

## FORM 5

### **QUARTERLY LISTING STATEMENT** **(June 1, 2021 to August 31, 2021)**

Name of Listed Issuer: 79North Inc. (the “Issuer”).

Trading Symbol: JQ

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**

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

## **SCHEDULE B: SUPPLEMENTARY INFORMATION**

The supplementary information set out below must be provided when not included in 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.

***The related party transactions are included in the notes to the condensed interim consolidated financial statements which are attached hereto as "Schedule – A".***

### **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
August 17, 2021	Common Shares and Common Share Purchase Warrants	Private Placement of Units (See note below)	4,368,300	\$ 0.15	\$ 655,245	Cash	NA	NA

*Note: Each Common Share purchase warrant entitles the holder thereof to purchase one common share of the Company at \$0.25 per common share until August 17, 2024.*

(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
June 28, 2021	100,000	Sergio Akiemboto Consultant	NA	\$ 0.15	June 28, 2026	0.120

### 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,

Class of Shares	Number of Shares	Dividend rate (if preferred)	Cumulative / Redeemable / Convertible
Common Shares	Unlimited	NA	NA

(b) number and recorded value for shares issued and outstanding,

Type of Share	Number of Shares Issued and Outstanding	Recorded Value
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Common Shares	90,247,241	\$7,883,098
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- (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

Options / Warrants / Convertible Securities	Number of units	Amount	Exercise / Conversion price	Expiry Date	Recorded Value, if any
Warrants	11,032,400	-	\$ 0.20	June 12, 2023	-
Compensation Options <sup>(1)</sup>	1,726,783	-	\$ 0.15	June 12, 2023	-
Warrants	32,734,988	-	\$ 0.25	June 12, 2023	-
Broker Warrants <sup>(2)</sup>	2,133,714	-	\$ 0.15	June 12, 2023	-
Warrants	2,184,150	-	\$ 0.25	August 17, 2024	-
Options	3,100,000	-	\$0.15	June 16, 2025	-
Options	200,000	-	\$0.15	September 23, 2025	-
Options	150,000	-	\$0.15	March 29, 2026	-
Options	200,000	-	\$0.15	May 10, 2026	-
Options	100,000	-	\$0.15	June 28, 2026	-

**Notes:**

<sup>(1)</sup> Exercisable for one Common Share and one-half of one Common Share purchase warrant. Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.20 until June 12, 2023.

<sup>(2)</sup> Exercisable for one Common Share and one Common Share purchase warrant. Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.25 until June 12, 2023.

- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

Class of Securities	Number of Securities	Restrictions, if any
Common Shares	4,900,000	NA
Options	100,000	NA

**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.**

Name	Position
Jon North	CEO, President and Director
Philip MacDonnell	Director
Oscar Louzada	Director
Daryl Hodges	Director
Carmelo Marrelli	Chief Financial Officer

## SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

### Certificate Of Compliance

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: As at August 31, 2021.

Jon North  
Name of Director or Senior Officer

"Jon North"  
Signature

Chief Executive Officer  
Official Capacity

<b>Issuer Details</b>		For Quarter Ended	Date of Report as at YY/MM/DD
Name of Issuer		August 31, 2021	21/08/31
79North Inc.			
Issuer Address			
82 Richmond Street East Toronto, ON M5C 1P1			
City/Province/Postal Code	Issuer Fax No. (   )	Issuer Telephone No.	
Toronto, ON M5C 1P1		(416) 786-6348	
Contact Name	Contact Position	Contact Telephone No.	
Jon North	Chief Executive Officer	(416) 786-6348	
Contact Email Address	Web Site Address		
jon@79North.ca	www.79north.ca		

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**79NORTH INC.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL**  
**STATEMENTS**  
**THREE AND NINE MONTHS ENDED**  
**AUGUST 31, 2021**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

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**Notice To Reader**

The accompanying unaudited condensed interim consolidated financial statements of 79North Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

**79North Inc.****Condensed Interim Consolidated Statements of Financial Position****(Expressed in Canadian Dollars)****Unaudited**

	<b>As at August 31, 2021</b>	<b>As at November 30, 2020</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 1,696,167	\$ 2,870,786
Receivables and other assets (note 4)	28,716	136,960
	<b>1,724,883</b>	<b>3,007,746</b>
Equipment (note 5)	170,979	99,032
<b>Total assets</b>	<b>\$ 1,895,862</b>	<b>\$ 3,106,778</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (notes 6 and 12)	\$ 84,179	\$ 112,094
<b>Total liabilities</b>	<b>84,179</b>	<b>112,094</b>
<b>Equity</b>		
Share capital (note 7)	7,883,098	7,360,896
Reserve	2,899,704	2,809,710
Accumulated other comprehensive income	61,485	61,485
Deficit	(9,586,795)	(7,791,598)
<b>Equity attributable to the shareholders of the Company</b>	<b>1,257,492</b>	<b>2,440,493</b>
Non-controlling interest	554,191	554,191
<b>Total equity</b>	<b>1,811,683</b>	<b>2,994,684</b>
<b>Total equity and liabilities</b>	<b>\$ 1,895,862</b>	<b>\$ 3,106,778</b>

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

Nature of operations and going concern (note 1)

Event after the reporting date (note 14)



**79North Inc.****Condensed Interim Consolidated Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****Unaudited**

	Three Months Ended August 31, 2021	Three Months Ended August 31, 2020	Nine Months Ended August 31, 2021	Nine Months Ended August 31, 2020
<b>Operating expenses</b>				
Exploration and evaluation expenditures (note 11)	\$ 411,373	\$ 189,468	\$ 1,058,889	\$ 241,792
Professional fees	66,701	454,540	213,302	688,202
Management and consultants compensation	45,000	41,597	149,412	116,597
Travel	178	-	45,467	1,701
Office and general	82,687	80,552	177,627	121,683
Foreign exchange (gain) loss	(2,839)	15,205	13,020	21,189
Investor relations	15,885	107,891	172,286	107,891
Share-based payments (note 8)	8,600	495,300	31,600	495,300
Listing expense (note 3)	-	534,949	-	534,949
<b>Total comprehensive loss for the period</b>	<b>\$ (627,585)</b>	<b>\$ (1,919,502)</b>	<b>\$ (1,861,603)</b>	<b>\$ (2,329,304)</b>
<b>Basic and diluted net loss per share (note 10)</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.02)</b>	<b>\$ (0.04)</b>
<b>Weighted average number of common shares outstanding</b>	<b>86,543,682</b>	<b>80,303,508</b>	<b>86,102,139</b>	<b>55,568,859</b>

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

**79North Inc.****Condensed Interim Consolidated Statements of Cash Flows****(Expressed in Canadian Dollars)****Unaudited**

	<b>Nine Months Ended August 31, 2021</b>	<b>Nine Months Ended August 31, 2020</b>
<b>Operating activities</b>		
Net loss for the period	<b>\$ (1,861,603)</b>	<b>\$ (2,329,304)</b>
Adjustments for:		
Amortization	<b>24,791</b>	7,143
Share-based payments (note 8)	<b>31,600</b>	495,300
Listing expense (note 3)	-	534,949
Changes in non-cash working capital items:		
Receivables and other assets	<b>108,244</b>	(131,646)
Accounts payable and accrued liabilities	<b>(27,915)</b>	(72,624)
<b>Net cash used in operating activities</b>	<b>(1,724,883)</b>	<b>(1,496,182)</b>
<b>Investing activities</b>		
Purchase of equipment	<b>(96,738)</b>	-
Cash acquired on RTO	-	572,270
<b>Net cash provided by (used in) investing activities</b>	<b>(96,738)</b>	<b>572,270</b>
<b>Financing activities</b>		
Proceeds from private placement (note 7(b))	<b>655,245</b>	4,652,250
Share issuance costs (note 7(b))	<b>(8,243)</b>	(359,338)
Repayment of loan from related party	-	(25,000)
<b>Net cash provided by financing activities</b>	<b>647,002</b>	<b>4,267,912</b>
<b>Net change in cash</b>	<b>(1,174,619)</b>	<b>3,344,000</b>
<b>Cash, beginning of period</b>	<b>2,870,786</b>	<b>56,835</b>
<b>Cash, end of period</b>	<b>\$ 1,696,167</b>	<b>\$ 3,400,835</b>

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

**79North Inc.****Condensed Interim Consolidated Statements of Changes in Equity****(Expressed in Canadian Dollars)****Unaudited**

	Share capital	Reserve	Accumulated other comprehensive income	Deficit	Total attributable to shareholders of Company	Non- controlling interest	Total
<b>Balance, November 30, 2019</b>	<b>\$ 3,418,184</b>	<b>\$ 594,410</b>	<b>\$ 61,485</b>	<b>\$ (4,950,588)</b>	<b>\$ (876,509)</b>	<b>\$ 554,191</b>	<b>\$ (322,318)</b>
Private placement	4,910,250	-	-	-	4,910,250	-	4,910,250
Share issuance costs	(473,338)	114,000	-	-	(359,338)	-	(359,338)
Warrant valuation	(1,495,200)	1,495,200	-	-	-	-	-
Acquired on RTO	1,001,000	81,400	-	-	1,082,400	-	1,082,400
Share-based payments	-	495,300	-	-	495,300	-	495,300
Net loss for the period	-	-	-	(2,329,304)	(2,329,304)	-	(2,329,304)
<b>Balance, August 31, 2020</b>	<b>\$ 7,360,896</b>	<b>\$ 2,780,310</b>	<b>\$ 61,485</b>	<b>\$ (7,279,892)</b>	<b>\$ 2,922,799</b>	<b>\$ 554,191</b>	<b>\$ 3,476,990</b>
<b>Balance, November 30, 2020</b>	<b>\$ 7,360,896</b>	<b>\$ 2,809,710</b>	<b>\$ 61,485</b>	<b>\$ (7,791,598)</b>	<b>\$ 2,440,493</b>	<b>\$ 554,191</b>	<b>\$ 2,994,684</b>
Private placement	655,245	-	-	-	655,245	-	655,245
Share issuance costs	(8,243)	-	-	-	(8,243)	-	(8,243)
Warrant valuation	(124,800)	124,800	-	-	-	-	-
Stock options cancelled	-	(66,406)	-	66,406	-	-	-
Share-based payments	-	31,600	-	-	31,600	-	31,600
Net loss for the period	-	-	-	(1,861,603)	(1,861,603)	-	(1,861,603)
<b>Balance, August 31, 2021</b>	<b>\$ 7,883,098</b>	<b>\$ 2,899,704</b>	<b>\$ 61,485</b>	<b>\$ (9,586,795)</b>	<b>\$ 1,257,492</b>	<b>\$ 554,191</b>	<b>\$ 1,811,683</b>

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

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## **79North Inc.**

### **Notes to Condensed Interim Consolidated Financial Statements**

**Three and Nine Months Ended August 31, 2021**

**(Expressed in Canadian Dollars)**

**Unaudited**

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#### **1. Nature of operations and going concern**

79North Inc. (the "Company" or "79North") was incorporated under the Business Corporations Act (Ontario) on November 27, 2017. The Company is focused on the acquisition, exploration and development of properties which are prospective for gold and other metals. The Company is domiciled in Canada and its registered office is located at 82 Richmond Street East, Suite 306, Toronto, Ontario, M5C 1P1.

On June 12, 2020, the Company completed a reverse take-over transaction ("RTO Transaction") with 79North Ltd. wherein the Company acquired 100% of the issued and outstanding common shares of 79North Ltd. As a result of the share exchange, 79North Ltd. is considered to have control. While the Company is the legal acquirer, the accounting acquirer is 79North Ltd. and these financial statements are consolidated and presented with 79North Ltd. as the continuing entity. Concurrent with the RTO, the Company changed its name to 12 Exploration Inc. and began trading on the Canadian Securities Exchange ("CSE") under the symbol "TWLV". On August 19, 2020, the Company changed its name to 79North Inc. and began trading on CSE under the symbol "JQ". On March 5, 2021, the Company's common shares commenced trading on the OTCQB Venture Market under the ticker symbol "SVNTF".

79North is at an early stage of exploring and acquiring gold properties and as is common with many small companies, it raises financing for its exploration and acquisition activities in discrete tranches. As at August 31, 2021, the Company has a working capital of \$1,640,704 (November 30, 2020 - working capital of \$2,895,652). For the nine months ended August 31, 2021, the Company had a net loss and comprehensive loss of \$1,861,603 (nine months ended August 31, 2020 - loss of \$2,329,304) and had cash outflows from operations of \$1,724,883 (nine months ended August 31, 2020 - cash outflows of \$1,496,182). These conditions indicate the existence of some uncertainty that may cast doubt regarding the Company's ability to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern.

The Company's ability to continue as a going concern is dependent upon obtaining additional financing and eventually achieving profitable production in the future. The Company is currently evaluating various options in order to address its financing needs. There can be no assurance that the Company's financing activities will continue to be successful or sufficient.

Longer term, the Company may pursue opportunities to raise additional capital through equity markets; however, there can be no assurance it will be able to raise funds in the future. The ultimate ability of the Company to remain a going concern and complete exploration and development of properties, if properties are proven successful, is dependent upon successfully raising additional capital.

These unaudited condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets, liabilities and reported expenses should the Company be unable to continue as a going concern. These adjustments could be material.

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

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## 79North Inc.

### Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

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## 2. Significant accounting policies

### *Statement of compliance*

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of October 25, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended November 30, 2020. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending November 30, 2021 could result in restatement of these unaudited condensed interim consolidated financial statements.

## 3. Reverse take-over

On June 12, 2020, the Company acquired all the issued and outstanding shares of 79North Ltd. Prior to closing, 79North Ltd. had 43,133,953 common shares and 12,759,183 warrants outstanding. The Company's shares were then exchanged for the shares of 79North Ltd. on a 1:1 basis.

The acquisition constitutes an asset acquisition as the Company did not meet the definition of a business, as defined in IFRS 3 - Business Combinations. Additionally, as a result of the RTO, the statement of financial position has been adjusted for the elimination of the Company's share capital, warrants, share-based compensation and deficit within shareholders' equity.

As a result of this asset acquisition, a listing expense of \$534,949 was recorded. This reflects the difference between the estimated fair value of consideration given less the fair value of the net assets acquired.

The allocation of estimated fair value of consideration given is as follows:

### **Fair value of net assets acquired**

Cash	\$ 572,270
Receivables and other assets	8,961
Accounts payable and accrued liabilities	(33,780)
Listing expense	534,949
	<b>\$ 1,082,400</b>

### **Consideration given**

10,010,000 common shares	\$ 1,001,000
500,000 stock options	56,000
320,000 warrants	25,400
	<b>\$ 1,082,400</b>

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**79North Inc.****Notes to Condensed Interim Consolidated Financial Statements****Three and Nine Months Ended August 31, 2021****(Expressed in Canadian Dollars)****Unaudited**

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**4. Receivables and other assets**

	August 31, 2021	November 30, 2020
Amounts receivable	\$ 6,913	\$ 32,972
Prepaid expenses	21,803	103,988
	\$ 28,716	\$ 136,960

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**5. Equipment**

<b>Cost</b>	<b>Equipment</b>	<b>Vehicle</b>	<b>Total</b>
Balance, November 30, 2019	\$ 69,004	\$ -	\$ 69,004
Additions	64,144	-	64,144
Balance, November 30, 2020	133,148	-	133,148
Additions	53,252	43,486	96,738
Balance, August 31, 2021	\$ 186,400	\$ 43,486	\$ 229,886

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<b>Accumulated Depreciation</b>	<b>Equipment</b>	<b>Vehicle</b>	<b>Total</b>
Balance, November 30, 2019	\$ 21,385	\$ -	\$ 21,385
Depreciation for the year	12,731	-	12,731
Balance, November 30, 2020	34,116	-	34,116
Depreciation for the period	18,203	6,588	24,791
Balance, August 31, 2021	\$ 52,319	\$ 6,588	\$ 58,907

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<b>Carrying Value</b>	<b>Equipment</b>	<b>Vehicle</b>	<b>Total</b>
Balance, November 30, 2020	\$ 99,032	\$ -	\$ 99,032
Balance, August 31, 2021	\$ 134,081	\$ 36,898	\$ 170,979

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**79North Inc.****Notes to Condensed Interim Consolidated Financial Statements****Three and Nine Months Ended August 31, 2021****(Expressed in Canadian Dollars)****Unaudited**

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**6. Accounts payable and accrued liabilities**

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for purchases relating to general operating activities.

	<b>August 31, 2021</b>	<b>November 30, 2020</b>
Accounts payable	\$ 54,179	\$ 46,544
Accrued liabilities	30,000	65,550
	<b>\$ 84,179</b>	<b>\$ 112,094</b>

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**7. Share capital****(a) Authorized share capital**

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

**(b) Common shares issued**

	<b>Number of common shares</b>	<b>Amount</b>
Balance, November 30, 2019	43,133,953	\$ 3,418,184
Private placement (i)	32,734,988	4,910,250
Share issuance costs (i)	-	(473,338)
Warrant valuation (i)	-	(1,495,200)
Shares issued on RTO (note 3)	10,010,000	1,001,000
Balance, August 31, 2020 and November 30, 2020	85,878,941	7,360,896
Private placement (ii)	4,368,300	655,245
Share issuance costs (ii)	-	(8,243)
Warrant valuation (ii)	-	(124,800)
Balance, August 31, 2021	90,247,241	\$ 7,883,098

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(i) On June 11, 2020, the Company completed a non-brokered private placement of subscription receipts (the "Offering"), resulting in the sale of an aggregate of 30,481,655 subscription receipts (the "Subscription Receipts") at a price of \$0.15 per Subscription Receipt for aggregate gross proceeds of \$4,572,250.

Upon satisfaction of the conditions (the "Escrow Release Conditions") set forth in the certificates representing the Subscription Receipts, the gross proceeds from the sale of the Subscription Receipts were released from escrow, which was immediately prior to the completion of the RTO Transaction on June 12, 2020. Each Subscription Receipt was converted into one unit, consisting of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to acquire an additional common share at a price of \$0.25 per warrant until June 12, 2023, subject to customary anti-dilution provisions.

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## 79North Inc.

### Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

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#### 7. Share capital (continued)

##### (b) Common shares issued (continued)

(i) (continued) In connection with the Offering, the Company paid \$359,338 cash share issuance costs and issued an aggregate of 2,133,714 finders' warrants. Each finders' warrant is exercisable to acquire one common share and one share purchase warrant of the issuing company at a price of \$0.15 per finder warrant. The underlying warrants have the same terms as the warrants issued upon conversion of the applicable Subscription Receipts.

Concurrent with the Offering, the Company issued 2,253,333 units at \$0.15 per unit to settle \$338,000 of debt owed by the Company. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.25 per share until June 12, 2023.

The grant date fair values of the 32,734,988 warrants and 2,133,714 finders' warrants were estimated to be \$1,495,200 and \$114,000, respectively, using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.27%, and expected life of 3 years.

(ii) On August 17, 2021, the Company completed the first tranche of a non-brokered private placement and issued an aggregate of 4,368,300 units at a price of \$0.15 per unit for aggregate gross proceeds of \$655,245. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.25 per share until August 17, 2024. In connection with the offering, the Company paid \$8,243 of cash share issuance costs.

In connection with the closing of the first tranche of the non-brokered private placement, Mr. Jon North, Chairman, President and Chief Executive Officer ("CEO") of the Company, acquired ownership and control of 66,666 units.

The grant date fair values of the 2,184,150 warrants were estimated to be \$124,800, using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.55%, and expected life of 3 years.

#### 8. Stock options

	Number of stock options	Weighted average exercise price
Balance, November 30, 2019	-	\$ -
Granted (i)	3,500,000	0.15
Issued on RTO (note 3)	500,000	0.15
Balance, August 31, 2020	4,000,000	\$ 0.15
Balance, November 30, 2020	4,300,000	\$ 0.15
Granted (ii)(iii)(iv)	450,000	0.15
Cancelled	(500,000)	0.15
Expired	(500,000)	0.15
Balance, August 31, 2021	3,750,000	\$ 0.15



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**79North Inc.****Notes to Condensed Interim Consolidated Financial Statements****Three and Nine Months Ended August 31, 2021****(Expressed in Canadian Dollars)****Unaudited**

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**8. Stock options (continued)**

(i) On June 16, 2020, the Company granted an aggregate of 3,500,000 stock options exercisable at \$0.15 per share expiring on June 16, 2025. The grant date fair value of the options is estimated to be \$495,300 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.38%, and expected life of 5 years.

(ii) On March 29, 2021, the Company granted 150,000 stock options to a consultant of the Company. The stock options are exercisable at \$0.15 per share and expire in 5 years. The stock options vest 1/3 immediately and 1/3 each on first and second anniversaries of grant date. The grant date fair value of the options is estimated to be \$10,900 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.97%, and expected life of 5 years.

(iii) On May 10, 2021, the Company granted an aggregate of 200,000 stock options to a director of the Company. The stock options are exercisable at \$0.15 per share and expire in 5 years. The stock options vest 1/3 immediately and 1/3 each on first and second anniversaries of grant date. The grant date fair value of the options is estimated to be \$12,100 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.88%, and expected life of 5 years.

(iv) On June 28, 2021, the Company granted an aggregate of 100,000 stock options to a consultant of the Company. The stock options are exercisable at \$0.15 per share and expire in 5 years. The stock options vest 1/3 immediately and 1/3 each on first and second anniversaries of grant date. The grant date fair value of the options is estimated to be \$8,600 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.98%, and expected life of 5 years.

The following table reflects the actual stock options issued and outstanding as of August 31, 2021:

<b>Expiry date</b>	<b>Exercise price (\$)</b>	<b>Weighted average remaining contractual life (years)</b>	<b>Number of options outstanding</b>	<b>Number of options vested (exercisable)</b>
June 16, 2025	0.15	3.79	3,100,000	3,100,000
September 23, 2025	0.15	4.07	200,000	200,000
March 29, 2026	0.15	4.58	150,000	50,000
May 10, 2026	0.15	4.69	200,000	66,667
June 28, 2026	0.15	4.83	100,000	33,333
	0.15	3.92	3,750,000	3,450,000

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**79North Inc.****Notes to Condensed Interim Consolidated Financial Statements****Three and Nine Months Ended August 31, 2021****(Expressed in Canadian Dollars)****Unaudited**

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**9. Warrants**

	<b>Number of warrants</b>	<b>Weighted average exercise price</b>
Balance, November 30, 2019	12,759,183	\$ 0.19
Issued	34,868,702	0.24
Issued on RTO (note 3)	320,000	0.15
Balance, August 31, 2020 and November 30, 2020	47,947,885	0.23
Issued	2,184,150	0.25
Expired	(320,000)	0.15
Balance, August 31, 2021	49,812,035	\$ 0.23

The following table reflects the warrants issued and outstanding as of August 31, 2021:

<b>Expiry date</b>	<b>Exercise price (\$)</b>	<b>Number of warrants outstanding</b>
June 12, 2023 (i)	0.20	11,032,400
June 12, 2023 (i)(ii)	0.15	1,726,783
June 12, 2023	0.25	32,734,988
June 12, 2023 (iii)	0.15	2,133,714
August 17, 2024	0.25	2,184,150
	0.23	49,812,035

(i) On May 9, 2019, the Company extended the expiry date of the share purchase warrants and the broker warrants originally scheduled to expire on December 21, 2020 to June 12, 2023. If at any time following November 30, 2020, the common shares of the Company trade on the CSE at a volume weighted average price of \$0.50 or more for ten consecutive trading days, the Company may, by notice to warrant holders, reduce the expiry date to not less than 20 business days from the date of such notice.

(ii) Exercisable to acquire one unit, consisting of one common share of the Company and one-half of one common share purchase warrant. Each warrant shall be exercisable to acquire one additional common share at a price of \$0.20 per share.

(iii) Exercisable to acquire one unit, consisting of one common share of the Company and one common share purchase warrant. Each warrant shall be exercisable to acquire one additional common share at a price of \$0.25 per share.

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**79North Inc.****Notes to Condensed Interim Consolidated Financial Statements****Three and Nine Months Ended August 31, 2021****(Expressed in Canadian Dollars)****Unaudited**

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**10. Net loss per share**

The calculation of basic and diluted loss per share for the three and nine months ended August 31, 2021 was based on the loss attributable to common shareholders of \$627,585 and \$1,861,603, respectively (three and nine months ended August 31, 2020 - \$1,919,502 and \$2,329,304, respectively) and the weighted average number of common shares outstanding of 86,543,682 and 86,102,139, respectively (three and nine months ended August 31, 2020 - 80,303,508 and 55,568,859, respectively). Diluted loss per share did not include the effect of warrants and stock options as they are anti-dilutive.

**11. Exploration and evaluation expenditures**

<b>Three months ended August 31, 2021</b>	<b>Nassau Gold Project</b>	<b>Sela Creek Project</b>	<b>Project Generation</b>	<b>Total</b>
Administrative	\$ 27,834	\$ -	\$ -	\$ 27,834
Amortization	10,875	-	-	10,875
Camp costs	30,396	376	-	30,772
Consulting	2,961	-	6,370	9,331
Drilling	140,063	-	-	140,063
Labour costs	147,469	190	-	147,659
Professional fees	27,845	-	-	27,845
Supplies	10,759	-	-	10,759
Surface exploration	1,252	-	-	1,252
Vehicle costs	4,983	-	-	4,983
<b>Total exploration and evaluation expenditures</b>	<b>\$ 404,437</b>	<b>\$ 566</b>	<b>\$ 6,370</b>	<b>\$ 411,373</b>

<b>Nine months ended August 31, 2021</b>	<b>Nassau Gold Project</b>	<b>Sela Creek Project</b>	<b>Project Generation</b>	<b>Total</b>
Administrative	\$ 103,789	\$ -	\$ -	\$ 103,789
Amortization	24,791	-	-	24,791
Analysis	47,164	-	-	47,164
Camp costs	70,889	1,746	-	72,635
Consulting	63,412	3,739	8,210	75,361
Drilling	202,103	-	-	202,103
Labour costs	352,254	60,787	-	413,041
Professional fees	63,660	-	-	63,660
Supplies	20,196	-	-	20,196
Surface exploration	2,831	-	-	2,831
Vehicle costs	33,318	-	-	33,318
<b>Total exploration and evaluation expenditures</b>	<b>\$ 984,407</b>	<b>\$ 66,272</b>	<b>\$ 8,210</b>	<b>\$ 1,058,889</b>

## 79North Inc.

### Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

#### 11. Exploration and evaluation expenditures (continued)

Three months ended August 31, 2020	Nassau Gold Project	Sela Creek Project	Project Generation	Total
Administrative	\$ 148,016	\$ 652	\$ -	\$ 148,668
Amortization	2,381	-	-	2,381
Camp costs	1,426	-	-	1,426
Consulting	1,400	-	-	1,400
Labour costs	27,557	3,275	-	30,832
Vehicle costs	4,761	-	-	4,761
<b>Total exploration and evaluation expenditures</b>	<b>\$ 185,541</b>	<b>\$ 3,927</b>	<b>\$ -</b>	<b>\$ 189,468</b>

Nine months ended August 31, 2020	Nassau Gold Project	Sela Creek Project	Project Generation	Total
Administrative	\$ 161,435	\$ 652	\$ -	\$ 162,087
Amortization	7,143	-	-	7,143
Camp costs	4,873	-	-	4,873
Consulting	5,660	3,258	2,200	11,118
Labour costs	47,533	4,277	-	51,810
Vehicle costs	4,761	-	-	4,761
<b>Total exploration and evaluation expenditures</b>	<b>\$ 231,405</b>	<b>\$ 8,187</b>	<b>\$ 2,200</b>	<b>\$ 241,792</b>

#### 12. Related party transactions

Key management includes the CEO, the Chief Financial Officer ("CFO"), and the directors of the Company. The compensation paid or payable to key management for services during the periods ended August 31, 2021 and 2020 is as follows:

	Three Months Ended August 31, 2021	Three Months Ended August 31, 2020	Nine Months Ended August 31, 2021	Nine Months Ended August 31, 2020
Management compensation (a)	\$ 45,000	\$ 41,597	\$ 145,000	\$ 116,597
Professional fees (b)(c)	31,295	16,035	55,651	30,265
Rent (b)	5,700	5,700	17,100	17,100
Office and general (b)	1,535	4,440	7,108	4,440
Investor relations (b)	3,200	3,132	4,864	3,132
Share issuance costs (b)	-	6,000	-	6,000
Share-based payments	-	-	12,100	-
	<b>\$ 86,730</b>	<b>\$ 76,904</b>	<b>\$ 241,823</b>	<b>\$ 177,534</b>

The noted transactions below are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the directors in strict adherence to conflict of interest laws and regulations.

(a) During the three and nine months ended August 31, 2021, the Company incurred management compensation of \$45,000 and \$145,000, respectively (three and nine months ended August 31, 2020 - \$41,597 and \$116,597, respectively) to the CEO of the Company. As at August 31, 2021, the CEO was owed \$10,856 (November 30, 2020 - \$27,632) and these amounts were included in accounts payable and other liabilities.

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## 79North Inc.

### Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

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#### 12. Related party transactions (continued)

(b) During the three and nine months ended August 31, 2021, the Company paid professional fees, rent, office and general totaling \$16,195 and \$60,723, respectively (three and nine months ended August 31, 2020 - \$30,867 and \$60,937, respectively) to Marrelli Support Services Inc., DSA Corporate Services Inc., DSA Filing Services Limited, Marrelli Capital Limited, and Marrelli Press Release Services Limited, together known as the "Marrelli Group", for:

- (i) Carmelo Marrelli, Managing Director of the Marrelli Group, to act as the CFO of the Company;
- (ii) Bookkeeping services;
- (iii) Corporate secretarial services;
- (iv) Regulatory filing services;
- (v) Office rent; and
- (vi) Escrow services.

The Marrelli Group was owed \$4,994 (November 30, 2020 - \$3,236) and these amounts were included in amounts payable and accrued liabilities. The Company also had a \$1,900 deposit with the Canadian Venture Building, Limited as a deposit for last months rent.

(c) During the three and nine months ended August 31, 2021, the Company incurred professional fees of \$24,000 (three and nine months ended August 31, 2020 - \$nil) to a director of the Company.

(d) During the year ended November 30, 2019, the CEO advanced \$25,000 to the Company. The advance is non-interest bearing and repayable on demand. The amount was fully repaid during the year ended November 30, 2020.

(e) See note 7(b) for details regarding related party participation in the private placements.

#### 13. Segmented information

The Company primarily operates in one reportable operating segment, being the exploration and evaluation of gold properties in Suriname. The Company has administrative offices in Toronto, Canada. Geographical information is as follows:

##### August 31, 2021

	Canada	Suriname	Total
Current assets	\$ 1,686,515	\$ 38,368	\$ 1,724,883
Non-current assets	41,784	129,195	170,979
	\$ 1,728,299	\$ 167,563	\$ 1,895,862

##### November 30, 2020

	Canada	Suriname	Total
Current assets	\$ 2,982,777	\$ 24,969	\$ 3,007,746
Non-current assets	-	99,032	99,032
	\$ 2,982,777	\$ 124,001	\$ 3,106,778

#### 14. Event after the reporting period

On October 1, 2021, the Company completed the second and final tranche of a non-brokered private placement and issued an aggregate of 1,300,000 units at a price of \$0.15 per unit for aggregate gross proceeds of \$195,000. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.25 per share until August 17, 2024.

**79NORTH INC.**

**INTERIM MANAGEMENT'S DISCUSSION AND  
ANALYSIS – QUARTERLY HIGHLIGHTS**

**FOR THE THREE AND NINE MONTHS ENDED  
AUGUST 31, 2021**

## **Introduction**

The following interim Management Discussion & Analysis ("MD&A") of 79North Inc. ("79North" or the "Company") for the three and nine months ended August 31, 2021, has been prepared to provide material updates to the business operations, liquidity, and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended November 30, 2020. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared in accordance with section 2.2.1 of Form 51-102F1 and National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended November 30, 2020, and 2019, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three and nine months ended August 31, 2021, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of October 25, 2021, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares (the "Common Shares"); (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Additional information relating to the Company is available free of charge on the System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com).

## **Caution Regarding Forward-looking Statements**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

**79North Inc.**  
**Interim Management's Discussion and Analysis – Quarterly Highlights**  
**Three and Nine Months Ended August 31, 2021**  
**Dated: October 25, 2021**

Forward-looking statements	Assumptions	Risk factors
Potential of 79North's properties to contain economic deposits of gold and/or other metals	Financing will be available for future exploration and development of 79North's properties; the actual results of 79North's exploration and development activities will be favourable; operating, exploration and development costs will not exceed 79North's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to 79North, and applicable political and economic conditions are favourable to 79North; the price of gold and/or other applicable metals and applicable interest and exchange rates will be favourable to 79North; no title disputes exist with respect to the Company's properties	Gold price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with 79North's expectations; availability of financing for and actual results of 79North's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff
<p>The Company's ability to meet its working capital needs at the current level for the twelve-month period ending August 31, 2022</p> <p>The Company expects to incur further losses in the development of its business</p> <p>Should the Company not raise sufficient capital, it may cease operations</p>	The operating and exploration activities of the Company for the twelve-month period ending August 31, 2022, and the costs associated therewith, will be consistent with 79North's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to 79North	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions
The Company's ability to carry out anticipated exploration on its property interests	The exploration activities of the Company for the twelve months ended August 31, 2022, and the costs associated therewith, will be consistent with 79North's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to 79North	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions; receipt of applicable permits



**79North Inc.**  
**Interim Management's Discussion and Analysis – Quarterly Highlights**  
**Three and Nine Months Ended August 31, 2021**  
**Dated: October 25, 2021**

Plans, costs, timing and capital for future exploration and development of 79North's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations	Financing will be available for 79North's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to 79North; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to 79North; the price of gold and/or other applicable metals will be favourable to 79North; no title disputes exist with respect to 79North's properties	Gold or silver price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with 79North's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff
Management's outlook regarding future trends	Financing will be available for 79North's exploration and operating activities; the price of gold and/or other applicable metals will be favourable to 79North	Gold price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions

Inherent in forward-looking statements are risks, uncertainties, and other factors beyond 79North's ability to predict or control. Please also refer to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause 79North's actual results, performance, or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether because of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

## **Description of Business**

The Company was incorporated under the name "12 Exploration Inc." pursuant to the Business Corporations Act (Ontario) on November 27, 2017.

On June 12, 2020, the Company completed a reverse take-over transaction ("RTO Transaction") with 79North Ltd. ("79North Ltd.") whereby the Company acquired 100% of the issued and outstanding common shares of 79North Ltd. by way of a three-cornered amalgamation pursuant to which 79North Ltd. amalgamated with a wholly owned subsidiary of the Company. As a result of the share exchange, 79North Ltd. is considered to have control. While the Company is the legal acquirer, the accounting acquirer is 79North Ltd. and these financial statements are consolidated and presented with 79North Ltd. as the continuing entity. Following the RTO, the Company began trading on the Canadian Securities Exchange ("CSE") under the symbol "TWLV" on June 16, 2020. On August 19, 2020, the Company changed its name to "79North Inc." and began trading on CSE under the symbol "JQ". On March 5, 2021, the Company's common shares commenced trading on the OTCQB Venture Market under the ticker symbol "SVNTF".

79North, is led by a team with extensive mineral exploration expertise and a track record of discoveries and exits in South America and globally. 79North currently holds an indirect interest in mineral concessions in northern Suriname and aims to become the premier junior exploration company in this under explored district of the prolific Guiana Shield. 79North's growing portfolio of high-quality targets which have not undergone modern exploration or drilling have a long history of artisanal mining and are strategically located near modern gold mines operated by major mining companies. 79North is a mineral exploration company focused on the acquisition, exploration, and development of properties for the mining of gold and other minerals. Both the registered and head office of the Company is located at The Canadian Venture Building, 82 Richmond Street East, Suite 306, Toronto, Ontario M5C 1P1.

The Company is in the exploration stage and is subject to the same risks and challenges as other companies at a comparable stage of development. These risks include, but are not limited to, the dependence on key individuals, successful exploration, and the ability to secure adequate financing to meet the minimum capital required to successfully complete its planned work programs on mineral properties. The financial statements for the three and nine months ended August 31, 2021, have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves and the Company's ability to dispose of its interests on an advantageous basis.

79North is at an early stage of exploring and acquiring gold properties and as is common with many small companies, it raises financing for its exploration and acquisition activities in discrete tranches. As at August 31, 2021, the Company has a working capital of \$1,640,704 (November 30, 2020 - working capital of \$2,895,652). For the nine months ended August 31, 2021, the Company had a net loss and comprehensive loss of \$1,861,603 (nine months ended August 31, 2020 - loss of \$2,329,304) and had cash outflows from operations of \$1,724,883 (nine months ended August 31, 2020 - cash outflows of \$1,496,182). These conditions indicate the existence of some uncertainty that may cast doubt regarding the Company's ability to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern.

The Company's ability to continue as a going concern is dependent upon obtaining additional financing and eventually achieving profitable production in the future. The Company is currently evaluating various options

to address its financing needs. There can be no assurance that the Company's financing activities will continue to be successful or sufficient.

Longer term, the Company may pursue opportunities to raise additional capital through equity markets; however, there can be no assurance it will be able to raise funds in the future. The ultimate ability of the Company to remain a going concern and complete exploration and development of properties, if properties are proven successful, is dependent upon successfully raising additional capital.

### **Operational Highlights**

On March 29, 2021, the Company granted 150,000 stock options to a consultant of the Company. The stock options are exercisable at \$0.15 per share and expire in 5 years. The stock options vest 1/3 immediately and 1/3 each on first and second anniversaries of grant date.

On May 10, 2021, the Company granted an aggregate of 200,000 stock options to a director of the Company. The stock options are exercisable at \$0.15 per share and expire in 5 years. The stock options vest 1/3 immediately and 1/3 each on first and second anniversaries of grant date.

On June 28, 2021, the Company granted an aggregate of 100,000 stock options to a consultant of the Company. The stock options are exercisable at \$0.15 per share and expire in 5 years. The stock options vest 1/3 immediately and 1/3 each on first and second anniversaries of grant date.

On August 17, 2021, the Company completed the first tranche of a non-brokered private placement and issued an aggregate of 4,368,300 units at a price of \$0.15 per unit for aggregate gross proceeds of \$655,245. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.25 per share until August 17, 2024.

In connection with the closing of the first tranche of the non-brokered private placement, Mr. Jon North, Chairman, President and Chief Executive Officer ("CEO") of the Company, acquired ownership and control of 66,666 common shares and 33,333 common share purchase warrants.

### **Capital Resources**

The Company has limited capital resources and must rely upon the sale of its equity and/or debt securities for cash required for acquisition, exploration, and development of mineral resource properties. Since the Company does not expect to generate any revenues soon, it must continue to rely upon the sale of its equity and/or debt securities to raise capital. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company.

The Company's use of cash is currently and is expected to continue to be focused on two principal areas, namely the funding of its general and administrative expenditures and the funding of its investment activities. Investing activities include the cash components of the cost of acquiring and exploring the Company's mineral claims. The Company will require additional financing to conduct its planned work programs on mineral properties, meet its ongoing corporate overhead and discharge its liabilities as they come due.

The Company has a need for equity capital and financing for working capital and exploration and development of the Nassau Gold Project and its other projects. Because of ongoing operating losses, the Company's continuance as a going concern is dependent on its ability to obtain adequate financing and to

**79North Inc.**  
**Interim Management's Discussion and Analysis – Quarterly Highlights**  
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**Dated: October 25, 2021**

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reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operation.

Other than as disclosed in this MD&A, the Company does not have any commitments for capital expenditures as at the date hereof.

See "Caution Regarding Forward-looking Statements" and "Risk Factors".

## **Exploration Program**

### **Nassau Gold Project**

#### *Current and Future Plans Related to the Nassau Gold Project*

The following table summarizes the Company's current exploration programs at the Nassau Gold Project, total estimated cost to complete each exploration program, and total expenditures incurred to date.

<b>Summary of Completed Activities (Nine Months Ended August 31, 2021)</b>	<b>(A) Spent</b>	<b>Plans for the Project</b>	<b>(B) Planned Expenditures</b>
Continuation of current exploration activities (personnel, fuel, food, repairs, transport) including: linecutting, geologic mapping, auger sampling, panning, improving ATV trail, camp logistics (fuel & food). Commencement of minimum 1,500 m of diamond drilling at the Carbonara and Wiltage Targets.	\$984,000	Phase 1 (Note 1)  Phase 2 – All inclusive support for 5,000-meter drilling (Note 2)	\$500,000  \$2,000,000
<b>Subtotals</b>	<b>\$984,000</b>		<b>\$2,500,000</b>
<b>Total (A+B)</b>			<b>\$3,484,000</b>

#### *Note 1*

A Phase 1 exploration program which includes continued line cutting, geologic mapping, assays and geochemistry, stream sediment panning, and soil, rock, auger, and trench sample collection as well as a Lidar survey.

#### *Note 2*

A subsequent Phase 2 core drilling program to explore the most advanced areas discovered in the Phase 1 exploration to determine the underlying tenor of the gold mineralization. Local road access improvements commenced July 27, 2021, and a new drilling base camp was established. The first drill hole was collared July 30, 2021.

#### *Note 3*

The exploration permit with respect to the area comprising the Nassau Gold Project held by the Company's subsidiary, Integral Agricultural and Mining Industries N.V. ("IAM") expired on August 25, 2019. IAM applied for two exploitation permits to cover substantially the same area of the original exploration permit on May 9, 2019, with the first exploitation concession made effective on February 6, 2020, and the second concession made effective on March 22, 2020.

Please refer to the Company's technical report entitled "NI 43-101 Technical Report – Nassau Gold Exploration Project, Sipaliwini district, Suriname, South America" and dated May 14, 2020 for further details.

### **Sela Creek Project**

#### *Sela Creek Project*

On April 26, 2017, 79North acquired all of the issued and outstanding shares of Kudray pursuant to a sale agreement dated November 25, 2016, between Kudray, Gibiley S.A. ("Gibiley"), Hunter Bay Minerals PLC (in liquidation) ("Hunter Bay"), William Antony Batty and 79North (the "Sela Creek Agreement"), in consideration of a cash payment of US\$325,000. Kudray, in turn has an indirect beneficial 70% interest (subject to certain alluvial rights) in the property known as the "Sela Creek Project", which was comprised of mining concession GMD No. 998/17 located in southern Suriname. Kudray had a right to earn an additional 10% interest in the Sela Creek Project but did not exercise the right prior to its expiry on December 21, 2019. 79North is working with its local partner, Selakriki, to renegotiate an agreement with respect to its indirect interest in the Sela Creek Project.

The original exploration concession of the Sela Creek Project was acquired by Selakriki Okanisi Resources N.V. ("Selakriki"), a Suriname entity, on January 5, 2011. The concession is known as GMD 998/17 with an area of 21,929 hectares. The concession had its second and final renewal on November 14, 2017, for a period of two years. The exploration expired on November 14, 2019.

Prior to the expiry of the Sela Creek exploration concession, the Company and Sela Kriki Okanisi agreed that for the benefit of the Company and Sela Kriki, Sela Kriki would apply for two exploitation concessions of approximately 10,000 hectares each to supersede and substantially cover the same area as the exploration concession.

Sela Kriki applied for a 10,000-hectare exploitation concession and an 11,825-hectare exploration concession that substantially covered the same area as the expired exploration concession. In the Spring of 2020, Sela Kriki asserted that 79North no longer had any interest in the Project and that the agreement expired with the exploration concession.

The Company disagrees with Sela Kriki's position and on June 10, 2020, commenced proceedings against Sela Kriki and its Directors in the Ontario Superior Court of Justice. The Company claimed for a declaration that 79North has a 70% beneficial interest in the Sela Creek Gold Project and for damages in the amount of USD\$5,300,000 consisting of \$700,000 in cash payments and \$4,600,000 in exploration activities previously reported by 79North. The litigation is currently at the pleadings stage.

### **Technical Disclosure**

All scientific and technical disclosure herein was prepared under the supervision of Jon North, P.Geo., who holds the position of President and CEO of the Company and is a Qualified Person within the meaning of National Instrument 43-101. Mr. North has reviewed and approved the scientific and technical information contained herein.

## **Discussion of Operations**

### *Three months ended August 31, 2021, compared with three months ended August 31, 2020*

The Company's net loss totaled \$627,585 for the three months ended August 31, 2021, with basic and diluted loss per share of \$0.01, compared to net loss \$1,919,502 for the three months ended August 31, 2020, with basic and diluted loss per share of \$0.02. The decrease in net loss is due to following:

- Professional fees decreased to \$66,701 for the three months ended August 31, 2021 (2020 - \$454,540) due to increased legal fees in 2020 related to the RTO Transaction.
- Investor relations decreased to \$15,885 for the three months ended August 31, 2021 (2020 - \$107,891) due to decreased level of marketing.
- Share-based payments decreased to \$8,600 for the three months ended August 31, 2021 (2020 - \$495,300). Share-based payments will vary depending on the vesting of stock options during the period.
- Listing expense decreased to \$nil for the three months ended August 31, 2021 (2020 - \$534,949) from the RTO Transaction that took place in 2020.
- Exploration and evaluation expenditures increased to \$411,373 for the three months ended August 31, 2021 (2020 - \$189,468) due to the increased level of activities in the Nassau Gold Project.
- All other expenses related to general working capital purposes and have increased due to the increase activity of the Company.

### *Nine months ended August 31, 2021, compared with nine months ended August 31, 2020*

The Company's net loss totaled \$1,861,603 for the nine months ended August 31, 2021, with basic and diluted loss per share of \$0.02, compared to net loss \$2,329,304 for the nine months ended August 31, 2020, with basic and diluted loss per share of \$0.04. The decrease in net loss is due to following:

- Professional fees decreased to \$213,302 for the nine months ended August 31, 2021 (2020 - \$688,202) due to increased legal fees in 2020 related to the RTO Transaction.
- Share-based payments decreased to \$31,600 for the nine months ended August 31, 2021 (2020 - \$495,300). Share-based payments will vary depending on the vesting of stock options during the period.
- Listing expense decreased to \$nil for the nine months ended August 31, 2021 (2020 - \$534,949) from the RTO Transaction that took place in 2020.
- Exploration and evaluation expenditures increased to \$1,058,889 for the nine months ended August 31, 2021 (2020 - \$241,792) due to the increased level of activities in the Nassau Gold Project.
- Investor relations increased to \$172,286, for the nine months ended August 31, 2021 (2020 - \$107,891) due to increased level of marketing.
- All other expenses related to general working capital purposes and have increased due to the increase activity of the Company.

## **Liquidity and Financial Position**

The activities of the Company, principally the acquisition, exploration, and development of properties prospective for base and precious minerals, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. The Company completed the first

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tranche of a non-brokered private placement and issued an aggregate of 4,368,300 units at a price of \$0.15 per unit for aggregate gross proceeds of \$655,245 during the nine months ended August 31, 2021. No options or warrants were exercised. There is no assurance that future equity capital will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all. See "Caution Regarding Forward-looking Statements" and "Risk Factors".

The Company's continuing operations are dependent on its ability to secure equity and/or debt financing, with which it intends to maintain its proposed mineral exploration programs on the claims and identify, evaluate, and acquire, if appropriate, interests in other mineral properties. The circumstances that could affect the Company's ability to secure equity and/or debt financing that are reasonably likely to occur are, without limitation, as follows:

- the state of capital markets generally.
- the prevailing market prices for base and precious minerals.
- the ability of the Company to obtain all permitting required with respect to its proposed exploration programs.
- the potential abandonment of the Nassau Gold property and other properties as exploration results provide further information relating to the underlying value of the projects.
- changes in laws, regulations, and political conditions, and
- the ability of the Company to realize satisfactory terms in its negotiation of work contracts relating to both the Nassau Gold and Sela Creek properties.

As of August 31, 2021, based on current projections, the Company's working capital of \$1,640,704 may be sufficient to meet its planned development activities for the financial year ending November 30, 2021. The table below outlines the Company's planned uses of working capital:

<b>Use of Capital <sup>(1)</sup></b>	<b>Estimated Cost</b>	<b>Spent to date (approx.)</b>	<b>Remaining Funds to Spend or (excess)</b>
Phase 1 recommended program on the Nassau Gold Project <sup>(1)(2)</sup>	\$31,000	\$984,000	\$(953,000)
Part of Phase 2 recommended program on the Nassau Gold Project (diamond drilling) <sup>(1)</sup>	\$1,000,000	\$nil	\$1,000,000
General corporate expenses	\$1,488,652	\$771,000	\$717,652
<b>Total</b>	<b>\$2,519,652</b>	<b>\$1,755,000</b>	<b>\$764,652</b>

Notes:

- (1) The total estimated aggregate costs for completing Phase 1 and Phase 2 for the Nassau Gold Project is as follows: Phase 1 Recommended Programme \$500,000; and Phase 2 Recommended Program \$2,000,000.
- (2) Includes continuation of current exploration activities (personnel, fuel, food, repairs, transport) including: linecutting, geologic mapping, assays and geochemistry, auger sampling, panning, improving ATV trail, camp logistics (fuel & food) in the amount of \$400,000 and LIDAR survey including data analysis & interpretation in the amount of \$100,000.

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- (3) The Company intends to set funds aside for potential concessions which it has an interest in acquiring in the future. Currently, there are currently no agreements in place to acquire future concessions.

For the Nassau Gold Project, the Phase 1 exploration programs includes LIDAR surveys, geologic mapping and sampling, auger drilling, and gold panning surveys. It is expected that the Phase 1 exploration program will define anomalous areas of gold in bedrock, saprolite, and stream sediments that will define targets for drilling in Phase 2. The details of the results of the Phase 1 exploration program have been set out in press releases May 26, 2021 and June 9, 2021.

The Company intends to spend the funds available to it as stated in the table above. The actual use of the proceeds, however, may vary depending on the Company's operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary, and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on several factors.

There is no assurance that any revenues will be generated soon. Because the Company continues to incur such significant future expenditures for continued exploration and general and administrative expenses, the Company may continue to experience negative cash flow until it is able to generate revenue to cover operating expenses. An inability to generate positive cash flow until the Company can generate revenue to cover operating expenses or raise additional capital on reasonable terms will adversely affect the Company's viability as an operating business. See "Caution Regarding Forward-looking Statements" and "Risk Factors".

### **Related Party Transactions**

Key management includes the CEO, the Chief Financial Officer ("CFO"), and the directors of the Company. The compensation paid or payable to key management for services during the three and nine months ended August 31, 2021, is as follows:

	<b>Three Months Ended August 31, 2021 (\$)</b>	<b>Three Months Ended August 31, 2020 (\$)</b>	<b>Nine Months Ended August 31, 2021 (\$)</b>	<b>Nine Months Ended August 31, 2020 (\$)</b>
Management compensation (a)	45,000	41,597	145,000	116,567
Professional fees (b)(c)	31,295	16,035	55,651	30,265
Rent (b)	5,700	5,700	17,100	17,100
Office and general (b)	1,535	4,440	7,108	4,440
Investor relations (b)	3,200	3,132	4,864	3,132
Share issuance costs (b)	Nil	6,000	Nil	6,000
Share-based payments	Nil	Nil	12,100	Nil
	<b>86,730</b>	<b>76,904</b>	<b>241,823</b>	<b>177,534</b>



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The noted transactions below are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the directors in strict adherence to conflict of interest laws and regulations.

- (a) During the three and nine months ended August 31, 2021, the Company incurred management compensation of \$45,000 and \$145,000, respectively (three and nine months ended August 31, 2020 - \$41,597 and \$116,597, respectively) to the CEO of the Company. As at August 31, 2021, the CEO was owed \$10,856 (November 30, 2020 - \$27,632) and these amounts were included in accounts payable and other liabilities.
- (b) During the three and nine months ended August 31, 2021, the Company paid professional fees, rent, office and general totaling \$16,195 and \$60,723, respectively (three and nine months ended August 31, 2020 - \$30,867 and \$60,937, respectively) to Marrelli Support Services Inc., DSA Corporate Services Inc., DSA Filing Services Limited, Marrelli Capital Limited, and Marrelli Press Release Services Limited, together known as the "Marrelli Group", for:
  - (i) Carmelo Marrelli, Managing Director of the Marrelli Group, to act as the CFO of the Company.
  - (ii) Bookkeeping services.
  - (iii) Corporate secretarial services.
  - (iv) Regulatory filing services.
  - (v) Office rent, and
  - (vi) Escrow services.

The Marrelli Group was owed \$4,994 (November 30, 2020 - \$3,236) and these amounts were included in amounts payable and accrued liabilities. The Company also had a \$1,900 deposit with Marrelli Capital Limited as a deposit for last months rent.

- (c) During the three and nine months ended August 31, 2021, the Company incurred professional fees of \$24,000 (three and nine months ended August 31, 2020 - \$nil) to a director of the Company.
- (d) During the year ended November 30, 2019, the CEO advanced \$25,000 to the Company. The advance is non-interest bearing and repayable on demand. The amount was fully repaid during year ended November 30, 2020.
- (e) In connection with the closing of the first tranche of the non-brokered private placement on August 17, 2021, Mr. Jon North, Chairman, President and CEO of the Company, acquired ownership and control of 66,666 units.

### **Event After the Reporting Period**

On October 1, 2021, the Company completed the second and final tranche of a non-brokered private placement and issued an aggregate of 1,300,000 units at a price of \$0.15 per unit for aggregate gross proceeds of \$195,000. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.25 per share until August 17, 2024.

### **Disclosure Controls**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the years presented by the financial statements; and (ii) the financial statements fairly

present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the years presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Company uses the Venture Issuer Basic Certificate, which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS). The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## **Risk Factors**

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for year ended November 30, 2020, available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **COVID-19 and Health Crises**

The current outbreak of COVID-19 and the emergence of multiple COVID-19 variants has had an adverse impact on global economic conditions. Any future emergence and spread of similar or other pathogens could have a similar adverse impact. The COVID-19 pandemic may continue or worsen 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 ability to explore Company's properties and its ability to advance its projects and other growth initiatives.

The outbreak and resurgence of COVID-19 continues to significantly impact global economies and the global upheavals have caused significant volatility in commodity prices. The outbreak and its declaration as a global pandemic caused companies and governments around the world to impose sweeping restrictions on the movement of people and goods, including social distancing measures and restrictions on group gatherings, isolation and quarantine requirements, closure of business and government offices, travel advisories and travel restrictions. While these effects are expected to be temporary, the duration of

the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Furthermore, governments in relevant jurisdictions may introduce new, or modify existing, laws, regulations, orders or other measures that could impact the Company's ability to operate or affect the actions of its suppliers, contractors and service providers.

Should the responses of companies and governments be insufficient to contain the spread and impact of COVID-19, this may lead to further economic downturn that may adversely impact the Company's business, financial condition and results of operations. The outbreak and resurgence of COVID-19 may also continue to affect financial markets, may adversely affect the Company's ability to raise capital, and may cause continued interest rate volatility and movements that may make obtaining financing more challenging or more expensive or unavailable on commercially reasonable terms or at all. In addition, if any number of employees or consultants of the Company or any key supplier become infected with COVID-19 or similar pathogens and/or the Company is unable to source necessary replacements, consumables or supplies or transport its products, due to government restrictions or otherwise, it could have a material negative impact on the Company's operations and prospects, including the complete shutdown of its operations. Furthermore, an outbreak of COVID-19 at the Company's operations could cause reputational harm and negatively impact the Company's social license to operate. The COVID-19 pandemic has also increased cybersecurity and information technology risks due to the rise in fraudulent activity and increased number of employees working remotely.

As a result of measures, it has taken, there is no assurance as to whether the Company will be affected by the current COVID-19 pandemic or potential future health crises. The Company will continue to work actively to monitor the situation and implement further measures as required to mitigate and/or deal with any repercussions that may occur because of the COVID-19 outbreak.