



**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(Unaudited – Prepared by Management)**  
**(Expressed in Canadian Dollars)**

**FOR THE THREE AND SIX MONTHS ENDED OCTOBER 31, 2021 AND 2020**

**TSXV: NGE**  
**OTCQB: NVDEF**

**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 consolidated interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying 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 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.

**NEVADA EXPLORATION INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)  
AS AT

	October 31, 2021	April 30, 2021
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,372,721	\$ 1,026,796
Accounts receivable (Note 3)	17,991	19,254
Prepaid expenses (Note 4)	1,883,113	288,037
Short term investments (Note 5)	37,306	40,119
<b>Total current assets</b>	<b>3,311,131</b>	<b>1,374,206</b>
<b>Non-current assets</b>		
Equipment and intangible assets (Note 7)	183,905	202,903
Deposits and bonds (Note 9)	73,420	72,925
<b>Total non-current assets</b>	<b>257,325</b>	<b>275,828</b>
<b>Total assets</b>	<b>\$ 3,568,456</b>	<b>\$ 1,650,034</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Notes 6 and 10)	\$ 87,481	\$ 502,576
<b>Equity</b>		
Capital stock (Note 11)	34,373,089	31,767,966
Reserves	7,159,575	5,117,687
Deficit	(38,051,689)	(35,738,195)
<b>Total equity</b>	<b>3,480,975</b>	<b>1,147,458</b>
<b>Total liabilities and equity</b>	<b>\$ 3,568,456</b>	<b>\$ 1,650,034</b>

**Nature of operations, continuance of operations and going concern** (Note 1)

**Commitments** (Notes 8 and 13)

**Events after the reporting period** (Note 16)

**Approved and authorized on behalf of the Board on: December 16, 2021**

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*“Wade Hodges”* Director                      *“Dennis Higgs”* Director

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

**NEVADA EXPLORATION INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)

	Three months ended October 31, 2021	Three months ended October 31, 2020	Six months ended October 31, 2021	Six months ended October 31, 2020
<b>EXPENSES</b>				
Amortization (Note 7)	\$ 35,476	\$ 21,155	\$ 65,770	\$ 43,254
Equipment and vehicles	9,937	(3,799)	14,927	(3,567)
Exploration and evaluation expenditures (Note 8)	606,630	235,536	1,300,713	245,054
Filing fees	28,326	7,646	40,310	12,258
Foreign exchange	5,602	1,788	9,397	4,133
Interest and bank charges	499	744	1,375	1,450
Investor relations	70,745	21,212	197,015	44,927
Office expenses and other	68,558	9,269	154,286	29,069
Professional fees and consultants (Note 6)	54,460	50,384	111,303	100,614
Rent	44,847	37,432	76,270	67,273
Salaries (Note 6)	81,516	109,569	163,789	184,445
Share-based payments (Note 6 and 11)	85,751	254,371	169,081	295,198
Travel	6,330	(2)	6,471	(41)
<b>Total operating expenses</b>	<b>(1,098,677)</b>	<b>(745,305)</b>	<b>(2,310,707)</b>	<b>(1,024,067)</b>
<b>OTHER ITEMS</b>				
Interest income	25	44	25	72
Loss on sale of equipment (Note 7)	-	(1,793)	-	(1,793)
Unrealized gain on short term investments (Note 5)	2,827	1,700	(2,812)	8,504
<b>Total other items</b>	<b>2,852</b>	<b>(49)</b>	<b>(2,787)</b>	<b>6,783</b>
<b>Net loss for the period</b>	<b>(1,095,825)</b>	<b>(745,354)</b>	<b>(2,313,494)</b>	<b>(1,017,284)</b>
<b>OTHER COMPREHENSIVE LOSS</b>				
Item that may be reclassified to profit or loss:				
Currency translation adjustment	(42,019)	(2,962)	(22,713)	(7,754)
<b>Total comprehensive loss for the period</b>	<b>\$ (1,137,844)</b>	<b>\$ (748,316)</b>	<b>\$ (2,336,207)</b>	<b>\$ (1,025,038)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding</b>	<b>131,762,560</b>	<b>104,374,816</b>	<b>159,006,213</b>	<b>103,445,854</b>

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

**NEVADA EXPLORATION INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)

	Capital Stock		Reserves					Total Equity
	Shares (Note 11)	Amount (Note 11)	Options (Note 11)	Warrants (Note 11)	Currency Translation	Total Reserves	Deficit	
Balance, May 1, 2020	101,874,816	\$ 29,626,721	\$ 1,807,808	\$ 1,615,982	\$ (25,385)	\$ 3,398,405	\$ (32,892,546)	\$ 132,580
Private placements	2,500,000	500,000	-	-	-	-	-	500,000
Relative fair value of unit warrants issued	-	(84,552)	-	84,552	-	84,552	-	-
Share-based payments	-	-	295,198	-	-	295,198	-	295,198
Share issuance costs	-	(8,642)	-	-	-	-	-	(8,642)
Options expired/forfeited	-	-	(272,119)	-	-	(272,119)	272,119	-
Currency translation adjustment	-	-	-	-	(7,754)	(7,754)	-	(7,754)
Net loss for the period	-	-	-	-	-	-	(1,017,284)	(1,017,284)
<b>Balance, October 31, 2020</b>	<b>104,374,816</b>	<b>\$ 30,033,527</b>	<b>\$ 1,830,887</b>	<b>\$ 1,700,534</b>	<b>\$ (33,139)</b>	<b>\$ 3,498,282</b>	<b>\$ (33,637,711)</b>	<b>\$ (105,902)</b>
Balance, May 1, 2021	131,762,560	\$ 31,767,966	\$ 1,901,709	\$ 3,259,287	\$ (43,309)	\$ 5,117,687	\$ (35,738,195)	\$ 1,147,458
Private placements	36,538,460	4,750,000	-	-	-	-	-	4,750,000
Relative fair value of unit warrants issued	-	(1,616,517)	-	1,616,517	-	1,616,517	-	-
Finder's shares	320,600	41,678	-	-	-	-	-	41,678
Finder's warrants	-	(157,073)	-	157,073	-	157,073	-	-
Warrants expired	-	26,594	-	(26,594)	-	(26,594)	-	-
Revaluation of warrants on extension	-	(148,524)	-	148,524	-	148,524	-	-
Share-based payments	-	-	169,081	-	-	169,081	-	169,081
Share issuance costs	-	(291,035)	-	-	-	-	-	(291,035)
Currency translation adjustment	-	-	-	-	(22,713)	(22,713)	-	(22,713)
Net loss for the period	-	-	-	-	-	-	(2,313,494)	(2,313,494)
<b>Balance, October 31, 2021</b>	<b>168,621,620</b>	<b>\$ 34,373,089</b>	<b>\$ 2,070,790</b>	<b>\$ 5,154,807</b>	<b>\$ (66,022)</b>	<b>\$ 7,159,575</b>	<b>\$ (38,051,689)</b>	<b>\$ (3,480,975)</b>

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

**NEVADA EXPLORATION INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)

	Six months ended October 31, 2021	Six months ended October 31, 2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (2,313,494)	\$ (1,017,284)
Items not affecting cash:		
Amortization	65,770	43,254
Share-based payments	169,081	295,198
Loss on sale of equipment	-	1,793
Proceeds on sale of equipment	-	31,497
Unrealized (gain) loss on short term investments	2,813	(8,504)
Changes in non-cash working capital items:		
Accounts receivable	1,263	104,187
Deposits	-	17,250
Prepaid expenses	(1,595,076)	1,282
Accounts payable and accrued liabilities	(415,095)	(1,023)
<b>Net cash used in operating activities</b>	<b>(4,084,738)</b>	<b>(532,350)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of equipment	(45,325)	-
<b>Net cash used in investing activities</b>	<b>(45,325)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from private placement	4,750,000	500,000
Share issuance costs	(249,357)	(8,642)
<b>Net cash provided by financing activities</b>	<b>4,500,643</b>	<b>491,358</b>
<b>Effect of foreign exchange</b>	<b>(24,655)</b>	<b>2,431</b>
<b>Change in cash and cash equivalents for the period</b>	<b>345,925</b>	<b>(38,561)</b>
<b>Cash and equivalents, beginning of period</b>	<b>1,026,796</b>	<b>49,174</b>
<b>Cash and equivalents, end of period</b>	<b>\$ 1,372,721</b>	<b>\$ 10,613</b>
<b>Supplemental cash flow information</b>		
Issuance of shares for settlement of finders' fees	\$ <u>41,678</u>	\$ <u>-</u>

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

**NEVADA EXPLORATION INC.**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

October 31, 2021

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**1. NATURE OF OPERATIONS, CONTINUANCE OF OPERATIONS AND GOING CONCERN**

Nevada Exploration Inc. (the “Company” or “NGE”) was incorporated on April 6, 2006 under the Canada Business Corporations Act and on February 5, 2015 the Company was incorporated pursuant to the British Columbia Business Corporation Act. The Company is in the business of acquiring and exploring mineral properties.

The Company is listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “NGE” and on the OTCQB marketplace under the trading symbol “NVDEF”. The Company’s head office is located at Suite 1400 - 885 West Georgia Street, Vancouver, BC V6C 3E8. The Company’s registered and records office is located at 700 West Georgia St., 25<sup>th</sup> Floor, Vancouver, BC V7Y 1B3.

These condensed consolidated interim financial statements are authorized for issue on behalf of the Board of Directors on December 16, 2021.

Continuance of operations and going concern

These condensed consolidated interim financial statements have been prepared on a going-concern basis which presumes the realization of assets and discharge of liabilities in the normal course of business. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company’s continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically and recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis. The Company has not produced revenues from its exploration activities and does not have a regular source of cash flow. The Company will periodically have to raise funds to continue operations and, although it has been successful thus far in doing so there is no assurance it will be able to do so in the future. The Company estimates that it will need additional capital to operate for the upcoming year. These material uncertainties cast significant doubt on the Company’s ability to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to unregistered prior agreements, unregistered claims and noncompliance with regulatory and environmental requirements.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”), as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (IFRICs). Accordingly, they do not include all of the information required for full annual financial statements by International Financial Reporting Standards (“IFRS”) for complete financial statements for year-end reporting purposes. These condensed consolidated interim financial statements should be read in conjunction with the Company’s financial statements for the year ended April 30, 2021, which have been prepared in accordance with IFRS as issued by the IASB.

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company in its most recent annual audited consolidated financial statements as at and for the year ended April 30, 2021 as filed on SEDAR at [www.sedar.com](http://www.sedar.com).

**NEVADA EXPLORATION INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited – Prepared by Management)  
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October 31, 2021

**3. ACCOUNTS RECEIVABLE**

The accounts receivable for the Company are as follows:

	October 31, 2021	April 30, 2021
GST receivable	\$ 17,991	\$ 19,254
Other receivables	-	-
<b>Total</b>	<b>\$ 17,991</b>	<b>\$ 19,254</b>

**4. PREPAID EXPENSES**

The prepaid expenses for the Company are as follows:

	October 31, 2021	April 30, 2021
Security deposit for rental of premises	\$ 7,284	\$ 7,225
Prepaid drilling services	1,775,556	-
Other prepaid services	100,273	280,812
	<b>\$ 1,883,113</b>	<b>\$ 288,037</b>

**5. SHORT TERM INVESTMENTS**

	October 31, 2021	April 30, 2021
	<b>Number</b>	<b>Cost</b>
	<b>Carrying Value</b>	<b>Carrying Value</b>
Spruce Ridge Resources Ltd. - Shares	170,068	\$ 25,000
Canada Nickel Company - Shares	3,166	\$ -
	<b>\$ 25,000</b>	<b>\$ 37,306</b>
	<b>\$ 28,061</b>	<b>\$ 28,911</b>
	<b>\$ 9,245</b>	<b>\$ 11,208</b>
	<b>\$ 37,306</b>	<b>\$ 40,119</b>

During the period ended October 31, 2021, the Company revalued the shares based on the market price at October 31, 2021, resulting in an unrealized loss of \$2,813 (October 31, 2020 – gain of \$8,504).

**6. RELATED PARTY TRANSACTIONS**

During the period ended October 31, 2021, the Company:

- i) paid or accrued \$45,000 in consulting fees to a corporation of which the Chief Financial Officer is an employee.
- ii) paid or accrued \$60,000 in consulting fees to a company controlled by a director of the Company and to a consultant related to a director.
- iii) recorded share-based payments of \$135,805 related to the fair value of stock options vesting through the period to officers, directors, and a consultant related to a director.



**NEVADA EXPLORATION INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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October 31, 2021

**6. RELATED PARTY TRANSACTIONS (cont'd)**

During the period ended October 31, 2020, the Company:

- iv) paid or accrued \$39,000 in consulting fees to a corporation of which the Chief Financial Officer is an employee.
- v) paid or accrued \$60,000 in consulting fees to a company controlled by a director of the Company and to a consultant related to a director.
- vi) recorded share-based payments of \$273,981 related to the fair value of stock options vesting through the period to officers, directors, and a consultant related to a director.
- vii) The Company sold a vehicle to a former officer for \$31,497.

The amounts included in accounts payable and accrued liabilities which are due to related parties are as follows:

	October 31, 2021	April 30, 2021
Due to a corporation of which the Chief Financial Officer is an employee	\$ 7,875	\$ 6,825
Due to officers, companies controlled by directors and a consultant related to a director	22,575	10,500
	<u>\$ 30,450</u>	<u>\$ 17,325</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's President, Chief Executive Officer and Chief Operating Officer.

Remuneration of key management of the Company is as follows:

	Six Months Ended October 31, 2021	Six Months Ended October 31, 2020
Salaries	\$ 132,397	\$ 169,079
Share-based payments	56,911	112,423
	<u>\$ 189,308</u>	<u>\$ 281,502</u>

**NEVADA EXPLORATION INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited – Prepared by Management)  
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October 31, 2021

**7. EQUIPMENT AND INTANGIBLE ASSETS**

	Vehicles	Exploration Equipment	Computer Equipment	Software	Total
<b>Cost</b>					
Balance – April 30, 2020	\$ 111,698	\$ 407,893	\$ 14,912	-	\$ 534,503
Disposals	(39,687)	-	-	-	(39,687)
Additions	-	109,530	-	60,000	169,530
Effect of translation	(10,240)	(50,856)	(979)	-	(62,075)
Balance – April 30, 2021	\$ 61,771	\$ 466,567	\$ 13,933	\$ 60,000	\$ 602,271
Disposals	-	-	(13,933)	-	(13,933)
Additions	-	45,325	-	-	45,325
Effect of translation	498	3,762	-	-	4,260
Balance – October 31, 2021	\$ 62,269	\$ 515,654	\$ -	\$ 60,000	\$ 637,923
<b>Accumulated amortization</b>					
Balance – April 30, 2020	\$ 72,726	\$ 272,859	\$ 14,912	\$ -	\$ 360,497
Disposal	(6,396)	-	-	-	(6,396)
Amortization	3,823	83,572	-	4,000	91,395
Effect of translation	(8,382)	(36,767)	(979)	-	(46,128)
Balance – April 30, 2021	\$ 61,771	\$ 319,664	\$ 13,933	\$ 4,000	\$ 399,368
Disposal	-	-	(13,933)	-	(13,933)
Amortization	-	55,770	-	10,000	65,770
Effect of translation	498	2,315	-	-	2,813
Balance – October 31, 2021	\$ 62,269	\$ 377,749	\$ -	\$ 14,000	\$ 454,018
<b>Carrying amounts</b>					
As at April 30, 2021	\$ -	\$ 146,903	\$ -	\$ 56,000	\$ 202,903
As at October 31, 2021	\$ -	\$ 137,905	\$ -	\$ 46,000	\$ 183,905

**8. RESOURCE PROPERTIES**

Resource properties expenditures for the period ended October 31,	2021	2020
South Grass Valley	\$ 1,062,810	\$ 152,294
Grass Valley	93,444	92,836
Kelly Creek	-	(1,498)
Awakening	79,594	1,422
Other	64,865	-
	<u>\$ 1,300,713</u>	<u>\$ 245,054</u>

**South Grass Valley (SGV)**

As at October 31, 2021, the Company's South Grass Valley Project consists of unpatented mining claims held directly by the Company.

**Grass Valley Project (GV)**

As at October 31, 2021, the Company's Grass Valley Project consists of unpatented mining claims held directly by the Company.

**NEVADA EXPLORATION INC.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

October 31, 2021

**8. RESOURCE PROPERTIES (cont'd...)****Kelly Creek (KC)**

The Company has combined its former Hot Pot Project into its Kelly Creek Project, the combination of which is now together referred to as the Kelly Creek Project.

As of October 31, 2021, the Company's Kelly Creek Project consists of:

- unpatented mining claims held directly by the Company;
- unpatented mining claims leased by the Company from Genesis Gold Corporation (Genesis") through a Mining Lease and Option to Purchase Agreement (the "Genesis Agreement); and
- private land leased by the Company under a Mining Lease Agreement (the "Hot Pot Lease").

The Company entered into the Genesis Agreement on October 1, 2009 and as amended on December 29, 2014, August 25, 2015 and July 25, 2019, to acquire a 100% interest in the Genesis's Hot Pot claims. Under the Genesis Agreement, the Company is the Operator and has the option to purchase 100% of the Genesis claims for 100,000 common shares (issued) and USD\$1,500,000, subject to a 1.5% Net Smelter Return Royalty ("Royalty"), and the following advance royalty payments which have been paid on time:

1 <sup>st</sup> anniversary (October 1, 2010)	\$	5,000 USD	(paid)
2 <sup>nd</sup> anniversary (October 1, 2011)		10,000 USD	(paid)
3 <sup>rd</sup> anniversary (October 1, 2012)		10,000 USD	(paid)
4 <sup>th</sup> anniversary (October 1, 2013)		10,000 USD	(paid)
5 <sup>th</sup> to 8 <sup>th</sup> anniversary (October 1, 2014 to October 1, 2017)		10,000 USD	i) & ii)
9 <sup>th</sup> anniversary (October 1, 2018)		50,000 USD	(paid)
10 <sup>th</sup> anniversary (October 1, 2019)		Nil	iii)
11 <sup>th</sup> to 13 <sup>th</sup> anniversaries (October 1, 2020 – October 1, 2022)		20,000 USD	iii) (paid by Austin as detailed below)
14 <sup>th</sup> and subsequent anniversaries (October 1 <sup>st</sup> annually)		50,000 USD	

- During the year ended April 30, 2015, the Company issued 80,000 Common shares, plus agreed to pay \$10,000 USD to satisfy the October 1, 2014 payment (paid).
- On August 25, 2015, the Company and Genesis agreed to amend the terms of the Genesis Agreement to reduce the annual payments due on October 1, 2015 (paid); October 1, 2016 (paid); and October 1, 2017 (paid), from \$50,000 USD to \$10,000 USD, subject to each party's rights under the Genesis Agreement.
- On July 25, 2019, the Company and Genesis agreed to amend the terms of the Genesis Agreement to reduce the annual payment due on October 1, 2019 from \$50,000 USD to \$Nil. Additionally, the annual payments due October 1, 2020 to October 1, 2022 have been reduced from \$50,000 USD to \$20,000 USD, whereby the Company may elect to deliver up to half of this payment in common shares of the Company. The payments due October 1, 2020 and October 1, 2021 were paid by Austin.

The Company entered into the Hot Pot Lease on September 16, 2004, for an initial term of 10 years, as amended on September 2, 2011, February 25, 2016 and February 16, 2017. Any mineral production on the project is subject to a 3% Net Smelter Return Royalty (the "NSR") to the property owner, subject to the Company's right to reduce the Royalty from 3% to 2% for \$2,000,000 USD. Under the February 25, 2016, amendment, the term of the Hot Pot Lease was extended to 20 years, until September 16, 2024. Under the February 16, 2017, amendment, additional lands were added to the Hot Pot Lease, subject to the following payments:

**NEVADA EXPLORATION INC.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Unaudited – Prepared by Management)

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October 31, 2021

**8. RESOURCE PROPERTIES (cont'd...)****Kelly Creek (KC) (cont'd...)**

Amendment Date (February 16, 2017)	\$ 5,000 USD	(paid)
September 16, 2017	\$ 25,000 USD	(paid)
October 8, 2018	\$ 30,000 USD	(paid)
September 16, 2019	\$ 30,000 USD	(paid)
September 16, 2020	\$ 30,000 USD	(paid by Austin as detailed below)
September 16, 2021	\$ 30,000 USD	(paid by Austin as detailed below)
Subsequent Anniversaries (September 16 <sup>th</sup> annually)	\$ 30,000 USD	

On July 8, 2020, the Company entered into an Exploration and Option to Enter Joint Venture Agreement (the “Agreement”) with Austin American Corporation (“Austin”), for an earn in and joint venture agreement on its district-scale Kelly Creek Project (the “Project”) within the Kelly Creek Basin in north-central Nevada. Under the Agreement, Austin has the right to earn a 51% interest in the joint venture by spending \$5,000,000 over four years, with the election to then earn an additional 19% by delivering a prefeasibility study. Due to delays and ongoing uncertainty surrounding Covid-19, the Company and Austin agreed to extend all deadlines under the Agreement by 12 months and to reduce the exploration expenditures required during the first year of the Agreement by 25%, which effectively reduces the exploration expenditures required to earn a 51% interest in the Project from \$5,000,000 to \$4,750,000. Under the amended Agreement, to earn a 51% joint venture interest in the Project, Austin must spend \$4,750,000 in exploration expenditures, as follows (the “Earn In”):

- \$750,000 in aggregate by September 1, 2022, which represents a firm commitment,
- \$1,750,000 in aggregate by June 1, 2023,
- \$3,250,000 in aggregate by June 1, 2024, and
- \$4,750,000 in aggregate by June 1, 2025.

During the Earn In, Austin will be the operator of the Project. Upon completing the Earn In, Austin has a one-time option to elect to earn an additional 19% interest in the joint venture, for a total of 70% (the “Additional Option”), by spending \$1,500,000 per year during the first three years of the Additional Option, and by delivering a prefeasibility study prior to June 1, 2029. At the Company’s election, which must be made within 120 days of the approval by the joint venture of a feasibility study, Austin will be obligated to provide the Company’s portion of any debt financing or arrange for third party financing of the Company’s portion of any debt financing required to construct a mine on the Project described in the feasibility study in consideration for the transfer by the Company to Austin of a 5% interest in the joint venture. If a party is diluted to a 10% interest in the joint venture, its interest will be converted to a 10% net profits interest.

Additionally, Austin is responsible for the payment of all annual claim maintenance fees as well as annual Hot Pot and Genesis lease payments as detailed above, as long as the Agreement is maintained.

The majority of the Company’s mineral interests at Kelly Creek are subject to a 1.25% NSR to Royal Gold, Inc.

**Awakening (AW)**

As at October 31, 2021, the Company’s Awakening Project consists of unpatented mining claims held directly by the Company.

**NEVADA EXPLORATION INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)  
October 31, 2021

**9. DEPOSITS AND BONDS**

	October 31, 2021	April 30, 2021
Security deposits <sup>(1)</sup>	\$ 11,500	\$ 11,500
Reclamation bond deposits <sup>(2)</sup>	61,920	61,425
	<u>\$ 73,420</u>	<u>\$ 72,925</u>

<sup>(1)</sup> Security deposits consisted of \$11,500 guaranteed investment certificate (“GIC”) and bearing interest at prime less 2% to a minimum of 0%. The GIC was used to secure the credit limit on a credit card.

<sup>(2)</sup> Reclamation bond deposits are required by the U.S. Bureau of Land Management (“BLM”) to ensure that any reclamation and clean-up work required on the Company’s properties will be completed to the satisfaction of the BLM.

**10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable and accrued liabilities for the Company are as follows:

	October 31, 2021	April 30, 2021
Trade payables	\$ 57,031	\$ 457,251
Due to related parties (Note 6)	30,450	17,325
Accrued liabilities	-	28,000
Total	<u>\$ 87,481</u>	<u>\$ 502,576</u>

**11. CAPITAL STOCK**

a) Authorized share capital:

As at October 31, 2021, the authorized share capital of the Company was:

Unlimited number of common shares without par value;  
Unlimited number of preferred shares without par value; and  
All issued shares are fully paid

b) Issued share capital:

During the period ended October 31, 2021, the Company:

- Completed a private placement on June 17, 2021 of 36,538,460 units at a price of \$0.13 for total gross proceeds of \$4,750,000. Each unit consists of one common share and one non-transferrable share purchase warrant entitling the holder to purchase one additional common share at an exercise price of \$0.20 per share for 30 months. The securities issued at closing of the private placement will be subject to a four month plus one day hold period expiring October 18, 2021.
- In connection with the private placement closed on June 17, 2021, the Company paid finders’ fees totaling 320,600 shares, \$208,441 in cash, and 1,923,221 finder’s warrants. The finders’ warrants have an exercise price of \$0.13 per common share for 30 months, and are subject to a four month plus one day hold period expiring October 18, 2021. The finder’s warrants granted were estimated to have a fair value of \$157,073 and were accounted for as a share issuance cost.

**11. CAPITAL STOCK (cont'd...)**

b) Issued share capital (cont'd...)

During the year ended April 30, 2021, the Company:

- Completed a private placement on December 24, 2020 of 26,448,000 units at a price of \$0.125 for total gross proceeds of \$3,306,000. Each unit consists of one common share and one non-transferrable share purchase warrant entitling the holder to purchase one additional common share at an exercise price of \$0.18 per share for 30 months. If the closing price of the common shares of the Company quoted on the TSX Venture Exchange is greater than \$0.25 for 10 consecutive trading days, the Company may accelerate the expiry date of the Warrants to the 30th day after the date on which the Company gives notice to the Warrant holders of such acceleration. The securities issued at closing of the private placement will be subject to a four month plus one day hold period expiring April 25, 2021.
- In connection with the private placement closed on December 24, 2020, the Company paid finders fees in cash totalling \$72,848 and issued 639,744 finder's shares and 1,222,524 finder's warrants. The warrants have the same terms as the warrants issued as part of the units described above. The finder's shares granted were estimated to have a fair value of \$79,968. The finder's warrants granted were estimated to have a fair value of \$115,669 and were accounted for as a share issuance cost.
- Completed a private placement on July 8, 2020 of 2,500,000 units at a price of \$0.20 for total gross proceeds of \$500,000. Each unit consists of one common share and one-half non-transferrable share purchase warrant entitling the holder to purchase one additional common share at an exercise price of \$0.50 per share for 30 months. If the closing price of the common shares of the Company quoted on the TSX Venture Exchange is greater than \$0.90 for 10 consecutive trading days, the Company may accelerate the expiry date of the Warrants to the 30th day after the date on which the Company gives notice to the Warrant holders of such acceleration. The securities issued at closing of the private placement will be subject to a four month plus one day hold period expiring November 8, 2020.

c) Options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price, minimum price or a discounted price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of ten years.

In the absence of a reliable measurement of the services received from the consultants, the following stock option grants have been measured at the fair value of the stock options issued.

During the period ended October 31, 2021 the Company:

Granted 250,000 stock options on June 7, 2021 to an employee of the Company. The options are exercisable at \$0.18 per share for a period of ten years from the date of grant, expiring June 7, 2031. The options vest 50% after 12 months and 50% after 24 months. The total value recorded for options vested throughout the period is \$3,651.

During the year ended April 30, 2021, the Company:

Granted 1,525,000 stock options on October 20, 2020 to officers, directors and consultants of the Company. The options are exercisable at \$0.185 per share for a period of ten years from the date of grant, expiring October 20, 2030. The options vest 100% upon grant and the total value recorded for options vested throughout the period is \$Nil.

**NEVADA EXPLORATION INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)  
October 31, 2021

**11. CAPITAL STOCK (cont'd...)**

b) Options (cont'd...)

Granted 250,000 stock options on December 23, 2020 to a consultant of the Company. The options are exercisable at \$0.13 per share for a period of ten years from the date of grant, expiring December 23, 2030. The options vest 50% upon grant and 50% after 1 year. The total value recorded for options vested throughout the period is \$3,988.

Granted 3,460,500 stock options on March 31, 2021 to certain officers, directors, consultants and employees of the Company. The options are exercisable at \$0.18 per share for a period of ten years from the date of grant, expiring March 31, 2031. The options vest 1/3 upon grant and 1/3 after 1 year, and 1/3 after 2 years. The total value recorded for options vested throughout the period is \$75,543.

Granted 570,000 stock options on March 31, 2021 to a consultant of the Company. The options are exercisable at \$0.18 per share for a period of ten years from the date of grant, expiring March 31, 2031. The options vest 100% upon grant. The total value recorded for options vested throughout the period is \$Nil.

A Continuity of share purchase options for the period October 31, 2021 is as follows:

Expiry date	Exercise price	April 30, 2021	Granted	Exercised	Expired/ Forfeited/ Exercised	October 31, 2021	Exercisable
August 3, 2026	0.47	1,250,000	-	-	-	1,250,000	1,250,000
November 27, 2027	0.40	350,000	-	-	-	350,000	350,000
October 1, 2028	0.26	2,125,000	-	-	-	2,125,000	2,125,000
October 26, 2028	0.35	150,000	-	-	-	150,000	150,000
February 21, 2029	0.30	250,000	-	-	-	250,000	250,000
May 30, 2029	0.23	50,000	-	-	-	50,000	50,000
October 31, 2029	0.18	200,000	-	-	-	200,000	200,000
October 20, 2030	0.185	1,525,000	-	-	-	1,525,000	1,525,000
December 23, 2030	0.13	250,000	-	-	-	250,000	125,000
March 31, 2031	0.18	4,030,500	-	-	-	4,030,500	1,723,500
June 7, 2031	0.18	-	250,000	-	-	250,000	-
<b>Total</b>		<b>10,180,500</b>	<b>250,000</b>	<b>-</b>	<b>-</b>	<b>10,430,500</b>	<b>7,748,500</b>
Weighted average exercise price		\$ 0.25	\$ 0.18	\$ -	\$ -	\$ 0.24	\$ 0.27

A continuity of share purchase options for the year April 30, 2021 is as follows:

Expiry date	Exercise price	April 30, 2020	Granted	Exercised	Expired/ Forfeited/ Exercised	April 30, 2021	Exercisable
October 19, 2020	0.185	1,625,000	-	-	(1,625,000)	-	-
December 31, 2020	0.315	125,000	-	-	(125,000)	-	-
August 3, 2026	0.47	1,470,000	-	-	(220,000)	1,250,000	1,250,000
November 27, 2027	0.40	350,000	-	-	-	350,000	350,000
July 4, 2028	0.15	300,000	-	(300,000)	-	-	-
October 1, 2028	0.26	2,555,000	-	-	(430,000)	2,125,000	2,125,000
October 26, 2028	0.35	150,000	-	-	-	150,000	150,000
February 21, 2029	0.30	250,000	-	-	-	250,000	250,000
May 30, 2029	0.23	83,333	-	-	(33,333)	50,000	33,334
October 31, 2029	0.18	250,000	-	-	(50,000)	200,000	200,000
October 20, 2030	0.185	-	1,525,000	-	-	1,525,000	1,525,000
December 23, 2030	0.13	-	250,000	-	-	250,000	125,000
March 31, 2031	0.18	-	4,030,500	-	-	4,030,500	1,723,500
<b>Total</b>		<b>7,158,333</b>	<b>5,805,500</b>	<b>(300,000)</b>	<b>(2,483,333)</b>	<b>10,180,500</b>	<b>7,731,834</b>
Weighted average exercise price		\$ 0.29	\$ 0.18	\$ 0.15	\$ 0.23	\$ 0.25	\$ 0.27

**NEVADA EXPLORATION INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)  
October 31, 2021

**11. CAPITAL STOCK (cont'd...)**

c) Options (cont'd...)

The following weighted average inputs and assumptions were used for the Black-Scholes valuation of the options granted.

	October 31, 2021	April 30, 2021
Share price	\$0.135	\$0.17
Risk-free interest rate	1.47%	1.27%
Expected life of options	10 years	9.98 years
Annualized volatility based on historical volatility	143.30%	143.55%
Forfeiture rate	0.00%	0.00%
Dividend rate	0.00%	0.00%
Fair value per options	\$ 0.13	\$0.16

d) Warrants

During the period ended October 31, 2021, the Company issued a total of 38,461,681 common share purchase warrants in connection to private placements and associated brokers warrants.

A continuity of share purchase warrants for the period ended October 31, 2021 is as follows:

Expiry date	Exercise Price	April 30, 2021	Issued	Exercised	Expired	October 31, 2021	Exercisable
February 28, 2022	\$ 0.30	5,156,000	-	-	-	5,156,000	5,156,000
March 6, 2022	0.30	2,814,000	-	-	-	2,814,000	2,814,000
July 13, 2022 <sup>a</sup>	0.45	1,351,945	-	-	(35,945)	1,316,000	1,316,000
October 9, 2022 <sup>b</sup>	0.50	4,036,750	-	-	(160,428)	3,876,322	3,876,322
March 11, 2022	0.50	887,144	-	-	-	887,144	887,144
June 4, 2022	0.50	2,920,825	-	-	-	2,920,825	2,920,825
July 1, 2022	0.50	928,500	-	-	-	928,500	928,500
February 25, 2022	0.40	2,560,917	-	-	-	2,560,917	2,560,917
January 7, 2023	0.50	1,250,000	-	-	-	1,250,000	1,250,000
June 23, 2023	0.18	27,670,524	-	-	-	27,670,524	27,670,524
December 16, 2023	0.13	-	1,923,221	-	-	1,923,221	1,923,221
December 16, 2023	0.20	-	36,538,460	-	-	36,538,460	36,538,460
<b>Total</b>		49,576,605	38,461,681	-	(196,373)	87,841,913	87,841,913
<b>Weighted average exercise price</b>		\$ 0.28	\$ 0.19	\$ -	\$ 0.49	\$ 0.24	\$ 0.24

- a) On July 15, 2021, the Company received TSX Venture Exchange acceptance to extend the expiry date of 1,361,000 warrants to July 13, 2022 from July 13, 2021. As a result of this extension, the warrants were revalued using the Black-Scholes option pricing model based on the following assumptions: expected life of 0.995 years, expected volatility of 89.32%, risk-free interest rate of 0.44%, and expected dividend of \$Nil. The difference of \$31,380 between the value of the warrants based on their original remaining life and the value of the extended warrants was charged to share capital.
- b) On July 15, 2021 the Company received TSX Venture Exchange acceptance to extend the expiry date of 3,876,322 warrants to October 9, 2022 from October 9, 2021. As a result of this extension, the warrants were revalued using the Black-Scholes option pricing model based on the following assumptions: expected life of 1.24 years, expected volatility of 89.68%, risk-free interest rate of 0.44%, and expected dividend of \$Nil. The difference of \$117,144 between the value of the warrants based on their original remaining life and the value of the extended warrants was charged to share capital.



**NEVADA EXPLORATION INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)  
October 31, 2021

**11. CAPITAL STOCK (cont'd...)**

d) Warrants (cont'd)

A continuity of share purchase warrants for the year ended April 30, 2021 is as follows:

Expiry date	Exercise Price	April 30, 2020	Issued	Exercised	Expired	April 30, 2021	Exercisable
February 28, 2022 <sup>b</sup>	\$ 0.30	5,235,450	-	-	(79,450)	5,156,000	5,156,000
March 6, 2022 <sup>c</sup>	0.30	2,959,600	-	-	(145,600)	2,814,000	2,814,000
July 13, 2021 <sup>d</sup>	0.45	1,351,945	-	-	-	1,351,945	1,351,945
October 9, 2021 <sup>e</sup>	0.50	4,036,750	-	-	-	4,036,750	4,036,750
March 11, 2022	0.50	887,144	-	-	-	887,144	887,144
June 4, 2022	0.50	2,920,825	-	-	-	2,920,825	2,920,825
July 1, 2022	0.50	928,500	-	-	-	928,500	928,500
February 25, 2022	0.40	2,560,917	-	-	-	2,560,917	2,560,917
January 7, 2023	0.50	-	1,250,000 <sup>a</sup>	-	-	1,250,000	1,250,000
June 23, 2023	0.18	-	27,670,524 <sup>a</sup>	-	-	27,670,524	27,670,524
<b>Total</b>		<b>20,881,131</b>	<b>28,920,524</b>	<b>-</b>	<b>(225,050)</b>	<b>49,576,605</b>	<b>49,576,605</b>
<b>Weighted average exercise price</b>	<b>\$</b>	<b>0.41</b>	<b>\$</b>	<b>0.19</b>	<b>\$</b>	<b>-</b>	<b>\$</b>
						<b>0.30</b>	<b>\$</b>
							<b>0.28</b>
							<b>\$</b>
							<b>0.28</b>

- a) Warrants granted are subject to the acceleration features discussed in Note 11(b).  
b) On February 18, 2021, the Company received TSX Venture Exchange acceptance to extend the expiry date of 5,156,000 warrants to February 28, 2022 from February 28, 2021. As a result of this extension, the warrants were revalued using the Black-Scholes option pricing model based on the following assumptions: expected life of 1.03 years, expected volatility of 107.50%, risk-free interest rate of 0.22%, and expected dividend of \$Nil. The difference of \$150,642 between the value of the warrants based on their original remaining life and the value of the extended warrants was charged to share capital.  
c) On February 18, 2021 the Company received TSX Venture Exchange acceptance to extend the expiry date of 2,814,000 warrants to March 6, 2022 from March 6, 2021. As a result of this extension, the warrants were revalued using the Black-Scholes option pricing model based on the following assumptions: expected life of 1.04 years, expected volatility of 107.57%, risk-free interest rate of 0.22%, and expected dividend of \$Nil. The difference of \$74,432 between the value of the warrants based on their original remaining life and the value of the extended warrants was charged to share capital.  
d) On July 15, 2021, the Company received TSX Venture acceptance to extend the expiry date of 1,316,000 warrants to July 13, 2022 from July 13, 2021.  
e) On July 15, 2021, the Company received TSX Venture acceptance to extend the expiry date of 3,876,322 warrants to October 9, 2022 from October 9, 2021.

The following weighted average inputs and assumptions were used for the Black-Scholes valuation of the warrants granted:

	October 31, 2021	April 30, 2021
Share price	\$0.135	\$0.15
Risk-free interest rate	0.48%	0.25%
Expected life of options	2.5 years	2.5 years
Annualized volatility based on historical volatility	105.33%	115.03%
Forfeiture rate	0.00%	0.00%
Fair value per warrant	\$0.07	\$0.09

**NEVADA EXPLORATION INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited – Prepared by Management)  
(Expressed in Canadian Dollars)  
October 31, 2021

**12. SEGMENTED INFORMATION**

The Company operates in one industry segment, being the acquisition, exploration, and development of resource properties. Geographic information is as follows:

	October 31, 2021	April 30, 2021
Current assets:		
United States	\$ 2,057,931	\$ 283,396
Canada	1,253,200	1,090,810
	<u>\$ 3,311,131</u>	<u>\$ 1,374,206</u>
Non-current assets:		
United States		
Equipment and intangible assets	\$ 137,905	\$ 146,903
Deposits and bonds	61,920	61,425
Canada		
Equipment and intangible assets	46,000	11,500
Deposits and bonds	11,500	56,000
	<u>\$ 3,568,456</u>	<u>\$ 275,828</u>

**13. COMMITMENTS**

As October 31, 2021, the Company has total office lease commitments of \$58,395 as follows:

- a) Total office lease payments of \$6,024 ending December 31, 2021.
- b) Total office lease payments of \$8,743 ending February 28, 2022.
- c) Total office lease payments of \$28,458 ending March 31, 2022.
- d) Total office lease payments of \$15,170 ending May 31, 2022.

**14. FINANCIAL RISK MANAGEMENT**

**Fair value**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Short term investments are measured at level 1 of the fair value hierarchy. The fair value of short-term investments is measured at the market price of the common shares held at the measurement date. The carrying value of cash and cash equivalents, other receivables, deposits and bonds, finance lease obligations, accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

**NEVADA EXPLORATION INC.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

October 31, 2021

**14. FINANCIAL RISK MANAGEMENT (cont'd)****Financial risk factors**

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

*Credit risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and deposits and bonds. Management believes that the credit risk concentration with respect to cash and cash equivalents, deposits and bonds is remote as it maintains accounts with highly-rated financial institutions.

*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 manages liquidity risk through the management of its capital structure and financial leverage. It also manages liquidity risk by continuously monitoring actual and projected cash flows. The Board of Directors reviews and approves the Company's operating and capital budgets, as well as any material transactions out of the normal course of business.

As at October 31, 2021, the Company had a cash and cash equivalent balance of \$1,372,721 (April 30, 2021 - \$1,026,796) to settle current liabilities of \$87,481 (April 30, 2021 - \$502,576). The Company believes that there is minimal liquidity risk as at October 31, 2021.

*Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and equity prices.

## (a) Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash and cash equivalents maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and cash equivalents, deposits and bonds and on the Company's finance lease obligations are not considered significant.

## (b) Foreign currency risk

The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility of these rates. A significant portion of the Company's expenses is denominated in US dollars. Consequently, certain assets, liabilities and operating expenses are exposed to currency fluctuations. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. Net assets denominated in foreign currency and the Canadian dollar equivalents as at October 31, 2021 are as follows:

	USD	CDN
Current assets	\$ 1,661,766	\$ 2,057,931
Non-current assets	161,355	199,825
Current liabilities	(21,588)	(26,735)
	<u>\$ 1,801,533</u>	<u>\$ 2,231,021</u>

Based on the above net exposures as at October 31, 2021, and assuming all other variables remain constant, a 10% change in the value of the US dollar against the Canadian dollar would result in an increase/decrease of USD\$180,153 in comprehensive loss.

**NEVADA EXPLORATION INC.**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

October 31, 2021

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**15. CAPITAL MANAGEMENT**

In order to maintain its capital structure, the Company, is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares and incentive stock options. In the management of capital, the Company includes the components of equity as well as cash and cash equivalents.

The Company prepares annual estimates of exploration expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to invest any excess cash in highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest penalty. The Company currently has insufficient capital to fund its exploration programs and is reliant on completing equity financings to fund further exploration. The Company is not subject to any externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the period ended October 31, 2021.

**16. EVENTS AFTER THE REPORTING PERIOD**

Subsequent to October 31, 2021, 1,050,000 stock options were granted to certain directors of the Company, and 570,000 stock options were cancelled. The stock options granted have an exercise price of \$0.10 and expire 10 years after the grant date.