Wildsky Resources

CONSOLIDATED FINANCIAL STATEMENTS

For the Years ended

November 30, 2022 and 2021

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Wildsky Resources Inc.

Opinion

We have audited the accompanying consolidated financial statements of Wildsky Resources Inc. (the "Company"), which comprise the consolidated statements of financial position as at November 30, 2022 and 2021, and the consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Glenn Parchomchuk.

Davidson & Company LLP

Vancouver, Canada | Chartered Professional Accountants

February 27, 2023

WILDSKY RESOURCES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)
AS AT November 30,

	Notes	2022	2021
ASSETS			
Current			
Cash		$ 3,665,207	$ 1,367,438
Receivables		7,144	3,784
Investments	5	4,485,180	8,331,200
Prepaid expenses		23,342	4,375
Total current assets		8,180,873	9,706,797
Property, plant and equipment	3	16,571	38,355
Exploration advance	4	20,509	-
Exploration and evaluation assets	4	373,926	161,141
Total assets		$ 8,591,879	$ 9,906,293
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities		$ 61,339	$ 118,662
Due to related parties	9	52,057	163,185
Convertible debentures	7	-	201,208
Total current liabilities		113,396	483,055
Shareholders' equity			
Share capital	8	56,309,562	54,104,351
Share-based payments reserve		10,324,173	10,163,462
Equity components of convertible debentures	8	-	24,000
Deficit		(58,155,252)	(54,868,575)
Total shareholders’ equity		8,478,483	9,423,238
Total liabilities and shareholders’ equity		$ 8,591,879	$ 9,906,293

Nature of operations and going concern (Note 1)

On behalf of the Board:

“Wilson Jin” Director *“John Anderson”* Director

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

WILDSKY RESOURCES INC.
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Expressed in Canadian dollars)
FOR THE YEARS ENDED November 30,

		2022		2021
EXPENSES				
Accretion of interest (Note 7)	$	18,792	$	68,296
Amortization (Note 3)		21,784		17,105
Director fees (Note 9)		12,000		15,000
Filing and transfer agent		17,622		21,468
Management fees (Note 9)		256,000		196,000
Professional fees		61,992		59,858
Project investigation		298,402		21,868
Office and rent expenses		42,007		18,327
Salary and benefit		5,301		59,214
Share based compensation (Notes 8 and 9)		160,711		91,071
Shareholder relations		3,857		9,078
Travel		7,718		2,412
Total expenses		(906,186)		(579,697)
Interest income		26,182		-
Fair value adjustment on investments (Note 5)		(2,573,415)		744,320
Gain on disposal of investment (Note 5)		166,741		443,591
Gain on dilution of investment in equity investment (Note 6)		-		565,662
Share of loss on equity investment (Note 6)		-		(326,008)
Write-off of exploration and evaluation assets (Note 4)		-		(51,354)
		(2,380,492)		1,376,211
Income and comprehensive income (loss) for the year		(3,286,678)		796,514
Basic income (loss) per common share	$	(0.11)	$	0.03
Weighted average number of common shares outstanding - Basic		29,314,150		24,076,964
Diluted income (loss) per common share	$	(0.11)	$	0.03
Weighted average number of common shares outstanding - Diluted		29,314,150		28,926,964

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

WILDSKY RESOURCES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
FOR THE YEARS ENDED November 30,

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss) for the year	$ (3,286,678)	$ 796,514
Items not affecting cash:		
Accretion of interest	18,792	68,296
Amortization	21,784	17,105
Share based compensation	160,711	91,071
Fair value adjustment on investments	2,573,415	(744,320)
Gain from disposal of investment	(166,741)	(443,591)
Gain on dilution of investment in equity investee	-	(565,662)
Share of loss on equity investment	-	326,008
Write-off of exploration and evaluation assets	-	51,354
Changes in non-cash working capital items:		
Other receivables and prepaids	(22,327)	4,144
Accounts payable and accrued liabilities	(57,323)	37,195
Due to related parties	(111,128)	27,649
Net cash used in operating activities	(869,495)	(334,238)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issuance	2,000,000	-
Share issuance costs	(18,788)	(6,450)
Repayment of interest	(20,000)	(60,200)
Net cash provided by (used in) financing activities	1,961,212	(66,650)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	-	(34,393)
Proceeds from disposal of investment	1,493,346	1,179,891
Restricted cash	-	800,000
Exploration advance	(20,509)	-
Exploration and evaluation expenditures	(212,785)	(212,495)
Net cash provided by investing activities	1,206,052	1,733,003
Change in cash during the year	2,297,769	1,332,115
Cash, beginning of year	1,367,438	35,323
Cash, end of year	$ 3,665,207	$ 1,367,438

Supplemental disclosures with respect to cash flows (Note 13)

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

WILDSKY RESOURCES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Share Capital						
	Number	Amount	Share subscription received in advance	Share-based payments reserve	Equity component of convertible debentures	Deficit	Total
Balance, November 30, 2020	14,839,813	$ 52,983,761	$ 800,000	$ 10,072,391	$ 94,727	$ (55,724,776)	$ 8,226,103
Shares issued for cash	8,000,000	800,000	(800,000)	-	-	-	-
Share issuance costs	-	(6,450)	-	-	-	-	(6,450)
Equity component of convertible debentures	-	-	-	-	(35,687)	59,687	24,000
Conversion of convertible debenture	2,920,000	327,040	-	-	(35,040)	-	292,000
Share-based compensation	-	-	-	91,071	-	-	91,071
Net income for the year	-	-	-	-	-	796,514	796,514
Balance, November 30, 2021	25,759,813	54,104,351	-	10,163,462	24,000	(54,868,575)	9,423,238
Shares issued for cash	13,333,332	2,000,000	-	-	-	-	2,000,000
Share issuance costs	-	(18,788)	-	-	-	-	(18,788)
Share cancellation	(4)	(1)	-	-	-	1	-
Conversion of convertible debenture	2,000,000	224,000	-	-	(24,000)	-	200,000
Share-based compensation	-	-	-	160,711	-	-	160,711
Net loss for the year	-	-	-	-	-	(3,286,678)	(3,286,678)
Balance, November 30, 2022	41,093,141	$ 56,309,562	$ -	$ 10,324,173	$ -	$ (58,155,252)	$ 8,478,483

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

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Wildsky Resources Inc. ("Wildsky" or the "Company") was incorporated in January 2006 under the laws of British Columbia, Canada. The Company's registered office is Suite 410 – 938 Howe Street, Vancouver, British Columbia, Canada. Wildsky is listed on the TSX Venture Exchange under the trading symbol "WSK". The Company and its subsidiary are in the business of acquisition, exploration and development of mineral properties.

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operations for the foreseeable future and meet its obligations and commitments in the normal course of business. As the Company is in the exploration stage, no revenue has been generated to date. At November 30, 2022, the Company had cash of $3,665,207 (2021 - $1,367,438), a working capital of $8,067,477 (2021 - $9,223,742) and a deficit of $58,155,252 (2021 – $54,868,575). Management has assessed that this working capital is sufficient for the Company to continue as a going concern beyond one year. If the going concern assumption were not appropriate for these financial statements, it could be necessary to restate the Company's assets and liabilities on a liquidation basis.

These consolidated financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and International Financing Reporting Interpretations Committee ("IFRIC").

These financial statements were approved and authorized for issue by the Board of Directors on February 27, 2023.

Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of consolidation

These consolidated financial statements include the balances and results of the Company and those entities over which the Company exercises control:

			Direct or Indirect Ownership	
Subsidiary	**Jurisdiction**	**Nature of business**	**November 30, 2022**	**November 30, 2021**
1248120 BC Ltd.	BC, Canada	Inactive	100%	100%
1187935 BC Ltd.	BC, Canada	Holding Company	100%	100%
Zijin Midas (Nigeria) Limited	The Federal Republic of Nigeria	Holding Company	100%	100%

2. SIGNIFICANT ACCOUNTING POLICIES *(cont'd…)*

Basis of consolidation *(cont'd…)*

The Company consolidates these subsidiaries on the basis that it controls these subsidiaries. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. All intercompany transactions and balances have been eliminated on consolidation.

Functional and presentation currency

The Company's presentation currency is the Canadian dollar ("$"). The functional currency of the parent company and its subsidiary is also the Canadian dollar.

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 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 statement of income (loss) and comprehensive income (loss).

Cash

Cash includes cash held at major financial institutions and highly liquid guaranteed investment certificates that are readily available to the Company on demand or with maturity dates of three months or less.

Interest in equity-accounted investees

Equity accounted investees are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies. The Company's investment in the equity-accounted investees is recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, these consolidated financial statements include the Company's share of the profit or loss and other comprehensive income of the equity-accounted investee, until the date on which significant influence or joint control ceases. If the Company's share of losses equals or exceeds its interest in the equity-accounted investees, including unsecured advances, the Company would not recognize further losses. Dividends received from the equity-accounted investees reduce the carrying amount of the investment. Additional advances to the equity-accounted investees increase the carrying amount of the investment.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated amortization and any impairment charges. The cost of an item of property, plant and equipment includes the purchase price and related costs in bringing the item to the location and preparing the condition necessary for its intended use, as well as the estimated costs of dismantling, removing the item and restoring the site on which the item is installed.

Amortization expense of assets used in exploration are capitalized to exploration and evaluation assets. Amortization is recorded on a straight-line basis over the expected useful lives of the assets as follows:

Geological equipment	36 months
Computer equipment	36 months

2. SIGNIFICANT ACCOUNTING POLICIES (*cont'd…*)

Exploration and evaluation assets ("E&E" assets)

The Company capitalizes costs related to the acquisition and exploration of E&E assets. These costs include purchase costs, mineral lease, staking costs, filing fees, drilling, assaying, geological, geophysical, technical studies and any other exploratory activities. E&E assets for which commercially viable reserves have been identified are reclassified to development assets. They are tested for impairment immediately prior to reclassification out of E&E assets. When an unproven mineral interest is abandoned, all related expenditures are written off to operations for the period.

Impairment of non-current assets

Property, plant and equipment and exploration and evaluation assets are assessed for impairment when events or circumstances indicate that the carrying amounts of the assets may not be recoverable. An impairment loss is recognized for any amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use.

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Value in use is determined as the present value of the estimated future pre-tax cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal. The Company reviews impairment on non-financial assets for possible reversal when events or circumstances warrant such consideration.

Asset retirement obligation ("ARO")

Restoration provision is made for future obligations to retire long-lived assets which include dismantling, removing facilities and restoring the affected areas to normal operations. The provision for future restoration costs is the best estimate of the present value of the cash flows required to settle the restoration obligation at the reporting date.

Upon initial recognition of the ARO liability, the amount is capitalized to the carrying value of the related asset and amortized as an expense over the economic life of the asset. The ARO liability increases in following periods as the accretion expenses are accounted for. The ARO is adjusted annually for changes to factors such as the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the discount rate.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

2. SIGNIFICANT ACCOUNTING POLICIES (*cont'd…*)

Share-based payments

The Company uses the fair value method of accounting for share-based payments on stock option grants. Under this method, the cost of stock options is recorded based on the estimated fair value at the grant date, including an estimate of the forfeiture rate, and charged either to operations or capitalized to exploration and evaluation asset costs over the vesting period. The fair value is calculated using the Black-Scholes option pricing model.

Share-based payment transactions for employees and others providing similar services is determined based on the grant date fair value. Share-based payment for non-employees is determined based on the fair value of the goods or services received or option granted measured at the date on which the Company obtains such goods or services.

Each tranche in an option award is considered a separate award with its own vesting period. Share-based payment expense is recognized over each tranche's vesting period, in earnings or capitalized as appropriate, based on the number of awards expected to vest. Where awards are forfeited, the expense previously recognized is proportionately reversed in the period the forfeiture occurs. If stock options are ultimately exercised, the applicable amounts of reserves are transferred to share capital.

Loss per share

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

As at November 30, 2022 and 2021, the diluted weighted average number of common shares outstanding is adjusted on the basis of the basic weighted average number of shares, by adding Nil (2021 - 850,000) stock options exercisable at $0.10 per common share and Nil (2021 – 4,000,000) warrants exercisable at $0.15 per common share that was in the money as these would have a dilutive effect on the EPS upon exercise.

Convertible debentures

Convertible debentures are separated into their liability and equity components on the statements of financial position. The liability component is initially recognized at fair value, determined as the net present value of future payments of interest and principal, discounted at the market rate for similar non-convertible liabilities at the time of issue. The liability component is recognized at amortized cost, using the effective interest method, until extinguished upon conversion, maturity or a normal course issuer bid. The fair value of the equity component of the convertible debentures is estimated using the residual method in which the difference between the face value of the instrument and the fair value of the debt component is allocated as the fair value of the equity component.

2. SIGNIFICANT ACCOUNTING POLICIES (*cont'd…*)

Income taxes

Income taxes comprise current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year using enacted tax rates at the reporting date. Deferred tax is calculated using the liability method on temporary differences between the carrying values of assets and liabilities and their respective income tax bases, except for temporary differences in assets and liabilities arising in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, transactions relating to investments in jointly controlled entities to the extent that they will not reverse in the foreseeable future, and transactions arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the enacted tax rates that are expected to apply when the assets are recovered and the liabilities settled. Deferred tax assets are recognized for unused tax losses, tax credits and deductible temporary differences to the extent that future taxable income will be available against which they can be used.

Financial instruments

The Company recognizes a financial asset or a financial liability in its statement of financial position when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset or a financial liability at its fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or the financial liability.

Financial assets
The Company will classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss, based on its business model for managing the financial asset and the financial asset's contractual cash flow characteristics. The three categories are defined as follows:

a) Amortized cost - a financial asset is measured at amortized cost if both of the following conditions are met:
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Fair value through other comprehensive income - financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

c) Fair value through profit or loss - any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

When, and only when, the Company changes its business model for managing financial assets it must reclassify all affected financial assets.

The Company's financial assets are comprised of cash which is measured at fair value, and receivables which are measured at amortized cost. The investments in public company shares are measured at fair value through profit or loss, and previously using the equity method after the Company's shareholding in the investee reached in excess of 20%.

Financial liabilities
The Company's liabilities include accounts payable and accrued liabilities, due to related parties and convertible debentures which are all measured at amortized cost. After initial recognition, an entity cannot reclassify any financial liability.

2. SIGNIFICANT ACCOUNTING POLICIES (*cont'd…*)

Financial instruments (*cont'd…*)

Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Management judgments and estimates

The preparation of these consolidated financial statements in accordance with IFRS requires management use of estimates, assumptions and judgment that impact the Company's reported financial results. These estimates are based on past experiences and expectations of future events. Uncertainty on these judgments could result in material differences of the carrying amounts in the Company's financial position.

The key judgments and estimates that affect the consolidated financial statements are:

Impairment of exploration and evaluation assets (E&E assets)

The Company carries out an impairment assessment on its E&E assets when circumstances indicate their carrying values may exceed their recoverable amounts. The process of determining the impairment involves significant judgment and estimation on the recoverability of the E&E assets as it relies on both an interpretation of geological and technical data as well as market conditions including commodity prices, investor sentiment and global financing. As new information comes up, the recoverable amounts of the assets and the impairment loss may differ from these judgments and estimates.

Impairment of property, plant and equipment

The Company carries out an impairment assessment on its property, plant and equipment when circumstances indicate their carrying values may exceed their recoverable amounts. The process of determining the impairment involves significant judgment and estimation on the recoverability of the carrying value of the property, plant and equipment, which is impacted by factors such as the condition of and demand for such assets. Therefore, actual recoverable amounts of the assets and the impairment loss may differ from these judgments and estimates.

New, amended and future accounting pronouncements

Accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

(Expressed in Canadian dollars)

3. PROPERTY, PLANT AND EQUIPMENT

	Computers	Geological equipment	Total
Cost			
Balance, November 30, 2020	$ 3,072	$ 30,961	$ 34,033
Additions	3,393	31,000	34,393
Balance, November 30, 2021	6,465	61,961	68,426
Additions	-	-	-
Balance, November 30, 2022	$ 6,465	$ 61,961	$ 68,426
Accumulated amortization			
Balance, November 30, 2020	$ 2,645	$ 10,321	$ 12,966
Additions	757	16,348	17,105
Balance, November 30, 2021	3,402	26,669	30,071
Additions	1,131	20,653	21,784
Balance, November 30, 2022	$ 4,533	$ 47,322	$ 51,855
At November 30, 2021	$ 3,063	$ 35,292	$ 38,355
At November 30, 2022	$ 1,932	$ 14,639	$ 16,571

4. EXPLORATION AND EVALUATION ASSETS

	Nasarawa Property (Nigeria)	***Tsorena Property (Ethiopia)***	***Total***
Balance, November 30, 2020	$ -	$ -	$ -
Acquisition costs	122,496	66,475	188,971
License maintenance	23,824	-	23,824
Write-off of exploration and evaluation assets	(51,354)	-	(51,354)
Balance, November 30, 2021	94,666	66,475	161,141
Data	17,137	-	17,137
Drilling	18,847	-	18,847
Field	77,024	-	77,024
Permit application	27,866	-	27,866
Project manager	67,200	-	67,200
Travel	4,711	-	4,711
Balance, November 30, 2022	$ 307,451	$ 66,475	$ 373,926

4. EXPLORATION AND EVALUATION ASSETS (*cont'd…*)

Nasarawa Property (the Federal Republic of Nigeria)

In December 2020, the Company received approval from the TSX-V for its acquisition of 1187935 BC Limited ("1187935 BC"). 1187935 BC legally and beneficially owns 9,900,000 ordinary shares (out of 10,000,000 ordinary shares issued and outstanding, the "Shares") of Zijin Midas Nigeria Limited ("ZMNL"), a private company incorporated in the Federal Republic of Nigeria. The remaining 100,000 shares of ZMNL are held by an individual in trust for the Company.

Pursuant to a Share Purchase Agreement (the Agreement) with 1187395 BC dated December 5, 2019, the Company paid cash consideration of US$96,000 ($122,496). On December 15, 2020, the Company obtained a 100% interest in 1187935 BC.

The purchase of 1187395 BC and its subsidiary, ZMNL, are considered an acquisition of exploration and evaluation assets as 1187935 BC and ZMNL had no other assets other than the ten Exploration Licenses (the "EL's") in Nigeria held by ZMNL, three of the EL's pertain to niobium-tantalum ("Nb-Ta") exploration (each being a "Nb-Ta EL"), and the remaining seven EL's are for gold and lead-zinc exploration (each being a "Au-Pb EL"). As a result, the total consideration paid (US$96,000 ($122,496)) was allocated to the Nasarawa Property acquisition costs.

During the year ended November 30, 2021, the Company decided not to renew the seven Au-Pb ELs when it came due in October 2021. As a result, the Company wrote off $51,354 of acquisition costs and license maintenance fees related to the seven Au-Pb Els as of November 30, 2021.

As of November 30, 2022, the Company has a balance of $20,509 (2021 - $Nil) advanced exploration fund with its Nigeria project manager.

Tsorena Property (the Federal Democratic Republic of Ethiopia)

On July 8, 2021, the Company was issued Exploration License #00570, which convers an area about 395.64 km², located in Tigray National Regional State, Central Zone, Enticho Woreda, Ethiopia. The Tsorena Property focuses on gold and base metal exploration.

The Company paid $66,475 (US$52,905) for license application, data and document purchase.

(Expressed in Canadian dollars)

5. INVESTMENTS ACCOUNTED UNDER FVTPL

During fiscal years 2019 and 2020, the Company received a total of 11,640,000 common shares (valued at $5,790,900) in the capital of Cassiar Gold Corp (“GLDC”).

In November 2021, the Company sold 1,480,000 of its GLDC shares for gross proceeds of $1,179,891 (with cost of $736,300); as a result, the Company’s shareholding in GLDC reduced from 25.98% to 16.88% as of November 30, 2021. The disposal of GLDC shares caused the loss of significant influence and therefore the discontinuation of the equity method for the investment. As at November 30, 2021, the Company transferred $7,586,880 of book value from equity investment to financial assets at fair value through profit or loss.

During the year ended November 30, 2022, the Company sold 2,558,000 of its GLDC shares for gross proceeds of $1,439,346 (with a cost of $1,272,605).

As at November 30, 2022, the Company held 7,602,000 (2021 - 10,160,000) of GLDC shares with a fair value of $4,485,180 ($0.59 per share) (2021 - $8,331,200 ($0.82 per share)).

	Amount
Balance, as at November 30, 2020	$ -
Carrying value of equity investment transferred to investments under FVTPL	7,586,880
Fair value adjustment	744,320
Balance, as at November 30, 2021	8,331,200
Cost of investment sold	(1,272,605)
Fair value adjustment	(2,573,415)
Balance, as at November 30, 2022	$ 4,485,180

6. INVESTMENTS ACCOUNTED UNDER EQUITY METHOD

	Amount
Balance, as at November 30, 2020	$ 8,083,526
Gain on dilution of investment in equity investment	565,662
Cost of shares disposed	(736,300)
Share of loss on equity investment	(326,008)
Carrying amount of balance transferred to investments accounted under FVTPL	(7,586,880)
Balance, as at November 30, 2021 and 2022	$ -

(Expressed in Canadian dollars)

6. INVESTMENTS ACCOUNTED UNDER EQUITY METHOD (cont'd…)

On October 2, 2020, upon receiving the last tranche of GLDC shares, the Company held 11,640,000 common shares of GLDC, representing 25.98% of the total issued and outstanding shares of GLDC. As a result, starting October 2, 2020, the investment in GLDC was accounted for using the equity method. The fair value of the 11,640,000 GLDC shares, $8,148,000, was transferred from financial assets at fair value through profit or loss to equity investment.

In November 2021, the Company disposed 1,480,000 of GLDC shares and its shareholding in GLDC further decreased to 16.88%. The disposal of GLDC shares caused the loss of significant influence and therefore the discontinuation of the equity method for the investment as of November 30, 2021. As at November 30, 2021, the Company transferred $7,586,880 of book value from equity investment to financial assets at fair value through profit or loss.

During the year ended November 30, 2021, the Company recognized $326,008 of its portion of GLDC's loss and $565,622 of loss on dilution.

7. CONVERTIBLE DEBENTURES

		Year ended November 30, 2022		Year ended November 30, 2021
Convertible debenture – beginning balance	$	201,208	$	509,112
Convertible debentures at renewal		-		(200,000)
Convertible debentures revalued at renewal		-		176,000
Conversion of convertible debentures		(200,000)		(292,000)
Repayment of principal		-		(10,000)
Interest accretion		18,792		68,296
Interest payment		(20,000)		(50,200)
Convertible debenture – ending balance	$	-	$	201,208

7. CONVERTIBLE DEBENTURES (cont'd…)

Convertible Debenture May 2019

In May 2019, the Company closed a non-brokered, private placement of debentures (the "Debentures") of the Company at a price of $1,000 per Debenture for gross proceeds of $302,000. Each Debenture bears an annual simple interest rate of 10% over its term of up to twelve months (the "Term"). The Debenture holder may, at any time and from time to time up to maturity, elect to convert the outstanding Debentures into common shares in the capital of the Company at a price of $0.10 per share.

On May 20, 2020, the Debentures were renewed for a year at the same terms. The Company repaid interest of $30,200 at the renewal date.

On May 20, 2021, the principal of $292,000 was converted into 2,929,000 common shares of the Company at a conversion price of $0.10. The Company repaid the remaining principal of $10,000 and interest of $30,200. At the date of conversion, the carrying amount of liabilities $292,000 and equity components of the debts $35,040, totalling $327,040, was transferred to share capital. The Company transferred the remaining $37,440 in equity components of debts to deficit. There is no gain or loss recorded at conversion.

During the year ended November 30, 2022, the Company recorded $Nil (2021 - $29,280) of accretion and interest on this debt.

Convertible Debenture April 2020

In April 2020, the Company closed a non-brokered, private placement of debentures (the "Debentures") of the Company at a price of $1,000 per Debenture for gross proceeds of $200,000. Each Debenture bears an annual simple interest rate of 10% over its term of up to twelve months (the "Term"). The Debenture holder may, at any time and from time to time up to maturity, elect to convert the outstanding Debentures into common shares in the capital of the Company at a price of $0.10 per share.

On April 25, 2021, the Debentures were renewed for a year at the same terms. The Company repaid interest of $20,000 at the renewal date.

For accounting purposes, the renewed Debentures are separated into their liability ($176,000) and equity components ($24,000) by first valuing the liability component. The fair value of the liability component at the time of issue was calculated as the discounted cash flows of the Debentures assuming an 25% discount rate, which was the estimated rate for a similar debenture without a conversion feature. The fair value of the equity component (conversion feature) was determined at the time of issue as the difference between the face value of the Debentures and the fair value of the liability component. There was no gain or loss recognized at the renewal date.

On April 22, 2022, the principal of $200,000 was converted into 2,000,000 common shares of the Company at a conversion price of $0.10. The Company repaid the interest of $20,000. At the date of conversion, the carrying amount of liabilities $200,000 and equity components of the debts $24,000, totalling $224,000, was transferred to share capital. There is no gain or loss recorded at conversion.

During the year ended November 30, 2022, the Company recorded $18,792 (2021 - $39,016) of accretion and interest on this debt.

(Expressed in Canadian dollars)

8. SHARE CAPITAL

Authorized - unlimited number of common shares without par value

Share issuance and cancellation

During the year ended November 30, 2022:

1) On April 22, 2022, the Company issued 2,000,000 shares pursuant to the convertible debts issued in April 2020 (Note 7) with a value of $224,000.

2) On September 27, 2022, the Company closed a non-brokered private placement by issuing 13,333,332 shares at $0.15 per share for gross proceeds of $2,000,000. The Company paid $18,788 of filing and legal fees in relation to the private placement.

3) On October 25, 2022, four shares, valued at $1, were returned to treasury and cancelled afterwards.

During the year ended November 30, 2021:

1) On December 15, 2020, the Company closed a non-brokered private placement by issuing 8,000,000 units at a price of $0.10 per unit for gross proceeds of $800,000 (received in May 2020). Each unit is comprised of one common share and ½ of one share purchase warrant (each whole warrant being a "Warrant"). Each Warrant is exercisable into a common share at a price of $0.15 per Warrant Share until December 15, 2023. The Company paid filing fees of $4,750 and legal fees of $1,700

2) The Company issued 2,920,000 shares pursuant to the convertible debts issued in May 2019 (Note 7) with a value of $327,040.

Stock options

The Company has a stock option plan whereby the Board of Directors may, from time to time, grant options to directors, officers, employees and consultants. The term of the option grants is up to ten years and vests immediately except for stock options granted to investor relations consultants whereby these options vest over 12 months. The maximum number of common shares reserved for issue shall not exceed 10% of the total number of common shares issued and outstanding as at the grant date.

On February 24, 2022, the Company granted to directors, officers and consultants 1,000,000 stock options, exercisable at $0.20 per share for a term of 5 years. These options vested on the date of grant. The fair value of the stock options granted was $160,711 ($0.16 per option).

On July 27, 2021, the Company granted to a director 500,000 stock options, exercisable at $0.20 per share for a term of 3 years. These options vested on the date of grant. The fair value of the stock options granted was $91,071 ($0.18 per option).

The fair value of the stock options granted was determined using the Black-Scholes option price modelling with the following assumptions:

Weighted average assumptions	Year ended November 30, 2022	Year ended November 30, 2021
Risk free interest rate	1.74%	0.56%
Volatility	200.95%	212.55%
Expected life of options	5 years	3 years
Dividend rate	0%	0%

(Expressed in Canadian dollars)

8. SHARE CAPITAL (*cont'd…*)

Stock options *(cont'd…)*

Expected stock price volatility was derived from the historical closing price of the Company's stock for a length of time equal to the expected life of the options. Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of 0.00% in determining the expense recorded in the accompanying consolidated statements of income (loss) and comprehensive income (loss).

Stock option transactions are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, November 30, 2020	1,400,000	$	0.10
Granted	500,000		0.20
Expired/cancelled	(550,000)		0.10
Balance, November 30, 2021	1,350,000	$	0.14
Granted	1,000,000		0.20
Balance, November 30, 2022	2,350,000	$	0.16
Exercisable, at November 30, 2022	2,350,000	$	0.16

As at November 30, 2022, the following incentive stock options are outstanding:

Number of Options	Exercise Price	Expiry Date
850,000	$ 0.10	August 7, 2024
500,000	$ 0.20	July 26, 2024
1,000,000	$ 0.20	February 24, 2027

Warrants

On December 15, 2020, the Company closed a non-brokered private placement by issuing 8,000,000 units at a price of $0.10 per unit for gross proceeds of $800,000. Each unit is comprised of one common share and ½ of one share purchase warrant (each whole warrant being a "Warrant"). Each Warrant is exercisable into a common share at a price of $0.15 per Warrant Share till December 15, 2023.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (*cont'd…*)

Warrants *(cont'd…)*

The continuity of the Company's warrants as of November 30, 2022 is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2020	-	$ -
Issued	4,000,000	0.15
Balance, November 30, 2021 and 2022	4,000,000	$ 0.15

As at November 30, 2022, the following warrants are outstanding:

Number of Warrants	Exercise Price	Expiry Date
4,000,000	$ 0.15	December 14, 2023

9. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the year ended November 30, 2022:

a) the Company paid or accrued management fee of $184,000 (2021 - $124,000) to a company controlled by the CEO and President. As of November 30, 2022, $16,800 (November 30, 2021 - $96,198) of services fees payable to the company controlled by the CEO and President, and $1,957 (November 30, 2021 - $Nil) of expense reimbursement owing to the CEO were included in due to related parties.

b) the Company paid or accrued management fees of $72,000 (2021 -$72,000) to a company controlled by the CFO. As of November 30, 2022, $6,300 (November 30, 2021 - $51,987) payable to the company controlled by the CFO was included in due to related parties.

c) the Company accrued directors' fees of $12,000 (2021 -$15,000) to two directors and one ex-director. As of November 30, 2022, $27,000 (November 30, 2021 - $15,000) payable to the three directors was included in due to related parties.

d) the Company granted 800,000 (2021 – 500,000) stock options to a director, valued at $128,568 (2021 - $91,071) (Note 8).

Accounts payable to related parties do not bear interest, are unsecured and repayable on demand.

(Expressed in Canadian dollars)

10. SEGMENTED INFORMATION

The Company primarily operates in one reportable operating segment, being the acquisition and exploration of exploration and evaluation assets located in Africa.

11. FAIR VALUE MEASUREMENT AND RISK MANAGEMENT

IFRS 13, Fair Value Measurement, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The Company's accounts payable and accrued liabilities, due to related parties, and convertible debentures are measured at amortized cost. Its financial assets, cash, is measured at fair value and GST receivable, is measured at amortized cost. The Company's carrying values of these items approximate their fair value due to the relatively short periods to maturity of the instruments.

The Company's financial instruments as at November 30, 2022 are as follows:

	Level 1	Level 2	Level 3
Financial assets at FVTPL			
Cash	$ 3,665,207	$ -	$ -
Investments	$ 4,485,180	$ -	$ -

Liquidity risk

Liquidity risk is the risk that the Company might not be able to meet its obligations and commitments as they come due. As at November 30, 2022, the Company had cash of $3,665,207 (November 30, 2021 - $1,367,438) and a working capital of $8,067,477 (November 30, 2021 –$9,223,742).

Credit risk

Credit risk arises from cash held with financial institutions as well as credit exposure on outstanding receivables.

The Company's cash is held at high-credit rating financial institutions. The Company's maximum exposure to credit risk is the carrying amounts of cash and receivables on its consolidated statement of financial position.

11. FAIR VALUE MEASUREMENT AND RISK MANAGEMENT (cont'd…)

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 commodity and equity prices.

i. Interest rate risk
Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company's convertible debentures bear interest at 10% per annum. The Company's exposure to interest rate risk is insignificant.

ii. Foreign currency risk
Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has no significant assets or liabilities and has no revenue or expenses denominated in a foreign currency, so it is not exposed to foreign currency risk.

iii. Equity price risk

Equity price risk arises from market fluctuations in equity prices that could adversely affect the Company's operations. The Company's current exposure to equity price risk is limited to declines in the values and volumes including those of its own shares, which could impede its ability to raise additional funds when required.

12. CAPITAL MANAGEMENT

The Company's capital management objective is to ensure its ability to continue as a going concern to meet its operational obligations and to maintain capital access to fund its mineral exploration activities in the Federal Republic of Nigeria.

The capital that the Company manages is the total of liabilities and equity on the consolidated statements of financial position. The Company may modify the capital structure to meet its funding needs by issuing new equity shares and/or debt instruments, disposing assets or bringing in joint venture partners. To facilitate the management of its capital, the Company prepares annual budgets approved by the Board of Directors. The budget is reviewed and updated periodically to account for changes in the expenditures and economic conditions. The Company is not subject to any externally imposed capital requirements.

13. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

During the year ended November 30, 2022, the Company converted $200,000 of convertible loan into 2,000,000 shares (Note 7).

During the year ended November 30, 2021, the Company converted $292,000 of convertible debentures into 2,920,000 common shares (Note 7).

(Expressed in Canadian dollars)

14. INCOME TAXES

A reconciliation of income taxes at statutory rates (2022– 27%; 2021 – 27%) with the reported taxes is as follows:

	Year ended November 30, 2022	Year ended November 30, 2021
Net income (loss) before taxes for the year	$ (3,286,678)	$ 796,514
Expected income tax (recovery)	$ (887,000)	$ 215,000
Non-deductible expenditures (non-taxable income)	364,000	(165,000)
Change in unrecognized deductible temporary differences	523,000	(50,000)
Total income tax expenses (recovery)	**$ -**	**$ -**

Details of deferred tax assets are as follows:

	November 30, 2022	November 30, 2021
Equipment	$ 94,000	$ 89,000
Resource deductions	2,261,000	2,554,000
Allowable capital losses	1,722,000	1,397,000
Share issue costs	6,000	3,000
Non-capital losses available for future periods	6,608,000	6,125,000
	10,691,000	10,168,000
Unrecognized tax benefits	(10,691,000)	(10,168,000)
Net deferred tax assets	**$ -**	**$ -**

As of November 30, 2022, the Company has non-capital losses for Canadian Income tax purposes of approximately $24,472,000 (2021 - $22,684,000) which can be carried forward to reduce taxable income in future years. These tax losses expire at various times between years 2026 and 2042. In addition, the Company has resource deductions of $8,369,000 (2021 - $9,454,000) and allowable capital losses of $6,377,000 (2021 - $5,175,000) available to reduce taxable income of future years. The Company did not recognize deferred income tax assets because the Company has a history of losses as evidenced by its accumulated deficit.