GOWEST GOLD LTD.

Financial Statements

Years Ended October 31, 2021 and 2020

Expressed in Canadian Dollars

McGovern Hurley

Audit. Tax. Advisory.

Independent Auditor's Report

To the Shareholders of Gowest Gold Ltd.

Opinion

We have audited the financial statements of Gowest Gold Ltd. (the "Company"), which comprise the statements of financial position as at October 31, 2021 and 2020, and the statements of loss and comprehensive loss, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2021 and 2020 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss during the year ended October 31, 2021 and, as of that date, the Company's current liabilities exceeded its current assets. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with

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the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the [consolidated] financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The engagement partner of the audit resulting in this independent auditor's report is Jessica Glendinning.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
February 10, 2022

GOWEST GOLD LTD.
Statements of Financial Position
In Canadian dollars

	Note	**October 31, 2021**	October 31, 2020
ASSETS			
Current assets			
Cash and cash equivalents		**278,513**	459,489
Amounts receivable and other assets	6	**81,279**	409,476
Total current assets		**359,792**	868,965
Long term investment	8	**6,750**	3,000
Equipment	7	**2,218,991**	2,293,507
Long term deposits	9	**1,248,939**	1,248,939
Exploration and evaluation properties	9&16	**61,801,812**	58,021,056
Total assets		**65,636,284**	62,435,467
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11&15&16	**13,057,535**	12,051,125
Current portion of lease liability	12	**83,276**	75,636
Amounts due to related party	15	**507,397**	100,000
Current portion of debt	11	**1,192,287**	9,383,378
Total current liabilities		**14,840,495**	21,610,139
Lease liability	12	**153,212**	236,489
Reclamation and closure cost obligation	10	**1,256,590**	1,338,423
Long term debt	11	**5,386,247**	9,949,222
Total liabilities		**21,636,544**	33,134,273
SHAREHOLDERS' EQUITY			
Share capital	13	**71,384,048**	52,192,157
Reserves	11&13	**1,167,026**	1,355,972
Accumulated deficit		**(28,553,959)**	(24,248,060)
Accumulated other comprehensive income	8	**2,625**	1,125
Total shareholders' equity		**43,999,740**	29,301,194
Total liabilities and shareholders' equity		**65,636,284**	62,435,467

Nature of operations and going concern (Note 1)
Commitments and contingencies (Notes 9, 10, 11, 12 and 16)
Subsequent events (Note 18)

APPROVED ON BEHALF OF THE BOARD

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

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

GOWEST GOLD LTD.

Statements of Loss and Comprehensive Loss

In Canadian dollars

	Note	**Year Ended October 31, 2021**	Year Ended October 31, 2020
Operating Expenses			
General and administrative	14 &15	**(2,656,830)**	(4,570,505)
Accretion	10 &11	**81,833**	(12,764)
Loss before other items		**(2,574,997)**	(4,583,269)
Foreign exchange gain / (loss)	11	**1,147,618**	(148,656)
Insurance recovery	7	**-**	170,288
Interest and other (expense)	11 & 12	**(3,295,543)**	(3,347,630)
Loss before tax		**(4,722,922)**	(7,909,267)
Deferred tax recovery	17	**-**	1,083,000
Flow through premium recovery	13	**-**	94,823
Net loss for the year		**(4,722,922)**	(6,731,444)
Unrealized gain/(loss) on securities available for sale		**1,500**	-
Net comprehensive loss for the year		**(4,721,422)**	(6,731,444)
Basic and diluted loss per share		**(0.056)**	(0.090)
Weighted average number of common shares outstanding – basic and diluted		**84,803,963**	74,953,814

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

GOWEST GOLD LTD.

Statements of Changes in Equity

In Canadian dollars

	Share Capital	Reserves Warrants	Reserves Stock options	Accumulated other comprehensive income / loss	Accumulated 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 and warrant exercise	**1,287,419**	**206,571**	**-**	**-**	**-**	**1,493,990**
Share issue costs	**(119,616)**	**21,506**	**-**	**-**	**-**	**(98,110)**
Shares for debt settlement	**18,024,088**	**-**	**-**	**-**	**-**	**18,024,088**
Value of warrants expired	**-**	**(154,299)**	**-**	**-**	**154,299**	**-**
Value of stock options expired	**-**	**-**	**(262,724)**		**262,724**	**-**
Net loss and comprehensive loss for the year	**-**	**-**	**-**	**1,500**	**(4,722,922)**	**(4,721,422)**
Balance at October 31, 2021	**71,384,048**	**630,809**	**536,217**	**2,625**	**(28,553,959)**	**43,999,740**
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)
Flow-through premium	(94,823)	-	-	-	-	(94,823)
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 year	-	-	-	-	(6,731,444)	(6,731,444)
Balance as at October 31, 2020	52,192,157	557,031	798,941	1,125	(24,248,060)	29,301,194

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

GOWEST GOLD LTD.
Statements of Cash Flows
In Canadian dollars

	Year Ended October 31, 2021	October 31, 2020
Operating activities		
Net (loss) for the year	**(4,722,922)**	(6,731,444)
Items not affecting cash:		
Amortization	**151,807**	142,727
Interest on lease liability and loans	**3,321,325**	2,158,440
Unrealized foreign exchange (gain) / loss	**(1,147,618)**	157,999
Accretion and ARO adjustment	**(81,833)**	12,764
Stock based compensation	**-**	35,400
Premium on flow-through issuance	**-**	(94,823)
Deferred tax (recovery)	**-**	(1,083,000)
	(2,479,241)	(5,401,937)
Amounts receivable and other assets		
Amounts receivable and other assets	**328,197**	(230,733)
Accounts payable and accrued liabilities	**269,120**	4,304,669
Cash flows (used in) from operating activities	**(1,881,924)**	(1,328,001)
Investing activities		
Exploration and evaluation expenditures	**(1,566,222)**	(4,430,838)
Purchase of equipment	**(77,291)**	(225,310)
Deposit	**-**	(394,641)
Cash flows used in investing activities	**(1,643,513)**	(5,050,789)
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)
Due to related party	**500,000**	100,000
Proceeds from short term debt	**1,550,000**	3,800,000
Repayment of debt	**-**	(261,945)
Lease payments	**(101,419)**	(73,434)
Cash flows from financing activities	**3,344,461**	6,553,712
Increase / (decrease) in cash and cash equivalents during the year	**(180,976)**	174,922
Cash and cash equivalents, beginning of year	**459,489**	284,567
Cash and cash equivalents, end of year	**278,513**	459,489
CASH AND CASH EQUIVALENTS ARE COMPOSED OF:		
Cash	**253,247**	434,360
Cash equivalents	**25,266**	25,129
	278,513	459,489
SUPPLEMENTAL INFORMATION		
Change in non-cash working capital related to Exploration and evaluation expenditures	**2,214,534**	(941,790)
Shares issued on settlement of debt	**18,024,088**	545,000

The accompanying notes are an integral part of these 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 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 $4,722,922 for the year ended October 31, 2021 (October 31, 2020 – $6,731,444) and as of October 31, 2021, the Company had a working capital deficiency of $14,480,703 (October 31, 2020 – $20,741,174) and had a cumulative deficit of $28,553,959 (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 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, including employee health, workforce and contractor availability, travel restrictions etc.

These financial statements of the Company were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on February 10, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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

(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 fair value through profit or loss ("FVPL") or fair value through other comprehensive income ("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 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 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 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 October, 2021 and 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 (Continued)

Revenues realized before commercial production ("pre-production revenues"), which are earned before the mine is operating in the manner intended by management, are recorded as a reduction in the carrying amount of the respective mining asset.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

(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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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 October 31, 2021 and 2020.

(l) Leases

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

(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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Significant accounting judgments and estimates (Continued)

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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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, 2021. 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.

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 October 31, 2021, totalled $43,999,740 (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.

In Canadian dollars

3. CAPITAL MANAGEMENT (CONTINUED)

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 years ended October 31, 2021 and 2020.

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 October 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 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 October 31, 2021, the Company had cash, cash equivalents, amounts receivable and other current assets of $359,792 (October 31, 2020 - $868,965) to settle current liabilities of $14,840,495 (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 October 31, 2021, included in accrued liabilities are liabilities of approximately $1,381,076 (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 October 31, 2021:

	Contractual Cash Flows	Year 1	Year 2-3	Year 4-5
Accounts payable and accured liabilities	13,057,535	13,057,535	-	-
Lease payable	236,488	83,276	128,166	25,046
Reclamation and closure cost obligation	1,280,329	-	-	1,280,329
Debt and amounts due to related party	10,336,367	1,699,684	7,150,749	1,493,331
	24,910,719	14,840,495	7,278,915	2,798,706

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 US Copper Corp. (formerly Crown Mining Corp., “US Copper”) 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 October 31, 2021, if interest rates had decreased/increased by 1% with all other variables held constant, the loss for the period ended October 31, 2021 would have not had been significantly impacted.

(ii) The Company's investment in the common shares of US Copper is subject to fair value fluctuations. As at October 31, 2021, if the bid price of the common shares of US Copper had changed by 10% with all other variables held constant, the other comprehensive income for the period ended October 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 October 31, 2021, if the exchange rate had decreased/increased by 10% with all other variables held constant, the loss for the year ended October 31, 2021 would increase/decrease by approximately $657,850.

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 October 31, 2021 and 2020:

October 31, 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash equivalents	**-**	**25,266**	**-**	**25,266**
Long-term investments:	**-**	**-**	**-**	**-**
- Investment in a public company	**6,750**	**-**	**-**	**6,750**
	6,750	**25,266**	**-**	**32,016**

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

	October 31, 2021	October 31, 2020
Financial assets:		
FVTPL	**25,266**	25,129
Cash equivalents		
Amortized cost		
Cash	**253,247**	434,360
Long term deposit	**1,248,939**	1,248,939
FVOCI		
Long term investment	**6,750**	3,000
Financial liabilities:		
Amortized cost		
Accounts payable and accrued liabilities	**13,057,535**	12,051,125
Amounts due to related party	**507,397**	100,000
Current portion of debt	**1,192,287**	9,383,378
Long-term debt	**5,386,247**	9,949,222

As at October 31, 2021 and 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 due to the short amount of time that has passed since its term were modified. Refer to Note 11 for details.

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 October 31, 2021	As at October 31, 2020
HST receivable	**54,900**	379,428
Prepaid expense	**26,379**	30,048
	81,279	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
Disposal	-	-	(24,178)	-	-		(24,178)
Balance, October 31, 2021	**13,358**	**49,241**	**28,999**	**66,503**	**2,280,557**	**363,159**	**2,801,817**
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	576	4,560	2,800	1,127	59,957	82,787	151,807
Disposal	-	-	(24,178)	-	-	-	(24,178)
Balance, October 31, 2021	**11,785**	**46,320**	**21,343**	**63,426**	**294,937**	**145,016**	**582,827**
Carrying value							
Balance, October 31, 2019	2,956	12,041	14,378	5,779	1,812,611	-	1,847,765
Balance, October 31, 2020	2,150	7,481	10,456	4,204	1,968,286	300,930	2,293,507
Balance, October 31, 2021	**1,574**	**2,921**	**7,656**	**3,077**	**1,985,620**	**218,143**	**2,218,991**

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**	**October 31, 2021 estimated fair value**	October 31, 2020 estimated fair value
US Copper Corp. (formerly Crown Mining Corp) - common shares	$ 115,500	$ (111,375)	$ 2,625	**$ 6,750**	$ 3,000

In Canadian dollars

9. EXPLORATION AND EVALUATION PROPERTIES

October 31, 2021	Acquisition Cost	Exploration & Evaluation	Option Payments Received	Total
Frankfield Property (i)	1,263,575	57,567,957	-	58,831,532
Pipestone Property(ii)	201,500	1,739,065	-	1,940,565
Tully Property (iii)	69,458	845,782	-	915,240
Whitney Property (iv)	126,059	65,984	(77,568)	114,475
	1,660,592	60,218,788	(77,568)	61,801,812

October 31, 2020	Acquisition Cost	Exploration & Evaluation	Option Payments Received	Total
Frankfield Property (i)	1,263,575	53,789,645	-	55,053,220
Pipestone Property(ii)	201,500	1,736,815	-	1,938,315
Tully Property (iii)	69,458	845,588	-	915,046
Whitney Property (iv)	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 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 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 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 October 31, 2021 and 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 material was processed during 2021 and the below net processing cost is net of pre-production revenue of $853,179.

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

	Year Ended October 31, 2021	Year Ended October 31, 2020
Opening Balance	**55,053,220**	51,115,403
Addtions during the year:		
Engineering, Permitting, Overhead	**1,298,458**	3,048,910
Asset Retirement Provision (Note 10)	**-**	426,990
Site access, development and maintenance	**1,133,584**	333,233
Net Processing cost	**1,331,577**	-
Exploration, geophysics, drilling and assays	**14,693**	128,684
Total additions for the year	**3,778,312**	3,937,817
Closing Balance	**58,831,532**	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 1.12 % (2020 -1.11%) and a discount rate of 1.65% (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 year ended October 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 $1,256,590 as at October 31, 2021 (October 31, 2020 - $1,338,423) due to increased discount rate from 0.56% to 1.65% in 2021.

	Year Ended October 31, 2021	Year Ended October 31, 2020
Balance, as at beginning of year	**1,338,423**	898,669
Accretion	**7,026**	12,764
Change in estimate	**(88,859)**	426,990
Reclamation and closure cost balance at end of year	**1,256,590**	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 October 31, 2021 and 2020:

	(i) Greenwater Investment	(ii) Prepayment Gold Concentrate[1]	(iii) Lush Land Investment[2]	Total
Opening Balance, October 31, 2019	9,212,000	5,027,120	-	14,239,120
Debt issued	-		3,800,000	3,800,000
Interest accrued	2,214,600	633,532	115,014	2,963,146
Foreign exchange adjustment	110,600	47,400	-	158,000
Balance, October 31, 2020	11,537,200	5,708,052	3,915,014	21,160,266
Less: Current Portion	1,587,978	5,708,052	3,915,014	11,211,044
Balance Long term liabilitites, October 31, 2020	9,949,222	-	-	9,949,222
Debt issued	-	-	1,350,000	1,350,000
Interest accrued	1,931,595	452,592	303,191	2,687,378
Foreign exchange adjustment	(605,067)	(302,092)	-	(907,159)
Debt conversion on October 15, 2021	(6,285,194)	(5,858,552)	(5,568,205)	(17,711,951)
Balance, October 31, 2021	6,578,534	-	-	6,578,534
Less: Current Portion	1,192,287	-	-	1,192,287
Balance Long term liabilitites, October 31, 2021	5,386,247	-	-	5,386,247

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.

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 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.

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.

11. SHORT TERM AND LONG TERM DEBT (CONTINUED)

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

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 entered into a 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 ($8,800,400), together with fifty percent (50%) of accrued and unpaid interest of US$2,998,717 ($3,769,987) as of July 15, 2021, into 25,140,774 Gowest Shares at $0.25 per share. The portion of debt was settled on October 15, 2021 with the issuance of 25,140,774 shares to Greenwater, representing approximately 16.3% of the issued and outstanding common shares of Gowest following the issuance. The remaining portion of the debt owed to Greenwater, being a principal amount of US$3,500,000 and unpaid interest, has repayment obligations extended by 12 months. The obligations thereunder are to be repaid in 33 equal consecutive monthly payments of blended principal and interest totalling US$240,691 ($299,949), commencing as of August 1, 2022. The effective interest rate is 20.98%.

(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.

On June 4, 2021, Humon transferred its interest of the loan US$3,000,000 plus unpaid arrangement fees to Inner Mongolia Jinshengda Investment Co. Ltd. ("Jinshengda").

On July 22, 2021, the Company entered into a debt conversion agreement with Jinshengda, pursuant to which Jinshengda agreed to convert the $5,858,552 (US$4,660,000) of principal and accumulated arrangement fee into 23,434,208 Gowest shares at $0.25 per share. The debt was settled on October 15, 2021 with the issuance of 23,434,208 shares to Jinshengda, representing approximately 15.2% of the issued and outstanding common shares of Gowest following the issuance.

(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.

In Canadian dollars

11. SHORT TERM AND LONG TERM DEBT (CONTINUED)

(iii) Lush Land Investment Loan Agreements (Continued)

On June 30, 2020, the Company entered into an additional unsecured loan agreement with Lush Land 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 October 31, 2020, the Company received $2,000,000 of the $2,500,000 loan.

On October 21, 2020, the Company signed a Promissory Note with Lush Land 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 Lush Land.

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.

On July 22, 2021, the Company has entered into a debt conversion agreement with Lush Land, pursuant to which Lush Land agreed to convert $5,568,205 of principal and accumulated interest into 22,272,820 Gowest shares at $0.25 per share. The debt was settled on October 15, 2021 with issuance of 22,272,820 shares to Lush Land, representing approximately 14.4% of the issued and outstanding common shares of Gowest following the issuance.

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 years ended October 31, 2021 and 2020:

	Year Ended October 31, 2021	Year Ended October 31, 2020
Balance, beginning of year:	**312,125**	-
Adoption of IFRS 16	**-**	226,123
Net investment in new lease	**-**	137,036
Interest expense	**25,782**	22,400
Lease payments for the year	**(101,419)**	(73,434)
Total lease liabilities	**236,488**	312,125
Less: Current year	**(83,276)**	(75,636)
Balance, end of year	**153,212**	236,489

13. SHARE CAPITAL

(a) Authorized capital

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

In Canadian dollars

13. SHARE CAPITAL (CONTINUED)

(b) Issued common shares

	No. of shares	Amount
Balance, October 31, 2019	60,634,886	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	**78,101,016**	**52,192,157**
Share issue for warrants exercise (iv)	**1,079,545**	**388,917**
Private placements (v)(vi)	**3,000,326**	**898,502**
Share issue costs	**-**	**(119,616)**
Shares issued for debt settlement (vii)	**72,096,350**	**18,024,088**
Balance, October 31, 2021	**154,277,237**	**71,384,048**

(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.

(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.

In Canadian dollars

13. SHARE CAPITAL (CONTINUED)

(b) Issued common shares (Continued)

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 147%; 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 147%; 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 147%; 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 147%; 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.

(vii) On October 15, 2021, the Company converted an aggregate of $18,024,088 of debt owed to four separate creditors with issuance of an aggregate of 72,096,350 common share at a conversion price of $0.25 per share. Please refer to Notes 11 and 15 for more details.

(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.

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 October 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, October 31, 2021	**590,000**	**1.14**

In Canadian dollars

13. SHARE CAPITAL (CONTINUED)

During the year ended October 31, 2021, $Nil (October 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 October 31, 2021 was 1.52 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 for the years ended October 31, 2021 and 2020:

Expiry Date	Exercise Price ($)	Number of Options Outstanding and Exercisable	Remaining Life (years)
March 28, 2022	1.60	325,000	0.41
September 24, 2022	1.60	25,000	0.90
October 31, 2022	1.60	40,000	1.00
May 5, 2025	0.25	200,000	3.51
	1.14	**590,000**	**1.52**

(d) Warrants

The following table reflects the continuity of warrants for the years ended October 31, 2021 and 2020:

	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, October 31, 2021	**7,937,489**	**0.33**

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

Expiry Date	Number of Warrants	Exercise Price ($)	Grant Date Fair Value ($)
December 20, 2021	2,500,000	0.30	129,943
December 20, 2021	1,291,020	0.30	77,792
January 30, 2022	2,500,000	0.30	129,943
December 31, 2022	1,500,164	0.45	271,625
December 31, 2022	146,305	0.39	21,507
	7,937,489	**0.33**	**630,809**

In Canadian dollars

14. GENERAL AND ADMINISTRATIVE EXPENSES

	Year Ended October 31, 2021	October 31, 2020
General administrative expenses	**1,695,486**	1,037,745
Professional fees	**95,448**	156,283
Investor relations	**34,370**	39,574
Shareholder communications	**24,685**	6,774
Share based payment	**-**	35,400
Transfer agent and exchange fees	**50,160**	26,042
Amortization	**69,021**	142,727
Mill stand by charge and capital costs (Note 16)	**687,660**	3,125,960
	2,656,830	4,570,505

15. RELATED PARTY TRANSACTIONS

The remuneration for directors and key management of the Company for the years ended October 31, 2021 and 2020, is as follows:

	Year Ended October 31, 2021	October 31, 2020
Aggregate compensation	**589,322**	769,367
Share based compensation	-	35,400
	589,322	804,767

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.

Included in aggregate compensation during the year ended October 31, 2021, $147,766 was recorded to Mr. Wu, a director who provided geological services to the Company and worked as interim CEO from June 16, 2021 to October 4, 2021 (October 31, 2020 - $110,400) and $115,000 was recorded to Mr. Yuan, a director who provided Corporate Development services to the Company (October 31, 2020 - $150,967).

Included in accounts payable and accrued liabilities as at October 31, 2021 is $240,583 (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.

During the year ended October 31, 2020, officers, directors and insiders subscribed for 2,227,273 units in the private placement for proceeds of $490,000 and Fortune Future Holdings Limited, a significant shareholder of the Company with three nominated directors subscribed for 5,000,000 units in the private placement for proceeds of $1,000,000.

A director of Gowest, Meirong Yuan, is a director and shareholder of Lush Land and Greenwater. See Note 11 for details of loans from these entities and the debt settled with shares. He is also a director of Northern Sun and the Company has an obligation to Northern Sun as disclosed in Note 16.

On July 22, 2021, the Company entered into a debt conversion agreement with the director to convert $312,137 of principal and accumulated interest into 1,248,548 shares with the shares issued on October 15, 2021.

On September 15, 2021, the Company signed a promissory note with a director of the Company, for an unsecured $500,000 (2020 - $100,000) loan with an interest rate of 12% and a term of one year. The loan may be repaid at any time prior to maturity without penalty. The Company accrued $7,397 (2020 – Nil) interest for the loan as of the year ended October 31, 2021.

Refer to Note 18.

In Canadian dollars

16. COMMITMENTS AND CONTINGENCIES

The Company is party to a management and consulting contract. The contract contains clauses requiring additional payments of up to $727,000 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 October 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 October 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 November 25, 2020, the Company signed an amendment to a binding term sheet with Northern Sun with respect to the processing at Northern Sun's Redstone Mill in Timmins, Ontario. Gowest is no longer responsible for any standby fees as of September 30, 2020 and is instead responsible for certain capital improvement costs required to process the Gowest material. Northern Sun charged standby fee of $nil (2020 - $1,977,500) during the year ended October 31, 2021. Northern Sun also charged capital costs of $687,660 (2020 -$nil) which were expensed and processing costs of $1,652,000 (2020 - $nil) which were capitalized to exploration and evaluation assets. As at October 31, 2021, there is $5,245,161 (2020 - $3,080,355) in accounts payable and accrued liabilities owing to Northern Sun, which will be partially offset by the value of the material of $853,179 assigned to Northern Sun upon settlement with Humon. This offset is included in the accounts payable and accrued liabilities.

17. INCOME TAXES

a) Provision for Income Taxes

The following table reflects the major items causing the Company's income tax recovery to differ from the Canadian combined federal and provincial statutory rate of 26.5% (2020 – 26.5%).

	2021 **$**	2020 $
Loss before income taxes	**(4,722,922)**	(7,909,267)
Expected income tax (recovery) at statutory rates	**(1,252,000)**	(2,096,000)
Adjustment to expected income tax benefit:		
Flow-through renunciation	**310,000**	276,000
Non-deductible amounts for tax purposes	**17,000**	2,000
Tax effect of debt settled through the issuance of shares	**541,000**	-
Deferred tax assets not recognized	**338,000**	791,000
Other	**46,000**	(56,000)
Deferred income tax (recovery) / expense	**-**	(1,083,000)
Total taxation	**-**	(1,083,000)

In Canadian dollars

17. INCOME TAXES (CONTINUED)

b) Deferred Income Tax

The following table reflects deferred income tax assets (liabilities):

	2021	2020
	$	$
Non-capital losses	-	1,092,000
Exploration and evaluation properties	69,000	(1,092,000)
Long term debt	(69,000)	-
Net deferred income tax (liabilities)	-	-

The following table reflects unrecognized deductible temporary differences:

	2021	2020
	$	$
Other temporary differences	157,000	154,000
Non-capital losses carry forwards	2,105,000	397,000
Exploration and evaluation properties	240,000	-
Share issue costs	306,000	581,000
Asset retirement obligations	1,257,000	1,338,000
Long-term debt	-	400,000
Equipment	559,000	490,000
Total	4,624,000	3,360,000

The potential future benefits of these losses have not been recognized in the financial statement because it is not probable that future taxable profit will be available against which the Company can use the benefits.

The Company has approximately $62,303,000 (2020 - $53,899,000) of Canadian development and exploration expenditures as at October 31, 2021, which under certain circumstances can be used to reduce the taxable income of future years.

During the year ended October 31, 2021, the Company settled loan totaling $18,024,088 through the issuance of 72,096,350 shares. This resulted in a gain for the tax purposes that utilized certain tax deductions in the amount of approximately $2,600,000.

The Company has also incurred non-capital losses for income tax purposes of approximately $2,105,000 at October 31, 2021 which under certain circumstances can e used to reduce the taxable income of future years. These non-capital losses expire as follows:

Year of Expiry	**Amount**
2037	916,000
2038	312,000
2039	358,000
2040	367,000
2041	152,000
Total	2,105,000

18. SUBSEQUENT EVENTS

On November 1, 2021, the Company entered into an unsecured loan agreement with Lush Land for a principal amount of $1,000,000. $500,000 was received on November 5, 2021 and the other $500,000 was received on December 23, 2021. 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 October 31, 2022. Interest on the daily outstanding principal balance shall accrue daily and be calculated, in arrears, at a rate of ten percent (10%). The loan may be repaid at any time prior to maturity without penalty.

On December 30, 2021, the Company settled an aggregate of $240,583 of indebtedness through the issuance of 1,503,644 common shares at a price of $0.16 per share in satisfaction of directors' fees owing and outstanding.

On December 20, 2021, 3,791,020 warrants to acquire common shares at a price of $0.30 per warrant expired unexercised.

On December 28, 2021, Greenwater assigned and transferred to Mr. Meirong Yuan 20% of its right, title and interest related to the two agreements signed with Gowest including the Credit Agreement dated as October 16, 2019 and the Debt Settlement Agreement dated as of July 22, 2021. The interests or rights do not include the 25,140,774 common shares of Gowest issued for the debt conversion on October 15, 2021. Upon the assignment, Gowest owes to Greenwater a loan with principal amount of US$2,800,000 plus interest and Mr. Yuan a loan with principal amount of US$700,000 plus interest. Mr. Yuan is director of Gowest Gold and Greenwater.

On January 24, 2022, the Company entered into a promissory note ("Promissory Note") with Greenwater for an aggregate principal amount of $7,500,000, which shall be convertible into common share units ("Units") at $0.13 per unit, and the conversion subject to shareholders approval. At the same time, the Company entered into a subscription agreement with Greenwater for an aggregate purchase price of up to $11,500,000, and the issue price of the common share unit is $0.13 per unit. Each Unit issuable pursuant to the Offering will comprise one common share of the Company and one common share purchase warrant (a "Warrant"), with each Warrant being exercisable to purchase one additional common share of the Company for a period of two years following the receipt of Shareholder Approval, at a price of $0.16 per Unit during the first 12-month period following the receipt of Shareholder Approval and at a price of $0.17 per Unit during the second 12-month period following the receipt of Shareholder Approval.

Assuming the conversion of the Promissory Notes into Units and the completion of the Unit Offering (and assuming no further issuances of common shares by the Company), Greenwater will hold 171,294,619 common shares representing approximately 56.73% of the outstanding common shares of the Company. Assuming the full exercise of all Warrants issuable pursuant to the Offering, Greenwater will hold 317,448,464 common shares representing approximately 70.85% of the outstanding common shares of the Company. There can be no guarantee that any of the Warrants will be exercised. Please refer to the press release dated on January 24, 2022 for details.

On January 30, 2022, 2,500,000 warrants to acquire common shares at a price of $0.30 per warrant expired unexercised.

GOWEST GOLD LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED OCTOBER 31, 2021

This management discussion and analysis ("MD&A") of the financial condition and results of operations of Gowest Gold Ltd. ("Gowest" or the "Company") describes the operating and financial results of the Company for the three and twelve months ended October 31, 2021. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. The MD&A supplements but does not form part of the financial statements of the Company and should be read in conjunction with Gowest's audited financial statements for the years ended October 31, 2021 and 2020, together with the notes thereto. The Company prepares and files its financial statements in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise noted and gold is measured in fine troy ounces ("ounces").

Forward-looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the potential of Gowest's properties to contain economic precious and base metal deposits; the Company's ability to meet its working capital needs for the next twelve-month period, or the foreseeable future; the plans, costs, timing and capital for future exploration and evaluation of Gowest's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; prices and price volatility for precious and base metals; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Gowest's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, precious and base metal deposits, price volatility, changes in debt and equity markets, timing and availability of external financing on acceptable terms, the uncertainties involved in interpreting geological data and confirming title to the Company's properties, the possibility that future exploration results will not be consistent with Gowest's expectations, increases in costs, environmental compliance and changes in environmental and other local legislation and regulation, interest rate and exchange rate fluctuations, changes in economic and political conditions and other risks involved in the precious and base metal exploration and evaluation , as well as those risk factors listed in the "Risks and Uncertainties" section below. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for Gowest's exploration and evaluation activities; operating and exploration costs; the Company's ability to retain and attract skilled staff; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

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

Date of MD&A

This MD&A is dated February 10, 2022.

Description of the Business and Going Concern

Gowest is in the business of exploring and evaluating properties that it believes contain mineralization that is, or will, in the future, be economically recoverable. The Company is focused on the exploration and evaluation of the North Timmins Gold Project ("NTGP"), which includes its wholly-owned Bradshaw gold deposit (formerly Frankfield East gold deposit). Gowest's 11,185-hectare (111 square kilometres) NTGP land package is located near Timmins, Ontario, in the Timmins Gold Camp, which since its discovery in the early 1900's, has produced almost half of all the gold mined in Canada.

The Company's primary objective is to advance its Bradshaw gold deposit to development and increase the resource through exploration in the NTGP. The Company also remains open to evaluating other potential opportunities to enhance shareholder value.

In addition to its focus on exploration and evaluation of its Bradshaw gold deposit, which represents approximately 50-hectare (0.5 square kilometre), the Company is exploring additional gold targets on the remainder of its land package. This land package generally surrounds, or is contiguous with, the Frankfield property and includes exploration interests along the largely undeveloped Pipestone Fault area of the Timmins Gold Camp, including a contiguous block of claims extending approximately 18 kilometres along the Pipestone Fault from the Bradshaw gold deposit southeast towards the Clavos deposit. The Company regularly evaluates the potential to increase its holdings in the vicinity of the Pipestone Fault, among other acquisition opportunities.

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 the development of a profitable mine. The recoverability of the amount shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and evaluation, and the subsequent development of a mine 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 mineral properties.

Although the Company has taken steps to verify title to its mineral property interests, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to 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 financial statements have been prepared on the going concern assumption that the Company will be able to utilize its assets value and discharge its liabilities in the normal course of business. Due to continuing operating losses, 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.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The ability of the Company to continue operations is dependent upon obtaining the necessary financing to complete the development of a mineral property. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to re utilize its assets value and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

COVID-19

In light of the ongoing COVID-19 situation, to ensure the safety of all of the Company's employees and contractors, all appropriate health and safety precautions continue to be instituted and followed at the Bradshaw site as well as the Company's offices in Timmins and Toronto.

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.

Highlights and Outlook

In December 2020, the Company executed a 4-party agreement whereby Gowest assigned the rights and control of its mixed development material to Northern Sun Mining ("Northern Sun"). The agreement sets out that Northern Sun would process the Gowest surface material and deliver the concentrate to Humon through an agreement with a third-party Metal Trader. Northern Sun would receive funding for the estimated value of the material that will be applied against the mill operating costs associated with the processing and delivery of the ore.

The mill received and completed processing approximately 23,000 tonnes of the mixed development material at Redstone. The results of the processing at Redstone confirmed that Bradshaw would be able to provide a sustained delivery to the mill, using local trucking company, hauling at an expected average rate of 800-850 tonnes per day of material. The delivered material was processed at the mill at an average rate of 600-900 tonnes per day during the 6-week operating period. Approximately 1,040 tonnes of concentrate were produced for shipping to the Humon smelter. The Company is looking forward to receiving the final results after the concentrate has been processed at the Humon smelter.

During this trial, 5,000 tonnes of the mixed development material was passed through the Company's onsite x-ray ore sorting plant. The initial tests were conducted to commission and optimize the sorter plant operations, including adjusting the sorter's operating parameters with the aim of maximizing metal recovery and material throughput. The sorter successfully separated waste rock from the mineralised material as expected from previous test work, raising the gold grade prior to milling.

The Company has received the vent raise permit and construction required for production mining is well planned.

The Company requires additional funding to meet its operational objectives and is working with interested parties who are reviewing both short term and long-term financing opportunities in order to complete the bulk sample and advance towards commercial production.

On June 16, 2021, the Company announced that Mr. Gregory Romain had stepped down from the Board of Directors and as the President and Chief Executive Officer. Mr. Yungang Wu was named Interim President and Chief Executive Officer.

On June 16, 2021, the Company announced that it had 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.

On June 21, 2021, 282,500 stock options to acquire commons shares at a price of $0.95 per share expired unexercised.

On July 26, 2021, the Company announced that it intended to convert a total of $18,024,088 of debt ("Debt") that is owed to four separate creditors. On October 15, 2021, the Debt was settled by the issuance of 72,096,350 common shares at a conversion price of $0.25 per share. Please refer to the press release dated October 15, 2021 for details.

On August 26, 2021, the Company announced that Mr. Dan Gagnon was appointed as President and CEO, effective October 4, 2021. The Company also announced the appointment of Mr. Demin (Fleming) Huang as Chief Financial Officer of the Corporation, effective August 28th. Mr. Huang will replace Ms. Janet O'Donnell, whose pending resignation was announced on July 6, 2021.

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.

On November 1, 2021, the Company entered into an unsecured loan agreement with Lush Land Investment Canada Inc. for a principal amount of $1,000,000. $500,000 was received on November 5, 2021 and the other $500,000 was received on December 23, 2021. 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 October 31, 2022. Interest on the daily outstanding principal balance shall accrue daily and be calculated, in arrears, at a rate of ten percent (10%). The loan may be repaid at any time prior to maturity without penalty.

On December 20, 2021, 3,791,020 warrants to acquire common shares at a price of $0.30 per warrant expired unexercised.

On December 28, 2021, Greenwater assigned and transferred to Mr. Meirong Yuan 20% of its right, title and interest related to the two agreements signed with Gowest including the Credit Agreement dated as October 16, 2019 and the Debt Settlement Agreement dated as of July 22, 2021. The interests or rights do not include the 25,140,774 common shares of Gowest issued for the debt conversion on October 15, 2021. Upon the assignment, Gowest owes to Greenwater a loan with principal amount of US$2,800,000 plus interest and Mr. Yuan a loan with principal amount of US$700,000 plus interest. Mr. Yuan is director of Gowest Gold and Greenwater. On December 30, 2021, the Company settled an aggregate of $240,583 of indebtedness through the issuance of 1,503,644 common shares at a price of $0.16 per share in satisfaction of directors' fees owing and outstanding.

On January 24, 2022, the Company entered into a promissory note ("Promissory Note") with Greenwater for an aggregate principal amount of $7,500,000, which shall be convertible into common share units ("Units") at $0.13 per unit, and the conversion subject to shareholders approval. At the same time, the Company entered into a subscription agreement with Greenwater for an aggregate purchase price of up to $11,500,000, and the issue price of the common share unit is $0.13 per unit. Each Unit issuable pursuant to the Offering will comprise one common share of the Company and one common share purchase warrant (a "Warrant"), with each Warrant being exercisable to purchase one additional common share of the Company for a period of two years following the receipt of Shareholder Approval, at a price of $0.16 per Unit during the first 12-month period following the receipt of Shareholder Approval and at a price of $0.17 per Unit during the second 12-month period following the receipt of Shareholder Approval.

Assuming the conversion of the Promissory Notes into Units and the completion of the Unit Offering (and assuming no further issuances of common shares by the Company), Greenwater will hold 171,294,619 common shares representing approximately 56.73% of the outstanding common shares of the Company. Assuming the full exercise of all Warrants issuable pursuant to the Offering, Greenwater will hold

317,448,464 common shares representing approximately 70.85% of the outstanding common shares of the Company. There can be no guarantee that any of the Warrants will be exercised. Please refer to the press release dated on January 24, 2022 for details.

On January 30, 2022, 2,500,000 warrants to acquire common shares at a price of $0.30 per warrant expired unexercised.

Selected quarterly information

The following tables set out certain financial performance highlights for the last eight quarters:

	Fourth Quarter October 31, 2021	Third Quarter July 31, 2021	Second Quarter April 30, 2021	First Quarter January 31, 2021
General and administrative expenses	460,975	817,944	377,065	1,000,846
Foreign exchange loss (gain)	(44,352)	360,177	(848,279)	(615,164)
Interest expense	418,300	849,282	1,100,014	927,947
Accretion expense	(88,859)	2,342	2,342	2,342
Net comprehensive loss/ (gain)	744,564	2,029,745	631,142	1,315,971
Net loss per share, basic and diluted	0.008	0.025	0.008	0.020
Cash flow (used in) operations	270,568	(172,511)	112,578	121,975
Cash & cash equivalents, end of period	278,513	337,075	171,881	659,162
Assets	65,212,088	65,004,976	64,466,017	64,517,250

	Fourth Quarter October 31, 2020	Third Quarter July 31, 2020	Second Quarter April 30, 2020	First Quarter January 31, 2020
General and administrative expenses	2,009,834	788,363	861,244	911,064
Foreign exchange loss (gain)	(95,344)	(506,000)	677,000	73,000
Interest expense	929,265	1,062,933	707,198	648,234
Accretion expense	3,191	3,191	3,191	3,191
Deferred income tax expense (recovery)	(1,083,000)	-	-	-
Flow through premium recovery	(94,823)	-	-	-
Net comprehensive loss / (gain)	1,669,123	1,178,199	2,248,633	1,635,489
Net loss per share, basic and diluted	0.021	0.015	0.029	0.025
Cash flow (used in) operations	2,308,485	(2,039,748)	(689,170)	(907,568)
Cash & cash equivalents, end of period	459,489	992,720	855,046	1,484,291
Assets	62,435,467	60,811,251	59,741,533	59,351,191
Deferred tax liabilities	-	1,083,000	1,083,000	1,083,000

The following is a summary of selected audited financial information for the fiscal years of:

	2021	2020	2019
	$	$	$
General and administrative expenses	2,656,830	4,570,505	2,705,599
Foreign exchange loss / (gain)	(1,147,618)	148,656	41,188
Interest, other expense / (income)	3,295,543	3,347,630	79,462
Accretion expense	(81,833)	12,764	1,640,168
Deferred income tax expense / (recovery)	-	(1,083,000)	(1,915,000)
Net loss for the year	4,722,922	6,731,444	4,913,180
Net comprehensive loss for the year	4,721,422	6,731,444	4,914,680
Net loss per share, basic and diluted	0.056	0.090	0.103
Cash flow (used in) operations	(91,586)	(1,328,001)	(2,319,600)
Cash & cash equivalents, end of year	278,513	459,489	284,567
Assets	65,212,088	62,435,467	57,246,391
Long term debt	5,386,247	9,949,222	13,160,000
Deferred tax liabilities	-	1,083,000	1,083,000

Results of Operations

The Company's activities during the three and twelve-month period ended October 31, 2021, produced a net comprehensive loss of 744,564 and 4,721,422, respectively as compared to a net comprehensive loss of $1,669,123 and $6,731,444, respectively for the comparable prior year period.

The expenditures listing below are followed by a brief discussion of significant line items in expenses.

	Three Months Ended		Twelve Months Ended	
	October 31, 2021	October 31, 2020	October 31, 2021	October 31, 2020
General administrative expenses	**348,749**	272,877	**1,695,486**	1,037,745
Professional fees	**33,807**	(369,402)	**95,448**	156,283
Investor relations	**11,710**	11,955	**34,370**	39,574
Shareholder communications	**17,130**	579	**24,685**	6,774
Share based payment	**-**	-	**-**	35,400
Transfer agent and exchange fees	**32,931**	3,106	**50,160**	26,042
Amortization	**16,649**	80,547	**69,021**	142,727
Mill stand by charge (Note 16)	**-**	1,525,960	**687,660**	3,125,960
Total General and administration	**460,975**	1,525,622	**2,656,830**	4,570,505
Accretion	**(88,859)**	3,191	**(81,833)**	12,764
Foreign exchange (gain) / loss	**(44,352)**	(506,000)	**(1,147,618)**	148,656
Gain on settlement	**-**	-	**-**	(170,288)
Interest and other expenses	**418,300**	902,085	**3,295,543**	3,347,630
Total Loss before taxes	**746,064**	1,924,898	**4,722,922**	7,909,267

General Administrative Expenses – The current three- and twelve-months period costs as compared to the prior year comparable period reflects the ongoing corporate and administrative expense provisions associated with additional corporate management services fees. In the current twelve-month periods, the Company has made a provision of $470,000 in respect of a termination settlement with the former President and CEO.

Professional Fees – The current three- and twelve-month period costs reflect legal and audit fees for the period as compared to prior year fees for legal, audit and costs associated with the Company's financing efforts during the comparable prior year period.

Shareholder Communications – The shareholder communication expenses during the current three- and twelve-month period reflects costs associated with the shareholders meeting and public news releases.

Transfer agent and regulatory fees – Transfer agent and regulatory fees for the current three- and twelve-month period reflects costs associated with exchange filing fees and ongoing shareholder management.

Mill Stand by and Capital Charges – The stand by and capital charge is associated with the signing of the term sheet on October 30, 2019, with Northern Sun Mining with respect to the processing of Gowest material at the Redstone Mill. The Company was responsible for certain care and maintenance and upgrade capital costs up to September 30, 2020.

Accretion - Accretion expense on long-term debt for the current three and twelve-month period reflects accretion recorded for the present value of the future rehabilitation liability as compared to the prior year period.

Foreign Exchange – The foreign exchange gain in the current three and twelve-month period reflects the revaluation of the current Prepaid Forward Gold Agreement debt, the Prepayment for gold concentrate from Shandong Humon Smelting both denominated and the Loan from Greenwater, all these amounts in US dollars are re-valued at the closing rate at the end of the current period. The appreciation in the Canadian dollar as compared to the US dollar resulted in a foreign exchange gain of $1,147,618 in the current year period.

Liquidity and Capital Resources

The activities of the Company, which are primarily the acquisition, exploration and evaluation of mineral properties that it believes contain mineralization, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. There is no assurance that equity capital will be available to the Company in the required amounts, with acceptable terms or at the time required. See “Risk Considerations” below.

As at October 31, 2021 and 2020, the Company reported a cash and cash equivalent position of $278,513 and $459,489 respectively, and working capital deficit of $14,480,703 and $20,741,174 respectively. Included in the current period working capital are costs associated with deferred fees and equipment rentals, interest charges on the debt and the current portion of the long-term debt.

The Company’s cash used by operating activities was $1,881,924 (2020 - $1,328,001) for the year ended October 31, 2021. Cash used by investing activities was $1,643,513 (2020 - $5,050,789) for the year ended October 31, 2021, reflecting costs attributed to the advanced exploration activities including, care and maintenance during the suspension of bulk sample mining, engineering and permitting, site development work associated with the ventilation raise and processing of the mixed development ore, additional deposit required for the updated closure plan and a development for the ore-sorting area.

The Company’s cash provided by financing activities was $3,344,461 (2020 - $6,553,712) for the year ended October 31, 2021, reflecting the net proceeds from the private placement financings in December 2020, warrants and options exercise, and proceeds from short term loans. In November and December 2021, the Company received $1,000,000 from a short-term loan in total. The Company is assessing its future funding requirements to advance on the development of Bradshaw. The Company expects funding to complete the development of Bradshaw through equity transactions such as equity offerings, exercise of stock options and warrants. The Company will continue to explore various alternative methods to continue the advancement of its projects.

Mineral Properties

According to Gowest’s Exploration and Evaluation Properties as of October 31, 2021, accumulated costs related to the Company’s interest in mineral properties owned, leased, under consideration to be acquired or under option, were as follows:

	Opening Net Book Value November 1, 2020	Expenditures For the year Ended October 31, 2021	Closing Net Book Value October 31, 2021
Frankfield Property	55,053,220	3,778,312	58,831,532
Pipestone Property	1,938,315	2,250	1,940,565
Tully Property	915,046	194	915,240
Whitney Property	114,475	-	114,475
	58,021,056	3,780,756	61,801,812

	Frankfield Property		Pipestone Property		Tully Property		Whitney Property		Total	
	Twelve months Ended									
	Oct 31, 2021	Oct 31, 2020	Oct 31, 2021	Oct 31, 2020	Oct 31, 2021	Oct 31, 2020	Oct 31, 2021	Oct 31, 2020	Oct 31, 2021	Oct 31, 2020
Opening Balance, Beginning of period	**55,053,220**	51,115,403	**1,938,315**	1,935,715	**915,046**	912,425	**114,475**	114,475	**58,021,056**	54,078,018
Acquisition and holding costs	**-**	-	**2,250**	-	**194**	**2,621**	**-**	-	**2,444**	2,621
Property upgrades, site infrastructure, site access, clearing and ramp development	**1,133,584**	333,233	**-**	-	**-**	-	**-**	-	**1,133,584**	333,233
Asset retirement obligation	**-**	426,990	**-**	**-**	**-**	**-**	**-**	**-**	**-**	426,990
Surface material processing	**1,331,577**	-	**-**	-	**-**	-	**-**	-	**1,331,577**	-
Office, Camp, Engineering, Study, Consultation, Permitting, Care & Maintenance	**1,298,458**	3,048,910	**-**	**-**	**-**	**-**	**-**	**-**	**1,298,458**	3,048,910
Exploration, Drilling and Geophysics	**14,693**	128,684	**-**	2,600	**-**	**-**	**-**	**-**	**14,693**	131,284
Closing Balance, End of period	**58,831,532**	55,053,220	**1,940,565**	1,938,315	**915,240**	915,046	**114,475**	114,475	**61,801,812**	58,021,056

Exploration and Development Expenditures

Gowest's North Timmins Gold Project (NTGP) currently covers one patented mining claim, 11 mining leases and 56 unpatented mining claims over a total of 11,185 hectares (111 square kilometres) in Evelyn, Gowan, Little, Prosser, Tully, and Wark Townships in the Timmins gold camp. This includes 26 unpatented mining claims (3,302 hectares) held under joint venture with Transition Metals Corp. ("Transition"). The project is comprised of three main properties: Frankfield, Tully and Pipestone.

The project is located approximately 32 km north-northeast of the City of Timmins, Ontario. Gowest owns a 100% interest in all of the claims that are not part of the Transition joint venture.

(i) Frankfield Property

The Frankfield Property covers an area of 837 hectares and is comprised of nine mining leases. The property hosts the Bradshaw deposit that currently contains approximately 422,059 ounces of Au in the indicated category (2.1 million t at a grade of 6.2 g/t) and 754,583 oz. Au in the inferred category (3.6 million t at a grade of 6.5 g/t Au).

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.

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 $394,641 for a total of $1,248,939 with the Ministry of Northern Development and Mines for the Bradshaw project advanced exploration closure plan, which is refundable once certain conditions are met.

During the year ended October 31, 2017, the Company initiated and proceeded with the advanced exploration program on the Bradshaw with extensive surface preparation work for the Bulk Sample Program. Gowest started underground development at the Bradshaw mine site on May 11, 2017, when the first blast was executed at the portal, which is located at the east side of the outcrop.

During the initiation of the bulk sample program, the Company has driven over 2,100 metres of the main decline to the south with development on the 30 and 45 metre levels near completion for stoping and development extending to the 60-metre level. Crews were working on the decline in two shifts since the middle of May 2017 and one shift from end of December 2017 to April 2018. The Company has over 28,000 tonnes of development material during the previous bulk sample program. Approximately 23,000 tonnes of the mixed development material were processed by Redstone Mill, in result of approximately 1,040 tonnes of concentrate was produced and shipped to the Humon smelter. The Company is looking forward to receiving the final results after the concentrate has been processed at the Humon smelter. There are approximately 5,000 tonnes of development materials stockpiled on surface for sorting, milling and sale as concentrate.

To date, the Company completed 3,871 metres of ramp infill drilling for a total of 30 holes and metallurgical test holes in the area where the bulk sample will be collected. All holes in the drill program intersected gold mineralization. The advanced exploration drill program has been designed to refine the geological model and the stope design in the upper portion of the Bradshaw deposit.

In June 2020, the Company announced the assay results from the completed spring core drill program at the Bradshaw. The surface drilling program was designed to assist in the development of the Bradshaw's mineable resource as well as focused on the location for the ventilation raise, the secondary egress necessary for the production phase of the mine and the crown pillar assessment.

The program consisted of six surface diamond drill holes over 330 meters. Three of the holes were drilled near the mine development infrastructure to assess the crown pillar. The other three holes were to drill to the north of the deposit to obtain information in preparation for developing the first leg of the ventilation raise and secondary egress for the mine. *See News Release June 1, 2020.*

The Company has received the vent raise permit with the construction required for production mining is well planned.

On September 16, 2020, the Company announced that it has received all environmental permits required to bring the mine into commercial production, with the exception of the Mine Production Closure Plan ("the Closure Plan"), which has now been submitted to Ontario's Ministry of Energy, Northern Development and Mines ("ENDM") for final review and filing. According to the Ontario Mining Act, the ENDM had 45-days from September 14, 2020, the date of receipt of the plan, for final review and filing. This represents the final step towards receiving the Commercial Mine Production permit for Bradshaw. On October 27, 2020, the Company filed its Closure plan for mine production at the Bradshaw project and received its mine production permit.

Gowest commenced the start-up of the ore-sorter in preparation for sorting the mixed development material currently stockpiled on surface, which will be trucked to Northern Sun's Redstone Mill for processing. In November 2020, the Redstone Mill operators advised that they had received the required authorization to begin processing the Bradshaw material beginning of December 2020. The surface material commenced trucking from Bradshaw to Northern Sun at the end of November 2020 and finalized late January 2021.

The mill received and completed processing approximately 23,000 tonnes of the mixed development material at Redstone. This trial at the Redstone Mill confirmed that Bradshaw would be able to provide a sustained delivery to the mill, using local trucking company, hauling at an expected average rate of 800-850 tonnes per day of material. The delivered material was processed at the mill at an average rate of 600-900 tonnes per day during the 6 weeks operating period. Approximately 1,040 tonnes of concentrate were produced for shipping to the Humon smelter. The Company is looking forward to receiving the final results after the concentrate has been processed at the Humon smelter.

During this trial, 5,000 tonnes of the mixed development material was passed through the Company's onsite x-ray ore sorting plant. The initial tests were conducted to commission and optimize the sorter plant operations, including adjusting the sorter's operating parameters with the aim of maximizing metal recovery and material throughput. The sorter successfully separated waste rock from the mineralised material as expected from previous test work, raising the gold grade prior to milling.

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. The present value of the future estimated obligation is recorded when it is incurred. Assumptions including an inflation rate of 1.12 % (2020 -1.11%) and a discount rate of 1.65 % (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 year ended October 31, 2021, accretion expense was recorded of $(81,833) (October 31, 2020 - $12,764) due to the change of estimate value. The present value of the future rehabilitation liability was estimated at $1,256,590 as at October 31, 2021 (October 31, 2020 - $1,338,423) due to increased discount rate from 0.56% to 1.65% in 2021.

(ii) Pipestone Property

The Pipestone Property (7,577 hectares) is comprised of two blocks, namely the East Pipestone and the West Pipestone, both east and west of the Frankfield Property, respectively. The East Pipestone block consists of 21 wholly owned unpatented mining claims (4,274 hectares) and 12 unpatented mining claims (2,218 hectares), held by Gowest under a joint-venture agreement with Transition Metals Corp.

The Pipestone West Property consists of 15 unpatented mining claims (1,085 hectares), held by Gowest under a joint-venture agreement with Transition Metals Corp.

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 an additional 3,400 hectares 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.

During the twelve-month period ended October 31, 2018, the Company completed an Induced Polarization (IP) survey on the Pipestone property, as part of the Transition JV work program. The Company is evaluating the results and developing the next steps for the program which it expects to initiate during the fourth quarter of the Company's fiscal twelve months.

As at October 31, 2021, the Company's interest in the properties is 67.7%.

(iii) Tully Property

The Tully Property consists of two claim blocks totalling 2,513 hectares in Tully Township. The North block is located 3 km northeast of the Bradshaw Gold deposit and is comprised of one mining lease and one unpatented claim totalling 228 hectares. The Tully East Property, which consists of one patented claim, one mining lease and six unpatented mining claims covering 2,285 hectares, is contiguous to and east of the Frankfield Property.

(iv) Whitney Property

The Gowest Whitney Property consists of nine patented claims (mining and surface rights) totalling approximately 144 hectares. It is located in the centre of the Timmins Gold Camp, 10 km west of downtown Timmins, Ontario and 25 km south of the Bradshaw gold deposit.

The Company had a historic interest in 5 patented claims and on July 22, 2015, the Company entered into an agreement to acquire a 100% interest in 4 additional patented claims from the Crown for shares and cash. In accordance with the terms of the agreement, the Company has paid $25,000 in cash and issued 1,000,000 common shares (estimated grant date fair value of $75,000 based on the quoted market price of the Company's shares) of the Company on August 25, 2015.

Next Steps

The Company's primary objective is to raise the necessary funds to complete the mine restart plan, recruit a mine site team and finalize agreements with service providers all in order to restart the mine at Bradshaw gold deposit.

Gowest started the commissioning the ore-sorter in the first phase of the Bulk Sample mining where they also began testing the sorter with mixed development material. Gowest plans on completing the commissioning of the ore sorter at mine restart and operate the unit during the next phase of mining.

In addition, the Company continues to review opportunities to increase the resource through exploration on the NTGP and other potential opportunities to enhance shareholder value.

On a quarterly and annual basis, the management of the Company reviews exploration plans and costs to ensure deferred expenditures include only costs and projects that are eligible for capitalization.

Commitments and Contingencies

The Company is party to a management and consulting contract. The contract contains clauses requiring additional payments up to $727,000 to be made upon the occurrence of certain events such as a change of control or termination. As of October 31, 2021, the Company has recorded $470,000 as accrued liability for the severance payment to the former President and CEO, and the contingent payment has been accrued in the accounts payable and accrued liabilities in these financial statements.

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 October 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 November 25, 2020, the Company signed an amendment to a binding term sheet with Northern Sun with respect to the processing at Northern Sun's Redstone Mill in Timmins, Ontario. Gowest is no longer responsible for any standby fees as of September 30, 2020 and is instead responsible for certain capital improvement costs required to process the Gowest material. Northern Sun charged standby fee of $nil (2020 - $1,977,500) during the year ended October 31, 2021. Northern Sun also charged capital costs of $687,660 (2020 -$nil) which were expensed and processing costs of $1,652,000 (2020 - $nil) which were capitalized to exploration and evaluation assets. As at October 31, 2021, there is $5,245,161 (2020 - $3,080,355) in accounts payable and accrued liabilities owing to Northern Sun, which will be partially offset by the value of the material of $853,179 assigned to Northern Sun upon settlement with Human. This offset is included in the accounts payable and accrued liabilities. See Note 16.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

The remuneration for directors and key management of the Company for the year ended October 31, 2021 and 2020, is as follows:

	Year Ended	
	October 31, 2021	October 31, 2020
Aggregate compensation	**589,322**	643,367
Stock based compensation	**-**	35,400
	589,322	678,767

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.

A director of Gowest, Meirong Yuan, is a director and shareholder of Lush Land and Greenwater, which the Company settled the loan with and disclosed the settlement in Note 11, he is also a director of Northern Sun that the Company included an obligation to Northern Sun in Note 16.

Included in aggregate compensation during the year ended October 31, 2021, $147,766 was recorded to Mr. Wu, a director who provided geological services to the Company and worked as interim CEO during June 16, 2021 to October 4, 2021(October 31, 2020 - $110,400) and $115,000 was recorded to Mr. Yuan, a director who provided Corporate Development services to the Company (October 31, 2020 - $150,967).

Included in accounts payable and accrued liabilities as at October 31, 2021 is $240,583 (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 $507,397 owing to a director of the Company (October 31, 2020 - $100,000) is included in the accounts payable and accrued liabilities as well.

On July 22, 2021, the Company entered into Debt Conversion Agreement with a director of the Company to convert $312,137 of principal and accumulated interest into 1,248,548 shares, with the shares issued on October 15, 2021 subsequent to TSXV approval.

On September 15, 2021, the Company signed a Promissory Note with Meirong Yuan, director of the Company, for an unsecured $500,000 loan with an interest rate of 12% and a term of one year. The loan may be repaid at any time prior to maturity without penalty. The company accrued $7,397 interest for the loan as of the year ended October 31, 2021.

Proposed Transactions

There are no material decisions by the board of directors of the Company with respect to any imminent or proposed transactions that have not been disclosed.

Significant Accounting Judgements, Estimates

The preparation of the condensed interim 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 condensed interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed interim financial statements include estimates that, by their nature, are uncertain. The impact 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, impairment of exploration and evaluation properties, leases, share-based payments, income taxes and recoverability of potential deferred tax assets and flow-through shares, valuation of the reclamation and closure cost obligation and classification and measurement of long-term debt.

Change in Accounting Policy

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.

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.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of mineral properties. The

Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage with the Bradshaw moving into development stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended October 31, 2021.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which 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 October 31, 2021, 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.

Refer to Note 3 in the audited financial statements.

Risk Considerations

Gowest's business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effects on its financial performance, but there is no guarantee that the Company will be profitable in the future, and Gowest common shares should be considered speculative.

For a discussion of certain risk exposures and the impact on the Company, refer to Note 4 of the Company's financial statements for the year ended October 31, 2021. In addition to the risk exposures and the impact to the Company the following are additional considerations for the Company.

Exploration and Development Risks

The Company's activities are directed towards the exploration and development of the Bradshaw project.

Resource exploration and mineral development is a highly speculative and extremely volatile business. The Company's exploration and initial development activities involve significant risks that cannot be eliminated or adequately mitigated, even with careful and prudent planning and evaluation, experience, knowledge and operational know-how. In general, the discovery of ore bodies may result in substantial rewards. However, few properties which are explored are ultimately developed into producing mines. Exploration for gold involves many risks and uncertainties and success in exploration is dependent on a number of factors, including the quality of management, quality and availability of geological expertise and the availability of exploration capital. Substantial expenditures are required to (i) establish mineral resources and mineral reserves (ii) complete drilling and to develop metallurgical processes to extract the minerals, (iii) develop mining and processing facilities and suitable infrastructure at any site chosen for mining, and (iv) establish commercial operations. Also, substantial expenses may be incurred on exploration projects which are subsequently abandoned due to poor exploration results or the inability to define reserves which can be mined economically. Even if an exploration program is successful and economically recoverable gold is found, it can take a number of months from the initial phases of drilling and identification of the mineralization until production is possible, during which time the economic feasibility of extraction may change and gold that was economically recoverable at the time of discovery ceases to be economically recoverable. There can be no assurance that gold recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale operations. The Company cannot ensure or provide any comfort that the exploration or development programs planned by the Company will result in a profitable commercial mining operation in respect of the Bradshaw Project.

The commercial viability of the Bradshaw Project depends upon on a number of factors, all of which are beyond the control of the Company, including: the particular attributes of a deposit, such as size, grade, metallurgy and proximity to infrastructure, market fluctuations in the price of metals (which are highly volatile), general and local labour market conditions, the proximity and capacity of milling facilities, and local, provincial, federal and international government regulation, including regulations relating to prices, taxes, royalties, land tenure, land use, and the importing and exporting of minerals and environmental protection. The effect of these factors, either alone or in combination, cannot be accurately predicted and their impact may result in the Company not being able to economically extract minerals from any identified mineral resource or mineral reserve which, in turn, could have a material and adverse impact on the Company's cash flows, earnings, results of operations and financial condition and prospects. The Company cannot provide any certainty that its planned expenditures will result in the successful operation of the Bradshaw Project.

Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting, social activism, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, and work interruptions. In addition, the quantity or grade of minerals ultimately extracted may differ from the quantity or grade indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on results from operations. Any material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of the Bradshaw Project and the viability of the Company may be negatively affected.

Obtaining and Renewing of Government Permits

In the ordinary course of business, the Company is required to obtain or renew governmental permits for mineral exploration. Obtaining or renewing the necessary governmental permits is a complex and time-consuming process involving numerous agencies which can often involve public hearings and costly undertakings. The duration and success of the Company's efforts to obtain or renew permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the permitting authority or potential legal challenges from various stakeholders such as environmental groups, nongovernmental organizations, aboriginal groups or other claimants. The Company may not be able to obtain or renew permits that are necessary to its operations, or the cost to obtain or renew permits may exceed what the Company believes it can recover from the Bradshaw Project once in production. Any unexpected delays or costs associated with the permitting process could delay the development or impede the operation of a mine, which could have a material adverse effect on the Company's operations and profitability.

Employee Recruitment and Key Personnel

Recruiting and retaining qualified personnel is critical to the success of the Company. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key executive, financial, operational, administrative and mining personnel. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel. If the Company is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have a material adverse effect on the Company's results of operations and profitability. The Company's business involves a certain degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. As such, the Company's success is dependent on the services of its senior management. The loss of one or more of the Company's key employees could have a material adverse effect on the Company's operations and business prospects. In addition, the Company's future success depends on its ability to attract and retain skilled technical, management, sales and marketing personnel. There can be no assurance that the Company will be successful in attracting and retaining such personnel and the failure to do so could have a material adverse effect.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure.

As at October 31, 2021, Gowest management, with the participation of the President, Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President, Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that material information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Company, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

Management of the Company is responsible for designing internal controls over financial reporting or causing them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with IFRS.

There are inherent weaknesses in the systems of internal control due to the small size of the Company and its inability to segregate incompatible functions. The Company plans to remediate this weakness by expanding the number of individuals involved in the accounting function as the Company incurs future growth.

Outstanding Share Data

Common Shares:

The Company has authorized an unlimited number of common shares and 2,000,000 special shares, redeemable, voting and non-participating. The Company has 154,780,881 common shares issued and outstanding as of the date hereof.

Gowest shares are traded on the TSX Venture Exchange under the symbol GWA.

Share Purchase Warrants:

As of the date hereof, the Company has 1,646,469 common share purchase warrants outstanding, on a post consolidation basis, with an average exercise price of $0.44 expiring in December 2022.

Stock Options:
As of the date hereof, the Company has 590,000 options outstanding under the Company’s stock option plan for employees, directors, officers and directors, on a post consolidation basis, with exercise prices of between $0.25 and $1.60 expiring from March 2022 to May 2025.

Additional Information

Additional information relating to the Company is available on the Internet at the SEDAR website located at www.sedar.com and at http://www.gowestgold.com/index.html.