GOWEST GOLD LTD.

Financial Statements

Six Months Ended April 30, 2022 and 2021

Expressed in Canadian Dollars

Unaudited

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

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

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

NOTICE TO READER

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

GOWEST GOLD LTD.
Statements of Financial Position
In Canadian dollars

	Note	**April 30, 2022**	October 31, 2021
ASSETS			
Current assets			
Cash and cash equivalents		**6,604,084**	278,513
Amounts receivable and other assets	6	**116,855**	81,279
Total current assets		**6,720,939**	359,792
Long term investment	8	**6,750**	6,750
Equipment	7	**2,145,432**	2,218,991
Long term deposits	9	**1,281,036**	1,248,939
Exploration and evaluation properties	9&16	**63,103,503**	61,801,812
Total assets		**73,257,660**	65,636,284
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11&15&16	**12,771,620**	13,057,535
Current portion of lease liability	12	**87,462**	83,276
Amounts due to related party	15	**1,298,828**	507,397
Current portion of debt	11	**-**	1,192,287
Total current liabilities		**14,157,910**	14,840,495
Lease liability	12	**108,345**	153,212
Reclamation and closure cost obligation	10	**1,274,434**	1,256,590
Long term debt	11	**4,460,827**	5,386,247
Total liabilities		**20,001,516**	21,636,544
SHAREHOLDERS' EQUITY			
Share capital	13	**80,124,602**	71,384,048
Reserves	11&13	**2,727,912**	1,167,026
Accumulated deficit		**(29,598,995)**	(28,553,959)
Accumulated other comprehensive income	8	**2,625**	2,625
Total shareholders' equity		**53,256,144**	43,999,740
Total liabilities and shareholders' equity		**73,257,660**	65,636,284

Nature of operations and going concern (Note 1)
Commitments and contingencies (Notes 9, 10, 11, 12 and 16)
Subsequent events (Note 17)

APPROVED ON BEHALF OF THE BOARD

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

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

GOWEST GOLD LTD.
Statements of Loss and Comprehensive Loss
In Canadian dollars

	Note	**Three Months Ended April 30, 2022**	Three Months Ended April 30, 2021	**Six Months Ended April 30, 2022**	Six Months Ended April 30, 2021
Operating Expenses					
General and administrative	14 &15	**292,945**	377,065	**717,958**	1,377,911
Accretion	10	**12,441**	2,342	**17,844**	4,684
Loss before other items		**305,386**	379,407	**735,802**	1,382,595
Foreign exchange loss / (gain)	11	**2,341**	(848,279)	**181,941**	(1,463,443)
Interest and other expense	11 & 12	**461,547**	1,100,014	**919,388**	2,027,961
Net comprehensive loss for the period		**769,274**	631,142	**1,837,131**	1,947,113
Basic and diluted loss per share		**0.004**	0.008	**0.011**	0.024
Weighted average number of common shares outstanding – basic and diluted		**184,302,920**	82,180,902	**169,307,092**	81,097,342

The accompanying notes are an integral part of these condensed interim 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, 2021	**71,384,048**	**630,809**	**536,217**	**2,625**	**(28,553,959)**	**43,999,740**
						-
Issued on private placement	**2,751,324**	**748,676**	**-**	**-**	**-**	**3,500,000**
Share issue costs	**(147,048)**	**-**	**-**	**-**	**-**	**(147,048)**
Shares for debt settlement	**6,136,278**	**1,604,305**	**-**	**-**	**-**	**7,740,583**
Value of warrants expired	**-**	**(337,678)**	**-**	**-**	**337,678**	**-**
Value of stock options expired	**-**	**-**	**(454,417)**	**-**	**454,417**	**-**
Net loss and comprehensive loss for the period	**-**	**-**	**-**	**-**	**(1,837,131)**	**(1,837,131)**
Balance at April 30, 2022	**80,124,602**	**2,646,112**	**81,800**	**2,625**	**(29,598,995)**	**53,256,144**
Balance at October 31, 2020	52,192,157	557,031	798,941	1,125	(24,248,060)	29,301,194
Issued on private placement	1,222,365	271,625	-	-	-	1,493,990
Share issue costs	(119,616)	21,506	-	-	-	(98,110)
Value of warrants exercised	65,054	(65,054)	-	-	-	-
Value of warrants expired	-	(154,299)	-	-	154,299	-
Net loss and comprehensive loss for the period	-	-	-	-	(1,947,113)	(1,947,113)
Balance at April 30, 2021	53,359,960	630,809	798,941	1,125	(26,040,874)	28,749,961

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

GOWEST GOLD LTD.
Statements of Cash Flows
In Canadian dollars

	Six-month period ended	
	April 30, 2022	April 30, 2021
Operating activities		
Net (loss) for the period	**(1,837,131)**	(1,947,113)
Items not affecting cash:		
Amortization	**73,559**	35,329
Interest on lease liability and loans	**887,291**	2,028,478
Unrealized foreign exchange (gain) / loss	**181,941**	(1,463,443)
Accretion and ARO adjustment	**17,844**	4,684
	(676,496)	(1,342,065)
Amounts receivable and other assets		
Amounts receivable and other assets	**(35,576)**	(20,960)
Accounts payable and accrued liabilities	**(165,562)**	1,554,164
Cash flows (used in) from operating activities	**(877,634)**	191,139
Investing activities		
Exploration and evaluation expenditures	**(1,301,691)**	(2,296,628)
Purchase of equipment	**-**	(77,291)
Cash flows used in investing activities	**(1,301,691)**	(2,373,919)
Financing activities		
Proceeds from issue of capital stock and exercise of options and warrants	**3,500,000**	1,493,990
Transaction costs on private placements	**(147,048)**	(98,110)
Due to related party	**8,500,000**	
Proceeds from short term debt	**-**	550,000
Repayment of debt	**(3,297,349)**	-
Lease payments	**(50,707)**	(50,708)
Cash flows from financing activities	**8,504,896**	1,895,172
Increase / (decrease) in cash and cash equivalents during the year	**6,325,571**	(287,608)
Cash and cash equivalents, beginning of period	**278,513**	459,489
Cash and cash equivalents, end of period	**6,604,084**	171,881
CASH AND CASH EQUIVALENTS ARE COMPOSED OF:		
Cash	**6,578,818**	146,752
Cash equivalents	**25,266**	25,129
	6,604,084	171,881
SUPPLEMENTAL INFORMATION		
Change in non-cash working capital related to Exploration and evaluation expenditures	**328,956**	1,983,658
Shares issued on settlement of debt	**7,740,583**	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

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

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

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

The accompanying unaudited condensed interim financial statements have been prepared on the going concern assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Due to continuing operating losses and working capital deficiency, the Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements and eventually to generate positive cash flows, either from operations or sale of property. The Company incurred a loss of $1,837,131 for the six-month period ended April 30, 2022 (April 30, 2021 – $1,947,113) and as of April 30, 2022, the Company had a working capital deficiency of $7,436,971 (October 31, 2021 – $14,480,703) and had a cumulative deficit of $29,598,995 (October 31, 2021 - $28,553,959). These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

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

COVID-19

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations, 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 June 3, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard 34 ("IAS 34") Interim Financial Reporting. These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended October 31, 2021.

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

(b) Foreign currency translation

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

Transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in the statement of loss and comprehensive loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(c) Financial instruments

Financial assets

Initial recognition and measurement
Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either 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 April 30, 2022 and 2021, 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 April 30, 2022 and 2021.

(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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Significant accounting judgments and estimates (Continued)

Estimation of reclamation and closure cost obligation

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

Long term debt

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Flow-through shares

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

(p) Accounting changes

New accounting standards and interpretations effective in future periods

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after November 1, 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 April 30, 2022, totalled $53,256,144 (October 31, 2021 - $43,999,740).

3. CAPITAL MANAGEMENT (CONTINUED)

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

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

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

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the periods ended April 30, 2022 and October 31, 2021.

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 April 30, 2022 and 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.

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 April 30, 2022, the Company had cash, cash equivalents, amounts receivable and other current assets of $6,720,939 (October 31, 2021 - $359,792) to settle current liabilities of $14,157,910 (October 31, 2021 - $14,840,495). All of the Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms. As at April 30, 2022, included in accrued liabilities are liabilities of approximately $1,710,032 (October 31, 2021 - $1,381,076) 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.

4. FINANCIAL RISK FACTORS (CONTINUED)

(ii) Liquidity risk (Continued)

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 April 30, 2022:

	Contractual Cash Flows	Year 1	Year 2-3	Year 4-5
Accounts payable and accured liabilities	12,771,620	12,771,620	-	-
Lease payable	195,807	87,462	67,584	40,761
Reclamation and closure cost obligation	1,274,434	-	-	1,274,434
Amounts due to related party	67,260	67,260	-	-
Debt and amounts due to related party	5,692,395	1,231,568	4,460,827	-
	20,001,516	14,157,910	4,528,411	1,315,195

(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.

4. FINANCIAL RISK FACTORS (CONTINUED)

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 April 30, 2022, if interest rates had decreased/increased by 1% with all other variables held constant, the loss for the period ended April 30, 2022 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 April 30, 2022, 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 April 30, 2022, before tax, would not have been significantly impacted.

(iii) The Company's long-term debt is denominated in U.S. Dollars. As at April 30, 2022, if the exchange rate had decreased/increased by 10% with all other variables held constant, the loss for the period ended April 30, 2022 would increase/decrease by approximately $569,239.

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at April 30, 2022 and October 31, 2021:

April 30, 2022	**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, 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

5. CATEGORIES OF FINANCIAL INSTRUMENTS

As at April 30, 2022 and October 31, 2021, 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.

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

In Canadian dollars

5. CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

	April 30, 2022	October 31, 2021
Financial assets:		
FVTPL		
Cash equivalents	**25,266**	25,266
Amortized cost		
Cash	**6,578,818**	253,247
Long term deposit	**1,281,036**	1,248,939
FVOCI		
Long term investment	**6,750**	6,750
Financial liabilities:		
Amortized cost		
Accounts payable and accrued liabilities	**12,771,620**	13,057,535
Amounts due to related party	**1,298,828**	507,397
Current portion of debt	**-**	1,192,287
Long-term debt	**4,460,827**	5,386,247

6. AMOUNTS RECEIVABLE AND OTHER ASSETS

	As at April 30, 2022	As at October 31, 2021
HST receivable	**34,560**	54,900
Prepaid expense	**82,295**	26,379
	116,855	81,279

7. EQUIPMENT

Cost	**Computer Equipment**	**Furniture**	**Vehicles**	**Software**	**Equipment**	**Right of Use Building**	**Total**
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
Balance, April 30, 2022	**13,358**	**49,241**	**28,999**	**66,503**	**2,280,557**	**363,159**	**2,801,817**
Accumulated amortization							
Balance, October 31, 2020	11,209	41,760	42,721	62,299	234,980	62,229.00	455,198
Additions	576	4,560	2,801	1,127	59,957	82,787	151,808
Disposal	-	-	(24,178)	-	-	-	(24,178)
Balance, October 31, 2021	11,785	46,320	21,344	63,426	294,937	145,016	582,827
Additions	227	2,280	1,105	444	28,111	41,391	73,558
Balance, April 30, 2022	**12,012**	**48,600**	**22,449**	**63,870**	**323,048**	**186,407**	**656,385**
Carrying value							
Balance, October 31, 2020	2,149	7,481	10,456	4,204	1,968,286	300,930	2,293,507
Balance, October 31, 2021	1,573	2,921	7,655	3,077	1,985,620	218,143	2,218,990
Balance, April 30, 2022	**1,347**	**641**	**6,550**	**2,633**	**1,957,509**	**176,752**	**2,145,432**

In Canadian dollars

8. LONG-TERM INVESTMENT

Long term Investment	Cost	Impairment	Accumulated other comprehensive income adjustment	Estimated fair value April 30, 2022	Estimated fair value October 31, 2021
US Copper Corp. (Formerly Crown Mining Corp) - common shares	115,500	(111,375)	2,625	6,750	6,750

9. EXPLORATION AND EVALUATION PROPERTIES

April 30, 2022	Acquisition Cost	Exploration & Evaluation	Option Payments Received	Total
Frankfield Property (i)	1,286,458	58,846,764	-	60,133,223
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
	1,683,475	61,497,595	(77,568)	63,103,503

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

(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 Canadian dollars

9. EXPLORATION AND EVALUATION PROPERTIES (CONTINUED)

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.

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, and the total balance of $1,281,036 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 April 30, 2022 and October 31, 2021. 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 periods ended April 30, 2022 and October 31, 2021 to exploration and evaluation expenditures in respect of the Frankfield Property:

	Six Months Ended April 30, 2022	Year Ended October 31, 2021
Opening Balance	**58,831,532**	55,053,220
Addtions during the year:		
Acquisition and holding costs	**22,883**	-
Site access, development and maintenace	**96,916**	1,133,584
Asset Retirement Provision (Note 10)	**-**	-
Processing of Bulk Sample	**-**	1,331,577
Engineering, Permitting, Overhead	**1,181,891**	1,298,457.98
Exploration, geophysics, drilling and assays	**-**	14,693
Total additions for the period	**1,301,691**	3,778,312
Closing Balance	**60,133,223**	58,831,532

(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 1.14 % (2021 -1.12%) and a discount rate of 2.84 % (2021 – 1.65%) and an expected time to completion of 7 years (2021 – 7 years) have been made which management believes are a reasonable basis upon which to estimate the future liability.

During the six-month period ended April 30, 2022, accretion expense was recorded of $17,844 (April 30, 2021 - $4,684). The present value of the future rehabilitation liability was estimated at $1,274,434 as at April 30, 2022 (October 31, 2021 - $1,256,590).

	Six-month Ended April 30, 2022	Year Ended October 31, 2021
Balance, as at beginning of year	**1,256,590**	1,338,423
Accretion	**17,844**	7,026
Change in estimate	**-**	(88,859)
Reclamation and closure cost balance at end of period	**1,274,434**	1,256,590

11. SHORT TERM AND LONG TERM DEBT

The following table reflects the continuity of the short term and long term debt as of April 30, 2022:

Short Term Loan

	Greenwater Investment	Lush Land Investment	Mr. Yuan	Total
Balance liabilitites, October 31, 2020	-	3,915,014	-	3,915,014
Debt issued	-	1,350,000	500,000	1,850,000
Interest accrued	-	303,191	7,397	310,588
Debt conversion on October 15, 2021	-	(5,568,205)	-	(5,568,205)
Balance, October 31, 2021	-	-	507,397	507,397
Debt issued_short term	**7,500,000**	**1,000,000**	**-**	**8,500,000**
Debt conversion on April 28, 2022	**(7,500,000)**	**-**	**-**	**(7,500,000)**
Interest accrued	**67,260**	**40,822**	**29,260**	**137,342**
Debt repayment_short term	**-**	**(1,040,822)**	**(536,657)**	**(1,577,479)**
Balance, April 30, 2022	**67,260**	**-**	**-**	**67,260**

In Canadian dollars

11. SHORT TERM AND LONG TERM DEBT (CONTINUED)

Long Term Loan

	Greenwater Investment	Prepayment Gold Concentrate	Mr. Yuan	Total
Balance liabilitites, October 31, 2020	11,537,200	5,708,052	-	17,245,252
Interest accrued	1,931,595	452,592	-	2,384,187
Foreign exchange adjustment	(605,067)	(302,092)	-	(907,159)
Debt conversion on October 15, 2021	(6,285,194)	(5,858,552)	-	(12,143,746)
Balance, October 31, 2021	6,578,534	-	-	6,578,534
Less: Current Portion	1,192,287	-	-	1,192,287
Balance of long term liabilitites, October 31, 2021	5,386,247	-	-	5,386,247
Transfer to Meirong Yuan	**(1,423,397)**	**-**	**1,423,397**	**-**
Interest accrued	**521,447**	**-**	**130,362**	**651,809**
Debt repayment	**(1,375,895)**	**-**	**(343,974)**	**(1,719,869)**
Foreign exchange adjustment	**145,537**	**-**	**36,384**	**181,921**
Balance, April 30, 2022	**4,446,226**	**-**	**1,246,169**	**5,692,395**
Less: Current Portion	**985,254**	**-**	**246,314**	**1,231,568**
Balance of long term liabilitites, April 30, 2022	**3,460,972**	**-**	**999,855**	**4,460,827**

(i) Greenwater Credit Agreement and Promissory Note

To settle the Pre-Paid Forward Gold Purchase Agreement (the “PPF Agreement”) with PGB Timmins Holdings LP (“PGB”) that signed in December 16, 2016, 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. Gowest shall be further obligated to pay to PGB an aggregate of 3,500 ounces of gold produced from Bradshaw, at a rate of 15% of gold as produced.

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

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

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

11. SHORT TERM AND LONG TERM DEBT (CONTINUED)

(i) Greenwater Credit Agreement and Promissory Note (Continued)

On July 15, 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%.

On December 28, 2021, Greenwater assigned and transferred to Mr. 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 15, 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. Subject to shareholders approval, the Promissory Note shall be convertible into common share units ("Units") at $0.13 per unit. 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 comprises 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 share during the first 12-month period following the receipt of Shareholder Approval and at a price of $0.17 per share during the second 12-month period following the receipt of Shareholder Approval.

The issuance and sale of the Promissory Notes pursuant to the Promissory Note Offering will be completed in one or more tranches to be completed on or prior to March 10, 2022. Unless the Promissory Notes are converted into Units prior to maturity (as described below), the outstanding principal balance under the Promissory Notes, together with accrued and unpaid interest thereon, will be due and payable on July 31, 2022. Interest on the daily outstanding principal balance, from time to time, shall accrue daily, commencing on the date of issuance, and shall be calculated and payable on the earlier of the conversion date or on maturity, in arrears, at the rate of 10% per annum.

During the six-month period ended on April 30, 2022, the company has received $7,500,000 as part of the promissory note and accrued interest of $67,260 for the promissory note.

The Company has converted the $7,500,000 promissory note into 57,692,307 units at a conversion price of $0.13 per unit on April 28, 2022. The Company issued 26,923,076 units on a private placement basis, at a purchase price of $0.13 per Unit, for gross proceeds to the Company of $3,500,000 at the same time.

On April 29, 2022, the Company made total payments of $1,719,869 to Greenwater and Mr. Yuan after interest discount, which represented 6 consecutive monthly payments according to the Credit Agreement and Debt Conversion Agreement with Greenwater.

11. SHORT TERM AND LONG TERM DEBT (CONTINUED)

(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 15, 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.

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 January 31, 2021, the Company received $2,000,000 of the $2,500,000 loan.

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

11. SHORT TERM AND LONG TERM DEBT (CONTINUED)

(iii) Lush Land Investment Loan Agreements (Continued)

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 15, 2021, the Company 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 the 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.

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 April 28, 2022, the Company paid $1,040,822 to Lush Land for the short-term loan of $1,000,000 and accrued interest of $40,822.

(iv) Mr. Yuan Loan Agreements

On September 15, 2021, the Company signed a promissory note with Mr. Yuan, a director of the Company, for an unsecured $500,000 loan with an interest rate of 12% annual and a term of one year. The loan may be repaid at any time prior to maturity without penalty. The Company accrued interest of $29,260 for the loan during this fiscal year up to April 28, 2022.

On April 28, 2022, the Company paid $536,657 to Mr. Yuan for the short-term loan of $500,000 and accrued interest of $36,657.

On December 28, 2021, Greenwater assigned and transferred to Mr. 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 15, 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 is indebted to Mr. Yuan in the amount of US$700,000 plus interest. Mr. Yuan is director of Gowest Gold and Greenwater.

In Canadian dollars

12. LEASE LIABILITY

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

The following table reflects the lease activity for the periods ended April 30, 2022 and October 31, 2021:

	Six-month Ended April 30, 2022	Year Ended October 31, 2021
Balance, beginning of year:	**236,488**	312,125
Interest expense	**10,027**	25,782
Lease payments for the year	**(50,708)**	(101,419)
Total lease liabilities	**195,807**	236,488
Less: Current year	**(87,462)**	(83,276)
Balance, end of year	**108,345**	153,212

13. SHARE CAPITAL

(a) Authorized capital

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

(b) Issued common shares

	No. of shares	Amount
Balance, October 31, 2020	78,101,016	52,192,157
Share issue for warrants exercise (i)	1,079,545	388,917
Private placements (ii)(iii)	3,000,326	898,502
Share issue costs	-	(119,616)
Shares issued for debt settlement (iv)	72,096,350	18,024,088
Balance, October 31, 2021	**154,277,237**	**71,384,048**
Private placements	**26,923,076**	**2,751,324**
Share issue costs	**-**	**(147,048)**
Shares issued for debt settlement (v)	**59,195,951**	**6,136,278**
Balance, April 30, 2022	**240,396,264**	**80,124,602**

(i) 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.

(ii) 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.

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.

(iii) 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.

(iv) 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.

(v) 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.

(vi) On April 28, 2022, the Company converted an aggregate of $7,500,000 of promissory note owed to Greenwater with issuance of an aggregate of 57,692,307 units at a conversion price of $0.13 per unit. Please refer to Notes 11 for more details. On the same day, the Company closed a private placement for aggregate proceeds of $3,500,000 by the issuance of 26,923,076 units of the Company at a price of $0.13 per unit. Each unit is comprised of one common share and one common share purchase warrant exercisable at a price of $0.16 per warrant during the first 12-month and at a price of $0.17 per unit during the second 12-month period.

The grant date fair value of $2,352,981 was assigned to 84,615,383 warrants issued as part of the offering was estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.10, expected dividend yield of 0%, expected volatility 76.28%; risk-free rate of return 2.5% and an expected life of 1.93 years.

(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 March 31, 2022. The plan allows the Company to grant options to acquire up to 10% of the issued and outstanding common shares. The plan provides that the exercise price of an option granted under the plan shall not be less than the market price at the time of granting the option. Options have a maximum term of 5 years, vest immediately upon issue, unless otherwise stated and terminate on the 90th day after the optionee ceases to be any of: an employee, director or consultant of the Company.

In Canadian dollars

13. SHARE CAPITAL (CONTINUED)

(c) Stock options (Continued)

The following table reflects the continuity of options for the period ended April 30, 2022 and October 31, 2021:

	Number of Options	Weighted Average Exercise Price ($)
Balance, October 31, 2020	872,500	1.08
Expired	(282,500)	0.95
Balance, October 31, 2021	**590,000**	**1.14**
Expired	**(350,000)**	**1.60**
Balance, January 31, 2022	**240,000**	**0.48**

The following table reflects the options issued and outstanding as of April 30, 2022:

Expiry Date	Exercise Price ($)	Number of Options Outstanding and Exercisable	Remaining Life (years)
October 31, 2022	1.60	40,000	0.50
May 5, 2025	0.25	200,000	3.02
	0.48	**240,000**	**2.60**

(d) Warrants

The following table reflects the continuity of warrants for the periods ended April 30, 2022 and October 31, 2021:

	Number of Warrants	Weighted Average Exercise Price ($)
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**
Issued	84,615,383	0.17
Expired	**(6,291,020)**	**0.30**
Balance, January 31, 2022	**86,261,852**	**0.18**

The following table reflects the warrants issued and outstanding as of April 30, 2022:

Expiry Date	Number of Warrants	Exercise Price ($)	Grant Date Fair Value ($)
December 31, 2022	1,500,164	0.45	271,625
December 31, 2022	146,305	0.39	21,506
March 31, 2024	84,615,383	0.17	2,352,981
	86,261,852	**0.17**	**2,646,112**

In Canadian dollars

14. GENERAL AND ADMINISTRATIVE EXPENSES

	Three Months Ended		Six Months Ended	
	April 30, 2022	April 30, 2021	April 30, 2022	April 30, 2021
General administrative expenses	**285,520**	320,618	**612,042**	589,104
Professional fees	**(31,380)**	16,028	**29,952**	29,431
Investor relations	**14,361**	7,621	**30,366**	15,121
Shareholder communications	**-**	4,651		6,951
Transfer agent and exchange fees	**8,545**	10,694	**13,431**	14,315
Amortization	**15,899**	17,453	**32,167**	35,329
Mill stand by charge and capital costs (Note 16)	**-**	-	**-**	687,660
	292,945	377,065	**717,958**	1,377,911

15. RELATED PARTY TRANSACTIONS

The remuneration for directors and key management of the Company for the period ended April 30, 2022 and 2021, is as follows:

	Six-month Ended	
	April 30, 2022	April 30, 2021
Aggregate compensation	**361,700**	339,667

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 six-month period ended April 30, 2022, $55,200 was paid to Mr. Wu, a director who provided geological services to the Company (April 30, 2021 - $55,200) and $57,500 was paid to Mr. Yuan, a director who provided Corporate Development services to the Company (April 30, 2021 - $57,500).

Included in accounts payable and accrued liabilities as at April 30, 2022 is $53,000 (April 30, 2021 - $189,000) 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.

A director of Gowest, Mr. Meirong Yuan, is a director and shareholder of Lush Land and a director of 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 15, 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 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 April 28, 2022, the Company paid $1,040,822 and $536,657 to Lush Land and Mr. Yuan for Short term loan and interest, respectively. The Company paid $1,375,895 and $343,974 to Greenwater and Mr. Yuan as part of Greenwater Credit agreement. See Note 11 for details.

During the six months period ended April 30, 2022, the Company received $7,500,000 of Promissory Note from Greenwater, and the promissory note was converted into units of the Company at $0.13 per unit on April 28, 2022. The Company closed a private placement of $3,500,000 at $0.13 per unit on the same day. See Note 11 for details.

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 April 30, 2022, the Company has recorded $380,000 as accrued liability for the severance payment to the former President and CEO after making payment of $90,000.

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.

As of April 30, 2022, there is $5,508,056 (2021 - $5,245,161) in accounts payable and accrued liabilities owing to Northern Sun for the standby fee, capital improvement cost required to process the Gowest material and material processing cost, 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. SUBSEQUENT EVENTS