APOLLO GOLD & SILVER CORP.
(FORMERLY INFORM RESOURCES CORP.)

FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE YEAR ENDED NOVEMBER 30, 2020

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Apollo Gold & Silver Corp. (formerly Inform Resources Corp.)

Opinion

We have audited the accompanying financial statements of Apollo Gold & Silver Corp. (formerly Inform Resources Corp.) (the "Company"), which comprise the statements of financial position as at November 30, 2020 and 2019 and the statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity (deficiency) for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The engagement partner on the audit resulting in this independent auditor’s report is Peter Maloff.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

March 19, 2021

APOLLO GOLD & SILVER CORP.
(FORMERLY INFORM RESOURCES CORP.)
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	November 30, 2020	November 30, 2019
ASSETS		
Current		
Cash	$ 6,125,876	$ 10,822
Receivables	22,002	2,920
Prepaid expenses	90,281	10,000
	6,238,159	23,742
Property and equipment (Note 4)	9,659	815
Exploration and evaluation assets (Note 5)	100,000	-
	$ 6,347,818	$ 24,557
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Accounts payable and accrued liabilities	$ 147,536	$ 220,549
Shareholders' equity (deficiency)		
Share capital (Note 6)	13,111,731	6,254,197
Warrants (Note 6)	447,127	-
Reserves (Note 6)	1,325,534	672,095
Deficit	(8,684,110)	(7,122,284)
	6,200,282	(195,992)
	$ 6,347,818	$ 24,557

Nature and continuance of operations (Note 1)
Subsequent event (Note 11)

Approved and authorized by the Board on March 19, 2021:

"Andrew Bowering" Director *"Sean Bromley"* Director

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

APOLLO GOLD & SILVER CORP.
(FORMERLY INFORM RESOURCES CORP.)
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED NOVEMBER 30

		2020		2019
EXPENSES				
Accounting and audit (Note 8)	$	18,350	$	20,122
Consulting fees (Note 8)		234,248		42,000
Investor relations and shareholder communications		227,179		672
Legal fees		113,289		-
Office and administration		95,592		60,818
Property investigation costs		195,348		-
Share-based payments (Note 6)		653,439		-
Depreciation (Note 4)		988		2,762
Transfer agent and filing fees		78,301		9,976
		1,616,734		136,350
Loss before other items		(1,616,734)		(136,350)
Write-off of accounts payable and accrued liabilities (Note 8)		54,908		-
Loss and comprehensive loss for the year	$	(1,561,826)	$	(136,350)
Basic and diluted loss per share	$	(0.04)	$	(0.01)
Weighted average number of common shares outstanding - basic and diluted		37,623,033		20,140,584

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

APOLLO GOLD & SILVER CORP.
(FORMERLY INFORM RESOURCES CORP.)
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED NOVEMBER 30

	2020	2019
CASH FROM OPERATING ACTIVITIES		
Loss for the year	$ (1,561,826)	$ (136,350)
Item not affecting cash:		
Depreciation	988	2,762
Write-off of accounts payable	(54,908)	-
Share-based compensation	653,439	-
	(962,307)	(133,588)
Changes in non-cash working capital items:		
GST receivable	(19,082)	5,274
Prepaid expenses	(80,281)	-
Accounts payable and accrued liabilities	(18,105)	81,108
Net cash used in operating activities	(1,079,775)	(47,206)
CASH FROM FINANCING ACTIVITIES		
Proceeds on issuance of share capital, net of share issuance costs	7,230,746	-
Proceeds on exercise of warrants	73,915	-
Net cash provided by financing activities	7,304,661	-
CASH FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(9,832)	(1,443)
Purchase of exploration and evaluation assets	(100,000)	-
Net cash used in investing activities	(109,832)	(1,443)
Change in cash during the year	6,115,054	(48,649)
Cash, beginning of year	10,822	59,471
Cash, end of year	$ 6,125,876	$ 10,822

There were no non-cash investing and financing activities for the year ended November 30, 2019. There was no cash paid for taxes and interest for the years ended November 30, 2020 and 2019.

During the year ended November 30, 2020, the Company granted 819,070 finders' warrants with a fair value of $448,461.

APOLLO GOLD & SILVER CORP.
(FORMERLY INFORM RESOURCES CORP.)
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Expressed in Canadian Dollars)

	Share capital					
	Number	**Amount**	**Warrants**	**Reserves**	**Deficit**	**Total**
Balance at November 30, 2018	20,140,584	$ 6,254,197	$ -	$ 672,095	$ (6,985,934)	$ (59,642)
Loss for the year	-	-	-	-	(136,350)	(136,350)
Balance at November 30, 2019	20,140,584	6,254,197	-	672,095	(7,122,284)	(195,992)
Shares issued on private placements	30,532,000	7,629,000	-	-	-	7,629,000
Share issue costs	-	(398,254)	-	-	-	(398,254)
Shares issued on exercise of warrants	147,830	75,249	(1,334)	-	-	73,915
Issuance of finders' fee warrants	-	(448,461)	448,461	-	-	-
Share-based payments	-	-	-	653,439	-	653,439
Loss for the year	-	-	-	-	(1,561,826)	(1,561,826)
Balance at November 30, 2020	50,820,414	$ 13,111,731	$ 447,127	$ 1,325,534	$ (8,684,110)	$ 6,200,282

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Apollo Gold & Silver Corp. (formerly Inform Resources Corp.) (the "Company") is an exploration company incorporated on September 22, 1999 under the laws of the Province of Alberta, Canada. The Company filed for continuance under the Canada Business Corporations Act on December 1, 2003 and then under the laws of British Columbia on November 4, 2010. The Company is listed on the TSX Venture Exchange ("TSX-V") and trades under the symbol APGO. The Company's head office, principal address and registered and records office is Suite 1507, 1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and, despite a strong current working capital position, does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. Management believes the Company has sufficient current working capital to operate for at least the next year at the current level of operations.

The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses, including the Company's. This outbreak could decrease spending, adversely affect demand for the Company's product and harm the Company's business and results of operations. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

2. BASIS OF PREPARATION

Statement of Compliance and basis of presentation

These financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") using accounting policies consistent with the IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Critical accounting estimates and significant judgments

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 the reported expenses during the period. Actual results could differ from these estimates.

2. BASIS OF PREPARATION *(continued)*

Significant assumptions about the future and other sources of estimation and judgement uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred taxes.

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized, and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

Judgments:

The most significant judgments relate to the recoverability of capitalized amounts and recognition of deferred tax assets and liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

IFRS 9 establishes three primary measurement categories for financial assets: fair value through profit and loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") and amortized cost. The basis for classification depends on the entity's business model and the contractual cash flow characteristics of the instrument.

Classification

The Company determines the classification of its financial instruments at initial recognition. Upon initial recognition, a financial asset is classified as measured at: amortized cost, fair value through profit and loss ("FVTPL"), or fair value through other comprehensive income (loss) ("FVOCI"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

The Company completed an assessment of its financial assets and liabilities as at November 30, 2020. The adoption of IFRS 9 has no quantitative impact on the Company's financial instruments as at November 30, 2020.

However, it has an impact on the classification of the Company's financial instruments compared to the old standard IAS 39 as follows:

Asset or Liability	**IFRS 9 Classification**
Cash	FVTPL
Receivables	Amortized cost
Prepaid expenses	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Measurement

Initial measurement

On initial recognition, all financial assets and financial liabilities are measured at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case the transaction costs are expensed as incurred.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

Impairment of financial assets at amortized cost: The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset at the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

Exploration and evaluation assets

Exploration and evaluation assets include the costs of acquiring licenses and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. All costs related to the acquisition of mineral properties are capitalized by property as an intangible asset. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the statement of loss and comprehensive loss. Once the Company has obtained the legal rights to explore a mineral property the Company capitalizes costs related to the exploration.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Provisions

a) *Environmental rehabilitation provisions*

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an environmental rehabilitation obligation is recognized at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with reclamation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these capitalized asset retirement costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying any initial estimates (additional rehabilitation costs). The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated.

Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to the statement of loss and comprehensive loss. The Company had no rehabilitation obligations as at November 30, 2020 or 2019.

b) *Other provisions*

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

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. An amount equivalent to the discounted provision is capitalized within tangible fixed assets and is depreciated over the useful lives of the related assets. The increase in the provision due to passage of time is recognized as interest expense.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees, and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services like those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

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

If and when the stock options are exercised, the applicable amounts of equity reserves are transferred to share capital.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Flow-through shares

Canadian Income Tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. A premium liability is recognized for the share price premium paid by investors when acquiring the flow-through shares. The premium liability is reduced and other income is recognized as eligible expenditures are incurred and the tax deductions have been renounced to the investors.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on 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.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

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

Property and equipment

Property and equipment is recorded at cost less accumulated amortization. The Company provides for amortization on the following basis:

Computer equipment	30% declining balance
Furniture and fixtures	20% declining balance

At each reporting date, the Company assesses whether there is objective evidence that the property and equipment is impaired. If such evidence exists, the Company recognizes an impairment loss. The loss is the difference between the carrying value and recoverable value, which is the higher of fair value less costs of disposal and value in use. The carrying amount of the property and equipment is reduced by this amount. Impairment losses are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event or condition occurring after the impairment was recognized. However, the increased carrying amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Change in Accounting Policy

New standard adopted

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of December 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The Company elected to use the transition practical expedients allowing a) the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application, and b) the measuring the right-of-use asset on transition as being equal to the amount of the lease liability initial recognized on transition. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ("short-term leases"), and lease contracts for which the underlying asset is of low value ("low-value assets").

As the Company does not have any lease commitments, the adoption of IFRS 16 did not have any material impact to the Company's financial statements during the year ended November 30, 2020.

4. PROPERTY AND EQUIPMENT

	Computer Equipment	Furniture and Fixtures	Total
Cost			
Balance, November 30, 2018	$ 2,722	$ -	$ 2,722
Additions	1,442	-	1,442
Balance, November 30, 2019	4,164	-	4,164
Additions	5,104	4,728	9,832
Balance, November 30, 2020	$ 9,268	$ 4,728	$ 13,996
Accumulated Depreciation			
Balance, November 30, 2018	$ 587	$ -	$ 587
Depreciation	2,762	-	2,762
Balance, November 30, 2019	3,349	-	3,349
Depreciation	949	39	988
Balance, November 30, 2020	$ 4,298	$ 39	$ 4,337
Net Book Value, November 30, 2019	$ 815	$ -	$ 815
Net Book Value, November 30, 2020	$ 4,970	$ 4,689	$ 9,659

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Apolo / Sancarron Properties	Total
Cost		
Balance, November 30, 2019	$ -	$ -
Acquisition costs	100,000	100,000
Balance, November 30, 2020	$ 100,000	$ 100,000

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge; title to all of its properties is in good standing.

Apolo and Sancarron Concessions, Chile

On March 25, 2020, the Company entered into an option agreement to earn up to 90% interest in two prospective gold-silver properties, comprising 5 exploration and 18 exploitation concessions, in the El Indio Gold Belt of western Chile. The terms of the option agreement are as follows:

- To earn a 65% interest, the Company must make cash payments totalling $600,000 as follows:
  - $50,000 upon signing of the agreement (paid);
  - $50,000 within 7 business days of TSX-V Exchange approval (paid);
  - $100,000, $150,000, and $250,000 on the first, second and third anniversary date of Exchange approval of the agreement.
  - The Company must also incur $3,000,000 of expenditures on the properties as follows: $500,000, $1,000,000, and $1,500,000, during the first, second and third respective years following TSX-V approval of the agreement.
  - To earn an additional 25% interest, the Company must make total cash payments of $250,000 and $500,000 on or before 90 days after the third and fourth respective years following the TSX-V Exchange approval. In addition, the Company must also incur an aggregate total of $5,000,000 of expenditures within 5 years of TSX-V approval of the agreement.

On August 17, 2020, the Company confirmed that the conditions of the Option Agreement, including TSX-V approval, had been fulfilled and the Option Agreement is now unconditional.

Lucma/Libertandor Property

On October 13, 2020, the Company announced it had entered into a letter of intent (the “LOI”) with Condoro Explorations Inc. (“the Vendor”) to acquire its interest in an option to acquire 100% of the Lucma / Libertador Project in Peru (“Libertador”). Libertador is comprised of mining concessions located in the Lucma district, Gran Chimú province, La Libertad Department, Peru.

The Company paid an initial US$35,000 deposit under the transaction, relating to required property payments in Peru, and also engaged a Peruvian based team, recommended by the Vendor, to undertake a site visit and preliminary work program at Liberator in order to provide required technical due diligence and the preparation of an appropriate 43-101 compliant Technical Report. This was a key condition required for completion of the transaction.

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

The Company announced on February 12, 2021 that issues related to COVID 19 had hampered the due diligence process and the Company had still not been provided with the required technical report and title opinion and had taken the decision not to pursue this Transaction further at this time and would instead focus on its other ongoing initiatives and existing assets.

Muylaque Property

On October 13, 2020, the Company announced it had entered into a letter of intent (the "LOI") with Conico Resources Inc. ("the Vendor") to acquire its interest in an option to acquire 100% of the Muylaque Project in Peru ("Muylaque"). Muylaque is comprised of two mining concessions totaling 800 hectares located in the District of San Cristóbal, Province of Mariscal Nieto, Department of Moquegua, Peru.

The Company paid an initial US$50,000 deposit under the transaction, relating to required property payments in Peru, and also engaged a Peruvian based team, recommended by the Vendor, to undertake a site visit and preliminary work program at Muylaque in order to provide required technical due diligence and the preparation of an appropriate 43-101 compliant Technical Report. This was a key condition required for Completion of the Transaction.

The Company announced on February 12, 2021 that issues related to COVID 19 had hampered the due diligence process and the Company had still not been provided with the required technical report and title opinion and had taken the decision not to pursue this transaction further at this time and would instead focus on its other ongoing initiatives and existing assets.

6. SHARE CAPITAL AND RESERVES

Authorized share capital

As at November 30, 2020 and 2019, the authorized share capital of the Company is an unlimited number of common shares without par value.

Private placements

On April 27, 2020, the Company closed a private placement of 12,500,000 units at $0.05 per unit for gross proceeds of $625,000. Each unit consists of one common share and one warrant to purchase one common share of the Company at $0.25 for two years from the date of closing. There were no share issue costs associated with this private placement.

On May 27, 2020, the Company closed a private placement of 8,032,000 units at $0.25 per unit for gross proceeds of $2,008,000. Each unit consists of one common share and one-half of one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles the holder to purchase an additional common share at $0.50 for a period of two years from the date of closing. In connection with this private placement, the Company paid $65,085 in share issue costs and issued 320,600 finders' warrants valued at $88,362 to purchase one common share for $0.50 per share for a period of two years. The warrants were valued using the Black-Scholes model using the following assumptions: risk free rate of 0.30%, expected life 2 years, estimated volatility of underlying common shares of 100%, forfeiture rate of 0%, and expected dividend yield of 0%.

On August 6, 2020, the Company closed a private placement of 10,000,000 units at $0.50 per unit for gross proceeds of $5,000,000. Each unit consists of one common share and one-half of common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at $0.75 per share for a period of two years from the date of closing. In connection with this private placement, the Company paid $283,855 in share issue costs and issued 498,470 finders' warrants valued at $360,099 to purchase one common share for $0.75 per share for a period of two years. The warrants were valued using the Black-Scholes model using the following assumptions: risk free rate of 0.23%, expected life 2 years, estimated volatility of underlying common shares of 100%, forfeiture rate of 0%, and expected dividend yield of 0%.

The Company paid other share issue costs of $49,315 (2019 – nil).

(Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES *(continued)*

Exercise of warrants

During the year ended November 30, 2020, 147,830 (2019 – nil) warrants were exercised to issue 147,830 (2019 – nil) common shares for gross proceeds of $73,915 (2019- nil).

Warrants

Warrants transactions are summarized as follows:

	Warrants		
	Number		Weighted Average Exercise Price
Outstanding, November 30, 2019 and 2018	-	$	-
Granted on private placements	21,516,000		0.41
Issuance of finders' fee warrants	819,070		0.65
Exercise of finders' fee warrants	(147,830)		0.50
Outstanding, November 30, 2020	22,187,240	$	0.42

The outstanding warrants are as follows:

Exercise Price	Number	Weighted Average Remaining Life
$0.25	12,500,000	1.43
$0.50	4,188,770	1.49
$0.75	5,498,470	1.68
	22,187,240	1.49

Share-based payments

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan the exercise price of each option equals the market price of the Company's stock, less applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years with vesting determined by the board of directors.

During the year ended November 30, 2020, the Company issued 2,500,000 stock options (2019 – nil).

Share-based payments expense related to stock options granted during the year ended November 30, 2020 was $653,439 (2019 – nil).

The following table sets forth a reconciliation of stock options warrant activity:

	Number	Average Exercise Price		Weighted Average Remaining Life
Outstanding, November 30, 2019 and 2018	-	$	-	-
Granted	2,500,000	$	0.33	4.42
Outstanding and exercisable, November 30, 2020	2,500,000	$	0.33	4.42

(Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES *(continued)*

The fair value of stock options granted is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	November 30, 2020
Weighted average fair value of options granted ($)	0.26
Risk-free Interest Rate (%)	0.41
Expected Life (years)	5.0
Estimated volatility of underlying common shares (%)	100
Weighted average grant date share price	0.35
Forfeiture rate	-
Expected dividend yield (%)	-

7. INCOME TAXES

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

	2020	2019
Loss for the year	$ (1,561,826)	$ (136,350)
Expected income tax (recovery)	$ (422,000)	$ (37,000)
Permanent differences	176,000	-
Share issue costs	(108,000)	-
Other	(35,000)	(24,000)
Change in unrecognized deductible temporary differences	389,000	61,000
Income tax recovery	$ -	$ -

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

	2020	2019	Expiry Dates
Temporary Differences			
Exploration and evaluation assets	$ 2,187,000	$ 2,187,000	No expiry date
Investment tax credit	118,000	118,000	2020-2040
Property and equipment	6,000	5,000	No expiry date
Share issuance costs	319,000	4,000	2039 – 2044
Allowable capital losses	2,254,000	2,254,000	No expiry date
Non-capital losses available for future period	4,061,000	2,935,000	2026-2039

Tax attributes are subject to review, and potential adjustment, by tax authorities.

8. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors, and corporate officers. The remuneration of directors and key management personnel during the periods ended November 30, 2020 and 2019, were as follows:

a) Consulting fees of $17,500 (2019 – $42,000) to a company controlled by the former CEO and director of the Company. In addition, the officer and director agreed to a reduction of the amounts owed to their personally company of $15,675 (2019 – nil), which is recorded as a write-off of accounts payable and accrued liabilities. There were no amounts owing at November 30, 2020 (2019 - $42,525). In addition, the former CEO participated in a private placement, subscribing to 500,000 units of the Company. Each unit consisted of one common share and one share purchase warrant to acquire an additional share at $0.25 per common share.

b) Accounting fees of $8,350 (2019 - $8,500) to a company controlled by the CFO and director of the Company. There was $4,725 included in accounts payable and accrued liabilities for these fees at November 30, 2020 (2019 - $31,605)

c) Consulting fees of $111,000 (2019 – nil) to a company controlled by the CEO and director of the Company. There was $17,850 (2019 – nil) included in accounts payable and accrued liabilities for these fees.

d) Consulting fees of $50,000 (2019 – nil) to a company controlled by the VP Exploration of the Company. There was $8,000 (2019 – nil) included in accounts payable and accrued liabilities for these fees.

e) The Company recognized $405,132 (2019 – nil) of share-based compensation for 1,300,000 (2019 – nil) stock options issued to the directors of the Company.

f) As at November 30, 2020, nil (2019 - $1,200) was owed to a director of the Company and was included in accounts payable and accrued liabilities.

The Company has entered into a consulting agreement with a senior officer and director, whereby if the Company terminates the contract or experiences a change of control, the officer and director is due 12 months' salary.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

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

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. Receivables consists of GST receivable from the Government of Canada. The Company has been successful in recovering input tax credits and believes credit risk with respect to receivables to be insignificant.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2020, the Company had a cash balance of $6,125,876 (2019 - $10,822) to settle current liabilities of $147,536 (2019 - $220,549). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. To maintain liquidity, the Company is currently investigating financing opportunities, including optioning interests in the Company's properties.

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. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at November 30, 2020, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company's business is conducted in Canadian dollars. As such, the Company considers exposure to foreign currency risk is limited to the USD cash the Company holds. At November 30, 2020, the Company held US$24,981 (2019 – nil). Any fluctuations in the CAD to USD foreign currency rates would be minimal.

c) Price risk

The mining industry is heavily dependent upon the market price of the metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for their sale. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond control of the Company may affect the marketability of any minerals discovered. The price of gold has experienced volatile and significant price movements over short periods of time and is affected by numerous factors beyond the Company's control. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

10. CAPITAL MANAGEMENT

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the acquisition and exploration of its exploration and evaluation assets. Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

11. SUBSEQUENT EVENT

Subsequent to November 30, 2020, 424,825 warrants were exercised for gross proceeds of $114,288.