RED LAKE GOLD INC.

(FORMERLY PIVIT EXPLORATION INC.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED NOVEMBER 30, 2019 AND 2018

(EXPRESSED IN CANADIAN DOLLARS)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Red Lake Gold Inc.

Opinion

We have audited the consolidated financial statements of Red Lake Gold Inc. (the "Company"), which comprise consolidated statement of financial position as at November 30, 2019 and the consolidated statements of the loss and comprehensive loss, changes in shareholders equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a comprehensive loss of $841,556 during the year ended November 30, 2019 and, as of that date, the Company's deficit was $1,435,076. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matter

The consolidated financial statements for the year ended November 30, 2018 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on March 29, 2019.

Other Information

Management is responsible for the other information. The other information comprises the information included in the management's discussion and analysis.

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Vancouver, Canada *"Morgan & Company LLP"*

March 9, 2020 Chartered Professional Accountant

MORGAN
COMPANY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

RED LAKE GOLD INC.
(FORMERLY PIVIT EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	November 30, 2019	November 30, 2018
	$	$
ASSETS		
CURRENT		
Cash	**461,693**	15,240
GST Receivable	**8,434**	11,294
Prepaid expenses	**65,000**	3,500
	535,127	30,034
EXPLORATION AND EVALUATION ASSETS (Note 6)	**1,297,613**	1,461,270
TOTAL ASSETS	**1,832,740**	1,491,304
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 9)	**14,501**	121,279
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 7)	**2,679,620**	1,814,175
CONTRIBUTED SURPLUS (Note 7)	**573,695**	149,370
DEFICIT	**(1,435,076)**	(593,520)
	1,818,239	1,370,025
TOTAL LIABILITIES &SHAREHOLDERS' EQUITY	**1,832,740**	1,491,304

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the Board on March 9, 2020.

"Brian Hearst" Director *"Ryan Kalt"* Director

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

RED LAKE GOLD INC.
(FORMERLY PIVIT EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	For the Year Ended November 30, 2019	For the Year Ended November 30, 2018
	$	$
EXPENSES		
Advertising and promotion	**7,445**	18,281
Consulting (Note 8)	**27,600**	89,721
Office and miscellaneous (Note 8)	**13,254**	46,547
Professional fees	**79,350**	137,382
Stock-based compensation (Note 7)	**465,000**	55,400
Transfer agent and filing fees	**21,637**	34,214
Impairment of mineral property	**227,270**	117,928
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	**(841,556)**	(499,473)
LOSS PER SHARE (basic and diluted)	**(0.03)**	(0.04)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	**24,702,092**	12,483,289

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

RED LAKE GOLD INC.
(FORMERLY PIVIT EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Common Shares				
	Number of Shares	**Amount**	**Contributed Surplus**	**Deficit**	**Total**
		$	$	$	$
Balance, November 30, 2017	8,500,001	200,001	63,770	(94,047)	169,724
Shares issued for initial public offering	4,025,000	402,500	-	-	402,500
Shares issuance costs – cash	-	(93,126)	-	-	(93,126)
Shares issuance costs – shares	100,000	-	-	-	-
Shares issuance costs – options	-	(30,200)	30,200	-	-
Shares issued for mineral properties	9,575,000	1,335,000	-	-	1,335,000
Share-based payments	-	-	55,400	-	55,400
Loss for the year	-	-	-	(499,473)	(499,473)
Balance, November 30, 2018	22,200,001	1,814,175	149,370	(593,520)	1,370,025
Shares issued – private placement	4,630,000	750,100	-	-	750,100
Finder's fees – cash	-	(15,750)	-	-	(15,750)
Proceeds from warrant exercises	364,200	36,420	-	-	36,420
Proceeds from option exercises	525,000	54,000	-	-	54,000
Value allocation from option exercises	-	40,675	(40,675)	-	-
Stock-options granted	-	-	465,000	-	465,000
Loss for the year	-	-	-	(841,556)	(841,556)
Balance, November 30, 2019	**27,719,201**	**2,679,620**	**573,695**	**(1,435,076)**	**1,818,239**

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

RED LAKE GOLD INC.
(FORMERLY PIVIT EXPLORATION INC.)
CONSOLIDATED STATEMENTS OF CASH FLOW
(Expressed in Canadian dollars)

	For the Year Ended November 30, 2019	For the Year Ended November 30, 2018
	$	$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Loss for the year	**(841,556)**	(499,473)
Non-cash items:		
Stock-based compensation	**465,000**	55,400
Impairment of mineral property	**227,270**	117,928
Changes in non-cash working capital balances:		
GST receivable	**2,860**	(5,665)
Prepaid expenses	**(61,500)**	(3,500)
Accounts payable and accrued liabilities	**(106,779)**	43,143
Cash used in operating activities	**(314,705)**	(292,167)
INVESTING ACTIVITIES		
Exploration and evaluation asset acquisition	**(22,000)**	(52,000)
Exploration and evaluation asset expenditures	**(46,309)**	(28,810)
Mining exploration tax credit received	**4,697**	-
Cash used in investing activities	**(63,612)**	(80,810)
FINANCING ACTIVITIES		
Issuance of common shares	**750,100**	402,500
Share issuance costs	**(15,750)**	(83,126)
Proceeds from exercise of warrants	**36,420**	-
Proceeds from exercise of options	**54,000**	-
Cash provided by financing activities	**824,770**	319,374
CHANGE IN CASH	**446,453**	(53,603)
CASH, BEGINNING OF YEAR	**15,240**	68,843
CASH, END OF YEAR	**461,693**	15,240
SUPPLEMENTAL CASH FLOW DISCLOSURES	**$**	$
Shares issued for mineral properties	**-**	1,335,000
Fair value of broker options	**-**	30,200
Exploration and evaluation assets included in accounts payable and accrued liabilities	**-**	75,000

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Red Lake Gold Inc. (formerly Pivit Exploration Inc.) ("the Company") was incorporated on July 24, 2017 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is Suite 605 – 815 Hornby Street, Vancouver, British Columbia, Canada. On May 7, 2018, the Company was listed on the Canadian Securities Exchange. The Company changed its corporate name to Red Lake Gold Inc. from Pivit Exploration Inc. on July 5, 2019.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at November 30, 2019, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets 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. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

At November 30, 2019, the Company incurred a net loss of $841,556 (2018 - $499,473) and had a deficit of $1,435,076 (2018 - $593,520).The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These factors may cast significant doubt upon the ability of the Company to continue as a going concern. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance
These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of International Financial Reporting Interpretations Committee. These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on March 9, 2020.

b) Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Pinot Gold Inc. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Inter-company balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

d) Cash equivalents

Cash equivalents include short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As of November 30, 2019 and 2018, the Company held no cash equivalents.

e) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

f) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Share-based payments (continued)

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

g) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

h) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates (“the functional currency”), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of loss and comprehensive loss.

i) Decommissioning, restoration and similar liabilities

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 against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

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 profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Decommissioning, restoration and similar liabilities (continued)

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.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

j) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

k) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the period end date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each period end date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Financial instruments

The Company adopted IFRS 9 in its consolidated financial statements on December 1, 2018. Due to the nature of its financial instruments, the adoption of IFRS 9 had no impact on the opening deficit balance on December 1, 2018. The impact on the classification and measurement of its financial instruments is set out below:

Financial Instrument	**Original classification – IAS 39**	**New Classification – IFRS 9**
Cash	Loans and receivables	FVTPL
Accounts payable and accrued liabilities	Other payables	Amortized cost

Financial assets

(a) Recognition and measurement of financial assets

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument.

(b) Classification of financial assets

The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income ("FVTOCI") or measured at fair value through profit or loss ("FVTPL").

(i) Financial assets measured at amortized cost

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost.
• The Company's business model for such financial assets, is to hold the assets in order to collect contractual cash flows.
• The contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

(ii) Financial assets measured at FVTPL

A financial asset measured at fair value through profit or loss is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company's investments at fair value are FVTPL financial instruments.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Financial instruments (continued)

(iii) Financial assets measured at FVTOCI

A financial asset measured at fair value through other comprehensive income is recognized initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as "financial asset at fair value through other comprehensive income" in other comprehensive income.

(c) Derecognition of financial assets

The Company derecognizes a financial asset if the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the financial asset. Any interests in transferred financial assets that are created or retained by the Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in the statement of comprehensive loss.

However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

Financial liabilities

(a) Recognition and measurement of financial liabilities

The Company recognizes financial liabilities when it becomes a party to the contractual provisions of the instruments.

(b) Classification of financial liabilities

The Company recognizes financial liabilities when it becomes a party to the contractual provisions of the instruments.

(i) Financial liabilities measured at amortized cost
A financial liability at amortized cost is initially measured at fair value less transaction cost directly attributable to the issuance of the financial liability. Subsequently, the financial liability is measured at amortized cost based on the effective interest rate method.

The Company's accounts payable and accrued liabilities are classified as financial liabilities measured at amortized cost.

(ii) Financial liabilities measured at fair value through profit or loss
A financial liability measured at fair value through profit or loss is initially measured at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial liability is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company does not have any liabilities classified as financial liabilities measured at fair value through profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Financial instruments (continued)

(c) Derecognition of financial liabilities

The Company derecognizes a financial liability when the financial liability is discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of comprehensive loss.

Offsetting financial assets and liabilities
Financial assets and liabilities are offset and the net amount is presented in the statement of financial position only when the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company shall recognize in the statement of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss (“FVTPL”).

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company’s cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. At November 30, 2019, the Company has not classified any financial assets as loans and receivables.

m) Share Capital

Agent’s warrants issued as purchase consideration in non-monetary transactions are recorded at fair value determined by management using the Black-Scholes option pricing model. The fair value of the shares issued as consideration for exploration and evaluation assets is based on the trading price of those shares on the CSE on the date of the agreement to issue shares as determined by the Board of Directors. Proceeds from unit placements are allocated between shares and warrants issued using the residual method.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable;

ii. the measurement of deferred income tax assets and liabilities; and

iii. the inputs used in accounting for share-based payments.

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities; and

ii. the evaluation of the Company's ability to continue as a going concern.

4. NEW ACCOUNTING STANDARDS

The following new accounting standards and interpretations have been adopted during the period.

IFRS 9, Financial Instruments

IFRS 9, *Financial Instruments* replaces the current standard IAS 39, *Financial Instruments: Recognition and Measurement*, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value. Adoption is not anticipated to have a material impact on the Company's financial statements.

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

(Expressed in Canadian dollars)

4. NEW ACCOUNTING STANDARDS (continued)

Effective for annual periods beginning on January 1, 2019

New standard IFRS 16, Leases
IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties of a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

The extent of the impact of adoption of this standard on the consolidated financial statements of the Company is not expected to be material.

5. ACQUISITION OF PINOT GOLD INC.

On September 9, 2018, the Company completed the acquisition of the Whirlwind Jack Property through the acquisition of Pinot Gold Inc. ("Pinot") by issuing 8,000,000 common shares, making a cash payment of $75,000 and the granting of a 2% gross royalty.

The transaction did not constitute a business combination, as Pinot did not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of Pinot has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed were recorded at fair value. Upon closing of the transaction, Pinot became a wholly-owned subsidiary of the Company. The net assets acquired pursuant to the asset acquisition are as follows:

Fair value of consideration paid:		
Cash (paid)	$	75,000
8,000,000 common shares (issued)		1,160,000
Net asset acquired:		
Exploration and evaluation property – Whirlwind Jack	$	1,235,000

The fair value of the 8,000,000 common shares of the Company was determined to be $0.145 per common share, based on the market value at the date of issuance.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS

For the year ended November 30, 2019

	Whirlwind Jack	Moosehead East	Total
	$	$	$
Acquisition Costs:			
Balance, beginning of year	1,235,000	213,000	1,448,000
Cash	22,000	-	22,000
Write-off	-	(213,000)	(213,000)
Balance, end of year	1,257,000	-	1,257,000
Exploration Costs:			
Balance, beginning of year	-	13,270	13,270
Camp costs	9,779	-	9,779
Geological consulting	2,831	1,000	3,831
Geologist	32,700	-	32,700
Write-off	-	(14,270)	(14,270)
Exploration tax credit	(4,697)	-	(4,697)
Balance, end of year	40,613	-	40,613
Total	**1,297,613**	**-**	**1,297,613**

For the year ended November 30, 2018

	Lennac Lake	Whirlwind Jack	Moosehead East	Total
	$	$	$	$
Acquisition Costs:				
Balance, beginning of year	5,000	-	-	5,000
Cash	5,000	75,000	47,000	127,000
Shares	9,000	1,160,000	166,000	1,335,000
Write-off	(19,000)	-	-	(19,000)
Balance, end of year	-	1,235,000	213,000	1,448,000
Exploration Costs:				
Balance, beginning of year	83,388	-	-	83,388
Geological consulting	11,650	-	9,000	20,650
Travel and accommodation	3,890	-	4,270	8,160
Write-off	(98,928)	-	-	(98,928)
Balance, end of year	-	-	13,270	13,270
Total	**-**	**1,235,000**	**226,270**	**1,461,270**

6. EXPLORATION AND EVALUATION ASSETS (continued)

Moosehead East Project

During the year ended November 30, 2018, the Company entered into an option agreement to acquire a 100% interest in the Moosehead East Project in Newfoundland for the following consideration:

i) cash payment of $25,000 (paid); and
ii) issuance of 500,000 common shares (issued and valued at $50,000).

Concurrently, the Company entered into an additional option agreement to acquire a 100% interest in a second property related to the Moosehead East Project by making the following payments:

i) cash payment of $5,000 (paid); and
ii) issuance of 200,000 common shares (issued and valued at $20,000).

During the year ended November 30, 2018, the Company entered into an option agreement to acquire a 100% interest in three additional claims blocks for the Moosehead East Project by making the following payments:

i) cash payment of $17,000 (paid); and
ii) issuance of 800,000 common shares (issued and valued at $96,000).

In addition, a 2.0% NSR royalty was granted to the vendors. The Company has the option to purchase back 1.0% of the NSR royalty for $1,000,000.

The Company abandoned the project and wrote-off $227,270 of exploration and evaluation assets during the year ended November 30, 2019.

Whirlwind Jack Gold Project

During the year ended November 30, 2018, the Company entered into an acquisition and amalgamation agreement to acquire all of the issued and outstanding securities in the capital of a company that owns a 100% interest in the Whirlwind Jack Gold project located in Ontario for the following consideration (Note 5):

i) cash payment of $75,000 (paid); and
ii) issuance of 8,000,000 common shares (issued and valued at $1,160,000).

In addition, a 2.0% gross royalty is applicable on the project.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

Lennac Lake Project

Pursuant to an option agreement (the "Agreement") dated July 27, 2017, the Company was granted an option to acquire a 100% undivided interest in the Lennac Lake Property (the "Property") located near Babine Lake, in the Omineca Mining Division in British Columbia.

In accordance with the Agreement, the Company has the option to acquire a 100% undivided interest in the Property by issuing a total of 575,000 common shares of the Company to the Optionors, making cash payments totaling $200,000, and incurring a total of $400,000 in exploration expenditures as follows:

	Common Shares	**Cash**	**Exploration Expenditures**
	#	$	$
Upon execution of the Agreement (paid)	-	5,000	-
Upon listing of the Company's common shares on a Canadian Securities Exchange, May 7, 2018 (the "Listing") (issued and valued at $9,000 and paid)	75,000	5,000	-
On or before the first anniversary of the Listing	100,000	5,000	-
On or before the second anniversary of the Listing	100,000	10,000	100,000
On or before the third anniversary of the Listing	100,000	25,000	100,000
On or before the fourth anniversary of the Listing	200,000	50,000	200,000
On or before the fifth anniversary of the Listing	-	100,000	-
Total	575,000	200,000	400,000

The Optionors will retain a 3% Net Smelter Returns ("NSR") royalty on the Property. The Company has the right to purchase the first 1% of the royalty for $750,000 and the remaining 2% for $1,000,000 at any time prior to the commencement of commercial production.

The Company abandoned the project and accordingly wrote-off $117,928 of exploration and evaluation assets during the year ended November 30, 2018.

7. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Escrow Shares:

The Company entered into an escrow agreement, whereby 4,200,001 common shares will be held in escrow and are scheduled for release in accordance with the terms of the escrow agreement. As of November 30, 2019, 1,890,001 (2018 – 3,150, 001) common shares remained in escrow.

c) Share Capital Activities

For the year ended November 30, 2019, the Company had the following share capital transactions:

- On December 21, 2018, the Company closed a non-brokered private placement of 1,200,000 common shares at a price of $0.125 per share for gross proceeds of $150,000. The Company paid a total of $5,250 cash finder's fee on subscriptions under the financing.
- On June 5, 2019, the Company closed a private placement through the issuance of 715,000 Units at $0.07 per Unit for gross proceeds of $50,050. Each Unit comprises one common share and one share purchase warrant. Each common share purchase warrant will entitle the holder to purchase one additional common share of the Company at a price of $0.10 per common share for a three-year period from the closing date.
- On July 10, 2019, the Company closed a private placement through the issuance of 715,000 Units at $0.07 per Unit for gross proceeds of $50,050. Each Unit comprises one common share and one share purchase warrant. Each common share purchase warrant will entitle the holder to purchase one additional common share of the Company at a price of $0.10 per common share for a three-year period from the closing date.
- On September 4, 2019, the Company closed a private placement through the issuance of 2,000,000 common shares at a price of $0.25 per share for gross proceeds of $500,000. Finder's fees of $10,500 were paid in connection with the private placement.
- During the year ended November 30, 2019, 889,200 shares were issued from various option and warrant exercises for gross proceeds of $90,420.

For the year ended November 30, 2018, the Company had the following share capital transactions:

- Completed an initial public offering of 4,025,000 common shares at a price of $0.10 per share for gross proceeds of $402,500. The Company paid issuance costs of $93,126 in cash, issued 100,000 broker shares (valued at $10,000), and 402,500 broker options (valued at $30,200).
- Issued 75,000 common shares (valued at $9,000), for the acquisition of the Lennac Lake project (Note 6).
- Issued 1,500,000 common shares (valued at $166,000), for the acquisition of the Moosehead East project (Note 6).
- Issued 8,000,000 common shares (valued at $1,160,000), for the acquisition of the Whirlwind Jack Gold Project (Note 6).

(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

d) Stock Options:

The Company adopted an equity settled stock option plan. The Company follows the policies of the TSX-V under which it would be authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company.

Under the policies, the exercise price of each option equals the market price or a discounted price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of five years. Vesting terms are determined by the Board of Directors at the time of grant.

During the year ended November 30, 2019, the Company had the following stock option activity:

- On May 31, 2019, the Company granted 1,200,000 stock options, exercisable at a price of $0.10 per option until May 31, 2024. The fair value of these stock options granted was determined to be $90,000 using the Black-Scholes valuation model and the following inputs: i) exercise price $0.10, ii) stock price $0.10, iii) volatility: 102%, iv) risk free rate: 2.04%.

- On September 2, 2019, the Company granted 790,000 stock options, exercisable at a price of $0.45 per option until September 3, 2024. The fair value of these stock options granted was determined to be $375,000 using the Black-Scholes valuation model and the following inputs: i) exercise price $0.45, ii) stock price $0.48, iii) volatility: 217%, iv) risk free rate: 1.16%.

During the year ended November 30, 2018, the Company:

- The Company granted 600,000 stock options, exercisable at a price of $0.12 per option until August 2, 2020 resulting in share-based payments of $55,400, calculated using the Black-Scholes pricing model.

Stock option transactions are summarized as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance at November 30, 2017	400,000	$0.10
Granted	600,000	$0.11
Balance at November 30, 2018	**1,000,000**	**$0.11**
Granted	1,990,000	$0.24
Exercised	(525,000)	$0.10
Expired	(650,000)	$0.11
Balance at November 30, 2019	**1,815,000**	**$0.25**

(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

As at November 30, 2019, the following stock options were outstanding:

Expiry date	Number of options	Exercise price	Number of options exercisable
August 2, 2020	175,000	$0.12	175,000
November 29, 2022	100,000	$0.10	100,000
May 31, 2024	750,000	$0.10	750,000
September 3, 2024	790,000	$0.45	790,000
Total Outstanding	**1,815,000**		**1,815,000**

d) Warrants:

During the year ended November 30, 2019, the Company had the following warrant activities:

- The Company issued warrants as part of its private placements as described in Note 7(c).

During the year ended November 30, 2018, the Company had the following warrant activity:

- On May 8, 2018, the Company granted 402,500 stock options, exercisable at a price of $0.10 per option until May 8, 2020 resulting in share issuance costs of $30,200, calculated using the Black-Scholes pricing model.

Warrant transactions are summarized as follows:

	Number of Stock Warrants	Weighted Average Exercise Price
Balance at November 30, 2017	-	-
Granted	402,500	$0.10
Balance at November 30, 2018	402,500	$0.10
Granted	1,430,000	$0.10
Exercised	(364,200)	$0.10
Balance at November 30, 2019	**1,468,300**	**$0.10**

As at November 30, 2019, the following warrants were outstanding:

Expiry date	Number of warrants	Exercise price
May 8, 2020	38,300	$0.10
June 5, 2022	715,000	$0.10
July 11, 2022	715,000	$0.10
Total Outstanding	**1,468,300**	

(Expressed in Canadian dollars)

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. The Company has identified its directors and officers as its key management personnel.

	For the year ended November 30, 2019	For the year ended November 30, 2018
	$	$
Consulting/Management	**22,600**	84,401
Office	**3,400**	27,600
Exploration expenditures	**-**	24,160
Stock-based compensation	**422,278**	39,241

Included in accounts payable and accrued liabilities as at November 30, 2019 is $2,500 (2018 - $25,200) owed to a company owned by an officer of the Company.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are as follows:

	November 30, 2019	November 30, 2018
Trade payables	**$ -**	$ 16,879
Accrued liabilities	**14,501**	79,200
Due to related parties (Note 8)	**-**	25,200
	$ 14,501	$ 121,279

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally-imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash. The Company did not change its management of capital during the year ended November 30, 2019.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

	Level	**November 30, 2019**	November 30, 2018
		$	$
Cash	1	**461,693**	15,240
Accounts payable and accrued liabilities	2	**14,501**	121,279

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments are not materially different from their carrying values.

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

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

The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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 on its cash held in bank accounts. The Company has deposited the cash with a high credit quality financial institution as determined by rating agencies. The risk of loss is low.

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's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

(Expressed in Canadian dollars)

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

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 exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

12. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		November 30, 2019		November 30, 2018
Loss before taxes for the year	**$**	**(841,556)**	$	(499,473)
Expected income tax recovery	**$**	**(227,000)**	$	(134,000)
Effect of change in tax rates		**-**		(1,000)
Permanent differences		**124,000**		15,000
Share issue cost		**(4,000)**		(25,000)
Change in unrecognized deductible temporary		**107,000**		132,000
Total income taxes expense (recovery)	**$**	**-**	$	(13,000)
Current income tax expense	**$**	**-**	$	-
Deferred income tax expense (recovery)	**$**	**-**	$	(13,000)

In September 2017, the British Columbia (BC) Government proposed changes to the general corporate income tax rate to increase the rate from 11% to 12% effective January 1, 2018 and onwards. This change in tax rate was substantively enacted on October 26, 2017. The relevant deferred tax balances have been remeasured to reflect the increase in the Company's combined Federal and Provincial (BC) general corporate income tax rate from 26% to 27%.

The significant components of the Company’s deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

		November 30, 2019		November 30, 2018
Non-capital losses available for future losses	**$**	**145,000**	$	101,000
Share issuance costs		**22,000**		20,000
Exploration and evaluation assets		**72,000**		11,000
	$	**239,000**	$	132,000
Unrecognized deferred tax assets		**(239,000)**		(132,000)
Net deferred tax assets (liabilities)	**$**	**-**	$	-

13. SUBSEQUENT EVENTS

On February 11, 2020, the Company entered into a purchase agreement with an individual to purchase a one hundred percent right, title and interest to mining claims located in the Abitibi region of Quebec, Canada. As consideration, the Company agreed to pay the individual $12,000 upon the closing date of the agreement.