NORSEMAN SILVER INC.
(Formerly "Norseman Capital Ltd.")
Consolidated Financial Statements
(Expressed in Canadian Dollars)
For the years ended September 30, 2021 and 2020

DeVISSERGRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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Independent Auditor's Report

To the Shareholders of Norseman Silver Inc. (formerly Norseman Capital Ltd.)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Norseman Silver Inc. (formerly Norseman Capital Ltd.) (the “Company”), which comprise the consolidated statements of financial position as September 30, 2021 and 2020, and the consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders’ equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2021 and 2020 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our 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 will need additional financing to continue exploring, and if successful develop its properties to bring it to the production stage. 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 Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the consolidated financial statements and our auditor's report thereon.

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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

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

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 G. Cameron Dong.

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
January 28, 2022

Norseman Silver Inc.
(Formerly "Norseman Capital Ltd.")
Consolidated Statements of Financial Position
As at September 30, 2021 and 2020
(Expressed in Canadian Dollars)

	Note	September 30, 2021	September 30, 2020
ASSETS			
Current Assets			
Cash		**$ 1,147,334**	$ 353,719
Prepayments		**149,497**	-
Other Receivables	4	**56,720**	18,883
		1,353,551	372,602
Reclamation Deposit		**32,000**	-
Exploration and Evaluation Assets	5	**4,078,084**	322,820
Total assets		**5,463,635**	695,422
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	9	**467,557**	194,670
		467,557	194,670
SHAREHOLDERS' EQUITY			
Share capital	7	**34,357,829**	28,019,932
Contributed surplus	7	**5,242,141**	3,951,191
Deficit		**(34,603,892)**	(31,470,371)
		4,996,078	500,752
TOTAL LIABILITIES AND EQUITY		**$ 5,463,635**	$ 695,422

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On behalf of the Board of Directors

"Sean Hurd" , *Director & CEO*
Sean Hurd

"J. Campbell Smyth" , *Director & Chairman*
J. Campbell Smyth

Norseman Silver Inc.

(Formerly "Norseman Capital Ltd.")

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

For the years ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

	Note	**For the year ended September 30, 2021**	For the year ended September 30, 2020
General and Administrative Expenses			
Audit, accounting and legal	9	**$ 236,869**	$ 108,156
Bank charges interest and financing fees		**5,291**	4,940
Consulting fees	9	**568,014**	113,000
Insurance		**19,079**	-
Office and miscellaneous		**39,973**	1,649
Regulatory and transfer agent fees		**89,303**	68,388
Salary and wages		**45,000**	-
Shareholders information		**41,927**	2,956
Stock-based compensation	7	**1,411,050**	179,200
Marketing and promotion		**655,303**	-
Travel		**22,030**	36,268
Loss from operations		**3,133,839**	514,557
Other Income			
Foreign exchange gain (loss)		**(1,131)**	2,299
Interest income		**1,449**	6
Total other income		**318**	2,305
Net and comprehensive income (loss) for the year		**($3,133,521)**	($512,252)
Basic and diluted income (loss) per share		**$ (0.09)**	$ (0.03)
Weighted average number of common shares outstanding		**35,643,845**	16,930,129

Norseman Silver Inc.

(Formerly "Norseman Capital Ltd.")

Consolidated Statements of Changes in Shareholders' Equity

For the years ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

	Note	**Number of Common Shares**		**Share Capital**		**Contributed Surplus**	**Deficit**	**Total Shareholders' Equity**
Balance September 30, 2019		**5,826,554**	**$**	**26,717,682**	**$**	**3,771,991**	**($30,958,119)**	**($468,446)**
Shares issued - mineral property rights	7	1,620,000		189,500		-	-	189,500
Shares issued - shares for debt	7	5,255,000		262,750		-	-	262,750
Shares issued - private placements	7	13,000,000		850,000		-	-	850,000
Stock-based compensation	7	-		-		179,200	-	179,200
Net income (loss) for the year		-		-		-	(512,252)	(512,252)
Balance September 30, 2020		**25,701,554**	**$**	**28,019,932**	**$**	**3,951,191**	**($31,470,371)**	**$500,752**
Balance September 30, 2020		**25,701,554**	**$**	**28,019,932**	**$**	**3,951,191**	**($31,470,371)**	**$500,752**
Stock-based compensation	7	-		-		1,411,050	-	1,411,050
Shares issued - options exercised	7	2,008,115		240,506		(120,100)	-	120,406
Shares issued - warrants exercised	7	32,000		9,600		-	-	9,600
Shares issued - mineral property rights	7	7,930,000		2,763,200		-	-	2,763,200
Shares issued - private placement	7	11,771,488		3,324,591		-	-	3,324,591
Net income (loss) for the year		-		-		-	(3,133,521)	(3,133,521)
Balance September 30, 2021		**47,443,157**	**$**	**34,357,829**	**$**	**5,242,141**	**($34,603,892)**	**$4,996,078**

Norseman Silver Inc.
(Formerly "Norseman Capital Ltd.")
Consolidated Statements of Cash Flows
For the years ended September 30, 2021 and 2020
(Expressed in Canadian Dollars)

	Note	**For the year ended September 30, 2021**	For the year ended September 30, 2020
Operating Activities			
Net income (loss) for the year		**$ (3,133,521)**	$ (512,252)
Add items not affecting cash			
Stock-based compensation		**1,411,050**	179,200
Changes in non-cash working capital			
Other receivables		**(37,837)**	(13,545)
Prepayments		**(149,497)**	-
Accounts payable and accrued liabilities		**(15,174)**	(18,215)
Net cash used in operating activities		**(1,924,979)**	(364,812)
Investing Activities			
Exploration and evaluation assets		**(704,003)**	(68,000)
Reclamation deposit		**(32,000)**	-
Net cash used in investing activities		**(736,003)**	(68,000)
Financing Activities			
Loan payable		**-**	(63,548)
Shares issued - private placements		**3,324,591**	850,000
Shares issued - warrants exercised		**9,600**	-
Shares issued - options exercised		**120,406**	-
Net cash provided by financing activities		**3,454,597**	786,452
Increase in cash		**793,615**	353,640
Cash, beginning of year		**353,719**	79
Cash, end of year		**$ 1,147,334**	$ 353,719
Supplementary cash flow information	11		

(Expressed in Canadian Dollars)

1. Nature of Operations

Norseman Silver Inc. (formerly, Norseman Capital Ltd.) (the "Company") was incorporated on September 25, 1985 under the laws of British Columbia, Canada and is a junior natural resource company. The common shares of the Company are listed on the TSX Venture Exchange ("TSXV") under the symbol NOC.V. The Company is primarily engaged in the acquisition, exploration, and development of mineral properties. All of the Company's activities to date have been of an exploratory nature.

On February 25, 2020, the TSXV approved the Company's name change from Gem International Resources Inc. to Norseman Capital Ltd. Then, on September 16, 2020, the TSXV approved another name change from Norseman Capital Ltd. to Norseman Silver Inc.

The address of the Company's registered office and principal place of business is the Suite 520 - 999 West Hastings Street, Vancouver, British Columbia, V6C 2W2.

Going Concern

The Company has not yet determined whether any of its properties contain mineral deposits that are economically recoverable. The recoverability of any amounts shown as exploration and evaluation assets is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of its properties.

While the Company's consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The company reported:

	September 30, 2021	September 30, 2020
Net income (loss)	**(3,133,521)**	(512,252)
Working capital surplus (deficiency)	**885,994**	177,932

The Company does not have sufficient funds available to bring its mineral properties to production, if possible, which would allow it to be self-sustaining. The Company will need additional financing to continue exploring, and if successful develop its properties to bring it to the production stage. While in the past the Company has been successful in obtaining funding from equity financings, option agreements, loans or through other arrangements, there is no assurance that these initiatives will be successful in the future.

2. Basis of Presentation

a. Statement of Compliance

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

The policies applied in these financial statements are based on IFRS issued and outstanding as of January 28, 2022, the date the Board of Directors approved these consolidated financial statements.

b. Basis of Presentation

These consolidated financial statements were prepared on an accrual basis and are based on historical costs, except for financial instruments measured at fair value.

c. Basis of Consolidation

a. Subsidiaries

In addition to the Company, the consolidated financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. They are de-consolidated from the date that control by the Company ceases.

The subsidiaries of the Company are as follows:

Name of Subsidiary	Principal Activity	Place of incorporation and Operation	Portion of Ownership interest and Voting Power held	
Sierra Exploration and Mining	Inactive	Tanzania	**100%**	100%
Gold Land Group Ltd.	Inactive	British Virgin Island	**100%**	100%
Ease Land Holdings Ltd.	Inactive	British Virgin Island	**100%**	100%

The subsidiaries have been inactive since May 1, 2014.

b. Consolidation Principles

Assets, liabilities, revenues, and expenses of the subsidiaries are recognized in accordance with the Company's accounting policies. Intercompany transactions are eliminated at consolidation.

2. Basis of Presentation (continued)

d. Functional and Presentation Currency

The Company's functional currency is the Canadian Dollar ("CAN"). The consolidated financial statements are presented in CAN which is the Company's presentation currency, unless otherwise noted.

All amounts in these consolidated financial statements are rounded to the nearest dollar.

3. Significant Accounting Policies

a. Critical Accounting Estimates, Judgments and Uncertainties

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on the historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Critical Accounting Estimates and Assumptions

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year.

Stock-based compensation

The Company uses the Black Scholes pricing model to estimate the fair value of stock options granted and warrants issued. Under this model, the Company must estimate the term, volatility and if applicable, the forfeiture rate of options granted and warrants issued.

Critical Accounting Judgments

Critical accounting judgements are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

Impairment of non-financial assets

The Company reviews and evaluates its property, including exploration and evaluation assets, for indications of impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable or at least at the end of each reporting year. The asset's recoverable amount is estimated if an indication of impairment exists.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. Future cash flows are estimated based on expected future production, commodity prices, operating costs and capital costs.

3. **Significant Accounting Policies (continued)**

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset.

Impairment losses reducing the carrying value to the recoverable amount are recognized in profit and loss. An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Title to Exploration and Evaluation Assets

Although the Company takes steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company’s title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

b. Exploration and Evaluation Assets

Exploration and evaluation expenditures are capitalized once the legal right to explore a property has been acquired. Exploration and evaluation assets are recorded at cost less accumulated impairment losses. Direct costs related to the acquisition, exploration and evaluation of mineral properties are capitalized until the commercial viability of the asset is established, at which time the capitalized costs are reclassified to mineral properties under development. To the extent that the expenditures are spent to establish ore reserves within the rights to explore, the Company will consider those costs as intangible assets in nature.

The depreciation of a capital asset in connection with exploring or evaluating a property of this nature will be included in the cost of the intangible asset.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of the project are deemed to be impaired. As a result, those exploration and expenditure costs, in excess of estimated recoveries, are written off to the statement of loss and comprehensive loss.

Management reviews the facts and circumstances suggesting if the carrying amount of the exploration and evaluation assets exceeds their recoverable amount on a regular basis. If the facts and circumstances suggest the carrying value exceeds the recoverable amount, the Company will perform an impairment test on the property in accordance with the provisions of IFRS 6.

Exploration stage assets and development stage assets are considered separate CGUs for impairment testing purposes.

The amount shown for mineral properties does not necessarily represent present or future values. Recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

3. **Significant Accounting Policies (continued)**

c. Foreign currency translation

In preparing the consolidated financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the year end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in the consolidated income statement.

d. Cash and Cash Equivalents

The Company considers cash and cash equivalents to include amounts held in banks and highly liquid investments with remaining maturities at point of purchase of 90 days or less.

e. Income Taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the income statement. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the year that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities, not arising in a business combination, that does not affect accounting or taxable profit; and
- investments in subsidiaries, associates and jointly controlled entities where the timing of reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable.

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

3. **Significant Accounting Policies (continued)**

f. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event, and it is probably that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

g. Earnings (Loss) per Share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) attributable to common shareholders by the weighted average number of shares outstanding during the reporting year. Diluted earnings per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting years. Diluted loss per share is not separately presented, as the effect of securities exercisable into common shares would reduce the amount presented as loss per share.

h. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income (“OCI”), or through profit or loss), and
- Those to be measured after initial recognition at amortized cost.

The classification depends on the Company’s business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.

3. Significant Accounting Policies (continued)

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. These are the measurement categories under which the Company classifies its debt instruments:

- Subsequently measured at amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through profit or loss ("FVTPL"): Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented in the statement of loss and comprehensive loss in the year which it arises.

Impairment of Financial Assets at Amortized Cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. 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 risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit loss. The Company shall recognize in the statements loss and 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.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and subsequently measured at amortized cost.

3. Significant Accounting Policies (continued)

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, loans payable and due to related parties are classified as financial liabilities held at amortized cost.

The Company classifies its financial instruments as follows:

Line Items	Measurement Model
Cash	FVTPL
Accounts payable and accrued liabilities	Subsequently measured at amortized cost
Loans payable	Subsequently measured at amortized cost

i. Share Capital

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

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

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing price on the measurement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded in contributed surplus.

j. Flow-Through Shares

The Company may, from time to time, issue flow-through common shares to finance its resource exploration activities. Canadian income tax law permits the Company to renounce to the flow-through shareholders the income tax attributes of resource exploration costs financed by such shares. Flow-through common shares are recognized in equity based on the quoted price of the existing shares on the date of the issue. The difference between the amounts recognized in common shares and the amount the investor pays for the shares is recognized as another liability which is reversed into earnings as eligible expenditures are incurred. The deferred tax impact is recorded prospectively upon renunciation of the related tax benefits, provided it is expected the Company will incur the required eligible expenditures.

3. Significant Accounting Policies (continued)

When flow-through expenditures are renounced, a portion of the future income tax assets that were not previously recognized, are recognized as a recovery of deferred income taxes in net income.

k. Share-based Payments

The share option plan allows the Company's employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as share-based payments with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the year during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payments. Otherwise, share-based payments are measured at the fair value of the goods or services received.

Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate exploration and evaluation assets. These equity financing transactions may involve issuance of common shares or units. Each unit comprises a certain number of common shares and a certain number of warrants. Depending on the terms and conditions of each equity financing transaction, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated by the transaction.

The Company uses the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the share issuance date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

From time to time in connection with private placements, the Company issues compensatory warrants to agents ("Agent Warrants") as commission for services. Awards of Agent Warrants are accounted for in accordance with the fair value method of accounting and result in share issue costs and a credit to reserves when Agent Warrants are issued. Any consideration received upon exercise of Agent Warrants is credited to share capital. The application of the fair value-based method requires the use of certain assumptions regarding the risk-free market interest rate, expected volatility in the price of the underlying stock, and expected life of the Agent Warrants.

(Expressed in Canadian Dollars)

3. Significant Accounting Policies (continued)

l. Accounting Standards, Amendments and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the September 30, 2021, reporting period. The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

Amendments to IAS 1, Presentation of Financial Statements (effective January 1, 2022)
Amendments to IAS 16, Property, Plant and Equipment (effective January 1, 2022)

IAS 1, Presentation of Financial Statements
The amendment clarifies the criterion for classifying a liability as non-current relating to the right to defer settlement of a liability for at least 12 months after the reporting period.

IAS 16, Property, Plant and Equipment
The amendments clarify the accounting for the net proceeds from selling any items produced while bringing an item of property, plant and equipment ("PPE") to the location and condition necessary for it to be capable of operating in the manner intended by management. The amendments prohibit entities from deducting amounts received from selling items produced from the cost of PPE while the asset is being prepared for its intended use. Instead, sales proceeds and the cost of producing these items will be recognized in profit or loss.

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

4. Other Receivables

	September 30, 2021	September 30, 2020
GST receivable	**$ 56,720**	$ 18,883

5. Exploration and Evaluation Assets

	Caribou	**Silver Switchback**	**Silver Vista**	**New Moon**	**Taquetren**	**Total**
Balance September 30, 2019	-	-	-	-	-	**-**
Option Payments - Cash	10,000	30,000	20,000	-	-	**60,000**
Option Payments - Shares	50,000	139,500	-	-	-	**189,500**
Exploration expenditures	3,000	65,320	5,000	-	-	**73,320**
Balance September 30, 2020	63,000	234,820	25,000	-	-	**322,820**
Option Payments - Cash	20,000	-	30,000	10,000	50,344	**110,344**
Option Payments - Shares	240,000	129,200	950,000	1,380,000	64,000	**2,763,200**
Exploration expenditures	259,021	92,912	529,787	-	-	**881,720**
Balance September 30, 2021	582,021	456,932	1,534,787	1,390,000	114,344	**4,078,084**

5. Exploration and Evaluation Assets (continued)

Caribou Property

On June 3, 2020, the Company entered into an option agreement with Cloudbreak Discovery Corp. ("Cloudbreak"), a company with a common officer, to acquire a 100% interest in certain mining claims located in the Skeena Mining Division area in British Columbia, known as the Caribou Property.

Pursuant to the Option Agreement, in order to fully exercise the option (the "Option"), the Company shall pay to Cloudbreak an aggregate of $80,000 ($30,000 paid) and issue 2,750,000 (1,750,000 issued) common shares of the Company in three instalments.

In addition, pursuant to the option agreement, the Company granted to Cloudbreak a 2.0% net smelter return ("NSR") royalty. The Company has the right to acquire one-half of the NSR (1.0%) from Cloudbreak at a price of $1,000,000 at any time prior to the commencement of commercial production. If the Company purchases the first half of the NSR, the Company shall have the right to acquire the remaining half of the NSR (1.0%) at price of $4,000,000, for an aggregate of $5,000,000.

Silver Switchback Property

On August 27, 2020, the Company entered into an option agreement with Cloudbreak to acquire a 100% interest in an underlying option agreement between Cloudbreak and 1975647 Alberta Ltd ("197 Alberta"). The underlying option agreement provides the Company with the option to acquire a 100% in certain mining claims located in British Columbia, known as the Silver Switchback Property.

Pursuant to the option agreement, in order to fully exercise the option (the "Option"), the Company shall:

(i) pay to Cloudbreak an aggregate of $30,000 (paid) and issue 750,000 (750,000 issued) common shares of the Company in installments;
(ii) pay to 197 Alberta an aggregate of $60,000 and issue 1,850,000 (250,000 issued) common shares of the Company in installments; and
(iii) incur aggregate exploration expenditures of $475,000 ($158,232 incurred) on the Silver Switchback Property prior to May 8, 2023.

In addition, pursuant to the option agreement, the Company granted to Cloudbreak a 1.0% NSR royalty. The Company shall have the right to acquire one-half (0.5%) of the NSR from Cloudbreak at a price of $500,000 at any time prior to commencement of commercial production. The Silver Switchback Property is also subject to a 2.0% NSR royalty pursuant to the underlying option agreement.

Silver Vista Property

On September 21, 2020, the Company entered into an option agreement with Cloudbreak to acquire a 100% interest in an underlying option agreement between Cloudbreak and 197 Alberta. The underlying option agreement provides the Company with the option to acquire a 100% in certain mining claims located in British Columbia, known as the Silver Vista Property.

Pursuant to the Option Agreement, in order to fully exercise the option (the "Option"), the Company shall:

5. Exploration and Evaluation Assets (continued)

(i) pay to Cloudbreak an aggregate of $50,000 (paid) and issue 2,000,000 (issued) common shares of the Company in installments;
(ii) pay to 197 Alberta an aggregate of $45,000 and issue 1,000,000 common shares of the Company in installments; and
(iii) incur aggregate exploration expenditures of $275,000 ($534,787 incurred) on the Silver Vista Property prior to May 8, 2023.

In addition, pursuant to the option agreement, the Company granted to Cloudbreak a 1.0% NSR royalty. The Company shall have the right to acquire one-half (0.5%) of the NSR from Cloudbreak at a price of $500,000 at any time prior to commencement of commercial production. The Silver Vista Property is also subject to a 2.0% NSR royalty pursuant to the underlying option agreement.

New Moon Property

On December 9, 2020, the Company entered into an asset purchase agreement (the "Agreement") with Cabox Gold Corp. ("Cabox"), 1269270 BC Ltd. ("9270 BC"), 1236686 BC Ltd. ("6686 BC") and Samuel Hardy to acquire certain mining claims located in British Columbia, known as the New Moon Claims.

In consideration for the acquisition of the New Moon Claims, the Company shall:

(i) Pay $10,000 (paid) to Cabox on the effective date of the Agreement;
(ii) Issue 2,500,000 (issued) common shares of the Company to Cabox on the closing date of the Agreement;
(iii) Issue 600,000 (issued) common shares of the Company to 9270 BC on the closing date of the Agreement; and
(iv) Issue 1,500,000 (issued) common shares of the Company to 6686 BC on the closing date of the Agreement.

The common shares issued pursuant to the Agreement shall be subject to a hold period of four months and on day from the date of issuance.

In addition, pursuant to the Agreement, the Company shall grant to Cabox a 2.0% NSR royalty. The Company shall retain the right to purchase at any time from Cabox one half of the NSR (1.0%) for $1,000,000. In addition, if the Company acquires any mineral rights within five kilometres from the external boundary of the New Moon Claims, such mineral rights will be subject to the NSR on the same terms as the NSR.

Taquetren Property

On May 4, 2021, the company entered into an option agreement to acquire a 100% interest in the Taquetren Silver Project, located in the Navidad-Calcatreau mining district, Argentina.

Pursuant to the Option Agreement, in order to fully exercise the option, the Company shall:
(i) Make payment of $40,000 USD (paid)
(ii) Issue 200,000 (issued) Common Shares within seven days of signing the Definitive Agreement

5. Exploration and Evaluation Assets (continued)

(iii) Issue 300,000 Common Shares and incur $70,000 USD of exploration expenditures on the Project on or before the first anniversary of the Definitive Agreement
(iv) Issue 500,000 Common Shares and incur $200,000 USD of additional exploration expenditures on the Project on or before the second anniversary of the Definitive Agreement;
(v) Issue 2,000,000 Common Shares and incur and additional $500,000 USD of exploration expenditures on the Project on or before the third anniversary of the Definitive Agreement.

In addition, pursuant to the Agreement, the Company shall grant to the Optionors a 2.0% NSR royalty. The Company shall retain the right to purchase at any time from the Optionors one quarter of the NSR (0.5%) for $1,000,000 USD and a second quarter of the NSR (0.5%) for $2,000,000 USD and 5,000,000 Common Shares.

6. Loans Payable

Mosman Oil and Gas Limited

Pursuant to a loan agreement dated March 28, 2018, between the Company and Mosman Oil and Gas Limited, a related company provided an advance of $100,000 to the Company. The loan bore interest at 5% per annum, payable on the last day of each month, with an original repayment date of December 31, 2018.

During the year ended September 30, 2020, $50,000 of this loan was repaid through common shares issued for debt, and the remaining $50,000 was repaid in cash.

Clariden Capital Pty Ltd.

Pursuant to a loan agreement dated April 24, 2018, between the Company and Clariden Capital Pty Ltd., a related company founded by a former director of the Company, the Company was provided an advance of $50,000. The loan bore interest at 5% per annum, payable on the last day of each month, with an original repayment date of December 31, 2018.

During the year ended September 30, 2020, the loan was repaid through common shares issued for debt.

Loans - Others

A group of individuals executed loan agreements dated January 11, 2019, with the Company for an aggregate of $50,000 AUD, of which $12,500 AUD was advanced by an individual related to a certain director and $12,500 AUD was advanced by Clariden Capital Pty Ltd. The loan agreements had identical terms, with each having bore interest at 5% per annum, and having original repayment dates of December 31, 2019.

During the year ended September 30, 2020, the loans were repaid through common shares issued for debt.

(Expressed in Canadian Dollars)

7. Share Capital

a) Authorized:

Unlimited number of common shares without par value

b) Issued and Outstanding – Common Shares

	September 30, 2021	September 30, 2020
Total outstanding and issued common shares:	**47,443,157**	25,701,554

Date	Shares	Consideration	Details
1/10/2019	5,826,554	$ 26,717,682	Opening Balance Prior Year
12/17/2019	6,900,000	345,000	Private placement $0.05
12/17/2019	100,000	5,000	Private placement $0.05
12/27/2019	1,000,000	50,000	Private placement $0.05
12/27/2019	5,255,000	262,750	Shares for debt
8/19/2020	3,000,000	150,000	Private placement $0.05
8/19/2020	2,000,000	300,000	Private placement $0.15
8/19/2020	1,000,000	50,000	Caribou Property Option Agreement
9/8/2020	620,000	139,500	Silver Switchback Property Option Agreement
9/30/2020	25,701,554	$ 28,019,932	Opening Balance Current Year
1/8/2021	4,600,000	1,380,000	New Moon Property Option Agreement
1/14/2021	7,000,000	1,750,000	Private placement $0.25
2/4/2021	2,000,000	950,000	Silver Vista Property Option Agreement
2/9/2021	2,008,115	120,406	Exercise of Options
2/9/2021	-	120,100	Reclass of Fair Vaue in Contributed Surplus
6/23/2021	750,000	240,000	Caribou Property Option Agreement
6/23/2021	200,000	64,000	Taquetren property Letter of Intent
8/19/2021	4,771,488	1,574,591	Private placement $0.33
8/23/2021	380,000	129,200	Silver Switchback Property Option Agreement
9/23/2021	32,000	9,600	Exercise of Warrants
9/30/2021	47,443,157	$ 34,357,829	Closing Balance Current Year

c) Share purchase warrants

On January 14, 2021, the Company completed a non-brokered private placement financing for gross proceeds of $1,750,000, composed of 7,000,000 units, at a price of $0.25 per unit. Each unit is composed of one common share and one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.30 per common share and expires twenty-four months from the date of issuance.

On August 19, 2021, the Company closed a non-brokered private placement financing for gross proceeds of $1,574,591 consisting of 4,771,488 units at a price of CAD$0.33 per Unit. Each Unit consists of one

(Expressed in Canadian Dollars)

7. Share Capital (continued)

common share and one common share purchase warrant. Each warrant will entitle the holder to purchase one common share at a price of CAD$0.43 per common share with a term of two years.

Share purchase warrant activities for the years ended September 30, 2021, and 2020 were as follows:

		Number of Warrants	Weighted Average Exercise	Weighted Average Life Remaining in Years
Balance September 30, 2020		1,000,000	0.25	0.88
Issued				
	1/14/2021	7,000,000	0.30	1.29
	8/19/2021	4,771,488	0.43	0.88
Exercised				
	2/9/2021	(32,000)	0.30	
Expired		-	-	-
Balance September 30, 2021		12,739,488	0.18	0.78

d) Stock Options

On January 2, 2020, the Company granted options to acquire a total of 1,600,000 common shares of the Company to employees, officers, directors, and consultants at the exercise price of $0.05 per share, for a period of five years, subject to vesting requirements. Of the 1,600,000 stock options granted; 1,200,000 of the stock options were granted to the directors of the Company.

On July 1, 2020, the Company granted options to acquire a total of 308,155 common shares of the Company to a company controlled by officers of the Company at the exercise price of $0.05 per share, for a period of five years, subject to vesting requirements.

On September 2, 2020, the Company granted options to acquire a total of 400,000 common shares of the Company to certain directors and officers at the exercise price of $0.25 per share, for a period of five years, subject to vesting requirements.

On November 18, 2020, the Company granted options to acquire a total of 125,000 common shares of the Company to an officer at the exercise price of $0.25 per share, for a period of five years, subject to vesting requirements.

On February 9, 2021, the Company granted 3,075,000 stock options to purchase common shares of the company at a price of $0.375 per share for a period of 5 years to certain consultants, directors, and officers of the company.

On June 16, 2021, the Company granted 500,000 stock options to purchase common shares of the company at a price of $0.40 per share for a period of 5 years to certain consultants, directors, and employees of the company.

On September 3, 2021, the Company granted 700,000 stock options to purchase common shares of the company at a price of $0.45 per share for a period of 5 years to certain consultants, directors, and employees of the company.

(Expressed in Canadian Dollars)

7. Share Capital (continued)

The following variables were used to calculate stock-based compensation:

	January 2, 2020	July 1, 2020	September 2, 2020	November 18, 2020	February 9, 2021	June 16, 2021	September 3, 2021
- weighted average risk-free interest rate	1.62%	0.38%	0.35%	0.44%	0.49%	0.92%	0.78%
- dividend yield of	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
- volatility rate	137%	111%	111%	130%	125%	119%	114%
- expected life (years)	5	5	5	5	5	5	5

A summary of the status of the stock options outstanding under the Company's stock option plan as at September 30, 2021, is as follows:

	Number of Options Granted	Number of Options Exercised	Number of Options Remaining	Weighted Average Exercise Price	Weighted average remaining contractual life
Granted 01/02/2020	1,600,000	1,600,000	-	0.05	3.26
Granted 07/01/2020	308,115	308,115	-	0.05	3.75
Granted 09/02/2020	400,000	100,000	300,000	0.25	3.92
Granted 11/18/2020	125,000	-	125,000	0.25	4.13
Granted 02/09/2021	3,075,000	-	3,075,000	0.38	4.36
Granted 06/16/2021	500,000	-	500,000	0.40	4.71
Granted 09/03/2021	700,000	-	700,000	0.45	4.93
Outstanding September 30, 2021	6,708,115	2,008,115	4,700,000	0.38	4.15

As at September 30,2021, the exercise prices for options outstanding under the Company's stock option plan ranges from $0.25 to $0.45; and the weighted average remaining contractual life for stock options under the Company's stock option plan is 4.15 years.

8. Financial Instruments and Risk Management

The Company's financial instruments include cash, reclamation deposit, accounts payable and accrued liabilities and loans payable. The carrying values of these financial instruments approximate their fair value due to their short- term maturity. Cash is the only financial asset that is measured at fair value subsequent to initial recognition, which is measured based on level 1 input of the fair value hierarchy.

(Expressed in Canadian Dollars)

8. Financial Instruments and Risk Management (continued)

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's cash is held in a major Canadian financial institution which is considered to have high credibility. Management believes that the Company have no significant credit risk.

b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial obligations associated with its financial liabilities as they fall due. The Company's objective is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for a minimum of twelve months. The Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures.

As of September 30, 2021, the Company has sufficient cash on hand to meet current liabilities and its expected administrative requirements for the coming year. The company had cash and total liabilities as follows:

	September 30, 2021	September 30, 2020
Cash	**$ 1,147,334**	$ 353,719
Liabilities	**$ 467,557**	$ 194,670

To execute its planned exploration program for the next twelve months, the Company will need to raise additional funds through the issuance of equity or debt instruments or the sale of assets. The Company ensures that sufficient funds are raised from private placements to meet its operating requirements, after taking into account existing cash and cash equivalents, and expected exercise of stock options and share purchase warrants.

c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency, and other price risk.

i. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash balance and periodically short-term investments. Due to the short-term nature of these financial instruments, management believes that risks related to interest rates are not significant to the Company at this time.

(Expressed in Canadian Dollars)

8. Financial Instruments and Risk Management (continued)

ii. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to minimal foreign currency risk at this time.

9. Related Party Transactions

The following is a summary of related party transactions that occurred during the years ended September 30, 2021, and 2020 and amounts in accounts payable and accrued liabilities:

	For the year ended September 30, 2021	For the year ended September 30, 2020	Amount payable as at September 30, 2021	Amount payable as at September 30, 2020
Consulting Fees - Directors & Officers	326,632	107,250	33,250	4,161
Accounting and Management Services	127,500	11,199	26,420	80,345
Stock based compensation	1,083,950	158,000	-	N/A

The above transactions with related parties, occurring in the normal course of operations, were measured at the fair value, are unsecured with no specific terms of repayment and are non-interest bearing; unless, otherwise stated.

10. Income Taxes

A reconciliation of income tax provision at statutory rates to the reported income tax provision is as follows:

		September 30, 2021		September 30, 2020
Income (loss) for the year		**($3,133,521)**		($512,252)
		27.00%		27.00%
Income tax (recovery)		**(846,051)**		(138,308)
Deductible and non-deductible amounts, net		**380,984**		48,384
Unrecognised benefits of non-capital losses		**465,067**		89,924
Total income taxes	**$**	**-**	$	-

The significant components of the Company's deferred income tax assets are as follows:

		September 30, 2021		September 30, 2020
Non-capital and capital losses carried forward	**$**	**2,320,000**	$	1,855,000
Exploration and evaluation assets		**3,700,000**		3,780,000
Equipment		**24,000**		23,000
		6,044,000		5,658,000
Valuation allowance		**(6,044,000)**		(5,658,000)
Net deferred income tax assets	**$**	**-**	$	-

(Expressed in Canadian Dollars)

10. Income Taxes (continued)

Deferred tax benefits, which may arise as a result of these losses and other tax assets, have not been recognized in these consolidated financial statements due to the uncertainty of their realization.

As at September 30, 2021, the Company has approximately $8,297,000 of accumulated non capital losses and approximately $591,000 of capital losses which can be applied to reduce future taxable income. Unless utilized, these losses will expire between tax years 2026 and 2041. In addition, the Company has discretionary deduction pools for resource related expenditures and equipment balances with a tax basis exceeding net book value. The possible future benefit to the Company of utilizing these losses and deductions has not been recognized in these consolidated financial statements.

The non-capital losses expire as follows:

Year of expiry		Amount
2026	$	371,000
2027		778,000
2028		516,000
2029		492,000
2030		622,000
2031		646,000
2032		411,000
2033		229,000
2034		208,000
2035		407,000
2036		520,000
2037		670,000
2038		357,000
2039		-
2040		346,000
2041		1,724,000
	$	8,297,000

11. Supplementary Cash Flow Information

The following non-cash investing and financing activities were excluded from the consolidated statements of cash flows:

- For the year ended September 30, 2021, the Company issued 7,930,000 common shares for deemed value of $2,763,200 (2020 – 1,620,000 common shares for deemed value of $189,500) pursuant to exploration and evaluation asset option agreements.
- For the year ended September 30, 2021, the Company issued no common shares (2020 – $140,000) to settle accounts payables and accrued liabilities.
- For the year ended September 30, 2021, the Company issued no common shares (2020 – $122,750) to settle loans payable.
- At September 30, 2021, the Company had $353,381 (2020 - $65,320) in accounts payable and accrued liabilities related to exploration and evaluation assets.

12. Capital Disclosures

The Company's objectives when managing capital are to raise the necessary equity financing to fund its exploration projects and to manage the equity funds raised which best optimizes its exploration programs and the interests of its equity shareholders at an acceptable risk.

In the management of capital, the Company includes the components of shareholders' equity.

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. In order to maintain or adjust the capital structure, the Company may raise additional equity funds and acquire new exploration properties as circumstances dictate.

There were no changes in the Company's approach to capital management during the year ended September 30, 2021. The Company is not subject to externally imposed capital requirements.

12. Events After the Reporting Date

On December 31st, 2021 the company closed a private placement whereby the company issued 1,933,334 units at a price of $0.30 per unit for gross proceeds of $580,000. Each unit is comprised of one flow through common share and one-half of one common share purchase warrant. Each whole warrant entitles the subscriber to purchase one additional common share of the Company at a price of $0.34 per share for a period of two years from the closing date. Finder's fees of $30,100 cash and 100,333 Warrants have been paid in connection with the Private Placement to qualified parties. The Warrants issued to the finders have an exercise price of $0.30 for a period of 2 years from the date of issuance.