 10,935,748**
Property Acquisition Costs				
Acquisition and option payments	110,995	345,525	2,050,000	2,506,520
Claim costs	107,896	1,200	-	109,096
Recoveries	(81,819)	(136,365)	-	(218,184)
Impairment	(2,185,146)	-	-	(2,185,146)
Currency translation difference	333,310	-	-	333,310
Total Additions to Acquisition Costs	(1,714,764)	210,360	2,050,000	545,596
Property Exploration Costs				
Assays	1,220	182,102	10,988	194,310
Camp and other	102,739	56,409	7,200	166,348
Depreciation	-	27,351	-	27,351
Drilling	-	3,162,483	699,682	3,862,165
Environmental	-	-	6,160	6,160
Geological and field staff	174,777	2,124,734	3,918	2,303,429
Geophysics	1,220	389,664	-	390,884
Travel	-	112,438	2,575	115,013
Impairment	(83,776)	-	-	(83,776)
Currency translation difference	58,561	-	-	58,561
Total Additions to Exploration Costs	254,741	6,055,181	730,523	7,040,445
Balance, November 30, 2020	**5,967,239**	**9,774,027**	**2,780,523**	**18,521,789**
Property Acquisition Costs				
Acquisition and option payments	-	117,915	-	117,915
Recoveries	(2,784,744)	-	-	(2,784,744)
Currency translation difference	123,635	-	-	123,635
Total Additions to Acquisition Costs	(2,661,109)	117,915	-	(2,543,194)
Property Exploration Costs				
Assays (recovery)	-	(25,951)	31,916	5,965
Camp and other	12,630	8,462	7,200	28,292
Depreciation	-	5,537	-	5,537
Drilling	-	786,416	473,592	1,260,008
Geochemical	-	3,835	-	3,835
Geological and field staff	57,268	224,354	2,254	283,876
Geophysics	-	17,690	-	17,690
Travel	-	5,973	5,558	11,531
Currency translation difference	33,023	-	-	33,023
Total Additions to Exploration Costs	102,921	1,026,316	520,520	1,649,757
Balance, February 28, 2021	**$ 3,409,051**	**$ 10,918,258**	**$ 3,301,043**	**$ 17,628,352**

(Unaudited – Expressed in Canadian Dollars)

10. OTHER LIABILITIES

	February 28, 2021	November 30, 2020
Balance, beginning of period	$ 217,993	$ 299,594
Liability incurred on flow-through shares issued December 23, 2019	-	317,376
Liability incurred on flow-through shares issued June 24, 2020	-	91,000
Liability incurred on flow-through shares issued July 9, 2020	-	190,980
Liability incurred on flow-through shares issued December 16, 2020	201,000	-
Settlement of flow-through share liability by incurring expenditures	(178,764)	(680,957)
Balance, end of period	$ 240,229	$ 217,993

On December 23, 2019, the Company issued 3,173,758 flow-through shares at a price of $1.30 per share. The premium paid by investors was calculated as $0.10 per share. Accordingly, $317,376 was recorded as other liabilities.

On June 24, 2020, the Company issued 1,300,000 flow-through shares at a price of $0.77 per share. The premium paid by investors was calculated as $0.07 per share. Accordingly, $91,000 was recorded as other liabilities.

On July 9, 2020, the Company issued 2,122,000 flow-through shares at a price of $0.79 per share. The premium paid by investors was calculated as $0.09 per share. Accordingly, $190,980 was recorded as other liabilities.

On December 16, 2020, the Company issued 2,010,000 flow-through shares at a price of $1.00 per share. The premium paid by investors was calculated as $0.10 per share. Accordingly, $201,000 was recorded as other liabilities.

At February 28, 2021, the Company had a remaining commitment to incur exploration expenditures of $nil (November 30, 2020 - $297,143) in relation to its June 24, 2020 flow-through share financing, $344,347 (November 30, 2020 - $1,676,380) in relation to its July 9, 2020 flow-through share financing and $2,010,000 (November 30, 2020 - $nil) in relation to its December 16, 2020 flow-through share financing.

During the three months ended February 28, 2021, the Company incurred $35,858 (2020 - $16,614) for Part XII.6 tax in relation to its December 2019 flow-through share financings.

11. CAPITAL STOCK

a) Authorized

Unlimited number of common voting shares without par value

11. CAPITAL STOCK (Continued)

b) Issued

During the three months ended February 28, 2021

On December 16, 2020, the Company closed a private placement for gross proceeds of $3,637,000. The Company issued 1,870,778 units at a price of $0.90 per unit for gross proceeds of $1,627,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of $1.25 for a period of two years from the date of issuance. The Company also issued 2,010,000 flow-through common shares at a price of $1.00 per share for gross proceeds of $2,010,000. The premium paid by investors on the flow-through shares was calculated as $0.10 per share. Accordingly, $201,000 was recorded as other liabilities. The Company paid finders' fees of $37,800 and issued 42,000 agent warrants with an exercise price of $1.25 and a term to expiry of two years (note 11(d)). The Company also incurred other share issue costs of $26,799.

On December 21, 2020, the Company issued 30,000 common shares valued at $27,900 for the Red Lake Project (note 8(b) – Red Lake Project).

During the year ended November 30, 2020

On December 23, 2019 and January 17, 2020, the Company closed a private placement in two tranches. The Company issued 1,322,732 units at a price of $1.20 per unit for gross proceeds of $1,587,280. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of $1.80 for a period of two years from the date of issuance. The Company also issued 3,173,758 flow-through common shares at a price of $1.30 per share for gross proceeds of $4,125,886. The premium paid by investors on the flow-through shares was calculated as $0.10 per share. Accordingly, $317,376 was recorded as other liabilities. The Company paid finders' fees of $19,505 and issued 16,254 agent warrants with an exercise price of $1.80 and a term to expiry of two years (note 11(d)). The Company also incurred other share issue costs of $37,916.

On February 18, 2020, the Company issued 40,000 common shares valued at $40,000 for the Pilbara Project (note 9(a) – Golden Palms Project).

On March 4, 2020, the Company issued 10,000 common shares valued at $8,500 for the Red Lake Property (note 9(b)).

On March 11, 2020, the Company issued 10,000 common shares valued at $6,000 for the Red Lake Property (note 9(b)).

On April 20, 2020, the Company issued 950,000 common shares valued at $712,500 for the Red Lake – Sidace Property (note 9(b)). The Company also issued 50,000 common shares valued at $37,500 as a finder's fee on the transaction.

On April 30, 2020, the Company issued 25,000 common shares valued at $20,000 for the Red Lake Property (note 9(b)).

On April 30, 2020, the Company issued 10,000 common shares valued at $8,000 for the Red Lake Property (note 9(b)).

On May 5, 2020, the Company issued 15,000 common shares valued at $11,250 for the Red Lake Property (note 9(b)).

(Unaudited – Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

b) Issued (continued)

During the year ended November 30, 2020 (continued)

On June 24, 2020 and July 9, 2020, the Company closed a private placement in two tranches. The Company issued 2,773,000 common shares at a price of $0.70 per share and 2,856,226 common shares at a price of $0.70 per share for gross proceeds of $3,940,458. The Company also issued 1,300,000 flow-through common shares at a price of $0.77 per share and 2,122,000 flow-through common shares at a price of $0.79 for gross proceeds of $2,677,380. The premium paid by investors on the $0.77 flow-through common shares was calculated as $0.07 per share and the premium paid by investors on the $0.79 flow-through shares was calculated as $0.09 per share. Accordingly, $91,000 and $190,980, respectively, were recorded as other liabilities. The Company paid finders' fees of $68,550 and issued 97,928 agent warrants, which have an exercise price of $1.00 and a term to expiry of one year (note 11(d)). The Company also incurred other share issue costs of $35,339.

On October 5, 2020, the Company issued 500,000 common shares valued at $800,000 for the Red Lake – Sidace Property (note 9(b)).

On November 11, 2020, the Company issued 15,000 common shares valued at $14,850 for the Red Lake Property (note 9(b)).

On November 11, 2020, the Company issued 7,500 common shares valued at $7,425 for the Red Lake Property (note 9(b)).

The Company received $33,915 on the exercise of 25,500 stock options. The Company transferred $24,601, the value of the stock options, from the share-based payment reserve to capital stock upon exercise of the options. The weighted average share price was $1.58 when the stock options were exercised.

c) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Three Months Ended February 28, 2021		**Year Ended November 30, 2020**	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding, beginning of period	3,816,487	$ 2.91	2,514,588	$ 3.60
Issued	1,807,778	$ 1.25	1,322,732	$ 1.80
Expired	-	-	(20,833)	$ 9.70
Outstanding, end of period	5,624,265	$ 2.38	3,816,487	$ 2.91

(Unaudited – Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

c) Warrants (continued)

The following warrants were outstanding and exercisable:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	**February 28, 2021**
May 9, 2021	0.19	$ 3.50	2,385,060
May 22, 2021	0.23	$ 3.50	108,695
December 23, 2021	0.82	$ 1.80	654,066
January 17, 2022	0.88	$ 1.80	668,666
December 16, 2022	1.80	$ 1.25	1,807,778
	0.86		5,624,265

During the three months ended February 28, 2021, the Company did not transfer any amounts (year ended November 30, 2020 - $72,034) from the share-based payments reserve to deficit from the expiry of warrants (year ended November 30, 2020 - 20,833).

d) Agent warrants

Agent warrant transactions and the number of agent warrants outstanding are summarized as follows:

	Three Months Ended February 28, 2021		**Year Ended November 30, 2020**	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding, beginning of period	279,526	$ 2.38	212,594	$ 3.00
Issued	42,000	$ 1.25	114,182	$ 1.11
Expired	-	-	(47,250)	$ 2.00
Outstanding, end of period	321,526	$ 2.23	279,526	$ 2.38

The following agent warrants were outstanding and exercisable:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	**February 28, 2021**
May 9, 2021	0.19	$ 3.50	144,794
July 3, 2021	0.34	$ 1.50	20,550
July 9, 2021	0.35	$ 1.00	97,928
December 23, 2021	0.82	$ 1.80	15,654
January 17, 2022	0.88	$ 1.80	600
December 16, 2022	1.80	$ 1.80	42,000
	0.49		321,526

(Unaudited – Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

d) Agent warrants (continued)

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for its agent warrants granted. During the three months ended February 28, 2021, 42,000 (year ended November 30, 2020 - 114,182) agent warrants were issued with a fair value of $16,707 (year ended November 30, 2020 - $82,386).

The fair value of each agent warrant issued was calculated using the following weighted average assumptions:

	Three Months Ended February 28, 2021	Year Ended November 30, 2020
Expected life (years)	2.00	1.14
Risk-free interest rate	0.25%	0.48%
Annualized volatility	101%	123%
Dividend yield	N/A	N/A
Stock price at issue date	$ 0.89	$ 0.77
Exercise price	$ 1.25	$ 1.11
Weighted average issue date fair value	$ 0.40	$ 0.72

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

During the three months ended February 28, 2021, the Company did not transfer any amounts (year ended November 30, 2020 - $25,567) from the share-based payments reserve to deficit from the expiry of agent warrants (year ended November 30, 2020 - 47,250).

e) Stock options

The Company has a stock option plan to grant incentive stock options to directors, officers, employees and consultants. Under the plan, the aggregate number of common shares that may be subject to option at any one time may not exceed 10% of the issued common shares of the Company as of that date, including options granted prior to the adoption of the plan. Options granted may not exceed a term of 10 years, and the term will be reduced to one year following the date of death of the optionee. All options vest when granted unless otherwise specified by the Board of Directors.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Three Months Ended February 28, 2021		Year Ended November 30, 2020	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of period	3,259,500	$ 1.86	1,545,000	$ 2.46
Granted	-	-	1,750,000	$ 1.33
Exercised	-	-	(25,500)	$ 1.33
Expired	-	-	(10,000)	$ 2.20
Outstanding, end of period	3,259,500	$ 1.86	3,259,500	$ 1.86

(Unaudited – Expressed in Canadian Dollars)

11. CAPITAL STOCK (Continued)

e) Stock options (continued)

The following stock options were outstanding and exercisable at February 28, 2021:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	Outstanding	Exercisable
May 10, 2021	0.19	$ 3.50	312,500	312,500
May 14, 2021	0.21	$ 5.50	10,000	10,000
July 19, 2021	0.39	$ 5.50	142,500	142,500
July 25, 2021	0.40	$ 5.70	25,000	25,000
July 5, 2022	1.35	$ 1.60	685,000	685,000
August 12, 2022	1.45	$ 1.70	175,000	175,000
August 16, 2022	1.46	$ 1.70	155,000	155,000
October 1, 2022	1.59	$ 1.60	30,000	30,000
July 24, 2023	2.40	$ 1.33	1,724,500	1,724,500
	1.75		3,259,500	3,259,500

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for its stock options granted. Accordingly, there were no share-based payments recognized during the three months ended February 28, 2021 (year ended November 30, 2020 - $1,688,352).

The fair value of each stock option granted was calculated using the following weighted average assumptions:

	Three Months Ended February 28, 2021	**Year Ended November 30, 2020**
Expected life (years)	N/A	3.00
Risk-free interest rate	N/A	0.28%
Annualized volatility	N/A	126%
Dividend yield	N/A	N/A
Stock price at grant date	N/A	$ 1.33
Exercise price	N/A	$ 1.33
Weighted average grant date fair value	N/A	$ 0.96

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility to estimate the volatility of the share price.

During the three months ended February 28, 2021, the Company did not transfer any amounts (year ended November 30, 2020 - $18,807) from the share-based payments reserve to deficit from the expiry of stock options (year ended November 30, 2020 - 10,000).

(Unaudited – Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS

These amounts of key management compensation are included in the amounts shown on the condensed consolidated interim statements of comprehensive loss:

	Three Months Ended February 28, 2021	Three Months Ended February 29, 2020
Short-term compensation	$ 244,500	$ 148,500

During the three months ended February 28, 2021, short-term compensation to related parties consisted of $60,000 (2020 - $nil) in consulting fees, $22,500 (2020 - $22,500) in management fees, $27,000 (2020 - $26,000) in professional fees and $135,000 (2020 - $100,000) in geological fees included in exploration and evaluation assets.

Transactions with related parties are included in the amounts shown on the condensed consolidated interim statements of comprehensive loss as follows:

	Three Months Ended February 28, 2021	Three Months Ended February 29, 2020
Related company with a common officer (rent)	$ 24,000	$ 15,000
Related company controlled by officer and director (consulting fees and office and miscellaneous)	$ 34,500	$ -

As at February 28, 2021, the Company has outstanding amounts payable to officers and directors of the Company of $12,950 (November 30, 2020 - $75,382) for outstanding fees and expenses and $1,135 (November 30, 2020 - $1,102) receivable from a company with a common officer for shared expenses. The amounts payable are non-interest-bearing, uncollateralized and repayable on demand.

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Three Months Ended February 28, 2021	Three Months Ended February 29, 2020
Cash and Cash Equivalents		
Cash	$ 499,887	$ 186,882
Term deposits	3,260,361	3,515,223
	$ 3,760,248	$ 3,702,105
Supplemental Disclosure with Respect to Cash Flows		
Income tax paid	$ -	$ -
Interest paid	$ -	$ -
Exploration and evaluation expenditures in accounts payable (opening)	$ 830,984	$ 98,423
Exploration and evaluation expenditures in accounts payable (closing)	$ 435,382	$ 197,107
Exploration and evaluation expenditures in prepaid expenses (opening)	$ -	$ 300,110
Exploration and evaluation expenditures in prepaid expenses (closing)	$ -	$ 597,610
Fair value of shares issued for exploration and evaluation assets	$ 27,900	$ 40,000

(Unaudited – Expressed in Canadian Dollars)

14. SEGMENTED DISCLOSURE

The Company has one operating segment, mineral exploration and development. The Company's reportable segments are summarized as follows:

Geographical segment

Non-current assets	Canada	Australia	Total
February 28, 2021	$ 14,324,512	$ 3,409,051	$ 17,733,563
November 30, 2020	$ 12,665,298	$ 5,967,239	$ 18,632,537

15. SUBSEQUENT EVENTS

a) On March 1, 2021, the Company issued 50,000 common shares valued at $9,750 for the Red Lake Project (note 9(b) - Red Lake Project).

b) On March 3, 2021, the Company entered into amendment agreement to acquire one additional mineral claim for the Red Lake Project through its April 24, 2020 option agreement (note 9(b) - Red Lake Project). As consideration, the Company paid $500 and issued 30,000 common shares valued at $22,500.

c) On March 19, 2021, the Company paid $50,000 and issued 50,000 common shares valued at $10,875 for the Red Lake Project (note 9(b) - Red Lake Project).

d) On March 29, 2021, the Company issued 100,000 common shares valued at $79,000 as a finder's fee for the sale of a 75% interest in the Arrow Pilbara property and the Yandicoogina and Boodalyerrie property (note 9(a) – Pilbara Project).

e) On April 27, 2021, the Company issued 10,000 common shares valued at $7,900 for the Red Lake Project (note 9(b) - Red Lake Project).

f) Subsequent to February 28, 2021, the Company entered into an agreement to sell its remaining 25% interest in the Arrow Pilbara property and the Yandicoogina and Boodalyerrie property. The Company will receive AUD $200,000 and common shares of Raiden valued at AUD $1,000,000 based on the volume weighted average price of Raiden's common shares over 20 consecutive trading days from execution of the agreement. Raiden may elect for the common shares issued to be subject to a six-month hold period. Also included in the sale is certain equipment owned by the Company. As of April 28, 2021, the agreement had not been completed.