

## FORM 5

### **QUARTERLY LISTING STATEMENT**

Name of Listed Issuer: Bam Bam Resources Corp. the “Issuer”).

Trading Symbol: BBR

This Quarterly Listing Statement must be posted on or before the day on which the Issuer’s unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer’s first, second and third fiscal quarters. This statement is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

#### **General Instructions**

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

#### **SCHEDULE A: FINANCIAL STATEMENTS**

**The Issuer’s unaudited interim consolidated financial statements for the period ended September 30, 2021 are attached.**

#### **SCHEDULE B: SUPPLEMENTARY INFORMATION**

**The supplementary information set out below can be found in the Issuer’s financial statements attached as Schedule A.**

## 1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

## 2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

- (a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

- (b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

**3. Summary of securities as at the end of the reporting period.**

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
- (b) number and recorded value for shares issued and outstanding,
- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

**4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.**

**SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS**

**The Issuer's Management Discussion & Analysis for the period ended September 30, 2021 is attached.**

**Certificate Of Compliance**

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The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated November 29, 2021

David Greenway  
Name of Director or Senior Officer

/s/ "David Greenway"  
Signature

President & CEO  
Official Capacity

<b>Issuer Details</b> Name of Issuer  Bam Bam Resources Corp.	For Quarter Ended 2021/09/30	Date of Report YY/MM/D 2021/11/29
Issuer Address  700-838 West Hastings Street		
City/Province/Postal Code  Vancouver, BC, V6C 0A6	Issuer Fax No. (   )	Issuer Telephone No. (604) 318-0114
Contact Name Kelly Pladson	Contact Position Corporate Secretary	Contact Telephone No. (604) 726-6749
Contact Email Address  kellypladson@icloud.com	Web Site Address  <a href="https://bambamresources.com/">https://bambamresources.com/</a>	

SCHEDULE "A"

UNAUDITED FINANCIAL STATEMENTS FOR PERIOD ENDED SEPTEMBER 30, 2021



Condensed Interim Consolidated Financial Statements

Period Ended September 30, 2021

(Expressed in Canadian dollars)

## **NOTICE OF NON AUDITOR'S REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim consolidated financial statements for Bam Bam Resources Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor, Saturna Group Chartered Professional Accountants LLP, has not performed an audit of these condensed interim consolidated financial statements.

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

**BAM BAM RESOURCES CORP.**

Condensed Interim Consolidated Statements of Financial Position  
(Expressed in Canadian dollars)

	September 30, 2021 \$	June 30, 2021 \$
Assets		
Current assets		
Cash	1,586,172	1,057,876
GST receivable	101,782	73,606
Prepaid expenses and deposits	820,165	683,197
Total current assets	2,508,119	1,814,679
Non-current assets		
Exploration and evaluation assets (Note 3)	2,744,401	2,398,170
Total non-current assets	2,744,401	2,398,170
Total assets	5,252,520	4,212,849
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	286,206	180,418
Total current liabilities	286,206	180,418
Shareholders' equity		
Share capital (Note 5)	24,302,021	20,299,798
Share subscriptions receivable	(263,625)	
Reserves	3,982,174	5,534,630
Deficit	(23,054,256)	(21,801,997)
Total shareholders' equity	4,966,314	4,032,431
Total liabilities and shareholders' equity	5,252,520	4,212,849

Nature and continuance of operations (Note 1)

Contingencies (Note 11)

Subsequent events (Note 12)

Approved and authorized for issuance by the Board of Directors on November 29, 2021:

/s/ "David Greenway"

David Greenway, Director

/s/ "Yari Nieken"

Yari Nieken, Director

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



**BAM BAM RESOURCES CORP.**

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss  
(Expressed in Canadian dollars)

	Three months ended September 30,	
	2021	2020
	\$	\$
Expenses		
Consulting fees (Note 4)	82,900	228,003
General and administrative	21,166	59,817
Investor relations	814,093	209,238
Management fees (Note 4)	115,500	322,000
Professional fees	13,342	12,069
Rent	7,200	4,550
Share-based payments (Notes 7, 8)	184,919	-
Transfer agent and filing fees	8,364	21,709
Travel	4,775	19,738
Total expenses	1,252,259	877,124
Net loss and comprehensive loss	(1,252,259)	(877,124)
Basic and diluted loss per share	(0.01)	(0.12)
Weighted average shares outstanding	96,834,618	7,189,097

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

**BAM BAM RESOURCES CORP.**

Consolidated Statements of Changes in Equity  
(Expressed in Canadian dollars)

	Share capital		Share subscriptions receivable	Reserves	Deficit	Total shareholders' equity
	Number	Amount \$	\$	\$	\$	\$
Balance, June 30, 2020	15,672,453	9,628,682	—	2,762,742	(11,567,013)	824,411
Shares issued for cash	29,625,000	1,975,000	(85,000)	—	—	1,890,000
Share issuance cost	—	(9,650)	—	—	—	(9,650)
Fair value of finders' warrants issued	—	(9,000)	—	9,000	—	—
Shares issued for warrants exercised	570,000	152,000	—	—	—	152,000
Net loss for the period	—	—	—	—	(877,124)	(877,124)
Balance, September 30, 2020	45,867,453	11,737,032	(85,000)	2,771,742	(12,444,137)	1,979,637
Balance, June 30, 2021	87,744,578	20,299,798	—	5,534,630	(21,801,997)	4,032,431
Shares issued for cash	23,503,590	2,232,841	(263,625)	—	—	1,969,216
Share issuance costs	—	(11,543)	—	—	—	(11,543)
Shares issued for mineral properties	7,500	1,050	—	—	—	1,050
Shares issued for warrants exercised	500,000	42,500	—	—	—	42,500
Shares issued for restricted share units vested	3,750,000	1,737,375	—	(1,737,375)	—	—
Fair value of stock options granted	—	—	—	184,919	—	184,919
Net loss for the period	—	—	—	—	(1,252,259)	(1,252,259)
Balance, September 30, 2021	115,505,668	24,302,021	(263,625)	3,982,174	(23,054,256)	(4,966,314)

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

**BAM BAM RESOURCES CORP.**

Consolidated Statements of Cash Flows  
(Expressed in Canadian dollars)

	Three months ended September 30,	
	2021	2020
	\$	\$
Operating activities		
Net loss	(1,252,259)	(877,124)
Items not involving cash:		
Share-based payments	184,919	—
Changes in non-cash working capital items:		
GST receivable	(28,176)	(32,138)
Prepaid expenses and deposits	(136,967)	(506,941)
Accounts payable and accrued liabilities	105,787	182,209
Net cash used in operating activities	(1,126,696)	(1,233,994)
Investing activities		
Exploration and evaluation asset expenditures	(345,181)	(390,155)
Net cash used in investing activities	(345,181)	(390,155)
Financing activities		
Repayment of loans payable	—	(90,000)
Proceeds from issuance of common shares	2,011,716	2,042,000
Share issuance costs	(11,543)	(9,650)
Net cash provided by financing activities	2,000,173	1,942,350
Change in cash	528,296	318,201
Cash, beginning of year	1,057,876	8,778
Cash, end of period	1,586,172	326,979
Non-cash investing and financing activities:		
Fair value of warrants issued as finder's fee	—	9,000
Shares issued pursuant to mineral property option agreements	1,050	—
Shares issued for restricted share units transferred from reserves	1,737,375	—

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

## **BAM BAM RESOURCES CORP.**

Notes to the Condensed Interim Consolidated Financial Statements  
Period Ended September 30, 2021  
(Expressed in Canadian dollars)

### **1. Nature and Continuance of Operations**

Bam Bam Resources Corp. ("the Company") was incorporated on March 10, 2017 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 700 - 838 West Hastings Street, Vancouver, BC. The Company's principal business activities include the acquisition and exploration of mineral property assets. As at September 30, 2021, the Company had not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

Since March 2020, several governmental measures have been implemented in Canada and the rest of the world in response to the coronavirus ("COVID-19") pandemic. While the impact of COVID-19 and these measures are expected to be temporary, the current circumstances are dynamic and the impacts of COVID19 on the Company's business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows. The Company continues to operate its business, and in response to Federal, Provincial, and State emergency measures, has requested its employees and consultants work remotely wherever possible. These government measures, which could include government mandated closures of international borders, of the Company or its contractors, and restrictions on travel of various personnel, could impact the Company's ability to conduct its exploration programs in a timely manner.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. During the period ended September 30, 2021, the Company has not generated any revenues and has negative cash flow from operations. As at September 30, 2021, the Company and an accumulated deficit of \$23,054,257 (June 30, 2021 - \$21,801,997). The Company's continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and companies controlled by directors, and/or private placements of common shares. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

### **2. Significant Accounting Policies**

#### **(a) Statement of Compliance and Basis of Preparation**

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is also the Company's functional currency.

#### **(b) Principles of Consolidation**

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Bam Bam Nevada, Inc. All significant inter-company balances and transactions have been eliminated on consolidation.

## **BAM BAM RESOURCES CORP.**

Notes to the Consolidated Financial Statements  
Period Ended September 30, 2021  
(Expressed in Canadian dollars)

### **2. Significant Accounting Policies (continued)**

#### **(c) Use of Estimates and Judgments**

The preparation of the Company's consolidated 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, revenues, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant areas requiring the use of estimates include the recoverability of exploration and evaluation assets, collectability of loan receivable, fair value of share-based compensation, and unrecognized deferred income tax assets.

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the consolidated statement of operations in the period when the new information becomes available.

The application of the going concern assumption requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

#### **(d) Cash and Cash Equivalents**

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value to be cash equivalents.

#### **(e) Foreign Currency Translation**

The functional and reporting currency is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the consolidated statement of operations.

#### **(f) Exploration and Evaluation Expenditures**

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are charged to operations.

Exploration and evaluation assets are assessed for impairment if: (i) sufficient data exists to determine technical feasibility and commercial viability; and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

## **BAM BAM RESOURCES CORP.**

Notes to the Consolidated Financial Statements

Period Ended September 30, 2021

(Expressed in Canadian dollars)

### **2. Significant Accounting Policies (continued)**

#### **(f) Exploration and Evaluation Expenditures (continued)**

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

#### *Mineral Property Options*

The Company does not record any expenditures made by the farmee in its accounts. It also does not recognize any gain or loss on its exploration and evaluation farm out arrangements but re-designates any costs previously capitalized in relation to the whole interest as relating to the partial interest retained and any consideration received directly from the farmee is credited against costs previously capitalized.

#### **(g) Property and Equipment**

Property and equipment, comprised of computer equipment, is recorded at cost. The Company depreciates the computer equipment over their estimated useful lives on a straight-line basis over 3 years.

#### **(h) Restoration, Rehabilitation, and Environmental Obligations**

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged in the consolidated statement of operations over the economic life of the related asset, through amortization using either the unit of production or the straight-line method. The obligation is increased for the accretion and the corresponding amount is recognized in the consolidated statement of operations.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in the consolidated statement of operations.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

As at September 30, 2021 and June 30, 2021, the Company has no material restoration, rehabilitation, and environmental obligations.

## **BAM BAM RESOURCES CORP.**

Notes to the Consolidated Financial Statements

Period Ended September 30, 2021

(Expressed in Canadian dollars)

### **2. Significant Accounting Policies (continued)**

#### **(i) Financial Instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the respective instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are included in the initial carrying value of the related instrument and are amortized using the effective interest method. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the consolidated statement of operations.

Fair value estimates are made at the consolidated statement of financial position date based on relevant market information and information about the financial instrument. All financial instruments are classified into either: fair value through profit or loss ("FVTPL") or amortized cost.

The Company has made the following classifications:

Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Loans payable	Amortized cost

#### **Financial assets**

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

#### ***Financial assets at FVTPL***

Financial assets are classified as FVTPL when the financial asset is either held for trading or it is designated as FVTPL. A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

#### ***Financial assets at amortized cost***

Financial assets at amortized cost are non-derivative financial assets which are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Subsequent to initial recognition, financial assets are measured at amortized cost using the effective interest method, less any impairment.

#### ***Impairment of financial assets***

Financial assets, other than those classified as FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been decreased.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account.

## **BAM BAM RESOURCES CORP.**

Notes to the Consolidated Financial Statements  
Period Ended September 30, 2021  
(Expressed in Canadian dollars)

### **2. Significant Accounting Policies (continued)**

#### **(i) Financial Instruments (continued)**

##### Financial assets (continued)

##### Impairment of financial assets (continued)

When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are offset against the allowance account. Changes in the carrying amount of the allowance account are recognized in the consolidated statement of operations. Loss allowances are based on the lifetime ECL's that result from all possible default events over the expected life of the trade receivable, using the simplified approach.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the consolidated statement of operations to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

##### Financial liabilities and equity instruments

##### Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized as the proceeds received, net of direct issue costs.

##### Other financial liabilities

Other financial liabilities (including loans and borrowings and trade payables and other liabilities) are initially measured at fair value, net of transaction costs. Subsequently, other financial liabilities are measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **(j) Income Taxes**

##### Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the consolidated statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



## **BAM BAM RESOURCES CORP.**

Notes to the Consolidated Financial Statements  
Period Ended September 30, 2021  
(Expressed in Canadian dollars)

### **2. Significant Accounting Policies (continued)**

#### **(j) Income Taxes (continued)**

##### *Deferred income tax*

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

#### **(k) Share-based Payments**

The Company grants share-based awards to employees, directors, and consultants as an element of compensation. The fair value of the awards is recognized over the vesting period as share-based compensation expense and share-based payment reserve. The fair value of share-based payments is determined using the Black-Scholes option pricing model using estimates at the date of the grant. At each reporting date prior to vesting, the cumulative expense representing the extent to which the vesting period has expired and management's best estimate of the awards that are ultimately expected to vest is computed. The movement in cumulative expense is recognized in the consolidated statement of operations with a corresponding entry within equity, against share-based payment reserve. No expense is recognized for awards that do not ultimately vest. When stock options are exercised, the proceeds received, together with any related amount in share-based payment reserve, are credited to share capital.

Share-based payments arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, unless the fair value cannot be estimated reliably. If the Company cannot reliably estimate the fair value of the goods or services received, the Company will measure their value by reference to the fair value of the equity instruments granted.

#### **(l) Loss Per Share**

Basic loss per share is calculated by dividing net loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted loss per share is determined by adjusting the net loss attributable to common shares and the weighted average number of common shares outstanding, for the effects of all dilutive potential common shares. As at September 30, 2021, the Company had 58,343,465 (June 30, 2021 – 43,683,875) potentially dilutive shares outstanding.

#### **(m) Comprehensive Loss**

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in the consolidated statement of operations.

#### **(n) Accounting Standards Issued But Not Yet Effective**

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended September 30, 2021, and have not been early adopted in preparing these consolidated financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

## BAM BAM RESOURCES CORP.

Notes to the Consolidated Financial Statements  
Period Ended September 30, 2021  
(Expressed in Canadian dollars)

### 3. Exploration and Evaluation Assets

	Majuba Hill Property \$
Acquisition costs:	
Balance, June 30, 2020	284,972
Additions	120,521
Impairment	—
Balance, June 30, 2021	405,493
Additions	1,050
Balance, September 30, 2021	406,543
Exploration costs:	
Balance, June 30, 2020	630,861
Additions	1,361,816
Impairment	—
Balance, June 30, 2021	1,992,677
Additions	345,181
Balance, September 30, 2021	2,337,858
Carrying amounts:	
Balance, June 30, 2021	2,398,170
Balance, September 30, 2021	2,744,401

#### *Majuba Hill Copper Project*

On May 28, 2018, the Company entered into an Exploration Lease and Option to Purchase Agreement with Majuba Hill LLC, a Nevada limited liability company (the "Owner"), for the Majuba Hill Copper Project in Nevada, USA. The Owner granted to the Company the exclusive option and right to acquire ownership of the property for the final purchase price of US\$4,000,000 due on or before May 28, 2028, and the following commitments:

- i) Cash payments to be made:
  - US\$50,000 upon execution of the agreement; (paid)
  - US\$50,000 on or before May 28, 2019 (paid);
  - US\$75,000 on or before May 28, 2020 (paid);
  - US\$100,000 on or before May 28, 2021 (paid); and
  - US\$125,000 on or before May 28, 2022 and each subsequent anniversary of the agreement date.
- ii) Shares to be issued
  - 7,500 upon execution of the agreement (issued);
  - 7,500 on or before May 28, 2019 (issued);
  - 7,500 on or before May 28, 2020 (issued); and
  - 7,500 on or before May 28, 2021 (issued).
- iii) Exploration expenditures to be incurred:
  - US\$100,000 on or before May 28, 2019 (incurred); and
  - US\$350,000 on or before May 28, 2020 (incurred).

Precious metals from the property are subject to a 3% net smelter return royalty. Minerals from the property are subject to a 1% net smelter return royalty.

## **BAM BAM RESOURCES CORP.**

Notes to the Consolidated Financial Statements

Period Ended September 30, 2021

(Expressed in Canadian dollars)

### **4. Related Party Transactions**

- (a) During the period ended September 30, 2021, the Company incurred management fees of \$60,000 (2020 - \$185,000) to the President and Chief Executive Officer of the Company.
- (b) During the period ended September 30, 2021, the Company incurred management fees of \$30,000 (2020 - \$80,000) to a company controlled by the Chief Financial Officer of the Company.
- (c) During the period ended September 30, 2021, the Company incurred management fees of \$7,500 (2020 - \$17,500) to a company controlled by the Corporate Secretary of the Company.
- (d) During the period ended September 30, 2021, the Company vested restricted share units with a fair value of \$69,495 (2020 - \$nil) to key management personnel.

### **5. Share Capital**

Authorized: Unlimited common shares without par value

Share transactions for the period ended September 30, 2021:

- (a) On August 9, 2021, the Company issued 7,500 common shares with a fair value of \$1,050 pursuant to the terms of the mineral property option agreement for the Majuba Hill Property.
- (b) On September 7, 2021, the Company issued 23,503,590 units at \$0.095 per unit for proceeds of \$2,232,841. Each unit consisted of one common share of the Company and one transferable share purchase warrant. Each share purchase warrant is exercisable at a price of \$0.125 per common share expiring on September 7, 2023. In connection with this share issuance, the Company incurred share issuance costs of \$11,542.
- (c) During the period ended September 30, 2021, the Company issued 500,000 common shares for proceeds of \$42,500 pursuant to the exercise of share purchase warrants.
- (d) During the period ended September 30, 2021, the Company issued common shares pursuant to the settlement of restricted share units. The fair value of \$1,737,375 for the restricted share units vested was reallocated from reserves to share capital.

Share transactions for the year ended June 30, 2021:

- (a) On August 31, 2020, the Company consolidated its outstanding common shares on a 10:1 basis. All share amounts have been retroactively restated for all periods presented.
- (b) On September 14, 2020, the Company issued 29,625,000 units at a price of \$0.067 per unit for proceeds of \$1,975,000. Each unit consisted of one common share and one transferable share purchase warrant exercisable at \$0.083 per common share expiring on September 14, 2023. In connection with this private placement, the Company incurred finder's fees of \$7,200 and issued 108,000 finder's warrants with a fair value of \$18,990 and are exercisable into a common share at a price of \$0.083 per unit expiring on September 14, 2023.
- (c) On November 16, 2020, the Company issued 15,540,000 units at a price of \$0.167 per unit for proceeds of \$2,590,000. Each unit is comprised of one common share and one transferrable warrant exercisable at \$0.267 per common share expiring on November 16, 2023. In connection with this private placement, the Company incurred finder's fees of \$23,800 and issued 142,800 finder's warrants with a fair value of \$45,469. Each finder's warrant is exercisable at a price of \$0.267 per unit expiring on November 16, 2023.
- (d) During the year ended June 30, 2021, the Company issued 15,906,200 common shares for proceeds of \$1,776,135 pursuant to the exercise of share purchase warrants.

## BAM BAM RESOURCES CORP.

Notes to the Consolidated Financial Statements

Period Ended September 30, 2021

(Expressed in Canadian dollars)

### 5. Share Capital (continued)

- (e) During the year ended June 30, 2021, the Company issued 5,225,925 common shares for proceeds of \$1,552,000 pursuant to the exercise of stock options. The fair value of \$1,090,477 for the stock options exercised was reallocated from reserves to share capital.
- (f) During the year ended June 30, 2021, the Company issued 5,775,000 common shares pursuant to the settlement of restricted share units. The fair value of \$1,780,163 for the restricted share units vested was reallocated from reserves to share capital.

### 6. Share Purchase Warrants

The following table summarizes the continuity of share purchase warrants:

	Number of warrants	Weighted average exercise price \$
Balance, June 30, 2020	8,500,200	0.27
Issued	45,415,800	0.15
Expired	(15,906,200)	0.11
Balance, June 30, 2021	38,009,800	0.27
Issued	23,503,590	0.13
Exercised	(500,000)	0.09
Expired	(6,594,000)	0.11
Balance, September 30, 2021	54,419,390	0.15

As at September 30, 2021, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Expiry date
23,503,590	0.13	September 7, 2023
15,713,000	0.08	September 14, 2023
15,202,800	0.27	November 16, 2023
54,419,390		

### 7. Stock Options

The Company has adopted a Stock Option Plan (the "Plan"). Under the Plan, the Company can issue up to 10% of the issued and outstanding common shares as incentive stock options to directors, officers, employees and consultants to the Company. The Plan limits the number of stock options which may be granted to any one individual to not more than 5% of the total issued common shares of the Company in any 12-month period. The Plan also limits the stock options which may be granted to any one individual if the exercise would result in the issuance of common shares more than 2% in any 12-month period. The number of options granted to any one consultant or a person employed to provide investor relations activities in any 12-month period must not exceed 2% of the total issued common shares of the Company. As well, stock options granted under the Plan may be subject to vesting provisions as determined by the Board of Directors.

**BAM BAM RESOURCES CORP.**

Notes to the Consolidated Financial Statements

Period Ended September 30, 2021

(Expressed in Canadian dollars)

**7. Stock Options (continued)**

The following table summarizes the continuity of the Company's stock options:

	Number of options	Weighted average exercise price \$
Outstanding, June 30, 2019	1,438,500	0.47
Granted	8,000,000	0.31
Exercised	(5,225,925)	0.30
Expired	(3,038,500)	0.42
Outstanding, June 30, 2020	1,174,075	0.23
Granted	2,000,000	0.24
Outstanding, September 30, 2021	3,174,075	0.23

During the period ended September 30, 2021, the Company recorded share-based compensation of \$184,919 (2020 - \$nil).

**8. Restricted Share Units**

The Company adopted a Restricted Share Unit Plan (the "RSU Plan"), approved by the Company's shareholders on December 2, 2019. The RSU Plan is designed to provide certain directors, officers, consultants and other key employees (an "Eligible Person") of the Company and its related entities with the opportunity to acquire restricted share units ("RSUs") of the Company. The RSU Plan allows the Company to award, in aggregate, up to a rolling 10% maximum of the issued and outstanding shares from time to time, under and subject to the terms and conditions of the RSU Plan.

The following table summarizes the continuity of RSUs:

	Number of RSUs	Weighted average issue price \$
Balance, June 30, 2020	—	—
Granted	10,275,000	0.38
Vested	(5,775,000)	0.31
Balance, June 30, 2021	4,500,000	0.46
Vested	(3,750,000)	0.46
Balance, September 30, 2021	750,000	0.46

## **BAM BAM RESOURCES CORP.**

Notes to the Consolidated Financial Statements

Period Ended September 30, 2021

(Expressed in Canadian dollars)

### **9. Financial Instruments and Risk Management**

#### **(a) Fair Values**

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, which include cash, and accounts payable and accrued liabilities, and loans payable, approximate their carrying values due to the relatively short-term maturity of these instruments.

#### **(b) Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash. The risk in cash is managed through the use of a major financial institution which has a high credit quality as determined by rating agencies.

#### **(c) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as it does not have any assets or liabilities that are affected by changes in interest rates.

#### **(d) Foreign Exchange Rate Risk**

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. As at September 30, 2021, the Company has no significant financial instruments denominated in a foreign currency; however, the Company has exploration and evaluation assets in the U.S. with mineral property option agreement obligations denominated in U.S. dollars. The Company has not entered into foreign exchange rate contracts to mitigate this risk. As at September 30, 2021, the Company is not exposed to any significant foreign exchange rate risk.

#### **(e) Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company requires funds to finance its business development activities. In addition, the Company needs to raise equity financing to carry out its exploration programs. There is no assurance that financing will be available or, if available, that such financing will be on terms acceptable to the Company.

#### **(f) Price Risk**

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

## **BAM BAM RESOURCES CORP.**

Notes to the Consolidated Financial Statements

Period Ended September 30, 2021

(Expressed in Canadian dollars)

### **10. Capital Management**

The Company's capital structure consists of cash and equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support acquisition and exploration of mineral properties. 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 sustain future development of the business. The properties in which the Company currently has interests are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire interests in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. 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 since inception. The Company is not subject to externally imposed capital requirements.

### **11. Contingencies**

On July 11, 2019, a Notice of Civil Claim was filed with the Supreme Court of British Columbia seeking certification for a class action against the Company. The Claim alleges misrepresentations made by the Company in its public disclosure. The Company continues to take procedural steps towards a hearing which will determine if the plaintiffs will be granted leave under the Securities Act. At this time, the outcome of both aforementioned matters is uncertain, however the Company believes that any liabilities that might arise from such matters, to the extent not provided for, will not have a significant impact on the Company's consolidated financial statements.

### **12. Subsequent Events**

On October 8, 2021, the Company granted 6,300,000 RSUs to directors and consultants of the Company.

SCHEDULE "C"

MANAGEMENT DISCUSSION & ANALYSIS FOR PERIOD ENDED SEPTEMBER 30,  
2021





## **Management Discussion and Analysis**

### **For the period ended September 30, 2021**

This Management's Discussion and Analysis ("MD&A") of Bam Bam Resources Corp. (the "Company", "Bam Bam") provides information that management believes is relevant to the assessment and understanding of the Company's results of operations and financial condition for the period ended September 30, 2021. This MD&A supplements the consolidated financial statements of the Company and the notes thereto for the period ended September 30, 2021. This MD&A should be read in conjunction with the Company's audited consolidated financial statements and corresponding notes for the fiscal year ended June 30, 2021, which were prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A is prepared as of November 29, 2021.

Except as otherwise disclosed, all dollar figures included herein are quoted in Canadian dollars. The following discussion and analysis provides information that management believes is relevant to the assessment and understanding of the Company's results of operations and financial condition. Additional information relevant to the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

## **FORWARD-LOOKING INFORMATION**

This discussion contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

This MD&A may contain forward-looking statements that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## **COMPANY OVERVIEW**

Bam Bam Resources Corp. ("the Company") was incorporated on March 10, 2017 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 700-838 West Hastings Street, Vancouver, BC. The Company was listed on the Canadian Securities Exchange ("CSE") under the symbol "NP" subsequent to the completion of its Initial Public Offering on December 19, 2017.

The Company's principal business activities include the acquisition and exploration of mineral property assets. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

## LIQUIDITY AND CAPITAL RESOURCES

The Company's activities have been funded through equity financings and the Company expects it will continue to be able to utilize this source of financing until it develops cash flow from future operations. There can be no assurances the Company will be successful in its endeavors. If such funds are not available or other sources of finance cannot be obtained, then the Company will be forced to curtail its activities to a level for which funding is available or can be obtained.

As at September 30, 2021 the Company had cash of \$1,586,127 compared to a June 30, 2021 cash balance of \$1,057,876. The Company has not pledged any of its assets as security for debt financings and is not subject to any debt covenants.

## HIGHLIGHTS

- On September 7, 2021, the Company closed an over-subscribed non-brokered private placement financing for total gross proceeds of \$2,232,841. The Company has allotted and issued 23,503,590 units at a price of \$0.095 per Unit. Each Unit is comprised of one common share and one transferable warrant. Each warrant will entitle the holder to purchase one additional common share for a period of twenty-four (24) months at a price of \$0.125 per share, subject to accelerated expiry.
- On October 5, 2021, the Company announced that it had engaged TD Media, LLC dba Life Water Media ("TD Media"), to provide digital marketing services to the Company for a term of 30 days, commencing on October 4, 2021, in consideration of US\$200,000. Life Water Media will utilize its online programs to generate a greater following, increase investor awareness and attract new investors through many different online platforms and methods of engagement. On November 4, the Company renewed its agreement with TD Media for an additional 14 days in consideration of US\$150,000.
- On October 8, 2021, the Company granted an aggregate of 6,300,000 restricted share units (the "RSUs") to consultants and a director of the Company. The RSUs are valid for a one-year term.
- On October 14, the Company announced that it had engaged Mining Investor Resources Media Ltd. dba miningIR.com ("MIR"), to provide the Company with investor marketing services through mining and resource news, lead generation services, social media services, and an information company profile page for an initial period of 13 months beginning October 18, 2021. Pursuant to the terms of the agreement, MIR will be paid an aggregate cash amount of \$36,000.
- On November 22, 2021, the Company accepted the resignation of Bryson Goodwin from the Board of Directors.

## RESULTS OF OPERATIONS

	Three months ended September 30,	
	2021	2020
	\$	\$
Expenses		
Consulting fees	82,900	228,003
General and administrative	21,166	59,817
Investor relations	814,093	209,238
Management fees	115,500	322,000
Professional fees	13,342	12,069
Rent	7,200	4,550
Share-based payments	184,919	-
Transfer agent and filing fees	8,364	21,709
Travel	4,775	19,738
Total expenses	1,252,259	877,124

During the period ended September 30, 2021, the Company had a net loss of \$1,252,559 compared to a loss of \$877,124 for the period ended September 30, 2020. The increase in operating expenses is primarily the result of an increase in business activities in relation to the development of the Majuba Hill property, share based payments and expansion of market awareness.

## SUMMARY OF QUARTERLY RESULTS

	Three months ended			
	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Net loss	\$ (1,252,259)	\$ (3,815,783)	\$ (4,161,443)	\$ (1,380,634)
Basic and diluted loss per share	\$ (0.02)	\$ (0.07)	\$ (0.08)	\$ (0.02)

  

	Three months ended			
	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
Net loss	\$ (877,124)	\$ (1,461,084)	\$ (387,086)	\$ (136,119)
Basic and diluted loss per share	\$ (0.12)	\$ (0.35)	\$ (0.10)	\$ (0.03)

## EXPLORATION AND EVALUATION ASSETS

	Majuba Hill Property \$
Acquisition costs:	
Balance, June 30, 2020	284,972
Additions	120,521
Impairment	—
Balance, June 30, 2021	405,493
Additions	1,050
Balance, September 30, 2021	406,543
Exploration costs:	
Balance, June 30, 2020	630,861
Additions	1,361,816
Impairment	—
Balance, June 30, 2021	1,992,677
Additions	345,181
Balance, September 30, 2021	2,337,858
Carrying amounts:	
Balance, June 30, 2021	2,398,170
Balance, September 30, 2021	2,744,401

### *Majuba Hill Copper Project*

On May 28, 2018 ("Effective Date"), the Company entered into an Exploration Lease and Option to Purchase Agreement with Majuba Hill LLC, a Nevada limited liability company (the "Owner"), for the Majuba Hill Copper Project in Nevada, USA. The Owner has granted to the Company the exclusive option and right to acquire ownership of the property (the "Option") for the final purchase price of US\$4,000,000 due on or before May 28, 2028 and a series of minimum payments ("Minimum Payments").

- i) Cash payments to be made:
  - US\$50,000 upon execution of the agreement; (paid)
  - US\$50,000 on or before May 28, 2019 (paid);
  - US\$75,000 on or before May 28, 2020 (paid);
  - US\$100,000 on or before May 28, 2021 (paid);
  - US\$125,000 on or before May 28, 2022 and each subsequent anniversary of the agreement date;
- ii) Shares to be issued:
  - 7,500 upon execution of the agreement (issued);
  - 7,500 on or before May 28, 2019 (issued);
  - 7,500 on or before May 28, 2020 (issued);
  - 7,500 on or before May 28, 2021 (issued); and
- iii) Exploration expenditures to be incurred:
  - US\$100,000 on or before May 28, 2019 (incurred);
  - US\$350,000 on or before May 28, 2020 (incurred);

The Company will also pay to the Owner a production royalty (the “Royalty”) based on the Net Smelter Returns from the production and sale of Minerals from the Property. The Royalty percentage rate applicable to the production of Precious Metals will be three percent (3%). The Royalty percentage rate applicable to the production of Minerals, except Precious Metals, shall be one percent (1%).

The Company continued with their on-going, exploration and drilling programs at the Majuba Hill Copper Porphyry Project in Pershing County, Nevada. The 2021 exploration programs were based on the previous year’s work by Bam Bam combined with the historic database.

In May 2021 Zonge International completed a 49.5 line km Induced Polarization/Resistivity (IP) program to expand and extend the existing deep IP coverage. James Wright, a highly respected consulting geophysicist in Nevada, provided technical oversight and interpretation. In June 2021 Wright reported that the IP survey had identified a large, oval-shaped resistivity response on lines L7 to L9 northeast of the known oxide mineralization. This “**789 Zone**” has a 1500 m diameter and the eastern side of the 789 Zone is coincident with the north trending granodiorite/remnant magnetic zone.

Wright commented: “*The resistivity annulus suggests some form of intrusive with a surrounding resistivity alteration rim. Deep chargeability anomalies coincident with the rim indicate an increased sulfide association relative to the center.*” He concluded: “*Associated with this feature are both shallow and deep resistivity/chargeability anomalies consistent with a variant of the classic Guilbert and Lowell (1974) porphyry model.*”

In October 2021 the Company received assay results for 997 soil samples collected to expand the historic and the 2020 results. Three coincident zones of anomalous copper, silver, and gold were identified at the **DeSoto Copper Oxide Target**, the newly identified **Copper-Gold Target**, and the newly identified **Covered/Exotic(?) Copper Target**. Each of these three zones are over 1 km long. The zones were outlined based on multiple sample sites (77 to 311 samples) with anomalous copper, silver, and gold geochemical values that are strongly coincident with each other. Each zone correlates with classic porphyry-copper alteration and mineralization indicators.

In August and September October 2021 Bam Bam collected samples from previously unsampled core at the DeSoto Copper Oxide Target. These historic core holes contained several near-surface copper oxide/enriched intervals with azurite, malachite, chalcocite, and chrysocolla. A prominent northwest-trending magnetic linear occurs very close to the historic holes:

- MM-18: 105.7 ft (32.3 m) @ 0.62% Cu and 25.16 g/t Ag  
from 72 to 177.7 ft (21.9-54.2 m)
- MM-19: 22.6 ft (6.8 m) @ 0.26% Cu and 7.74 g/t Ag  
from 2.4 to 25 ft (0.8-7.6 m)
- DSM-02: 25.5 ft (7.8 m) @ 0.57% Cu and 28.09 g/t Ag  
from 152.5 to 178 ft (46.5-54.3 m)
- DSM-06: 25 ft (7.6 m) @ 0.64% Cu and 34.66 g/t Ag  
from 60 to 85 ft (18.3-25.9 m).

Assay results for ten (10) elements were summarized from the combined data and the compilation showed a distinct zoning of lead and zinc outward from the highest copper grades. This zoning suggests a significant likelihood of intersecting the favorable porphyry at depths of 30 meters (100 ft) to 300 meters (1000 ft).

Results for surface rock chip samples collected from areas of new drill road construction and outcrop sampling from areas with geophysical anomalies were received in September and late October 2021. The results are very encouraging with six (6) samples from the new road cuts in the known oxide area returning greater than 2,000 ppm (0.2%) copper and five (5) samples along this road returning good gold assays with a high of 0.638 g/t Au.

In total 98 samples were collected with copper ranging from 18 to 24,900 ppm (0.002% to 2.50% Cu), gold ranging from less than detection to 0.728 g/t, and silver ranging from less than detection to 1,425 g/t.

Bam Bam's 2021 drilling program was launched in September with over 4,500 meters of reverse-circulation ("RC") and core holes planned. RC holes will test the Majuba Known Copper Oxide mineralization. RC holes will also test the DeSoto area. Core holes will test the Copper-Gold Target.

Initial visual observation of core in the Copper-Gold target area indicates that Bam Bam intersected more than 350 meters of intrusive diorite and has discovered a new Copper/Gold/Silver porphyry at Majuba Hill.

## **RELATED PARTY TRANSACTIONS**

- (a) During the period ended September 30, 2021, the Company incurred management fees of \$60,000 (2020 - \$185,000) to the President and Chief Executive Officer of the Company.
- (b) During the period ended September 30, 2021, the Company incurred management fees of \$30,000 (2020 - \$80,000) to a company controlled by the Chief Financial Officer of the Company.
- (c) During the period ended September 30, 2021, the Company incurred management fees of \$7,500 (2020 - \$17,500) to a company controlled by the Corporate Secretary of the Company.
- (d) During the period ended September 30, 2021, the Company vested restricted share units with a fair value of \$69,495 (2020 - \$nil) to key management personnel.

## **FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

### **(a) Fair Values**

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, which include cash, and accounts payable and accrued liabilities, and loans payable, approximate their carrying values due to the relatively short-term maturity of these instruments.

### **(b) Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash. The risk in cash is managed through the use of a major financial institution which has a high credit quality as determined by rating agencies.

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as it does not have any assets or liabilities that are affected by changes in interest rates.

(d) Foreign Exchange Rate Risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. As at September 30, 2021, the Company has no significant financial instruments denominated in a foreign currency; however, the Company has exploration and evaluation assets in the U.S. with mineral property option agreement obligations denominated in U.S. dollars. The Company has not entered into foreign exchange rate contracts to mitigate this risk. As at September 30, 2021, the Company is not exposed to any significant foreign exchange rate risk.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company requires funds to finance its business development activities. In addition, the Company needs to raise equity financing to carry out its exploration programs. There is no assurance that financing will be available or, if available, that such financing will be on terms acceptable to the Company.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

## CONTRACTUAL OBLIGATIONS

As at September 30, 2021, the Company is obligated under various leases and earn-in agreements related to its exploration and evaluation assets. These obligations are more fully described in Note 3 of the condensed interim consolidated financial statements for the period ended September 30, 2021.

## COMMITMENTS AND CONTINGENCIES

On July 11, 2019, a Notice of Civil Claim in the Supreme Court of BC seeking certification for a class action against the Company. The Claim alleges misrepresentations made by the Company in its public disclosure. The Company continues to take procedural steps towards a hearing which will determine if the plaintiffs will be granted leave under the Securities Act. At this time, the outcome of both aforementioned matters is uncertain, however the Company believes that any liabilities that might arise from such matters to the extent not provided for, will not have a significant impact on the Company's consolidated financial statements.

## OUTSTANDING SHARE DATA

### *Common Shares*

As at November 29, 2021, the Company had 118,250,668 common shares issued and outstanding.

### *Share Purchase Warrants*

As at November 29, 2021, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Expiry date
23,503,590	0.125	September 7, 2023
13,476,000	0.085	September 14, 2023
15,202,800	0.27	November 16, 2023
<u>52,182,390</u>		

### ***Stock Options***

As at November 29, 2021, the following stock options were outstanding:

Number of options outstanding	Exercise price \$	Expiry date
574,075	0.27	March 18, 2022
1,000,000	0.235	July 7, 2022
1,000,000	0.165	October 12, 2022
1,000,000	0.165	October 19, 2022
3,574,075		

### ***Restricted Share Units***

As at November 29, 2021, the Company had 2,750,000 restricted share units outstanding.

### **OFF-BALANCE SHEET ARRANGEMENT**

The Company has no off-balance sheet arrangements.

### **ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

An analysis of the material components of the Company's general and administrative expenses is disclosed in the audited consolidated financial statements for the period ended September 30, 2021.

### **CORONAVIRUS PANDEMIC**

The current outbreak of COVID-19 and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions, which may adversely impact the Company's operations, and the operations of its suppliers, contractors, and service providers, the ability to obtain financing and maintain necessary liquidity. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Travel bans and other government restrictions may also adversely impact the Company's operations.