GOWEST GOLD LTD.

Financial Statements

Nine Months Ended July 31, 2021 and 2020

Expressed in Canadian Dollars

Unaudited

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim consolidated financial statements of Gowest Gold Ltd. ("Gowest" or the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34-Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that: (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements; and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by, and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

GOWEST GOLD LTD.

Condensed Interim Statements of Financial Position (Unaudited)

In Canadian dollars

	Note	July 31, 2021	October 31, 2020
ASSETS			
Current assets			
Cash and cash equivalents		**337,075**	459,489
Amounts receivable and other assets	6	**159,340**	409,476
Total current assets		**496,415**	868,965
Long term investment	8	**5,250**	3,000
Equipment	7	**2,256,336**	2,293,507
Long term deposits	9	**1,248,939**	1,248,939
Exploration and evaluation properties	9	**60,998,036**	58,021,056
Total assets		**65,004,976**	62,435,467
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11&15	**14,879,707**	12,051,125
Current portion of lease liability	12	**81,224**	75,636
Amounts due to related party	15	**312,137**	100,000
Current portion of debt	11	**15,206,794**	9,383,378
Total current liabilities		**30,479,862**	21,610,139
Lease liability	12	**174,803**	236,489
Reclamation and closure cost obligation	10	**1,345,449**	1,338,423
Long term debt	11	**6,284,646**	9,949,222
Total liabilities		**38,284,760**	33,134,273
SHAREHOLDERS' EQUITY			
Share capital	13	**53,359,960**	52,192,157
Reserves	11&13	**1,167,026**	1,355,972
Accumulated deficit		**(27,807,895)**	(24,248,060)
Accumulated other comprehensive income	8	**1,125**	1,125
Total shareholders' equity		**26,720,216**	29,301,194
Total liabilities and shareholders' equity		**65,004,976**	62,435,467

Nature of operations and going concern (Note 1)

Commitments and contingencies (Notes 9, 10,11 and 16)

APPROVED ON BEHALF OF THE BOARD

"Peter Quintiliani" Director — "C. Fraser Elliott" Director

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

GOWEST GOLD LTD.

Condensed Interim Statements of Loss and Comprehensive Loss (Unaudited)

In Canadian dollars

	Note	**Three Months Ended July 31, 2021**	Three Months Ended July 31, 2020	**Nine Months Ended July 31, 2021**	Nine Months Ended July 31,2020
Operating Expenses					
General and administrative	14	**(817,944)**	(949,211)	**(2,195,855)**	(3,044,883)
Accretion	10&11	**(2,342)**	(3,191)	**(7,026)**	(9,573)
Loss before other items		**(820,286)**	(952,402)	**(2,202,881)**	(3,054,456)
Foreign exchange gain / (loss)		**(360,177)**	506,000	**1,103,266**	(244,000)
Gain on settlement		**-**	170,288	**-**	170,288
Interest and other (expense)		**(849,282)**	(902,085)	**(2,877,243)**	(1,934,153)
Net comprehensive loss for the period		**(2,029,745)**	(1,178,199)	**(3,976,858)**	(5,062,321)
Basic and diluted loss per share		**(0.025)**	(0.015)	**(0.049)**	(0.069)
Weighted average number of common shares outstanding – basic and diluted		**82,180,902**	78,101,031	**81,462,498**	73,897,084

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

GOWEST GOLD LTD.

Condensed Interim Statements of Changes in Equity (Unaudited)

In Canadian dollars

		Reserves		Accumulated other comprehensive	Accumulated	
	Share Capital	Warrants	Stock options	income / loss	deficit	Total equity
Balance at October 31, 2020	**52,192,157**	**557,031**	**798,941**	**1,125**	**(24,248,060)**	**29,301,194**
Issued on private placement	**1,222,365**	**271,625**	**-**	**-**	**-**	**1,493,990**
Share issue costs	**(119,616)**	**21,506**	**-**	**-**	**-**	**(98,110)**
Flow-through premium	**-**	**-**	**-**	**-**	**-**	**-**
Value of warrants exercised	**65,054**	**(65,054)**	**-**	**-**	**-**	**-**
Value of warrants expired	**-**	**(154,299)**	**-**	**-**	**154,299**	**-**
Value of stock options expired	**-**	**-**	**(262,724)**		**262,724**	**-**
Net loss and comprehensive loss for the period	**-**	**-**	**-**	**-**	**(3,976,858)**	**(3,976,858)**
Balance at July 31, 2021	**53,359,960**	**630,809**	**536,217**	**1,125**	**(27,807,895)**	**26,720,216**
Balance at October 31, 2019	49,155,621	733,182	934,790	1,125	(18,266,748)	32,557,970
Issued on private placement	2,640,326	402,732	-	-	-	3,043,058
Share issue costs	(53,967)	-	-	-	-	(53,967)
Value of Stock options issued	-	-	35,400	-	-	35,400
Value of warrants expired	-	(578,883)	-	-	578,883	-
Value of stock options expired	-	-	(171,249)	-	171,249	-
Shares for debt settlement	545,000	-	-	-	-	545,000
Net loss and comprehensive loss for the period	-	-	-	-	(5,062,321)	(5,062,321)
Balance as at July 31, 2020	52,286,980	557,031	798,941	1,125	(22,578,937)	31,065,140

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

GOWEST GOLD LTD.
Condensed Interim Statements of Cash Flows (Unaudited)
In Canadian dollars

	Nine Months Ended	
	July 31, 2021	July 31, 2020
Operating activities		
Net (loss) for the period	**(3,976,858)**	(5,062,321)
Items not affecting cash:		
Amortization	**52,372**	62,180
Interest on lease liability and loans	**2,877,243**	-
Unrealized foreign exchange (gain) / loss	**(1,103,266)**	244,000
Accretion	**7,026**	9,573
Stock based compensation	**-**	35,400
	1,833,375	351,153
Amounts receivable and other assets		
Amounts receivable and other assets	**250,136**	(77,696)
Accounts payable and accrued liabilities	**1,955,389**	2,749,116
Cash flows from operating activities	**62,042**	(2,039,748)
Investing activities		
Exploration and evaluation expenditures	**(2,976,980)**	(2,673,802)
Purchase of equipment	**(77,291)**	(69,735)
Deposit		(97,653)
Cash flows from investing activities	**(3,054,271)**	(2,841,190)
Financing activities		
Proceeds from issue of capital stock and exercise of options and warrants	**1,493,990**	3,043,058
Transaction costs on private placements	**(98,110)**	(53,967)
Proceeds from short term debt	**1,550,000**	2,600,000
Lease payments	**(76,065)**	-
Cash flows from financing activities	**2,869,815**	5,589,091
Increase / (decrease) in cash and cash equivalents during the period	**(122,414)**	708,153
Cash and cash equivalents, beginning of period	**459,489**	284,567
Cash and cash equivalents, end of period	**337,075**	992,720
CASH AND CASH EQUIVALENTS ARE COMPOSED OF:		
Cash	**311,816**	967,591
Cash equivalents	**25,259**	25,129
SUPPLEMENTAL INFORMATION		
Change in non-cash working capital related to Exploration and evaluation expenditures	**(1,365,967)**	1,804,055

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Gowest Gold Ltd. ("Gowest" or the "Company") is in the business of exploring and evaluating properties that it believes contain mineralization that is, or will, in the future, be economically recoverable. To date, the Company has not earned significant revenues from its activities. The address and registered office of the Company is 80 Richmond Street West, Suite 1400, Toronto, Ontario, Canada, M5H 2A4.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in profitable mining operations. The recoverability of the amounts capitalized for exploration and evaluation properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from dispositions of such properties. Changes in future conditions could require material write-downs of the carrying amounts of exploration and evaluation properties.

Although the Company has taken steps to verify title to its property interests, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social discretionary requirements, unregistered prior agreements, aboriginal claims, and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

The accompanying unaudited condensed interim financial statements have been prepared on the going concern assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Due to continuing operating losses and working capital deficiency, the Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements and eventually to generate positive cash flows, either from operations or sale of property. The Company incurred a loss of $3,976,858 for the nine month period ended July 31, 2021 (October 31, 2020 – $6,731,444) and as of July 31, 2021, the Company had a working capital deficiency of $29,983,447 (October 31, 2020 – $20,741,174), and had a cumulative deficit of $27,807,895 (October 31, 2020 - $24,248,060). These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Accordingly, readers are cautioned that these unaudited condensed interim financial statements do not reflect adjustments that would be necessary if the "going concern" basis were not appropriate. Changes in future conditions could require material write downs of the carrying value of certain assets.

COVID-19

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

These financial statements of the Company were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on September 23, 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard 34 ("IAS 34") Interim Financial Reporting. These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended October 31, 2020.

These unaudited condensed interim financial statements follow the same accounting policies and methods of application as the Company's most recent audited financial statements, except as disclosed below. Accordingly, they should be read in conjunction with the Company's most recent annual financial statements.

(b) Foreign currency translation

The functional currency of Gowest is the Canadian dollar. For the purpose of the financial statements, the results and financial position are expressed in Canadian dollars.

Transactions in currencies other than 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 the period end exchange rates are recognised in the statement of loss and comprehensive loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(c) Financial instruments

Financial assets

Initial recognition and measurement
Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either FVPL or FVOCI, and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost. Other amounts receivable held for collection of contractual cash flows are measured at amortized cost.

Subsequent measurement – financial assets at amortized cost
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statements of loss.

Subsequent measurement – financial assets at FVPL
Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statements of loss. The Company's cash equivalents and long-term investment are measured at FVPL.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (Continued)

Subsequent measurement – financial assets at FVOCI
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company's investments in publicly traded equity securities are classified as financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the consolidated statements of comprehensive income (loss). When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

Dividends from such investments are recognized in other income in the consolidated statements of earnings (loss) when the right to receive payments is established.

Derecognition
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets
The Company's only financial assets subject to impairment are other assets, which are measured at amortized cost. The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial liabilities

Initial recognition and measurement
Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued liabilities, amounts due to related parties, short-term and long-term debt, which are each measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

Subsequent measurement – financial liabilities at amortized cost
After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in accretion expense in the statements of loss.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statements of loss.

Compound financial instruments

Compound financial instruments comprise convertible debentures that can be converted into common shares at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (Continued)

The liability component is recognized initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognized initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at an amortized cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition. Upon expiry, the equity component is transferred to deficit.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been negatively impacted.

Financial instruments recorded at fair value

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

As of July 31, 2021 and October 31, 2020, cash equivalents and the long-term investment are recorded at fair value on the statement of financial position. See Note 4.

(d) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets are impaired. Where such an indication exists, the recoverable amount of the asset is estimated. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

(e) Exploration and evaluation expenditures

The Company is in the exploration and evaluation stage with respect to its investment in exploration and evaluation properties and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration for and evaluation of its interest in these properties. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. The aggregate costs related to abandoned exploration and evaluation properties are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to an exploration and evaluation property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farm out of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Exploration and evaluation expenditures (Continuted)

The recoverability of amounts shown for interest in exploration and evaluation properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition. The Company recognizes in profit and loss, costs recovered on exploration and evaluation properties when amounts received or receivable are in excess of the carrying amount.

Capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration and evaluation expenditures are not expected to be recovered, it is charged to profit and loss. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned. Any cash consideration received directly from a farmee is credited against costs expensed in relation to the whole interest with any excess accounted for by the farmor as a gain on disposal.

(f) Cash and cash equivalents

Cash and cash equivalents in the statements of financial position comprise cash at banks, and guaranteed investment certificates with an original maturity of three months or less, and which are readily convertible into a known amount of cash. The Company’s cash and cash equivalents are invested with major financial institutions in business accounts and guaranteed investment certificates that are available on demand by the Company for its programs. The Company does not invest in any asset-backed deposits/investments.

(g) Equipment

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Asset’s residual value, useful life, and amortization method are reviewed and adjusted, if appropriate, on an annual basis.

Amortization is recognized based on the cost of an item of equipment, less its estimated residual value, over its estimated useful life at the following rates:

Detail	Percentage	Method
Vehicles	30%	Declining balance
Furniture	20%	Straight line
Computer equipment	30%	Declining balance
Software	30%	Declining balance
Equipment	10% - 20%	Straight line
Right of use building	-	Straight line over term of lease of 2 – 3 years

(h) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Share based payment transactions

The fair value of share based payments to employees and non-employees is recognized as an expense over the vesting period using the graded vesting method 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, including directors of the Company.

The fair value of employee share based payments is measured at the grant date and recognized over the period 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 reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest based on an estimate of the forfeiture rate.

Share-based payments granted to non-employees are measured at the fair value of goods received unless that cannot be reasonably estimated in which case the fair value of the share-based payments are used. The measurement date is generally the date the goods or services are received.

(j) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements unless such differences arise from goodwill or the initial recognition (other than in a business combination) of other assets or liabilities in a transaction that affects neither the taxable profit nor the accounting profit or loss. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current. Deferred tax assets and liabilities are offset when there is a legally enforceable right to do so, when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(k) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration and evaluation of a property interest. Such costs are discounted to their net present value using a risk-free rate and are provided for and expensed as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation.

See Note 10 for details of the reclamation and closure cost as at July 31, 2021 and October 31, 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Leases

The Company has adopted IFRS 16 with the date of initial application of November 1, 2019 using the modified retrospective approach. Comparative information has not been restated and continues to be reported under IAS 17 — *Leases* (''IAS 17''), the accounting standard in effect for those periods.

The Company assesses whether a contract is, or contains, a lease at the inception of a contract. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether:

- the contract involves the use of an explicitly or implicitly identified asset;
- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the contract term;
- the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the initial amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. Right-of-use assets are subject to impairment.

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease payments include fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees and the exercise price of a purchase option reasonably certain to be exercised by the Company. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company presents right-of-use assets in the property and equipment line item on the statement of financial position and lease liabilities in the lease payable line item on the statement of financial position. The Company has elected not to recognize right-of-use assets and lease liabilities for leases that have a lease term of 12 months or less and do not contain a purchase option or for leases related to low value assets. Lease payments on short-term leases and leases of low value assets are recognized as an expense in the statement of loss.

(m) 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 is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares. The Company's diluted loss per share does not include the effect of stock options and warrants as they are anti-dilutive.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Significant accounting judgments and estimates

The preparation of these 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 that, 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. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Capitalization of exploration and evaluation expenditures

Management has determined that exploration and evaluation expenditures incurred during the year have future economic benefits and are economically recoverable. In making this judgment, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits.

Impairment of exploration and evaluation properties and equipment

While assessing whether any indications of impairment exist for exploration and evaluation properties and equipment, consideration is given to both external and internal sources of information. Information the Company considers include changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation properties and equipment. Internal sources of information include the manner in which exploration and evaluation properties and equipment are being used or are expected to be used and indications of expected economic performance of the assets. Estimates may include but are not limited to estimates of the discounted future pre-tax cash flows expected to be derived from the Company's exploration and evaluation properties and equipment, costs to sell the properties and equipment and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation properties and equipment.

Estimation of reclamation and closure cost obligation

The reclamation and closure cost estimates are updated annually to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations), and are subject to review at regular intervals. Reclamation costs, including decommissioning, restoration and similar liabilities, are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of reclamation, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. Refer to Note 10.

Long term debt

The classification of the Company's long term debt required management to analyze the terms and conditions of the long term debt and use judgment to assess whether the instrument is a liability, equity or a combination of the two. Factors considered include, but are not limited to, whether the Company has a future obligation to settle the instrument in cash or exchange other assets or liabilities, and if the settlement is already known to be equity, the amount will not vary based on the Company's future share price, future foreign exchange rates or some other factor that results in a variable number of equity instruments being issued.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Significant accounting judgments and estimates (Continued)

The Company was required to make certain estimates when determining the value of the liability and equity components of the long term debt. The discount rate used to measure the liability component on initial recognition is subject to management estimation and has a significant impact on the allocation of the debt and equity components of the facility.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Contingencies – Refer to Note 16
Going concern – Refer to Note 1

(o) Flow-through shares

The Company periodically finances a portion of its exploration and evaluation activities through the issue of flow through shares, which transfers the tax deductibility of exploration expenditures to the investor (referred to as renunciation). Proceeds received on the issuance of such shares up to the value of similar non-flow through shares are credited to share capital and any difference between that amount and the issue price is recognized as a flow through share premium and recognized as a liability in the statement of financial position. Upon renunciation to the investor of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the liability previously recorded is reversed with any difference being recorded as a deferred tax recovery (expense). To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability and record a recovery on the statement of loss. The related exploration costs are charged to exploration and evaluation properties.

(p) Accounting changes

New accounting standards and interpretations effective in future periods

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after November 1, 2020. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Accounting changes (Continued)

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on November 1, 2023.

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets ("IAS 37") was amended. The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on November 1, 2022.

IAS 16 – Property, Plant and Equipment ("IAS 16") was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on November 1, 2022.

3. CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to achieve optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and evaluation of its properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business. The Company considers its capital to be shareholders' equity, which comprises share capital, reserves, accumulated deficit and accumulated other comprehensive income, which at July 31, 2021, totalled $26,720,216 (October 31, 2020 - $29,301,194).

The properties in which the Company currently has an interest are in the exploration and evaluation stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration programs and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts when economic conditions permit it to do so.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

- (i) minimizing discretionary disbursements;
- (ii) reducing or eliminating exploration expenditures that are of limited strategic value; and
- (iii) exploring alternative sources of liquidity.

In light of the above, the Company will attempt to explore and evaluate its properties, assess new properties and seek to acquire an interest in additional properties if the Company believes there is sufficient potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the periods ended July 31, 2021 and October 31, 2020.

In Canadian dollars

3. CAPITAL MANAGEMENT (CONTINUED)

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than by the TSX Venture Exchange ("TSXV") who requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of July 31, 2021 and October 31, 2020, the Company may not be compliant with the policies of the TSXV. The impact of this violation is not known and is ultimately dependent on the direction of the TSXV.

4. FINANCIAL RISK FACTORS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (including interest rate risk, foreign currency risk and commodity and equity price risk). Financial risk management is carried out by the Company's management team with guidance from the Board of Directors.

(i) Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and long-term deposits. Cash and cash equivalents consist of cash, high interest savings accounts and certificates of deposit at select Canadian financial institutions, from which management believes the risk of loss to be remote. The long-term deposits are held by the Ontario Ministry of Energy, Northern Development and Mines. Management believes that the credit risk concentration with respect to these financial instruments is remote.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at July 31, 2021, the Company had cash, cash equivalents, amounts receivable and other current assets of $496,415 (October 31, 2020 - $868,965) to settle current liabilities of $30,479,862 (October 31, 2020 - $21,610,139). All of the Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms. As at July 31, 2021, included in accrued liabilities are liabilities of approximately $2,030,821 (October 31, 2020 - $1,476,403) for contractor internal equipment rentals and charges that are subject to extended payment terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

As discussed in Note 1, the Company's ability to continually meet its obligations and carry out its planned exploration and evaluation activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

In addition to the commitments disclosed in Note 16, the Company is obligated to the following undiscounted contractual maturities as at July 31, 2021:

	Contractual Cash Flows	Year 1	Year 2-3	Year 4-5
Accounts payable and accured liabilities	14,879,707	14,879,707	-	-
Lease payable	256,027	81,224	141,805	32,998
Reclamation and closure cost obligation	1,345,449	-	-	1,345,449
Debt and amounts due to related party	25,417,252	15,518,931	7,198,779	2,699,542
	41,898,435	30,479,862	7,340,584	4,077,989

4. FINANCIAL RISK FACTORS (CONTINUED)

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

(a) Interest rate risk

The Company has cash and cash equivalents. The Company's current policy is to invest excess cash in high interest savings accounts and investment-grade certificates of deposit issued by its Canadian financial institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its Canadian financial institutions. The Company's long-term debt effectively bears interest at a fixed rate. Currently, the Company does not hedge against interest rate risk.

(b) Foreign currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company's foreign currency risk arises primarily with respect to the U.S. Dollar as its long-term debt is denominated in U.S. Dollars. Fluctuations in the exchange rates between the U.S. Dollar and the Canadian dollar could have a material effect on the Company's business, financial condition and results of operations. The Company does not currently engage in any hedging activity to mitigate this risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as they relate to gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. As the Company's mineral properties are in the exploration stage, the Company does not hedge against commodity price risk. The Company's long-term investment in Crown Mining Corp. ("Crown") is subject to fair value fluctuations arising from changes in the equity and commodity markets.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a twelve month period:

(i) Cash equivalents are subject to floating interest rates. As at July 31, 2021, if interest rates had decreased/increased by 1% with all other variables held constant, the loss for the period ended July 31, 2021 would have not had been significantly impacted.

(ii) The Company's investment in the common shares of Crown is subject to fair value fluctuations. As at July 31, 2021, if the bid price of the common shares of Crown had changed by 10% with all other variables held constant, the other comprehensive income for the period ended July 31, 2021, before tax, would not have been significantly impacted.

(iii) The Company's long-term debt is denominated in U.S. Dollars. As at July 31, 2021, if the exchange rate had decreased/increased by 10% with all other variables held constant, the loss for the nine month period ended July 31, 2021 would increase/decrease by approximately $628,500.

In Canadian dollars

4. FINANCIAL RISK FACTORS (CONTINUED)

Sensitivity analysis (Continued)

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at July 31, 2021 and October 31, 2020:

July 31, 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash equivalents	**-**	**25,259**	**-**	**25,259**
Long-term investments:	**-**	**-**	**-**	**-**
- Investment in a public company	**5,250**	**-**	**-**	**5,250**
	5,250	**25,259**	**-**	**30,509**

October 31, 2020	Level 1	Level 2	Level 3	Total
Cash equivalents	-	25,129	-	25,129
Long-term investments:	-	-	-	-
- Investment in a public company	3,000	-	-	3,000
	3,000	25,129	-	28,129

5. CATEGORIES OF FINANCIAL INSTRUMENTS

	July 31, 2021	October 31, 2020
Financial assets:		
FVTPL	**25,259**	25,129
Cash equivalents		
Amortized cost		
Cash	**311,816**	434,360
Long term deposit	**1,248,939**	1,248,939
FVOCI		
Long term investment	**5,250**	3,000
Financial liabilities:		
Amortized cost		
Accounts payable and accrued liabilities	**14,879,707**	12,051,125
Amounts due to related party	**312,137**	100,000
Current portion of debt	**15,288,018**	9,383,378
Long-term debt	**7,804,898**	9,949,222

As at July 31, 2021 and October 31, 2020, the fair value of the Company's loans and receivables, accounts payable and accrued liabilities, amounts due to related party and current portion of debt approximate their estimated carrying values, due to their short-term nature. The fair value of the long-term debt approximates its carrying value.

This estimate is based on discounted future principal and interest payments using estimated interest rates which are Level 3 inputs.

In Canadian dollars

6. AMOUNTS RECEIVABLE AND OTHER ASSETS

	As at July 31, 2021	As at October 31, 2020
HST receivable	**101,193**	379,428
Prepaid expense	**58,147**	30,048
	159,340	409,476

7. EQUIPMENT

Cost	**Computer Equipment**	**Furniture**	**Vehicles**	**Software**	**Equipment**	**Right of Use Building**	**Total**
Balance, October 31, 2019	13,358	49,241	53,177	66,503	1,977,957	-	2,160,236
Additions	-	-	-	-	225,309	363,159	588,468
Balance, October 31, 2020	13,358	49,241	53,177	66,503	2,203,266	363,159	2,748,704
Additions	-	-	-	-	**77,291**	**-**	**77,291**
Balance, July 31, 2021	**13,358**	**49,241**	**53,177**	**66,503**	**2,280,557**	**363,159**	**2,825,995**
Accumulated amortization							
Balance, October 31, 2019	10,402	37,200	38,800	60,724	165,346	-	312,471
Additions	807	4,560	3,922	1,575	69,634	62,229	142,727
Balance, October 31, 2020	11,209	41,760	42,721	62,299	234,980	62,229	455,198
Additions	**449**	**3,420**	**2,180**	**877**	**45,446**	**62,090**	114,462
Balance, July 31, 2021	**11,658**	**45,180**	**44,901**	**63,176**	**280,426**	**124,319**	**569,660**
Carrying value							
Balance, October 31, 2019	2,956	12,041	14,378	5,779	1,812,611	-	1,847,765
Balance, October 31, 2020	2,149	7,481	10,456	4,204	1,968,286	300,930	2,293,507
Balance, July 31, 2021	**1,701**	**4,061**	**8,276**	**3,327**	**2,000,131**	**238,840**	**2,256,336**

During the year ended October 31, 2019, a piece of equipment was not working as intended and the Company booked an impairment of $288,080. During the year ended October 31, 2020, the Company received an insurance settlement and booked a recovery of $170,288 as related to this equipment.

8. LONG-TERM INVESTMENT

Long term Investment	**Cost**	**Impairment**	**Accumulated other comprehensive income adjustment**	**July 31, 2021 estimated fair value**	October 31, 2020 estimated fair value
Crown Mining Corp - common shares	$ 115,500	$ (109,125)	$ 1,125	**$ 5,250**	$ 3,000

In Canadian dollars

9. EXPLORATION AND EVALUATION PROPERTIES

July 31, 2021	Acquisition Cost	Exploration & Evaluation	Option Payments Received	Total
Frankfield Property (a) (c)	1,263,575	56,764,181	-	58,027,756
Pipestone Property(d)	201,500	1,739,065	-	1,940,565
Tully Property (e)(f)	69,458	845,782	-	915,240
Whitney Property (b)	126,059	65,984	(77,568)	114,475
	1,660,592	59,415,012	(77,568)	60,998,036

October 31, 2020	Acquisition Cost	Exploration & Evaluation	Option Payments Received	Total
Frankfield Property (a) (c)	1,263,575	53,789,645	-	55,053,220
Pipestone Property(d)	201,500	1,736,815	-	1,938,315
Tully Property (e)(f)	69,458	845,588	-	915,046
Whitney Property (b)	126,059	65,984	(77,568)	114,475
	1,660,592	56,438,032	(77,568)	58,021,056

(i) Frankfield Property

The Bradshaw Project is located in the Frankfield Property.

In March 2009, Gowest acquired a 100% interest in the Frankfield project in Ontario. In consideration for New Texmont Exploration Ltd's ("New Texmont") 50% interest in the Frankfield project, the Company issued 1,500,000 (post consolidated basis) common shares to New Texmont and also granted New Texmont a sliding scale net smelter royalty (the "NSR"). In December 2015, the Company purchased the NSR from New Texmont with a one-time payment of the issuance of 1,000,000 (post consolidated basis) common shares (estimated grant date fair value of $800,000 based on the quoted market price of the Company's shares) at an estimated price of $0.10.

In February, 2010, the Company completed an agreement with Goldcorp Canada Ltd. and Goldcorp Inc. (collectively "Goldcorp"), for the purchase of Goldcorp's properties in Tully Township adjacent to the Company's 100% owned Frankfield Project. Consideration for this acquisition included a 2% NSR derived from future production specifically from the Goldcorp leased claims, a 1% NSR derived from future production specifically from the Goldcorp unpatented claims and $100,000 in cash (paid). The Company will maintain an NSR buyout option for both the Goldcorp leased claims and Goldcorp unpatented claims valued at $500,000 for each 0.5% of the desired NSR. Goldcorp may elect not to sell the final 0.5% portion of its NSR.

In December, 2010, the Company completed its acquisition of a 100% interest of the Dowe property in Tully Township, Ontario adjacent to the Company's 100% owned Frankfield Gold Property. In consideration for this acquisition, the Company paid $16,000 in cash, issued 7,000 (post consolidated basis) common shares (estimated grant date fair value of $18,200 based on the quoted market price of the Company's shares) of the Company and agreed to a 0.5% NSR at gold prices of less than US$950 per ounce or 0.75% NSR at gold prices equal to or greater than US$950 per ounce. The Company maintains an NSR buyout option valued at $125,000 for each 0.25% of the NSR.

In Canadian dollars

9. EXPLORATION AND EVALUATION PROPERTIES

(i) Frankfield Property (Continued)

The Company entered into an advanced exploration bulk sample program on the Bradshaw project during the year ended October 31, 2017. During the year ended October 31, 2017, the Company increased its previously placed financial assurance bond by $773,877 and during the year ended October 31, 2020 by $394,941 for a total of $1,248,939 with the Ministry of Northern Development and Mines for the Bradshaw project production closure plan, which is refundable once certain conditions are met. The bond is included in long term deposits as at July 31, 2021 and October 31, 2020. On October 30, 2019 the Company announced that it had signed a binding term sheet with Northern Sun to process the Bradshaw material.

The following costs have been capitalized during the nine month period ended July 31, 2021 and year ended October 31, 2020 to exploration and evaluation expenditures in respect of the Frankfield Property:

	Nine Months Ended July 31, 2021	Year Ended October 31, 2020
Opening Balance	**55,053,220**	51,115,403
Addtions during the period:		
Engineering, Permitting, Overhead	**878,253**	3,048,910
Asset Retirement Provision (Note 10)	**-**	426,990
Site access, development and maintenace	**1,060,173**	333,233
Net Processing cost	**903,820**	-
Exploration, geophysics, drilling and assays	**132,290**	128,684
Total additions for the period	**2,974,536**	3,937,817
Closing Balance	**58,027,756**	55,053,220

(ii) Pipestone Property

On April 26, 2011, the Company entered into an option and joint venture agreement (the "Option Agreement") with Transition Metals Corp. ("TMC") to explore and earn an interest in certain claims in the Porcupine mining district in Ontario (the "Pipestone Property"). The Company completed its earn in option for a 60% interest in the properties on April 26, 2016. Upon earning the 60% interest, as applicable, a joint venture automatically formed between Gowest and TMC, pursuant to which the companies will continue to explore and develop the Pipestone Property as warranted. Should either party's joint venture interest be diluted below 10%, its interest will be converted to a 2% NSR. As of April, 2018, the Company's interest had increased to 67.7% by spending $400,000 on the property.

(iii) Tully Property

The Company owns 100% of certain claim blocks in Tully Township.

(iv) Whitney Property

The Company has a 100% interest in certain claims in Whitney Township, Ontario.

In Canadian dollars

10. RECLAMATION AND CLOSURE COST OBLIGATIONS

Pursuant to the Bradshaw Project Closure Plan, the Company is obligated to rehabilitate the Bradshaw site. Each period the Company reviews cost estimates and other assumptions used in the valuation of the obligations at each of its mining properties and development properties to reflect events, changes in circumstances and new information available. Changes in these cost estimates and assumptions have a corresponding impact on the fair value of the obligation. The fair values of the obligations are measured by discounting the expected cash flows using a discount factor that reflects the risk-free rate of interest. The Company prepares estimates of the timing and amount of expected cash flows when an obligation is incurred. Expected cash flows are updated to reflect changes in facts and circumstances. The principal factors that can cause expected cash flows to change are: the construction of new processing facilities; obligations realized through additional ore bodies mined; changes in the quantities of material in reserves and a corresponding change in the life of mine; changing ore characteristics that impact required environmental protection measures and related costs; changes in water quality that impact the extent of water treatment required; and changes in laws and regulations governing the protection of the environment. The present value of the future estimated obligation is recorded when it is incurred. Assumptions including an inflation rate of 1.58 % (2020 -1.11%) and a discount rate of 0.70% (2020 – 0.56%) and an expected time to completion of 7 years (2020 – 7 years) have been made which management believes are a reasonable basis upon which to estimate the future liability.

During the nine month period ended July 31, 2021, accretion expense was recorded of $7,026 (October 31, 2020 - $12,764). The present value of the future rehabilitation liability was estimated at $1,345,449 as at July 31, 2021 (October 31, 2020 - $1,338,423).

	Nine Months Ended July 31, 2021	Year Ended October 31, 2020
Balance, as at beginning of period	**1,338,423**	898,669
Accretion	**7,026**	12,764
Change in estimate	**-**	426,990
Reclamation and closure cost balance at end of period	**1,345,449**	1,338,423

11. SHORT TERM AND LONG TERM DEBT

The following table reflects the continuity of the short and long term debt as of July 31, 2021:

	(i) Greenwater Investment	(ii) Prepayment Gold Concentrate[1]	(iii) Lush Land Investment[2]	Total
Opening Balance 11.1.19	9,212,000	3,948,000	-	13,160,000
Debt issued	-		3,800,000	3,800,000
Interest accrued	2,214,600	-	-	2,214,600
Foreign exchange adjustment	110,600	47,400	-	158,000
Balance, 10.31.20	11,537,200	3,995,400	3,800,000	19,332,600
Debt issued	-	-	1,350,000	1,350,000
Interest accrued	1,593,340	-	-	1,593,340
Foreign exchange adjustment	(560,700)	(223,800)	-	(784,500)
Balance, end of period	12,569,840	3,771,600	5,150,000	21,491,440
Less: Current Portion	6,285,194	3,771,600	5,150,000	15,206,794
Balance Long term liabilitites 7.31.21	6,284,646	-	-	6,284,646

1. Prepayment Gold Concentrate Debt with Humon Smelting has accrued interest of $2,086,952 as of 7.15.21 included in accounts payable and accrued liabilities.
2. Lush Land Investments has accrued interest of $418,205 as of 7.15.21 included in accounts payable and accrued liabilities.

11. SHORT TERM AND LONG TERM DEBT (CONTINUED)

(i) Pre-Paid Forward Gold Purchase Agreement

On December 16, 2016, the Company entered into a definitive Pre-Paid Forward Gold Purchase Agreement (the "PPF Agreement") with PGB Timmins Holdings LP ("PGB"), an investment vehicle controlled by Pandion Mine Finance, LP (the "Agreement") finance the development of its Bradshaw project.

Pursuant to the Agreement, the Company may be advanced up to an aggregate of US$17,600,000 (the "Gold Prepayment Amount"), in four tranches over a period of approximately 12 months, as partial consideration for the purchase of up to an aggregate of 65,805 ounces of gold to be produced from Bradshaw. The full funding of the Gold Prepayment Amount was subject to the satisfaction of certain conditions precedent applicable in respect of each tranche, as specified in the Agreement.

Over a period of 60 months following the date of each tranche of the Gold Prepayment Amount, Gowest was obligated to deliver a specified number of ounces of gold in respect of each such tranche; provided, however, no gold shall be deliverable by the Company during the first 27 months following the initial tranche payment date. The Company, on each delivery of gold, would have received an amount per ounce of gold equal to the market price at the time, less a specified discount. During the term of the Agreement, the lender would also participate in the upside of any increase in the price of gold.

The obligations of the Company under the Agreement will be secured by a first lien (subject to permitted liens) over all of the Company's properties and assets, other than certain excluded properties or assets specified in the Agreement.

On February 1, 2017, the Company received payment of only the initial tranche in the amount of US$5,600,000 less the costs of issuance of the debt. The Company has recognized $771,440 as deferred financing cost and allocated $259,388 of these costs against the initial tranche and allocated $47,000 of costs to the conversion feature as at October 31, 2018 and 2017.

On August 9, 2019, the Company received from PGB a Notice of Events of Default and Termination (the "Default Notice") and a Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "BIA Notice").

Pursuant to the Default Notice, PGB alleges certain defaults by Gowest of its obligations under the PPF Agreement and demanded an early termination fee under the PPF Agreement in the amount of US$25,542,789

On August 19, 2019, the Company announced that it has entered into minutes of settlement (the "Settlement Agreement") with PGB with respect to certain alleged defaults by Gowest of its obligations under the PPF Agreement. As at August 16, 2019, the Company had recorded debt of $10,089,223.

Gowest was obligated to pay to PGB an aggregate of US$9 million in cash as follows (i) US$1,500,000, as a non-refundable deposit, on or prior to August 20, 2019 *(paid)*, and (ii) US$7.5 million on or before October 16, 2019 *(paid)* *(*collectively, the "Cash Settlement Amount"); Gowest shall be further obligated to pay an aggregate of 3,500 ounces of gold produced from Bradshaw, at a rate of 15% of gold as produced. The parties are now fully and finally released in respect of any and all claims and other matters arising in respect of the PPF Agreement.

In connection with the completion of the settlement with PGB, Gowest has entered into a credit agreement ("Credit Agreement"), dated as of October 16, 2019, with Greenwater Investment Hong Kong Limited ("Greenwater"), pursuant to which Greenwater advanced US$7.0 million (CDN $9,212,000) to Gowest. The proceeds advanced under the Credit Agreement were used by Gowest, together with cash on hand, to fund the final cash payment obligation owed to PGB under the Agreement of Settlement. The Credit Agreement amends and restates the PPF Agreement, which was assigned to Greenwater (together with all security granted in favour of PGB under the PPF Agreement), as part of the settlement with PGB.

11. SHORT TERM AND LONG TERM DEBT (CONTINUED)

(i) Pre-Paid Forward Gold Purchase Agreement (Continued)

Pursuant to the Credit Agreement, the obligations thereunder are to be repaid in 33 equal consecutive monthly payments of blended principal and interest of 20.54%, each such payment totalling US$376,080 (CDN$504,098), commencing as of May 2021. No payments of principal or interest are required to be paid by Gowest under the Credit Agreement until May 2021. All payments of principal and interest under the Credit Agreement are payable in cash and the Company has no future gold sale or delivery obligations under the Credit Agreement.

Subject to the terms of the Credit Agreement, at the option of the Company, the payment obligations under the Credit Agreement may be postponed for a period of up to six months such that the first payment would not be due until November 2021. In respect of each month the first payment date is postponed the Company will be obligated to make an additional payment to the Lender in the amount of US$191,330 (CDN$254,813) on the date that is 33 months following the date on which any postponed payment was originally due. The obligations of the Company under the Credit Agreement are secured by a first lien (subject to permitted liens) over all of the Company's properties and assets, other than certain excluded properties or assets specified in the Credit Agreement. See Note 15.

Should any payments be postponed, Greenwater would become entitled to an upside participation amount as additional compensation. The calculation of the compensation is based on monthly gold sales and the gold price.

On July 22, 2021, the Company has entered into Debt Conversion Agreement with Greenwater, pursuant to which Greenwater agreed to convert fifty percent (50%) of the aggregate outstanding principal amount of US$7,000,000 (C$8,800,400), together with fifty percent (50%) of accrued and unpaid interest of US$2,998,717 (C$3,769,987) as of July 15, 2021, into 25,140,774 Gowest Shares at $0.25 per share. The remaining portion of the debt owed to Greenwater, being a principal amount of $3,500,000 and unpaid interest, with repayment obligations being extended by 12 months. The obligations thereunder are to be repaid in 33 equal consecutive monthly payments of blended principal and interest of 20.97%, each such payment totalling US$240,691 (CDN$299,949), commencing as of August 1, 2022. The debt conversion is subject to TSX Venture Exchange's approval.

(ii) Prepayment for Gold Concentrate

On February 14, 2018, the Company received from Shandong Humon Smelting ("Humon"), an arm's length party CDN$3,764,700 (US$3,000,000) in connection with entering into an agreement to sell gold concentrate produced from it's wholly-owned Bradshaw Gold Deposit ("Bradshaw"). Humon has advanced the funds as pre-payment for the planned delivery and sale of gold concentrate to be produced as part of Gowest's ongoing bulk sample program. The Company promised to complete the repayment to Humon of the amount on or prior to June 30, 2019. Subject to the prior approval of the TSX Venture Exchange, the amount that remains outstanding, from time to time, was convertible prior to June 30, 2019, at the option of the Company, into common shares of the Company (which common shares would be listed and posted for trading on the TSX Venture Exchange). The conversion price per common share would be equal to the "market price" of the Company's common shares on the TSX Venture Exchange determined as of the date that the conversion of option is exercised by the Company. Humon will be paid a monthly arrangement fee in respect of the pre-payment.

On December 13, 2019, the Company entered into an amendment to the gold concentrate purchase and sale agreement which extends the initial term of the Purchase and Sale Agreement to December 31, 2020 and permits Gowest to extend such term for an additional period of 36 months from the Initial Term Expiry Date provided it provides at least 60 days written notice to Humon.

As at July 15, 2021, $3,771,600 (October 31, 2020 - $3,995,400) is recorded in current debt. The balance decreased due to the fluctuation in the foreign exchange rate. The Company recorded $1,936,088 (2020 - $1,712,652) of accrued monthly fees associated with the arrangement of the prepaid amount in accounts payable and accrued liabilities.

11. SHORT TERM AND LONG TERM DEBT (CONTINUED)

(ii) Prepayment for Gold Concentrate (Continued)

On June 4, 2021, The Company entered into 4 parties agreement and acknowleaged that Humon transferred its interest in all of the loan of US$3,000,000 and unpaid arrangement fee to Inner Mongolia Jinshengda Investment Co. Ltd. (“Jinshengda”).

On July 22, 2021, the Company has entered into Debt Conversion Agreement with Jinshengda, pursuant to which Jinshengda agreed to convert convert $5,858,552 (US$4,660,000) of principal and accumulated arrangmenet fee into 23,434,208 Gowest shares at $0.25 per share. The debt conversion is subject to TSX Venture Exchange’s approval.

(iii) Lush Land Investment Loan Agreements

On March 31, 2020, the Company entered into an unsecured loan agreement with Lush Land Investment Canada Inc. (“Lush Land”) for a principal amount of $1,600,000 dollars for a term of one year and interest rate of ten percent (10%). Subject to the terms of the loan agreement, the outstanding principal balance, together with accrued and unpaid interest thereon, shall be due and payable on March 31, 2021. Interest on the daily outstanding principal balance shall accrue daily and be calculated and payable quarterly, in arrears.

On June 30, 2020, the Company entered into an additional unsecured loan agreement with Lushland for an additional principal amount of $2,500,000 for a term of one year and interest rate of ten percent (10%). Subject to the terms of the loan agreement, the outstanding principal balance, together with accrued and unpaid interest thereon, shall be due and payable on June 30, 2021. Interest on the daily outstanding principal balance shall accrue daily and be calculated and payable periodically on each of September 15, 2020, December 15, 2020, March 15, 2021 and June 15, 2021, in arrears. As of July 31, 2021, the Company received $2,000,000 of the $2,500,000 loan.

On October 21, 2020, the Company signed a Promissory Note with Lushland for an unsecured $200,000 loan with an interest rate of 10% and a term of one year.

On December 15 and December 18, 2020, the Company received a total of $350,000 for an unsecured note with an interest rate of 10% and a term of one year from Lushland.

On June 16, 2021, the Company entered into a loan agreement with Lush Land Investment Canada Inc. for a bridge loan in the amount of $1,000,000. The loan matures on June 30, 2022, shall accrue interest daily and be calculated and payable periodically on each of September 15, 2021, December 15, 2021, March 15, 2022 and June 30, 2022, in arrears, at the rate of 18% per annum. The bridge loan may be repaid at any time prior to maturity without penalty.

As at July 15, 2021, a total of $5,150,000 in short term loans has been received from Lushland plus $418,205 of unpaid interest included in accounts payable and accrued liabilities.

On July 22, 2021, the Company has entered into Debt Conversion Agreement with Lush land, pursuant to which Lush Land agreed to convert convert $5,568,205 of principal and accumulated interest fee into 22,272,820 Gowest shares at $0.25 per share. The debt conversion is subject to TSX Venture Exchange’s approval.

In Canadian dollars

12. LEASE LIABILITY

The Company is committed to minimum amounts under lease agreements for office space, which expire on November 30, 2023 and July 31, 2025, respectively.

The following table reflects the lease activity for the period ended July 31, 2021:

	Nine Months Ended July 31, 2021	Year Ended October 31, 2020
Balance, beginning of period:	**312,125**	-
Adoption of IFRS 16	**-**	226,123
Net investment in new lease	**-**	137,036
Interest expense	**19,967**	22,400
Lease payments for the year	**(76,065)**	(73,434)
Total lease liabilities	**256,027**	312,125
Less: Current period	**(81,224)**	(75,636)
Balance, end of period	**174,803**	236,489

13. SHARE CAPITAL

(a) Authorized capital

Unlimited number of common shares, and 2,000,000 special shares, redeemable, voting, non-participating.

(b) Issued common shares

	No. of shares	**Amount**
Balance, October 31, 2019	60,634,901	49,155,621
Private placements(i)(iii)	14,741,130	2,640,326
Shares issued for debt settlement (ii)	2,725,000	545,000
Share issue costs	-	(53,967)
Flow through premium	-	(94,823)
Balance, October 31, 2020	**78,101,031**	**52,192,157**
Private placements (iv)(v)(vi)	**4,079,871**	**1,287,419**
Share issue costs	-	**(119,616)**
Balance, July 31, 2021	**82,180,902**	**53,359,960**

(i) On December 20, 2019, the Company closed a private placement for aggregate proceeds of $2,043,049. Pursuant to the offering the Company issued and sold 4,741,130 flow-through units of the Company at a price of $0.22 per unit and 5,000,000 common share units of the Company at a price of $0.20 per unit. Each unit is comprised of one common share and one-half of one common share purchase warrant exercisable at a price of $0.30 per whole warrant until December 20, 2021. A flow-through premium of $94,823 has been included in the statement of loss in relation to this flow-through financing. Two directors and a significant shareholder subscribed for proceeds of $1,490,000. In connection with the offering the Company paid finders fees of $25,774.

The grant date fair value of $272,789 was assigned to 4,870,565 warrants issued as part of the offering was estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.17, expected dividend yield of 0%, expected volatility 87%; risk-free rate of return 1.65% and an expected life of 2 years

(ii) On January 16, 2020, the Company settled an aggregate of $545,000 of indebtedness through the issuance of 2,725,000 common shares based on the market price of $0.20 per share. 1,725,000 of these common shares were issued in satisfaction of directors' fees owing and outstanding.

13. SHARE CAPITAL (CONTINUED)

(b) Issued common shares (Continued)

(iii) On January 30, 2020, the Company closed a private placement for aggregate proceeds of $1,000,000. Pursuant to the offering the Company issued and sold 5,000,000 common share units of the Company at a price of $0.20 per unit. Each unit is comprised of one common share and one-half of one common share purchase warrant exercisable at a price of $0.30 per whole warrant until January 31, 2022.

The grant date fair value of $129,943 was assigned to 2,500,000 warrants issued as part of the offering was estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.17, expected dividend yield of 0%, expected volatility 88%; risk-free rate of return 1.47% and an expected life of 2 years.

(iv) On November 16, 2020, December 9, 2020 and December 11, 2020 a total of 1,079,545 common shares were issued for aggregate proceeds of $323,864 for warrants exercised at a price of $0.30 per share.

(v) On December 21, 2020, the Company closed a private placement for aggregate proceeds of $1,040,092. Pursuant to the offering the Company issued and sold 2,666,903 flow-through units of the Company at a price of $0.39 per unit. Each unit is comprised of one flow-through common share and one-half of one common share purchase warrant exercisable at a price of $0.45 per warrant until December 31, 2022. In connection with the offering, the Company paid finder's fees in an aggregate amount of $68,056 in cash and issued compensation warrants exercisable to acquire an aggregate of 128,350 common shares of the Company, at a price of $0.39 per share, until December 31, 2022.

The grant date fair value of $241,440 was assigned to 1,333,452 warrants issued as part of the offering was estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.45, expected dividend yield of 0%, expected volatility 146.67%; risk-free rate of return 0.23% and an expected life of 2 years, The grant date fair value of $18,867 was assigned to 128,350 compensation warrants issued as part of the offering was estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.39, expected dividend yield of 0%, expected volatility 146.67%; risk-free rate of return 0.23% and an expected life of 2 years.

(vi) On December 23, 2020, the Company closed a private placement for aggregate proceeds of $130,035. Pursuant to the offering the Company issued and sold 333,423 flow-through units of the Company at a price of $0.39 per unit. Each unit is comprised of one flow-through common share and one-half of one common share purchase warrant exercisable at a price of $0.45 per warrant until December 31, 2022. In connection with the offering, the Company paid finder's fees in an aggregate amount of $8,802 in cash and issued compensation warrants exercisable to acquire an aggregate of 17,955 common shares of the Company, at a price of $0.39 per share, until December 31, 2022.

The grant date fair value of $30,185 was assigned to 166,712 warrants issued as part of the offering was estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.45, expected dividend yield of 0%, expected volatility 146.67%; risk-free rate of return 0.23% and an expected life of 2 years, The grant date fair value of $2,639 was assigned to 17,955 compensation warrants issued as part of the offering was estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.39, expected dividend yield of 0%, expected volatility 146.67%; risk-free rate of return 0.23% and an expected life of 2 years.

Volatility was calculated based on the historical price of the Company's shares.

(c) Stock options

The Company has an incentive stock option plan that allows it to grant options to its employees, directors and consultants. The plan received shareholder re-approval on January 29, 2021. The plan allows the Company to grant options to acquire up to 10% of the issued and outstanding common shares. The plan provides that the exercise price of an option granted under the plan shall not be less than the market price at the time of granting the option. Options have a maximum term of 5 years, vest immediately upon issue, unless otherwise stated and terminate on the 90th day after the optionee ceases to be any of: an employee, director or consultant of the Company.

In Canadian dollars

13. SHARE CAPITAL (CONTINUED)

(c) Stock options (Continued)

On May 5, 2020, the Company granted 200,000 options to purchase common shares at a price of $0.25 per share for a period of five years, which vested immediately. The fair value of the 200,000 options was estimated to be $35,400 using the Black-Scholes option pricing model with the following assumptions: share price of $0.145, dividend yield of 0%; expected volatility of 93.92%; risk-free interest rate of 0.40% and an expected life of 5 years

The following table reflects the continuity of options as of July 31, 2021:

	Number of Options	Weighted Average Exercise Price ($)
Balance, October 31, 2019	972,500	1.17
Issued	200,000	0.25
Expired	(300,000)	0.81
Balance, October 31, 2020	**872,500**	**1.08**
Expired	(282,500)	0.95
Balance, July 31, 2021	**590,000**	**1.14**

During the nine month period ended July 31, 2021, $Nil (July 31, 2020 - $35,400) was recorded as share-based payment in the statement of loss. The weighted average remaining contractual life of the options outstanding at July 31, 2021 was 1.77 years (October 31, 2020 – 1.91 years).

The estimated volatility used in the Black-Scholes valuation model is based on the historical volatility of the Company's shares.

The following table reflects the options issued and outstanding as of July 31, 2021:

Expiry Date	Exercise Price ($)	Number of Options Outstanding and Exercisable
March 28, 2022	1.60	325,000
September 24, 2022	1.60	25,000
October 31, 2022	1.60	40,000
May 5, 2025	0.25	200,000
	1.14	**590,000**

(d) Warrants

The following table reflects the continuity of warrants as of July 31, 2021:

	Number of Warrants	Weighted Average Exercise Price ($)
Balance, October 31, 2019	2,766,773	1.60
Issued	7,370,565	0.30
Expired	(1,772,973)	2.10
Balance, October 31, 2020	8,364,365	0.35
Issued	1,646,469	0.44
Exercised	(1,079,545)	0.30
Expired	(993,800)	0.70
Balance, July 31, 2021	**7,937,489**	**0.33**

In Canadian dollars

13. SHARE CAPITAL (CONTINUED)

(c) Warrants (Continued)

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

Expiry Date	Number of Warrants	Exercise Price ($)	Grant Date Fair Value ($)
20-Dec-21	2,500,000	0.30	129,943
20-Dec-21	1,291,020	0.30	77,792
30-Jan-22	2,500,000	0.30	129,943
31-Dec-22	1,500,164	0.45	271,625
31-Dec-22	146,305	0.39	21,507
	7,937,489	**0.33**	**630,810**

14. GENERAL AND ADMINISTRATIVE EXPENSES

	Three Months Ended		Nine Months Ended	
	July 31, 2021	July 31, 2020	July 31, 2021	July 31, 2020
General administrative expenses	**757,633**	261,588	**1,346,737**	764,868
Professional fees	**32,210**	170,203	**61,641**	525,685
Investor relations	**7,540**	7,500	**22,661**	27,619
Shareholder communications	**604**	2,767	**7,555**	6,195
Share based payment	**-**	35,400	**-**	35,400
Transfer agent and exchange fees	**2,914**	2,977	**17,229**	22,936
Amortization	**17,043**	18,776	**52,372**	62,180
Mill stand by charge (Note 16)	**-**	450,000	**687,660**	1,600,000
	817,944	949,211	**2,195,855**	3,044,883

15. RELATED PARTY TRANSACTIONS

The remuneration for directors and key management of the Company for the nine months ended July 31, 2021 and 2020, is as follows:

	Nine Months Ended	
	July 31, 2021	July 31, 2020
Aggregate compensation	**441,755**	491,517
Stock based compensation	**-**	35,400
	441,755	526,917

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The loans from Lushland and Greenwater as disclosed in Note 11 are due to companies of which a director of Gowest, Meirong Yuan, is also a director and shareholder, and included in Commitments is an obligation to Northern Sun of which Meirong Yuan is also a director. (See Notes 11 and 16).

Included in aggregate compensation during the nine month period ended July 31, 2021, $98,380 was recorded to Mr. Wu, a director who provided geological services to the Company and worked as interim CEO since June 16, 2021 (July 31, 2020 - $82,800) and $86,250 was recorded to Mr. Yuan, a director who provided Corporate Development services to the Company (July 31, 2020 - $122,217).

15. RELATED PARTY TRANSACTIONS (CONTINUED)

Included in accounts payable and accrued liabilities as at July 31, 2021 is $217,750 (October 31, 2020 - $126,000) owing to directors, payable in shares, of the Company of which the amount payable is unsecured, non-interest bearing, with no fixed terms of repayment and $312,137 owing to a director of the Company (October 31, 2020 - $100,000).

On July 22, 2021, the Company entered into Debt Conversion Agreement with the director to convert $312,137 of principal and accumulated interest into 1,248,548 shares. The transaction is subject to TSX Venture Exchange approval.

16. COMMITMENTS AND CONTINGENCIES

The Company is party to a management and consulting contract. The contract contains clauses requiring additional payments of $147,000 to be made upon the occurrence of certain events such as a change of control or termination, and the contingent payment has not been reflected in these financial statements. As of July 31, 2021, the Company has recorded $470,000 as accrued liability for the severance payment to the former President and CEO.

The Company's exploration and evaluation activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

On December 21 and 23, 2020, the Company issued $1,170,127 in flow-through shares. As at July 31, 2021, the Company had expended $1,170,127 of the related commitments to these flow-through funds. The Company has indemnified the subscribers of current and previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments.

On October 30, 2019, the Company announced that it had entered into a binding term sheet with Northern Sun Mining Corp. ("Northern Sun") with respect to the processing at Northern Sun's Redstone Mill in Timmins, Ontario of up to 30,000 tonnes of material developed from the Company's Advanced Exploration Bulk Sample program. Pursuant to the term sheet, which expired September 30, 2020, Gowest was responsible for certain care and maintenance costs of the Redstone Mill, in the form of a standby fee of $200,000 per month for the first six months and was reduced to $150,000 for the remaining six months of the agreement to September 30, 2020.

On November 25, 2020, the Company signed an amendment to the binding term sheet with Northern Sun, which expired on January 31, 2021, whereby Gowest is no longer responsible for any stand by fees as of September 30, 2020 and is responsible for certain capital improvement costs required to process the Gowest material. As at July 31, 2021, there is $5,245,161 in accounts payable and accrued liabilities owing to Northern Sun and will be partially offset by the value of the material assigned to Northern Sun's upon settlement with Humon. See Note 15.

17. SUBSEQUENT EVENTS

On September 15, 2021, the Company entered into an unsecured loan agreement with Meirong Yuan, director of the Company for a principal amount of $500,000. Subject to the terms of the loan agreement, the outstanding principal balance, together with accrued and unpaid interest thereon, shall be due and payable on September 15, 2022. Interest on the daily outstanding principal balance shall accrue daily and be calculated, in arrears, at a rate of twelve percent (12%). The loan may be repaid at any time prior to maturity without penalty.