Financial Statements

Years Ended November 30, 2020 and 2019

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Zimtu Capital Corp.:

Opinion

We have audited the financial statements of Zimtu Capital Corp. (the "Company"), which comprise the statements of financial position as at November 30, 2020 and November 30, 2019, and the statements of operations and comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2020 and November 30, 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Ron D. Miller.

MNP LLP

Vancouver, British Columbia
March 30, 2021

Chartered Professional Accountants

Zimtu Capital Corp.
Statements of Financial Position
As at November 30, 2020 and 2019
Expressed in Canadian Dollars

		2020		2019
Assets				
Current				
Cash	$	**218,933**	$	35,996
Investments (Note 6)		**8,759,117**		4,081,007
Advances and amounts receivable (Note 8)		**776,885**		967,298
Prepaid and deposits(Note 9)		**151,444**		360,456
Right-of-use Asset (Note 19)		**108,320**		-
Convertible debentures (Note 10)		**-**		86,874
Due from equity investees (Note 11)		**54,356**		-
Due from related parties (Note 11)		**225,333**		356,452
		10,294,388		5,888,083
Deposits		**-**		15,562
Investment in associates (Note 7**)**		**265,771**		256,545
Mineral property interests (Note 12)		**16,449**		168,911
	$	**10,576,608**	$	6,329,101
Liabilities				
Current				
Accounts payable and accrued liabilities	$	**470,157**	$	182,854
GST/HST payable		**15,375**		3,816
Lease liabilities (Note 19)		**111,562**		-
Unearned revenue (Note 13)		**284,618**		121,505
Promissory notes payable (Note 14)		**19,100**		67,100
		900,812		375,275
Loan payable (Note 20)		**21,543**		-
	$	**922,355**	$	375,275
Equity				
Share capital (Note 15)		**9,521,822**		9,521,822
Reserves		**4,920,817**		4,920,817
Deficit		**(4,788,386)**		(8,488,813)
Shareholders' equity		**9,654,253**		5,953,826
	$	**10,576,608**	$	6,329,101

On behalf of the Board:

"David Hodge" Director   *"Sean Charland"* Director

The accompanying notes are an integral part of these financial statements.
Subsequent events (Note 10 and 23)

Zimtu Capital Corp.
Statements of Operations and Comprehensive Income (Loss)
For the years ended November 30,
Expressed in Canadian Dollars

		2020		2019
Revenue				
Administrative fees	**$**	**766,255**	$	621,500
Corporate development and marketing		**594,214**		746,167
Income from property sales (Note 12)		**26,200**		119,600
		1,386,669		1,487,267
Expenses				
General and administrative expenses (Note 16)		**2,010,631**		2,491,108
Loss before other items		**(623,962)**		(1,003,841)
Other items				
Equity loss from investment in associates (Note 7)		**(100,774)**		(156,582)
Loss on sale of debt (Note 10)		**(111,562)**		-
Gain on government loan (Note 20)		**18,457**		-
Impairment of mineral properties (Note 12)		**(109,944)**		(19,933)
Interest income (Expense)		**(1,295)**		2,623
Other income		**663**		20,850
Unrealized gain on investments in public companies (Note 6)		**3,333,280**		1,783,055
Gain (loss) on sale of investment		**1,091,653**		(3,253,832)
Unrealized gain on promissory notes receivable		**37,625**		-
Unrealized gain on investment in private companies (Note 6)		**166,286**		67,181
Write off marketable securities		**-**		(182,074)
		4,324,389		(1,738,712)
Net income (loss) and comprehensive income (loss) for the year	$	**3,700,427**	$	(2,742,553)
Basic income (loss) per share	$	**0.23**	$	(0.17)
Diluted income (loss) per share	$	**0.23**	$	(0.17)
Weighted average number of shares outstanding				
Basic		**16,106,483**		15,891,908
Diluted		**16,106,483**		15,891,908

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

Zimtu Capital Corp.
Statements of Changes in Equity
As at November 30, 2020 and 2019
Expressed in Canadian Dollars

	Share Capital				
	Number of Shares	**Amount**	**Reserves**	**Deficit**	**Total Equity**
Balance, November 30, 2018	**15,394,483**	**$ 9,346,662**	**$ 4,920,817**	**$ (5,746,260)**	**$ 8,521,219**
Shares issued for cash	712,000	178,000	-	-	178,000
Share issuance costs	-	(2,840)	-	-	(2,840)
Net loss for the year	-	-	-	(2,742,553)	(2,742,553)
Balance, November 30, 2019	**16,106,483**	**$9,521,822**	**$ 4,920,817**	**$ (8,488,813)**	**$5,953,826**
Net income for the year	-	-	-	3,700,427	3,700,427
Balance, November 30, 2020	**16,106,483**	**$ 9,521,822**	**$ 4,920,817**	**$ (4,788,386)**	**$ 9,654,253**

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

Zimtu Capital Corp.
Statements of Cash Flows
For the years ended November 30,
Expressed in Canadian Dollars

		2020		2019
Operating Activities				
Net income (loss) for the year	$	**3,700,427**	$	(2,742,553)
Items not involving cash:				
Unrealized gain of investments in public companies		**(3,333,280)**		(1,783,055)
Non-cash Income from property sale		**(26,200)**		(119,600)
Bad debt expenses		**46,083**		71,756
Unrealized gain on promissory notes receivable		**(37,625)**		-
(Gain) loss on sale of investment		**(1,091,653)**		3,253,832
Depreciation of ROU asset		**144,427**		-
Lease interest		**5,299**		-
Equity loss from investment in associates		**100,774**		156,582
Loss on sale of debt		**111,562**		-
Impairment of mineral property		**109,944**		19,933
Unrealized gain on investment in private companies		**(166,286)**		(67,181)
Interest income accrued		**1,874**		(1,874)
Gain on government grant		**(18,457)**		-
Share received for other income		**-**		(20,850)
Shares issued for services		**-**		9,200
Write off marketable securities		**-**		182,074
Changes in non-cash working capital:				
Advances and amounts receivable		**(194,523)**		(112,451)
Deposits		**15,562**		-
Due from equity investee		**(54,356)**		-
GST Payable		**11,559**		(20,283)
Prepaid and deposits		**(87,608)**		(275,631)
Accounts payable and accrued liabilities		**275,916**		(40,338)
Unearned revenue		**163,113**		(215,735)
Due from related parties		**146,035**		652,374
Promissory notes payable		**(48,000)**		(16,000)
Variable lease expense payment		**(104,532)**		-
Short-term lease payment		**(29,581)**		-
Cash used in operating activities		**(359,526)**		(1,069,800)
Investing Activities				
Acquisition of investments		**(3,082,990)**		(3,062,763)
Proceeds on disposition of investments		**3,856,945**		3,768,190
Purchase of equity investee		**(110,000)**		-
Mineral property acquisitions		**(38,033)**		(63,401)
Proceeds on disposition of mineral properties		**23,025**		50,000
Proceeds from sale of equity investment		**-**		740
Acquisition of convertible debt		**-**		(50,000)

Cash generated from investing activities	**648,947**	642,766
Financing Activities		
Government grant	**40,000**	-
Principal payments of lease liabilities	**(146,484)**	-
Issuance of shares, net of share issuance costs	**-**	175,160
Cash (used in) generated from financing activities	**(106,484)**	175,160
Change in cash during the year	**182,937**	(251,874)
Cash, beginning of year	**35,996**	287,870
Cash, end of year	**$ 218,933**	$ 35,996

Supplemental disclosure with respect to cash flows (Note 18)

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

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

The Company was incorporated in the Province of British Columbia on July 4, 2006, under the Business Corporations Act of British Columbia. The Company's principal business activities are investments in junior resource companies, mineral resource property acquisitions and dispositions, and the provision of management services. The Company is traded on the TSX Venture Exchange ("TSX-V") under the symbol 'ZC'. The Company also trades on the Frankfurt Stock Exchange under the symbol 'ZCT1'.

The head office and principal address are located at Suite 1450, 789 West Pender Street, Vancouver, BC, Canada V6C 1H2 and the registered and records office of the Company is located at Suite 800, 885 West Georgia Street, Vancouver, BC, Canada V6C 3H1.

These audited financial statements were authorized for issue by the Audit Committee and Board of Directors on March 30, 2021.

2. BASIS OF PREPARATION

a) Statement of Compliance

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

b) Basis of Measurement

These financial statements have been prepared on a historical costs basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, this financial statement has been prepared using the accrual basis of accounting.

Early in 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. The Company has been minimally affected by COVID-19 in terms of business activities and has been able to shift from in-person meetings and tradeshows to virtual interactions with business associates, shareholders, and investors.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and related disclosure.

Judgement is used mainly in determining how a balance or transaction should be recognized in the financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Significant areas where management's judgement has been applied include:

- Classifying categories of financial assets and financial liabilities in accordance with IFRS 9, *Financial instruments: recognition and measurement; and*
- The recoverability of the carrying value of the mineral property interests is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.
- Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that have existed during the periods.

Significant areas requiring the use of management estimates and assumptions include:

Income Taxes

Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases ("temporary differences") and losses carried forward. The determination of the ability of the Company to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgement and make certain assumptions about the future performance of the Company. Management is required to assess whether it is "probable" that the Company will benefit from these prior losses and other deferred tax assets. Changes in economic conditions and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilization of the losses.

Fair value of investment in warrants

Management uses Black-Scholes option pricing model in measuring the fair value of investment in warrants, where active market quotes are not available. In applying the valuation technique, management is required to determine and make assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield and forfeiture rate. Such assumptions are inherently uncertain and changes in these assumptions affect the fair value estimates.

Fair value of share-based compensation

Management measures the fair value of equity-settled share-based transactions with employees and directors by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The Company uses Black-Scholes option pricing model. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield and forfeiture rate. Such assumptions are inherently uncertain and changes in these assumptions affect the fair value estimates.

Valuation of accounts receivable

The Company reviews the accounts receivable balances on a regular basis and estimates the likelihood of collection and records allowance for estimated losses. Management bases its estimates on historical experience and other relevant factors.

Fair value of promissory notes receivable

Management uses valuation techniques in measuring the fair value of promissory notes receivable, where active market quotes are not available. Details of the assumptions used are given in the note 8 to these financial statements. In applying the valuation technique, management makes use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Fair value of investment in private companies

Management uses valuation techniques in measuring the fair value of private company investments, where active market quotes are not available. In applying the valuation technique, management makes use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Inputs Used in IFRS 16 Leases

The preparation of the combined financial statements in accordance with IFRS 16 requires management to make judgments, estimates, and assumptions that affect the reported amount of assets, liabilities, income, and expenses. Actual results could differ significantly from these estimates. Key areas where management has made judgments, estimates, and assumptions related to the application of IFRS 16 include:

- Incremental borrowing rate: The Incremental borrowing rates are based on judgments including economic environment, term, currency, and the underlying risk inherent to the asset. The carrying balance of the right-of-use assets, lease obligations, and the resulting interest and depreciation expense, may differ due to changes in the market conditions and lease term.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Adoption of New Accounting Standards and Amendments

IFRS 16 Leases

On December 1, 2019, the Company adopted IFRS 16 – Leases ("IFRS 16") which replaced IAS 17 – Leases and IFRIC 4 – Determining Whether an Arrangement Contains a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applied in IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less), leases with certain variable lease payments and leases of low-value assets.

The Company applied IFRS 16 using the modified retrospective method. Under this method, financial information will not be restated and will continue to be reported under the accounting standards in effect for those periods. The Company will recognize lease liabilities related to its lease commitments for its office leases. The lease liabilities will be measured at the present value of the remaining lease payments, discounted using the Company's estimated incremental borrowing rate, resulting in no adjustment to the opening balance of deficit. The associated right-of-use assets ("ROU") will be measured at the lease liabilities amount. The Company has implemented the following accounting policies permitted under the new standard:

Lease liability, right of use assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Corporation assesses whether the contract involves the use of an identified asset, whether the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement exists, and if the Company has the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Other Significant Accounting Polices

IFRS 16 Leases (continued)

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit or loss.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit or loss on a straight-line basis over the lease term.

Cash

Cash consist of cash on hand and deposits in banks.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Other Significant Accounting Polices

Mineral property interests

Mineral property interests involve the search for minerals, the determination of technical feasibility, and the assessment of commercial viability of an identified resource.

Mineral property interests incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, mineral property interests incurred are capitalized. All capitalized mineral property interests are recorded at acquisition cost and are monitored for indications of impairment. Where there are indications of a potential impairment, an assessment is performed for recoverability. Capitalized costs are charged to the statements of income (loss) and comprehensive income (loss) to the extent that they are not expected to be recovered. No amortization is taken during the exploration and evaluation phase.

From time to time, the Company may acquire or dispose of a mineral property interest, either by an option agreement or an acquisition agreement. As the consideration payable may consist of options, which are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are recorded as property costs or recoveries when the payments are made or received. Proceeds received on the sale of interests in mineral properties are credited to the carrying value of the mineral properties, with any excess included in statements of income and comprehensive income.

Although the Company has taken steps to verify title to mineral properties 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 and regulatory requirements.

Foreign currency transaction

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities that are measured at historical costs are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statements of income and comprehensive income.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the common shares are issued.

Warrants

Proceeds from issuances by the Company of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected

manner of realization or settlement of the carrying amount of assets and liabilities on an undiscounted basis, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Earnings/Loss per share

Basic earnings/loss per share is computed by dividing the net income or loss attributable to the owners of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per share is determined by adjusting the earnings or loss attributable to the owners of the Company and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of “in-the-money” stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, per share amounts are not presented on a diluted basis as the result would be anti-dilutive.

Investment in associate

If the Company has significant influence over an investee as defined under IAS 28 – Investments in Associates and Joint Ventures, the investment is initially recognized at cost and is adjusted periodically to reflect the Company’s portion of the investees’ comprehensive profit or loss through the Company’s statement of operations and comprehensive income(loss). The Company’s share of profit or loss of an associate is shown on the face of the statement of operations and comprehensive income(loss).

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, then recognises the loss in the statement of operations and comprehensive income(loss).

Upon loss of significant influence over the associate, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and process from disposal is recognised in profit or loss.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Government Grant

Loans received from government are recognized initially at fair value, with the difference between the fair value of the loan based on prevailing market interest rates and the amount received, being recorded as government grant gain in the statements of operations and comprehensive income (loss).

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue

Revenue from management and administrative services and corporate development and marketing services is recognized as control of the services passes from the Company to the customer over time, revenue is recognized based on the extent of progress towards completion of the performance obligation.

Revenue from mineral property sales is recognized at the point of transfer of risk and reward for goods and services and transfer of control with the fulfilment of performance obligations. Proceeds received on the sale of interests in mineral properties are credited to the carrying value of the mineral properties, with any excess included in statements of income and comprehensive income.

Financial Instruments

Financial assets
The Company classifies its financial assets in the following categories:
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI)
- Amortized cost

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of operations and comprehensive income (loss). Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statements of operations and comprehensive income (loss).

Financial assets at FVTOCI

Financial assets carried at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss).

Financial assets at amortized cost

A financial asset is measured at amortized cost if the objective is to hold the financial asset for the collection on contractual cash flows and the asset's contractual cash flows are comprised solely of payments of principal and interest. The financial asset is classified as current or non-current based on its maturity date and is initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

Financial liabilities
The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial liabilities at FVTPL
This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the consolidated statements of operations and comprehensive income (loss).

Financial liabilities at amortized cost
This category includes accounts payable and accrued liabilities, promissory notes payable, which are recognized at amortized cost using the effective interest method.
The effective interest method calculates the amortized cost of a financial liability and allocates interest expense over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial liability, or, where appropriate, a shorter period.

Transaction costs in respect of financial liabilities at fair value through profit or loss are recognized in the statements of operations and comprehensive income (loss) immediately while transaction costs associated with other financial liabilities are included in the initial measurement of the financial liability.

The following table shows the classification of the Company's financial instruments:

	Classification
Financial Assets	
Cash and Guaranteed investment certificate ("GIC")	Amortized cost
Accounts receivables	Amortized cost
Convertible debentures	FVTPL
Promissory note receivables	FVTPL
Investments (Excl. GIC)	FVTPL
Due from related parties	Amortized cost
Due from equity investees	Amortized cost
Financial Liabilities	
Accounts payable and accrued liabilities	Amortized cost
Promissory note payable	Amortized cost
Lease liabilities	Amortized cost
Loan payable	Amortized cost

Expressed in Canadian Dollars

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Future Accounting Pronouncements

Pronouncements that are not applicable to the Company have not been included in these financial statements.

IFRS 3 - Business Combinations

In October 2018, the IASB issued "Definition of a Business (Amendments to IFRS 3)". The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendment provides an assessment framework to determine when a series of integrated activities is not a business. The amendments are effective for business combinations occurring on or after the beginning of the first annual reporting period beginning on or after January 1, 2020, however early application is permitted. Based on the Company's assessment, the impact of IFRS 3 Amendment adoption is not expected to be significant.

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES

The investment operations of the Company's business involve the purchase and sale of securities and, accordingly, the majority of the Company's assets are currently comprised of financial instruments. The use of financial instruments can expose the Company to several risks, including interest rate, credit, currency, liquidity and market risk. A discussion of the Company's use of financial instruments and their associated risk is provided below:

a) Fair value - The Company classifies its financial instruments using a fair value hierarchy as a framework for disclosing fair value of financial instruments based on inputs used to value the Company's investments. The hierarchy of inputs and description of inputs is described as follows:

Level 1 – fair values are based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – fair values are based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); or
Level 3 – fair values are based on inputs for the asset or liability that are not based on observable market data, which are unobservable inputs.

	November 30, 2020			
	Level 1 $	**Level 2** $	**Level 3** $	**Total** $
Fair value through profit or loss				
Promissory note receivables (Note 8)	337,917	-	-	337,917
Promissory note receivables – related parties (Note 11)	225,333	-	-	225,333
Investment in public company shareholdings (Note 6a)	6,323,459	-	-	6,323,459
Investment in private company shareholdings (Note 6d)	-	-	254,312	254,312
Investment in warrants (Note 6b)	-	2,146,846	-	2,146,846
	6,886,709	2,146,846	254,312	9,287,867

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

	November 30, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Fair value through profit or loss				
Promissory note receivables (Note 8)	555,958	-	-	555,958
Promissory note receivables – related parties (Note 11)	331,417	-	-	331,417
Convertible debentures (Note 10)	-	51,874	35,000	86,874
Investment in public company shareholdings (Note 6a)	2,864,365	-	-	2,864,365
Investment in private company shareholdings (Note 6d)	-	-	33,000	33,000
Investment in warrants (Note 6b)	-	1,149,142	-	1,149,142
	3,751,740	1,201,016	68,000	5,020,756

The carrying value of cash and GIC, accounts receivable, due from related parties, due from equity investees, accounts payable and accrued liabilities, promissory note payable, lease liabilities and loan payable approximates the fair value because of the short-term of these instruments.

b) Interest rate risk - The Company is not exposed to significant interest rate risk even though the Company has cash balances, and its current policy is to invest excess cash in certificates of deposit or money market funds of major Canadian chartered banks. The GIC included in investment bear interest at a variable rate, and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations. The sensitivity of the Company to a variation of 1% in the interest rate would decrease/increase the net loss of the Company by $345. The Company's other financial assets and financial liabilities do not comprise any interest rate risk since they do not bear interest.

c) Credit risk - The Company is not exposed to significant credit risk on its cash and GIC due to its cash is placed with major financial institutions and investments are placed with a Canadian chartered bank or with independent investment dealer member of the Canadian Investor Protection Fund. All transactions executed by the Company in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment.

The Company continues to minimize credit risk by performing credit reviews, ongoing credit evaluation and account monitoring procedures. Management believes that the credit risk with respect to advances and amounts receivables is remote. One customer accounted for 50% (2019: 58%) of the Company's administrative revenue.

d) Currency risk - The Company is not exposed to significant currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

e) Liquidity risk - Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected as a result of downturn in stock market conditions generally or related to matters specific to the Company, or if the value of the Company' investments declines, resulting in losses upon disposition. The Company generates cash flow primarily from its administrative activities and proceeds from the disposition of its investments. The Company has sufficient investments that are freely tradable and relatively liquid to fund its obligations as they become due under normal operating conditions.

f) Market risk - Market risk is the risk that the fair value of or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices.

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

The Company manages market risk by having a portfolio that is not singularly exposed to any one issuer or class of issuers. The Company's investment activities are currently concentrated primarily across several sectors in the natural resource industry, potash, precious metals, base metals, coal, graphite, rare earth elements, and rare metals. The Company also has set thresholds on purchases of investments. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States dollar. The Company is not exposed to commodity price at this time.

g) Capital management - The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to meet its daily operating expenses. The Company may raise additional capital for additional cash required. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to identify and acquire new investment or business opportunities.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended November 30, 2020 and 2019. The Company is not subject to externally imposed capital requirements.

Expressed in Canadian Dollars

6. INVESTMENTS

Investment continuity schedule

	Investment in public companies	Investment in private companies	Warrants	GIC	Total
	(a)	(d)	(b)	(c)	
Balance, November 30, 2018	**$ 5,126,697**	**$ 277,349**	**$ 1,036,183**	**$ 34,500**	**$ 6,474,729**
Cost of Shares/warrants acquired	2,801,553	58,000	83,333	-	2,942,886
Shares disposed/ warrants exercised	(6,938,687)	-	(83,333)	-	(7,022,020)
Investment reclassification	239,388	(239,388)	-	-	-
Shares received from spinoff	20,850	-	-	-	20,850
Shares received from property sales	5,600	-	-	-	5,600
Write-off	(51,932)	(130,142)	-	-	(182,074)
Shares issued for finder's fees	(9,200)	-	-	-	(9,200)
Fair value change	1,670,096	67,181	112,959	-	1,850,236
Balance, November 30, 2019	**$ 2,864,365**	**$ 33,000**	**$ 1,149,142**	**$ 34,500**	**$ 4,081,007**
Cost of Shares/warrants acquired	2,806,232	-	698,820	-	3,505,052
Shares disposed/ warrants exercised	(2,066,472)	-	(698,820)	-	(2,765,292)
Shares received through sale of warrants	59,103	-	(39,046)	-	20,057
Shares received for property sale (Note 12)	28,700	55,026	-	-	83,726
Shares previously sold with promissory notes returned	335,000	-	-	-	335,000
Fair value change	2,296,531	166,286	1,036,750	-	3,499,567
Balance, November 30, 2020	**$ 6,323,459**	**$ 254,312**	**$ 2,146,846**	**$ 34,500**	**$ 8,759,117**

Expressed in Canadian Dollars

6. INVESTMENTS (continued)

(a) Investment in public company shareholdings

	Investments at fair value through profit or loss as at November 30, 2020				
	Number of Shares	Cost Base		Market Base	
		$	$/Share	$	$/Share
Alpha Lithium	2,250	1,087	0.48	1,553	0.690
Arctic Star Exploration	10,945,464	320,585	0.03	437,819	0.040
Ares Strategic Mining	1,250,000	107,000	0.09	318,750	0.255
Belmont Resources	140,000	7,700	0.06	9,100	0.065
Commerce Resources	6,346,599	1,783,943	0.28	1,777,048	0.280
Gold Port	18,906	-	0.00	2,836	0.150
Cresval Capital	500,000	100,000	0.20	12,500	0.025
Crown Mining	570,000	39,530	0.07	68,400	0.120
Emerita Gold	1,254,286	272,818	0.22	244,586	0.195
Falcon Gold	300,000	19,650	0.07	31,500	0.105
IMC International Mining	208,333	100,000	0.48	23,958	0.115
Indigo Exploration	119,167	200,653	1.68	8,342	0.070
King’s Bay Resources	10,600,000	707,428	0.07	106,000	0.010
Lake Winn Resources	1,031,000	127,810	0.12	371,160	0.360
Maple Gold Mines	1,199,000	151,210	0.13	437,635	0.365
Margaret Lake Diamonds	160,000	19,200	0.12	4,800	0.030
Marvel Discovery	850,000	55,600	0.07	51,000	0.060
Ophir Gold	837,333	298,535	0.36	146,533	0.175
Nouveau Life	230,000	50,051	0.22	23	0.000
Pegasus Resources	300,000	10,772	0.04	12,000	0.040
Prospera Energy	1,400,000	98,000	0.07	28,000	0.020
Red Oak Mining	2,000	100	0.05	200	0.100
Saville Resources	7,371,000	369,710	0.05	294,840	0.040
Suvo Strategic Minerals	120,000	53,758	0.45	17,451	0.145
Vatic Resources	467,600	35,070	0.08	46,760	0.100
VOIP-PAL	226,000	26,217	0.12	4,399	0.019
Ximen Mining	166,667	75,000	0.45	50,833	0.305
Zinc8 Energy Solutions	7,261,736	987,267	0.13	1,815,434	0.250
Balance, November 30, 2020		**6,018,694**		**6,323,459**	

Expressed in Canadian Dollars

6. INVESTMENTS (continued)

(a) Investment in public company shareholdings (continued)

	Investments at fair value through profit or loss as at November 30, 2019				
	Number of Shares	**Cost Base**		**Market Base**	
		$	$/Share	$	$/Share
Alpha Lithium	2,250	577	0.26	743	0.330
Arctic Star Exploration	163,470	73,959	0.45	8,174	0.050
Belmont Resources	647,500	86,165	0.13	22,663	0.035
Canadian Energy Materials	300,000	48,000	0.16	9,000	0.030
Commerce Resources	5,321,599	1,598,793	0.30	957,887	0.180
Corsurex Resources	18,906	-	0.00	378	0.020
Cresval Capital	500,000	100,000	0.20	10,000	0.020
Crown Mining	570,000	39,530	0.07	19,950	0.035
Emerita Gold	740,000	216,418	0.29	70,300	0.095
Falcon Gold	200,000	8,900	0.04	7,000	0.035
Gaia Metals	70,000	56,340	0.80	7,350	0.105
Goldhill Holdings	42,000	12,600	0.30	3,570	0.085
Group Ten Metals	150,000	9,000	0.06	24,750	0.165
Indigo Exploration	715,000	200,653	0.28	10,725	0.015
King’s Bay Resources	5,600,000	372,428	0.07	224,000	0.040
Maple Gold Mines	1,299,000	163,810	0.13	103,920	0.080
Margaret Lake Diamonds	160,000	19,200	0.12	3,200	0.020
Marvel Discovery	600,000	30,000	0.05	21,000	0.035
Maxtech Ventures	461,000	111,700	0.24	39,185	0.085
MGX Minerals	49,846	34,052	0.68	3,988	0.080
Ophir Gold	1,008,333	413,363	0.41	90,750	0.090
Nouveau Life	230,000	50,051	0.22	138	0.001
Pegasus Resources	2,100,000	121,072	0.06	42,000	0.020
Prospera Energy	1,400,000	98,000	0.07	42,000	0.030
Saville Resources	7,171,000	362,410	0.05	250,985	0.035
Ultracharge	1,200,000	53,758	0.04	2,158	0.002
Vatic Resources	467,600	35,070	0.08	46,760	0.100
VOIP-PAL	226,000	26,217	0.12	8,107	0.036
Ximen Mining	300,000	134,635	0.45	114,000	0.380
Zinc8 Energy Solutions	4,361,732	379,430	0.09	719,684	0.165
Balance, November 30, 2019		**4,856,131**		**2,864,365**	

Expressed in Canadian Dollars

6. INVESTMENTS (continued)

(b) Investments in warrants

	Number of Warrants	Expiry Date	Exercise Price	Fair Value	Fair Value $/Warrant
ALX Uranium	500,000	May 16, 2021	0.20	3,127	0.006
Alpha Lithium	300,000	January 24, 2022	0.50	110,052	0.367
Arctic Star Exploration	220,000	March 26, 2021	0.40	308	0.001
Arctic Star Exploration	5,020,000	January 24, 2022	0.15	182,496	0.036
Arctic Star Exploration	10,160,000	August 27, 2022	0.05	391,190	0.039
Ares Strategic Mining	625,000	June 15, 2022	0.15	92,837	0.149
Belmont Resources	200,000	June 28, 2021	0.08	5,263	0.026
Belmont Resources	140,000	May 14, 2021	0.10	2,865	0.020
Belmont Resources	168,000	April 29, 2022	0.05	8,190	0.049
Commerce Resources	5,061,500	October 11, 2021	0.50	333,435	0.066
Commerce Resources	1,000,000	June 25, 2025	0.24	219,676	0.220
Emerita Resources	357,143	August 13, 2022	0.15	49,684	0.139
IMC International Mining	208,333	May 13, 2022	0.60	2,331	0.011
Lake Winn Resources	1,000,000	November 19, 2023	0.16	354,321	0.354
Margaret Lake Diamonds	833,333	April 16, 2021	0.20	1,522	0.002
Marvel Discovery	600,000	March 20, 2021	0.10	3,859	0.006
Marvel Discovery	500,000	August 12, 2022	0.10	19,905	0.040
MGX Minerals	100,000	December 27, 2020	1.15	-	0.000
MGX Minerals	416,667	December 21, 2021	0.67	1,882	0.005
Ophir Gold	192,000	September 18, 2022	0.15	16,484	0.086
Pegasus Resources	2,250,000	October 25, 2023	0.08	27,474	0.012
Pegasus Resources	1,000,000	November 28, 2020	0.06	32,378	0.032
Pegasus Resources	1,250,000	December 20, 2020	0.05	35,981	0.029
Vatic Resources	233,800	January 11,2021	0.10	1,900	0.008
Ximen Mining	200,000	January 4, 2021	0.30	9,525	0.048
Ximen Mining	135,165	July 8, 2021	0.45	8,052	0.060
Ximen Mining	166,667	July 23, 2022	0.75	12,648	0.076
Zinc8 Energy Solutions	66,500	February 10, 2022	0.15	9,011	0.136
Zinc8 Energy Solutions	1,112,500	September 4, 2022	0.30	210,450	0.189
Balance, November 30, 2020				**2,146,846**	

Expressed in Canadian Dollars

6. INVESTMENTS (continued)

(b) Investments in warrants (continued)

	Number of Warrants	Expiry Date	Exercise Price	Fair Value	Fair Value $/Warrant
ALX Uranium	500,000	November 16, 2020	0.20	3,742	0.007
Alpha Lithium	645,000	April 23, 2020	0.20	3,996	0.006
Arctic Star Exploration	52,100	June 30,2020	2.00	865	0.017
Arctic Star Exploration	200,000	June 4, 2020	1.25	3,789	0.019
Arctic Star Exploration	220,000	March 26, 2021	0.40	8,365	0.038
Belmont Resources	162,500	March 8, 2020	0.40	-	0.000
Belmont Resources	250,000	July 23, 2020	0.64	1,192	0.005
Belmont Resources	162,500	February 14, 2020	0.40	-	0.000
Belmont Resources	200,000	June 28, 2021	0.08	5,101	0.026
Belmont Resources	140,000	May 14, 2021	0.08	3,330	0.024
Canadian Energy Materials	175,000	January 5, 2020	0.25	-	0.000
Commerce Resources	5,061,500	October 11, 2021	0.35	304,853	0.060
Copper North	120,000	November 4, 2020	0.50	-	0.000
Emerita Resources	100,000	December 20, 2019	1.00	-	0.000
Group Ten Metals	1,000,000	February 27, 2020	0.12	55,660	0.056
King's Bay Resources	3,386,703	December 30, 2019	0.12	-	0.000
King's Bay Resources	2,625,000	June 8, 2020	0.10	-	0.000
Margaret Lake Diamonds	833,333	April 16, 2021	0.20	4,357	0.005
Marvel Discovery	600,000	March 20, 2021	0.10	8,375	0.014
Maxtech Ventures	286,000	March 9, 2020	0.45	2,067	0.007
MGX Minerals	100,000	December 27, 2020	1.15	-	0.000
MGX Minerals	416,667	December 21, 2021	0.67	2,798	0.007
MinKap Resources	83,333	October 24, 2020	0.30	6,511	0.078
Palladium One	512,750	March 19, 2020	0.20	6,028	0.012
Pistol Bay Mining	2,250,000	April 25, 2020	0.06	5,578	0.002
Pistol Bay Mining	2,000,000	November 28, 2020	0.06	12,271	0.006
Redfund Capital	533,333	August 1, 2020	0.55	997	0.002
Saville Resources	2,000,000	September 28, 2020	0.10	12,136	0.006
Vatic Resources	233,800	February 5, 2021	0.10	5,978	0.026
Ximen Mining	300,000	January 4, 2021	0.30	56,626	0.189
Zinc8 Energy Solutions	400,000	November 30, 2020	0.35	47,200	0.118
Zinc8 Energy Solutions	3,783,333	September 9, 2021	0.08	587,328	0.155
Balance, November 30, 2019				**1,149,142**	

(c) Investment in GIC

As at November 30, 2020, the Company had two guaranteed investment certificates totaling $34,500 (November 30, 2019: $34,500). Of the total, $23,000 matures on March 5, 2021 with an interest rate of prime minus 2.7%. The remaining $11,500 matures on July 9, 2021 with an interest rate of prime minus 2.25%.

Expressed in Canadian Dollars

6. INVESTMENTS (continued)

(d) Investment in private companies

The Company made investments in private companies with the expectation that they will enter public markets in the foreseeable future.

	Investments at fair value through profit or loss as at November 30, 2020				
	# of Shares	**Cost Base**		**Market Base**	
		$	$/Share	$	$/Share
Avalon Bridge	500,000	25,000	0.05	-	0.00
1233719 BC Ltd (Note 12(a))	1,218,859	55,026	0.05	136,912	0.11
District One Exploration	160,000	8,000	0.05	-	0.00
Eagle Bay Resources	2,000,000	50,000	0.03	-	0.00
Hexa Resources	601,809	55,142	0.09	117,400	0.20
S1 Capital	100,000	50,000	0.50	-	0.00
Balance, November 30, 2020		**243,168**		**254,312**	

	Investments at fair value through profit or loss as at November 30, 2019				
	# of Shares	**Cost Base**		**Market Base**	
		$	$/Share	$	$/Share
Avalon Bridge	500,000	25,000	0.05	-	0.000
District One Exploration	160,000	8,000	0.05	8,000	0.050
Eagle Bay Resources	2,000,000	50,000	0.03	-	0.000
Hexa Resources	601,809	55,142	0.09	-	0.000
S1 Capital	100,000	50,000	0.50	25,000	0.250
Balance, November 30, 2019		**188,142**		**33,000**	

7. INVESTMENTS IN ASSOCIATES

	Core	D5	Total
As of November 30, 2018	**$ -**	**$ 193,992**	**$ 193,992**
Acquisition of shares	105,100	14,775	119,875
Sale of shares	-	(740)	(740)
Shares received for property sale	100,000	-	100,000
Loss from equity investee	(10,940)	(145,642)	(156,582)
As of November 30, 2019	**$ 194,160**	**$ 62,385**	**$ 256,545**
Acquisition of shares	-	110,000	110,000
Loss from equity investee	(62,181)	(38,593)	(100,774)
As of November 30, 2020	**$ 131,979**	**$ 133,792**	**$ 265,771**

(1) Dimension Five Technologies Inc. (“D5”)

On July 1, 2018, the Company received 10,000,000 shares of Dimension Five Technologies Inc. (“D5”) valued at $300,000 for the sale of the Zimtu App and immediately sold 6,000,000 of the received shares to management and employees of the Company, for $0.03 per share for gross proceeds of $180,000, all covered by promissory notes. On July 27, 2018, the Company acquired 2,000,000 shares valued at $0.05 in a private placement.

During the year ended November 30, 2020, the Company acquired 2,000,000 shares at $0.05 per share in a private placement and privately purchased 333,333 shares at $0.03 per share. The investment was adjusted for $38,593 (November 30, 2019: $145,642) of equity loss due to the decrease of net assets of D5. As at November 30, 2020, the Company holds 8,593,333 shares of D5, equal to 26% (November 30, 2019: 27%) of D5’s outstanding common shares. See Note 23.

Expressed in Canadian Dollars

7. INVESTMENTS IN ASSOCIATES (continued)

The financial information of D5 as of November 30, 2020 and 2019 are presented as follows:

	November 30, 2020	November 30, 2019
	$	$
Current assets	631,409	219,956
Current liabilities	(142,815)	(50,829)
Shareholders' equity	(488,594)	(169,127)

	December 1, 2019 to November 30, 2020	December 1, 2018 to November 30, 2019
	$	$
Revenue	49,205	123,381
Expenses	229,259	669,005
Net loss for the year	(180,054)	(545,624)

(2) Core Assets Corp. ("Core")

On December 10, 2018 and August 1, 2019, the Company signed an agreement with Core, a private company with common directors, whereby Core can earn a 100% interest in and to the Blue Property and Silver Lime Property respectively (See Note 12(c) and Note 12(d)). The Company received 2,000,000 shares, valued at total of $100,000. On August 14, 2019, the Company acquired 5,250,000 shares of Core valued at $105,100.

During the year ended November 30, 2020, the investment was adjusted for $62,181 (2019: $10,940) of equity loss due to the decrease of net assets of Core. As at November 30, 2020, the Company holds 7,250,000 shares of Core, equal to 34% (2019: 40%) of Core's outstanding common shares.

The financial information of Core as of November 30, 2020 and 2019 are presented as follows:

	November 30, 2020	November 30, 2019
	$	$
Current assets	230,418	252,189
Non-current assets	292,385	247,994
Current liabilities	(58,922)	(12,708)
Shareholders' equity	(463,881)	(487,475)

	December 1, 2019 to November 30, 2020	August 14, 2019 to November 30, 2019
		$
Expenses	176,580	26,919
Net loss for the year/period	(176,580)	(26,919)

Expressed in Canadian Dollars

8. ADVANCES AND AMOUNTS RECEIVABLE

	November 30, 2020 $	November 30, 2019 $
Accounts receivable	566,084	527,951
Allowance for expected credit loss	(127,116)	(116,611)
Accounts receivable – net of allowance (a)	438,968	411,340
Promissory note receivable – nominal value	408,750	649,500
Promissory note receivable – Fair value Change	(70,833)	(93,542)
Promissory note receivable – Fair value (b)	337,917	555,958
Total advances and amounts receivable:	776,885	967,298

(a) The Company's accounts receivable consists of amounts billed and outstanding for providing marketing, managerial, and administrative services. The amounts are unsecured, non-interest bearing, and have no specific terms of repayments.

As at November 30, 2020, accounts receivable of $127,116 (2019: $116,611) were impaired and fully provided by allowance. See below for the movements in the allowance for expected credit loss:

	$
As of November 30, 2018	63,855
Charge for the year	71,756
Utilized	(19,000)
As of November 30, 2019	116,611
Charge for the year	10,505
As of November 30, 2020	127,116

(b) Promissory notes are issued to management and employees for the private sale of shares. These notes are non-interest bearing, have specific dates of repayment but due on demand, and hold share certificates as collateral. The borrowers have the option of repaying by either cash based on the nominal amount of the notes or the underlying shares. The fair values of the promissory notes as at each reporting date are determined as the lower of the market value of the underlying shares and the nominal loan amount.

9. PREPAID AND DEPOSITS

The Company's current prepaid expenses and deposits consist mainly of payments made for future investments, marketing expenses paid in advance of service, and advance payments made on the Company's credit card or as employee advances.

	November 30, 2020 $	November 30, 2019 $
Prepaid share subscriptions	132,881	329,751
Deposits	18,563	3,310
Others	-	27,395
Total	151,444	360,456

Expressed in Canadian Dollars

10. CONVERTIBLE DEBENTURES

(a) On August 8, 2019, the Company acquired a convertible note (the "Note") in the principal amount of $50,000 from King's Bay Resources Corp. ("King's Bay"), a public company on the TSX Venture Exchange. The Note had an initial maturity date of August 8, 2020 and bears interest at 12% per annum, payable at maturity. The principal amount of the Note is convertible at the option of the subscriber at any time into units ("Units") of the Company at a conversion of $0.20 per Unit. Each Unit consists of one common share of the Issuer and one common share purchase warrant ("Warrant"). Each Warrant shall entitle the holder to purchase one common shares of the Company for a period of 2 years at an exercise price of $0.35 during the first year and $0.60 during the second year.

On August 8, 2020, King's Bay amended the Note agreement such that the maturity date is changed to the date which is 24 months after issuance of the Note. All other terms in the agreement remained the same.

On November 25, 2020, the convertible note was cancelled and converted to debt as part of a debt settlement agreement. All interest on the Note will be waived if the debt is repaid before the due date of August 8, 2021. In addition, the Company sold $131,250 of their debt to third parties for $19,688 and recorded a loss on the sale of debt of $111,562. The discounted debt and the amount for the convertible note was repaid as of February 26, 2021.

(b) On October 19, 2018, the Company acquired a convertible debenture note (the "Debenture Note") in the principal amount of $35,000 from Linceo Media Group Inc. ("Linceo"), a private junior mining company. The Debenture Note matured on October 19, 2020 and bears interest at 12% per annum, payable on the maturity date. The principal amount of the Debenture Note is convertible at the option of the subscriber at any time into common shares of Linceo at a conversion price per common share equity to 50% of the go public transaction or 50% of the last financing price.

During the year ended November 30, 2020, the Company has determined that the Debenture Note is likely non-collectible and has written off the amount of $35,000.

11. RELATED PARTY TRANSACTIONS

The Company incurred the following fees and expenses in the normal course of operations and are measured at the exchange amount.

Year ended November 30,	**2020**	**2019**
Key management compensation*	**$**	**$**
Key management compensation	664,062	676,975

Year ended November 30,	**2020**	**2019**
Revenue**	**$**	**$**
Management administration fees	414,172	409,500
Corporate development and marketing	83,333	-
Other income	-	15,350
Expenses		
App development and marketing fees	25,000	50,000
Licensing fees	21,400	128,400

Expressed in Canadian Dollars

11. RELATED PARTY TRANSACTIONS (continued)

Amounts due from related parties and equity investees	**November 30, 2020 $**	**November 30, 2019 $**
Commerce Resources Corp.***	-	2,297
Core Assets Corp.****	54,356	-
David Hodge, CEO and director	-	12,819
Sean Charland, director	-	9,919
Promissory note receivable - Fair Value		
David Hodge, CEO and director	54,000	52,250
Jody Bellefleur, CFO	18,000	29,000
Kevin Bottomley, director	10,000	115,750
Sean Charland, director	48,000	47,000
Chris Grove, director	95,333	87,417
Total amount due from related parties and equity investees	**279,689**	**356,452**

* 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 executive officers and certain members of its Board of Directors.

** The Company provides Management and Administrative services to related parties. These services include rent, office costs, administration, and staffing.

******* Commerce Resources Corp. ("Commerce") is a company with common directors and management of the Company. The Company provides key management services to Commerce.

**** See Note 7

12. MINERAL PROPERTY INTERESTS

Property Name	Partner	Balance, November 30, 2019 $	Additions $	Impairment $	Property sales $	Balance, November 30, 2020 $
Blue Property (c)	N/A	-	23,025	-	(23,025)	-
Carbonatite Ridge (α)	N/A	888	-	(888)	-	-
Cap Claim (α)	Various	-	2,500	-	-	2,500
Covette II Property (α)	N/A	3,712	-	-	-	3,712
Deep Bay/Simon Lake (α)	Dahrouge	4,847	-	-	-	4,847
Lac Elmer (α)	Staked	-	5,390	-	-	5,390
Munn Lake (g)	Dahrouge	105,542	3,514	(109,056)	-	-
Turquetil Lake (a)	Various	51,422	3,604	-	(55,026)	-
Sunny Boy (f)	N/A	2,500	-	-	(2,500)	-
		168,911	38,033	(109,944)	(80,551)	16,449

Expressed in Canadian Dollars

12. MINERAL PROPERTY INTERESTS (continued**)**

Property Name	Partner	Balance, November 30, 2018 $	Additions $	Impairment $	Property sales $	Balance, November 30, 2019 $
Blue Property (c)	N/A	26,500	-	-	(26,500)	-
Carbonatite Ridge (α)	N/A	-	888	-	-	888
Covette II Property (α)	N/A	3,712	-	-	-	3,712
Deep Bay/Simon Lake (α)	Dahrouge	4,847	-	-	-	4,847
Glenora/Bay Horse (e)	N/A	-	1,500	-	(1,500)	-
Mell & Tucha Claims (α)	Dahrouge	7,045	-	(7,045)	-	-
Munn Lake (g)	Dahrouge	62,416	43,126	-	-	105,542
Turquetil Lake (a) (α)	Various	27,005	24,417	-	-	51,422
Rare Metal Belt (α)	N/A	-	10,000	(10,000)	-	-
Pell Claims (α)	Dahrouge	2,888	-	(2,888)	-	-
Silver Lime (d)	N/A	8,000	-	-	(8,000)	-
Sunny Boy (α)	N/A	-	2,500	-	-	2,500
		142,413	82,431	(19,933)	(36,000)	168,911

(α) Properties Held for Sale

Joint Venture Partners

Dahrouge Geological Consulting Corp., 877384 Alberta Ltd., and DG Resource Management Ltd. ("Dahrouge")

The Company entered into verbal mutual agreements with Dahrouge Geological Consulting Corp. ("Dahrouge"), 877384 Alberta Ltd. ("877384"), and DG Resource Management Ltd. ("DG Resource"), in which Dahrouge, 877384, and/or DG Resource will stake and hold the ownerships of the properties on behalf of the Company.

Farmed-out Properties

(a) Turquetil Lake Project

On November 23, 2017, the Company and its prospecting partners signed an agreement with John Tugak ("Mr. Tugak") to acquire certain rights to approximately 579 hectares in the Huckleberry 0002 Exploration Area, to be called the Turquetil Lake Project (formerly the Nunavut Property), located in Nunavut, Canada. Subsequently, additional rights were staked by the prospectors bringing the total to 10,227 hectares. The total cost of property is $612,525 in staged payments over 20 years ($60,000 paid).

On June 16, 2020, the Company and its prospecting partners signed an agreement with a private company, incorporated in British Columbia, Canada (the "Assignee"), to assign all its rights and interests in the Property consisting of 10,227 hectares of Inuit owned land, knowns as the Huckleberry 0002 Exploration Area or the Turquetil Lake Project, located in Nunavut, Canada. In consideration, the prospectors will share 5,074,944 shares in the capital of the Assignee, with the Company receiving 1,218,859 of those shares.

During the year ended November 30, 2020, the Company received 1,218,859 shares and recorded the fair value of $55,026 on the transaction date, $nil (2019: $nil) is recognized as revenue from the property sale.

(b) Lac Patu Vandium Project

On August 15, 2018, the Company and one of its prospecting partners signed an agreement with Maxtech Ventures Inc. ("Maxtech") whereby Maxtech can earn a 100% interest in and to the Lac Patu Vandium Project. For its participation in the transaction, the Company will receive $92,500 ($22,500 received) and 1,625,000 common shares of Maxtech over a 2-year period (375,000 received). During the year ended November 30, 2020, Maxtech defaulted on the property and it was returned to the Company.

12. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)

(c) Blue Property

On December 10, 2018, the Company signed an agreement with Core Assets Corp. ("Core") whereby Core can earn a 100% interest in and to the Blue Property, in the British Columbia. For its participation in the transaction, the Company will receive $100,000 in cash ($50,000 received during the year ended November 30, 2019) and 3,000,000 common shares of Core in staged payments (1,000,000 shares received during the year ended November 30, 2019 with a fair value of $50,000). On March 11, 2020, the Company and Core amended the mineral property acquisition agreement for the Blue Property, delaying the first anniversary cash payment. In August 2020, the Company sold 8 newly acquired additional claims in and around the Blue and Silver Lime properties to Core for $23,025, the cost to acquire the claims. The Company will retain a 2% NSR royalty, of which Core shall have the right to buy back 1% within 5 years of the agreement by paying $1,000,000. During the year ended November 30, 2020, $nil (2019: $73,500) is recognized as revenue from the property sale. See also Note 7 and Note 23.

(d) Silver Lime Property

On August 1, 2019, the Company signed an agreement with Core Assets Corp. ("Core") whereby Core can earn a 100% interest in and to the Silver Lime Property, in the British Columbia. For its participation in the transaction, the Company received 1,000,000 common shares of Core (received during the year ended November 30, 2019 with a fair value of $50,000). During the year ended November 30, 2020, $nil (2019: $42,000) is recognized as revenue from the property sale. See also Note 7.

(e) Glenora/Bay Horse Property

On October 29, 2019, the Company and two of its prospecting partners signed an agreement with Belmont Resources Inc. ("Belmont") whereby Belmont can earn a 100% interest in and to the Glenora/Bay Horse Property. For its participation in the transaction, the Company will receive 280,000 common shares (received 140,000 shares and warrants during the year ended November 30, 2019 valued at $5,600 and received 140,000 shares and warrants during the year ended November 30, 2020 valued at $7,700) of Belmont over a one-year period. The vendors will collectively retain a 1.5% Net Smelter Royalty on production, of which 75% can be purchased by Belmont for $500,000, to be split evenly between the partners. During the year ended November 30, 2020, $7,700 (2019: $4,100) is recognized as revenue from the property sale.

(f) Sunny Boy Property

During the year ended November 30, 2020, the Company sold three claims known as the Sunny Boy Property. For its participation in the transaction, the Company received 300,000 common shares of Falcon Gold Corp. with a fair value of $21,000. During the year ended November 30, 2020, $18,500 (2019: $Nil) is recognized as revenue from the property sale.

(g) Munn Lake

During the year ended November 30, 2020, the Company determined that the investment in Munn Lake was impaired.

13. UNEARNED REVENUE

The Company has entered into agreements with multiple companies to provide corporate development and marketing services for a twelve-month period. These services are billed for in advance and recorded as revenue on the first of the month. Amounts received for services provided in the future are included as unearned revenue.

Expressed in Canadian Dollars

14. PROMISSORY NOTES PAYABLE

The Company entered into an agreement to privately acquire shares from an individual. The promissory note has a principal balance totaling $90,100 (2019 - $90,100), is non-interest bearing, and due to be paid by June 21, 2021. During the year ended November 30, 2020, the Company paid $48,000 (2019 - $16,000) towards this promissory note, leaving a balance due of $19,100 (2019 - $67,100).

The Company entered into an agreement to privately acquire 5,500,000 shares in the capital of Zinc8 Energy Solutions Inc. from MGX Minerals Inc., a public company. The promissory note has a principal balance totaling $550,000 (2019 - $nil), is non-interest bearing, and due to be paid by July 21, 2020. During the year ended November 30, 2020, the Company paid the total $550,000 (2019 - $nil) due on the note.

15. SHARE CAPITAL

a) Authorized: Unlimited common shares without par value.

b) Issued:

On March 20, 2019, the Company closed a non-brokered private placement (the "Private Placement") of 712,000 units (the "Units") at a price of $0.25 per Unit, for gross proceeds of $178,000. Each Unit is comprised of one common share and one non-transferable share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share in the capital of the Company for a period of 24 months from the date of closing at an exercise price of $0.30. The fair value of the common share component of the units at the date of issuance was $0.25 being equal to market price therefore the Company allocated the entire proceeds to common share and $Nil to warrants.

c) Share purchase warrants:

A summary of the share purchase warrant transactions is presented below:

	November 30, 2020		**November 30, 2019**	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding and exercisable, beginning of year	712,000	$ 0.30	-	$ -
Issued	-	-	712,000	0.30
Outstanding and exercisable, end of year	712,000	$ 0.30	712,000	$ 0.30

As at November 30, 2020, the Company had the following share purchase warrants outstanding:

Expiry Date	Exercise Price	Number of Warrants
March 21, 2021*	$0.30	712,000

*See Note 23

Expressed in Canadian Dollars

15. SHARE CAPITAL (continued)

d) Stock Option Plan

The Company has a Stock Option Plan (the "Plan") under which it is authorized to grant options to directors, officers, consultants or employees of the Company. At the Company's Annual General Meeting on May 13, 2020, the shareholders approved the "Stock Option Plan" and set the number of options granted under the Plan to be fixed at 20% of the issued and outstanding shares. Options granted under the Plan have a maximum life of five years. Options granted to employees and consultants vest fully on grant. Options issued to investor relations consultants vest in stages over 12 months with one quarter of the options vesting in any three-month period.

A summary of the stock option transactions under the Company's stock option plan is presented below:

	November 30, 2020		November 30, 2019	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding and exercisable, beginning of year	2,760,000	$ 0.30	3,010,000	$ 0.32
Cancelled/Expired	(285,000)	-	(250,000)	0.50
Outstanding and exercisable, end of year	2,475,000	$ 0.30	2,760,000	$ 0.30

As at November 30, 2020, the Company had the following stock options outstanding and exercisable:

Expiry Date	Exercise Price	Number of Options
June 10, 2021	$0.280	1,330,000
March 26, 2023	$0.325	845,000
April 12, 2021	$0.355	300,000
		2,475,000

16. GENERAL AND ADMINISTRATIVE EXPENSES

During years ended November 30, 2020 and 2019, the Company incurred the following general and administrative expenses:

		2020		**2019**
Expenses				
Advertising and promotion	$	**223,860**	$	562,648
ROU asset depreciation (Note 19)		**144,427**		-
Bad debt expenses (Note 8 and 10)		**46,083**		71,756
Filing fees and transfer agent expenses		**18,100**		17,343
Lease interest (Note 19)		**5,299**		-
Office and miscellaneous		**183,046**		298,955
Professional fees		**124,748**		113,479
Wages and benefits (Note 21)		**1,265,068**		1,426,927
		2,010,631		2,491,108

Expressed in Canadian Dollars

17. SEGMENT INFORMATION

All of the Company's business is located in Canada. The Company's segment information is presented by industry according to the nature of their operations and the products and services they provide. Each of the Company's industry segments represents a strategic business unit offering products and services subject to different risks and returns from those of the other industry segments. Summary details of the industry segments are as follows:

For the year ended November 30, 2020

	Investment in mineral properties $	Management services $	Corporate $	Total $
Revenue				
Administrative fees	-	766,255	-	766,255
Corporate development fees	-	594,214	-	594,214
Income from property sale	26,200	-	-	26,200
	26,200	1,360,469	-	1,386,669

	Investment in mineral properties $	Management services $	Corporate $	Total $
Segment assets	16,449	-	10,560,159	10,576,608
Expenditure for segment capital assets	38,033	-	-	38,033

For the year ended November 30, 2019

	Investment in mineral properties $	Management services $	Corporate $	Total $
Revenue				
Administrative fees	-	621,500	-	621,500
Corporate development fees	-	746,167	-	746,167
Income from property sale	119,600	-	-	119,600
	119,600	1,367,667	-	1,487,267
Segment assets	168,911	-	6,161,190	6,329,101
Expenditure for segment capital assets	82,431	-	-	82,431

18. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

		2020		2019
Accounts payable portion of mineral property	$	**-**	$	19,030
Payable (Prepaid) expenses for share subscription	$	**(151,120)**	$	(329,751)
Shares received for property sales	$	**(83,726)**	$	(105,600)
Shares received for other income	$	**-**	$	(20,850)
Shares issued for services	$	**-**	$	9,200
Shares previously sold with promissory notes returned	$	**(335,000)**	$	-

Expressed in Canadian Dollars

19. LEASE

The Company has a lease for the rental of their office space. Upon adoption of IFRS 16, the Company recognized lease liabilities of $252,747 in the statements of financial position. The liabilities were measured at the present value of the remaining lease payments discounted using an incremental borrowing rate of 3% for a 1 year term at the date of initial application, December 1, 2019. Variable lease payments of $8,711 monthly occupancy costs are subject to change in each fiscal year and not included in the lease liability. The Company expensed $29,581 on short-term lease in Office and miscellaneous for the year ended November 30, 2020.

A summary of the lease liabilities is listed below:

Balance, December 1, 2019	252,747
Interest on lease liabilities	5,299
Payments of lease liabilities	(146,484)
Balance, November 30, 2020	$ 111,562

The following table illustrates the right-of-use asset balances during the year:

Cost		
Balance at December 1, 2019		252,747
Addition		-
Balance at November 30, 2020		252,747
Accumulated depreciation		
Balance at December 1, 2019		-
Addition		144,427
Balance at November 30, 2020		144,427
Net book value		
Balance at December 1, 2019	**$**	**252,747**
Balance at November 30, 2020	**$**	**108,320**

For the year ended November 30, 2020, the adoption of IFRS 16 resulted in an increase to amortization expense of $144,427 due to the recognition of ROU assets, an increase to interest expense of $5,299 from the unwinding of the discounted value of the lease liabilities, and a decrease to office and miscellaneous expenses of $146,484.

For the year ended November 30, 2020, due to the change in the presentation of former operating lease expenses, cash flow from operating activities increased by $146,484 due to the decrease in office and miscellaneous expenses partially offset by increased financial costs. Cash flow from financing activities decreased by $146,484 due to the addition of the principal payments for former operating leases. The overall impact to cash flow for the Company was unchanged.

20. LOAN PAYABLE

On April 30, 2020, the Company was approved and received a $40,000 line of credit (“CEBA LOC”) with Bank of Montreal under the Canada Emergency Business Account (“CEBA”) program funded by the Government of Canada. The CEBA LOC is non-interest bearing, can be repaid at any time without penalty.

On January 1, 2021, the outstanding balance of the CEBA LOC will automatically convert to a 2-year interest free term loan ("CEBA Term Loan"). The CEBA Term Loan may be repaid at any time without notice or the payment of any penalty. If 75% of the CEBA Term Loan at the CEBA Term Loan Commencement Date is repaid on or before December 31, 2022, the repayment of the remaining 25% of such CEBA Term Loan shall be forgiven. If on December 31, 2022, the Company exercises the option for a 3-year term extension, 5% interest during the term extension period will apply on any balance remaining.

The Company has recorded the fair value of $19,636 as at April 30, 2020, the initial recognition date of the CEBA LOC using an effective interest rate of 16%. The difference of $18,457 between the fair value and the total amount of CEBA LOC received was recorded as a gain on government grant during the year ended November 30, 2020.

Expressed in Canadian Dollars

21. GOVERNMENT GRANTS

In response to the negative economic impact of COVID-19, the Government of Canada announced the CEWS program in April 2020. CEWS provides a wage subsidy on eligible remuneration, subject to limits per employee, to eligible employers based on certain criteria, including demonstration of revenue declines as a result of COVID-19. The subsidy is retroactive to March 15, 2020. The qualifications and application of the CEWS is being assessed over multiple four-week application period segments.

The Company has determined that it has qualified for the subsidy from the March 15, 2020 effective date through May 9, 2020 and for the period of July 5, 2020 through August 1, 2020 and has, accordingly, applied for the CEWS and received the subsidy. The Company also intends to apply for the CEWS in subsequent application periods, subject to continuing to meet the applicable qualification criteria.

The Company will recognize government grants when there is reasonable assurance that it will comply with the conditions required to qualify for the grant, and that the grant will be received. The Company recognizes government grants as a reduction to the related expense that the grant is intended to offset. The Company has recognized $102,216 of CEWS during the year ended November 30, 2020, and has recorded it as a reduction to the wages and benefits incurred by the company during the year (Note 16).

22. INCOME TAXES

The following table reconciles the expected income tax expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statement of operations and comprehensive income (loss) for the years ended November 30, 2020 and 2019.

	2020	**2019**
	$	**$**
Net income (loss) before tax	3,700,427	(2,742,553)
Statutory tax rate	27.00%	27%
Expected income tax expense (recovery)	999,115	(740,489)
Non-deductible (taxable) items	(588,382)	231,633
Change in deferred tax asset not recognized	(410,733)	508,856
Income tax expense (recovery)	-	-

	2020	**2019**
	$	**$**
Current tax expense (recovery)	-	-
Deferred tax expense (recovery)	-	-
Total tax expense (recovery)	-	-

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values. Deferred tax assets (liabilities) at November 30, 2020 and 2019 are comprised of the following:

	2020	**2019**
	$	**$**
Non-capital losses carry forwards	359,737	32,530
Investments	(332,472)	-
Equipment	(22,463)	-
CEBA loan	(2,283)	-
Mineral property interests	(2,519)	(32,530)
	-	-

Expressed in Canadian Dollars

22. INCOME TAXES (continued)

The unrecognized deductible temporary differences are as follows:

	2020	2019
	$	$
Non-capital losses carry forwards	1,342,640	2,036,721
Investments in associates	283,364	182,590
Investments	-	997,766
Net capital loss carry forwards	3,400,154	3,909,723
Advances and amounts receivable	145,500	148,125
Equipment	-	31,459
Lease Liabilities	111,562	-
Financing costs	1,704	2,272
Unrecognized deductible temporary differences	5,284,924	7,308,655

The Company has non capital loss carry-forwards of approximately $1,342,640 (2019: $2,036,721), which may be carried forward to apply against future years' net income for Canadian income tax purposes, subject to the final determination by taxation authorities, beginning to expiring from 2039 to 2040.

23. SUBSEQUENT EVENTS

i. On December 10, 2020, the Company received 1,000,000 shares of Core Assets Corp. in connection with the property payment for the Blue Property.
ii. The Company has applied to the TSX Venture Exchange to extend the warrants expiring on March 20, 2021 to March 20, 2024. In addition, the price of the warrants will be reduced to $0.20 for the extended period.
iii. See Note 10(a).
iv. On January 22, 2021, the Company sold 4.7 million shares of Dimension Five Technologies and as such, the Dimension Five is no longer considered an equity investee.
v. On March 17, 2021, the Company and its prospecting partner sold the Snip Property for $22,000, of which 50% will be received by the Company ($7,500 received to date).