

**LaSalle Exploration Corp.**  
**Condensed Statements of Financial Position**  
(Expressed in Canadian dollars) (Unaudited)

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**LaSalle Exploration Corp.**  
**Condensed Interim Financial Statements (Unaudited)**  
**For the three and nine months ended September 30, 2021 and 2020**  
(Expressed in Canadian dollars)

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

**LaSalle Exploration Corp.**  
**Condensed Statements of Financial Position**  
(Expressed in Canadian dollars) (Unaudited)

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**NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM  
FINANCIAL STATEMENTS**

The accompanying unaudited condensed interim consolidated financial statements of LaSalle Exploration Corp. (“the Company”) for the three and nine months ended September 30, 2021 and 2020 have been prepared by the management of the Company and approved by the Company’s Audit Committee and the Company’s Board of Directors.

Under National Instruments 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company’s management.

The Company’s independent auditor has not performed a review of these financial statements.

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

**LaSalle Exploration Corp.**  
**Condensed Statements of Financial Position**  
(Expressed in Canadian dollars) (Unaudited)

<b>As at</b>	<b>Notes</b>	<b>September 30, 2021 \$</b>	<b>December 31, 2020 \$</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash	4	3,166,370	2,346,416
Amounts receivable	5	300,063	105,530
Prepaid expenses		10,002	13,542
		<b>3,476,435</b>	<b>2,465,488</b>
<b>Exploration and evaluation properties</b>	6	<b>5,236,153</b>	<b>2,777,047</b>
<b>TOTAL ASSETS</b>		<b>8,712,588</b>	<b>5,242,535</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payable	7	663,053	405,880
Flow-through share premium liability	8	106,724	167,761
		<b>769,777</b>	<b>573,641</b>
<b>Long term Liability</b>		<b>25,184</b>	<b>22,684</b>
		<b>794,961</b>	<b>596,325</b>
<b>Total liabilities</b>		<b>794,961</b>	<b>596,325</b>
<b>Equity</b>			
Common shares	9	8,866,277	5,934,338
Obligation to issue shares	9	-	-
Reserve	9	1,465,984	977,179
Deficit		(2,414,634)	(2,265,307)
<b>Total equity</b>		<b>7,917,627</b>	<b>4,646,210</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,712,588</b>	<b>5,242,535</b>

Going concern (Note 1)

**APPROVED BY THE BOARD:**

“Alan Moon”

Director

“Daniel G. Innes”

Director

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

**LaSalle Exploration Corp.**  
**Condensed Statements of Loss and Comprehensive Loss**  
**For the three and nine months ended September 30, 2021 and 2020**  
(Expressed in Canadian dollars) (Unaudited)

	Not es	Three months ended September 30, 2021 \$	Three months ended September 30, 2020 \$	Nine months ended September 30, 2021 \$	Nine months ended September 30, 2020 \$
<b>General exploration expenses</b>	12	-	743	371	25,657
<b>Administration expenses</b>					
Bank charges and interest		3,089	445	4,802	1,408
Consulting		69,283	26,927	186,601	102,451
Insurance		6,311	5,067	18,175	13,962
Regulatory fees		2,708	10,915	34,473	28,382
Office and miscellaneous		27,767	9,988	73,656	27,271
IPO expense		-	-	-	-
Professional fees	12	7,041	12,110	19,764	28,170
Salaries and wages		-	68,377	(654)	68,377
Share-based payment	9, 1	78,605	3,969	143,554	18,858
Telephone and utilities		-	19	-	204
Travel		4,506	165	4,506	8,668
<b>Loss before other income (expense)</b>		(199,310)	(138,725)	(485,248)	(323,408)
Impairment of exploration and evaluation properties	6	-	-	-	-
Recovery of premium on flow-through shares		164,337	104,375	334,888	177,396
Interest income		2,790	5,987	3,533	18,101
Accretion expense		(871)	-	(2,500)	-
<b>Net (loss) gain and comprehensive (loss) gain</b>		(33,054)	(28,363)	(149,327)	(127,911)
<b>Basic and diluted loss per share</b>		(0.00)	(0.00)	(0.00)	(0.00)
<b>Weighted average number of common shares outstanding</b>		97,725,932	57,642,779	84,996,477	57,642,779

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

**LaSalle Exploration Corp.**  
**Condensed Statements of Changes in Equity**  
(Expressed in Canadian dollars) (Unaudited)

	Number of shares	Common shares \$	Obligation to issue shares \$	Reserve \$	Deficit \$	Total \$
Balance December 31, 2019	54,440,294	4,061,355	88,452	924,828	(2,219,162)	2,855,473
Units issued, net of issuance costs	19,179,422	1,753,110	-	35,454	-	1,788,564
Obligation to issue shares	1,769,034	88,452	(88,452)	-	-	-
Shares issued for property acquisition	200,000	26,250	-	-	-	26,250
Shares issued on exercise of warrants	43,090	5,171	-	(812)	-	4,359
Share-based payment	-	-	-	17,709	-	17,709
Net loss for the year	-	-	-	-	(46,145)	(46,145)
<b>Balances December 31, 2020</b>	<b>75,631,840</b>	<b>5,934,338</b>	<b>-</b>	<b>977,179</b>	<b>(2,265,307)</b>	<b>4,646,210</b>
Shares issued net of issuance costs	21,348,805	3,169,616	-	-	-	3,169,616
Shares issued for property acquisition	300,000	47,500	-	-	-	47,500
Shares issued on exercise of warrants	465,735	78,323	-	(18,249)	-	60,074
Warrant Valuation	-	(363,500)	-	363,500	-	-
Share-based payment	-	-	-	143,554	-	143,554
Net loss for the period	-	-	-	-	(149,327)	(149,327)
<b>Balances September 30, 2021</b>	<b>97,746,380</b>	<b>8,866,277</b>	<b>-</b>	<b>1,465,984</b>	<b>2,414,634</b>	<b>7,917,627</b>

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

**LaSalle Exploration Corp.**  
**Condensed Statements of Cash Flows**  
**For the nine months ended September 30, 2021 and September 30, 2020**  
(Expressed in Canadian dollars) (Unaudited)

	<b>Nine months ended September 30, 2021</b>	Nine months ended September 30, 2020
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss	(149,327)	(127,911)
Adjustments for:		
Recovery of flow-through share premium	(334,888)	(177,396)
Accretion expense	2,500	-
Share-based payment	143,554	18,858
Operating cash flows before movements in working capital	(338,161)	(286,449)
Amounts receivable	(194,533)	(53,876)
Prepaid expenses	3,540	(19,541)
Trade and other payables	42,474	43,403
<b>Cash provided by (used in) operating activities</b>	<b>(486,680)</b>	<b>(316,463)</b>
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation properties expenditures, net of recoveries	(2,196,907)	(641,325)
<b>Cash used in investing activities</b>	<b>(2,196,907)</b>	<b>(641,325)</b>
<b>FINANCING ACTIVITIES</b>		
Long-term debt	-	40,000
Proceeds from issuance of units, net of issuance costs	3,503,541	380,856
<b>Cash from financing activities</b>	<b>3,503,541</b>	<b>420,856</b>
<b>Increase (decrease) in cash</b>	<b>819,954</b>	<b>(536,932)</b>
Cash, beginning of year	2,346,416	1,761,579
<b>Cash, end of period</b>	<b>3,166,370</b>	<b>1,224,647</b>

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

# LaSalle Exploration Corp.

## Notes to the Financial Statements

For the nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars) (Unaudited)

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### 1. NATURE OF OPERATIONS AND GOING CONCERN

LaSalle Exploration Corp. (the “Company”) is a mining exploration company engaged in the identification, acquisition, evaluation and exploration of gold, precious metals and base metal properties in Quebec and Ontario. The head office, principal address and registered and records office of the Company is located at Suite 2080 – 777 Hornby Street, Vancouver, British Columbia, Canada, V6Z 1S4.

The Company successfully completed its initial public offering (“IPO”) on December 20, 2019 and trades under the symbol LSX.V on the TSX Venture Exchange (the “TSX-V”).

The Company is dependent on raising funds through the issuance of shares and/or attracting joint venture partners in order to undertake further exploration to potentially identify mineral resources and resources requiring development of its mineral properties. Management believes that financing is available for early-stage exploration and may be sourced in time to allow the Company to continue its current planned activities in the normal course.

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. The Company had a loss of \$ 33,054 for the period ended September 30, 2021 (YTD September 30, 2020 – loss of \$149,327).

The Company had cash of \$3,166,370 as at September 30, 2021, but management cannot provide any assurance that the Company will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. The Company is dependent on raising capital through share issuances.

The global impact of the COVID-19 has resulted in a great deal of volatility and uncertainty in the financial markets, global economy, and related supply chains. The financial markets have recovered from their lows although the negative impact from COVID-19 on the Company’s financial results remains high and cannot be estimated at this time.

### 2. BASIS OF PREPARATION

#### Statement of Compliance

These condensed interim financial statements (the “Interim Financial Statements”) have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) and follow the same accounting policies and methods of application as the annual financial statements of the Company for the year ended December 31, 2020. The Interim Financial Statements do not contain all disclosures required by the International Financial Reporting Standards (“IFRS”) and accordingly should be read in conjunction with the 2020 annual financial statements and the notes thereto. The financial statements were approved by the Board of Directors of the Company on November 24, 2021.

# LaSalle Exploration Corp.

## Notes to the Financial Statements

For the nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars) (Unaudited)

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These financial statements have been prepared on an accrual basis and are based on historical cost, except for certain financial instruments measured at fair value, as set out in the accounting policies in note 3 of the 2020 Annual Financial Statements. The financial statements are presented in Canadian dollars.

### 3. ADOPTION OF NEW ACCOUNTING STANDARDS

#### Standards and amendments issued but not yet effective or adopted

The IASB issued an amendment to IAS 1, Presentation of Financial Statements to clarify one of the requirements under the standard for classifying a liability as non-current in nature, specifically the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendment includes: (i) specifying that an entity's right to defer settlement must exist at the end of a reporting period; (ii) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (iii) clarifying how lending conditions affect classification; and (iv) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. The amendment is not expected to materially affect the classification of liabilities on the Company's financial statements; however, an assessment will be performed prior to the effective date of January 1, 2022.

### 4. CASH

	September 30, 2021	December 31, 2020
As at	\$	\$
Cash	3,166,370	2,346,416
<b>Total cash</b>	<b>3,166,370</b>	<b>2,346,416</b>

### 5. AMOUNTS RECEIVABLE

	September 30, 2021	December 31, 2020
As at	\$	\$
Accrued interest	-	45
Other	9,798	18,606
Sales tax receivable	290,265	86,879
<b>Total amounts receivable</b>	<b>300,063</b>	<b>105,530</b>



# LaSalle Exploration Corp.

## Notes to the Financial Statements

For the nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars) (Unaudited)

### 6. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the period ended September 30, 2021 are as follows:

	Radisson \$	Blakelock \$	Egan \$	Selbaie \$	Total \$
<b>ACQUISITION COSTS</b>					
Balance, December 31, 2020	288,696	283,436	55,350	7,079	634,561
Additions	3,828	450	183,623	-	187,901
Impairment of mineral property					
<b>Balance, September 30, 2021</b>	<b>292,524</b>	<b>283,886</b>	<b>238,973</b>	<b>7,079</b>	<b>822,462</b>

### EXPLORATION AND EVALUATION COSTS

Balance, December 31, 2020	1,232,410	656,901	64,446	188,729	2,142,486
Geological and field expenses (Note 12)	1,808,970	121,215	324,570	16,450	2,271,205
Recoveries	-	-	-	-	-
<b>Balance, September 30, 2021</b>	<b>3,041,380</b>	<b>778,116</b>	<b>389,016</b>	<b>205,179</b>	<b>4,413,691</b>
<b>Total costs</b>	<b>3,333,904</b>	<b>1,062,002</b>	<b>627,989</b>	<b>212,258</b>	<b>5,236,153</b>

# LaSalle Exploration Corp.

## Notes to the Financial Statements

For the nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars) (Unaudited)

### 6. EXPLORATION AND EVALUATION PROPERTIES (Continued)

The Company's exploration and evaluation properties expenditures for the period ended December 31, 2020 are as follows:

	Radisson \$	Blakelock \$	Egan \$	Selbaie \$	Total \$
<b>ACQUISITION COSTS</b>					
Balance, December 31, 2019	280,380	278,236	-	7,079	565,695
Additions	8,316	5,200	55,350	-	68,866
<b>Balance, December 31, 2020</b>	<b>288,696</b>	<b>283,436</b>	<b>55,350</b>	<b>7,079</b>	<b>634,561</b>
<b>EXPLORATION AND EVALUATION COSTS</b>					
Balance, December 31, 2019	715,794	100,451	-	188,729	1,004,974
Geological and field expenses	524,743	556,450	64,446	-	1,145,639
Recoveries	(8,127)	-	-	-	(8,127)
<b>Balance, December 31, 2020</b>	<b>1,232,410</b>	<b>656,901</b>	<b>64,446</b>	<b>188,729</b>	<b>2,142,486</b>
<b>Balance, December 31, 2020</b>	<b>1,521,106</b>	<b>940,337</b>	<b>119,796</b>	<b>195,808</b>	<b>2,777,047</b>

# LaSalle Exploration Corp.

## Notes to the Financial Statements

For the nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars) (Unaudited)

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### 6. EXPLORATION AND EVALUATION PROPERTIES (Continued)

#### a) Quebec – Radisson Property, Eeyou Istchee - James Bay

The Company holds one claim block in the Eeyou Istchee - James Bay territory consisting of 86 claims called the Radisson Property, which were acquired pursuant to an option agreement.

On March 5, 2018, the Company satisfied all outstanding commitments in the option agreement and now holds 100% of the Radisson Property. The Radisson Property consists of 86 map designated claims covering a surface area of 4,450.88 hectares and is 100% owned by LaSalle Exploration Corp. subject to NSR Royalty agreements which include i) a 2% Net Smelter Return Royalty (“NSR”) payable to Mr. Gilbert Lamothe and which at any time, the Company has retained the right to purchase one-half of the NSR (1%) for \$1,000,000, and, ii) an additional NSR equal to 2% on all minerals mined, produced or otherwise recovered from the Property to the beneficiaries of Sunridge Capital Corp. in satisfaction of an assignment agreement whereby the original option agreement on the property was acquired by LaSalle from Sunridge. In Q2 2019, the Company obtained the right to purchase one-half of the Sunridge NSR (1%) for \$1,000,000.

#### b) Ontario – Blakelock Property, Abitibi

The Blakelock property is located in the Larder Lake mining district, in northeastern Ontario.

On October 25, 2018, the Company entered into an agreement with Lake Shore Gold Corp. and its parent, Pan American Silver Corp. (formerly, Tahoe Resources Inc.) (the “Vendor”), to acquire a 100% interest of the Blakelock property with the following consideration:

- issuance of shares of the Company on the closing equivalent to a 9.9% pro-rata interest of the total outstanding and issued common shares of the Company.
- issuance of additional shares of the Company to the Vendor if any additional share issuances occur, such that the pro-rata interest of 9.9% is maintained up to and upon the listing of the Company’s shares on a recognized stock exchange (the “Exchange”); and
- exploration expenditures of \$400,000 incurred on the Blakelock property on or before December 20, 2021.

The Blacklock property is subject to a 2% NSR on all minerals mined, produced or recovered from the Blakelock property. The Company has a buyout option to purchase one half (1%) of the NSR for \$1,000,000 at any time.

During the year of December 31, 2018, the Company issued 3,795,689 shares with a fair value of \$189,784.

On completion of the IPO, the Company became liable for the issuance of 1,769,034 shares at a fair value of \$88,452 to maintain the pro-rata interest of 9.9%. These shares were recorded as an obligation to issue shares as of December 31, 2019.

# LaSalle Exploration Corp.

## Notes to the Financial Statements

For the nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars) (Unaudited)

On February 12, 2020, the Company issued 1,769,034 common shares to Pan American Silver with a fair value of \$88,452 to fulfill the obligation to issue shares pursuant to the Blakelock agreement.

### c) Selbaie Property

The Selbaie property is comprised of 6 claims 80 km west of Matagami, Québec near the old Selbaie Mine (BHP-Billiton).

The Company now holds a 100% interest in the Selbaie property.

### d) Egan Gold Property

In August 2021, the Company issued 200,000 shares for a fair value of \$30,000 to fulfill an obligation to issue shares pursuant to the Egan Property Option Agreement.

In June 2021 the Company issued 100,000 shares for a fair value of \$17,500 pursuant to the purchase agreement with Prosper Gold to acquire adjacent land to the Egan property.

On August 6, 2020, the Company entered into a definitive option agreement with four individuals (the “Vendors”) to acquire a 100% interest in the Egan Gold Property.

The Company can earn a 100% interest in the Egan Gold Property by making \$350,000 in cash payments including \$20,000 on signing (paid), \$20,000 in six months of signing (paid) and \$60,000 (paid), \$80,000, and \$170,000 on each anniversary. The Company must incur \$400,000 in exploration expenditures including \$150,000 in the first year and an additional \$250,000 by the third anniversary of signing. The Vendors also received 200,000 shares of the Company on signing. The Vendors will receive 200,000 shares of the Company on the first and second anniversary and 300,000 shares on the third anniversary of signing. The Vendors retain a 2% NSR of which LaSalle retains the option to buy back one-half (1%) of the NSR at any time for \$1,500,000 and a right of first refusal over the remaining NSR. In relation to the acquisition, the Company paid \$7,350 as legal fees.

## 7. TRADE AND OTHER PAYABLES

As at	September 30, 2021 \$	December 31, 2020 \$
Trade payables	622,890	229,330
Accrued liabilities	40,163	176,550
<b>Total Trade and Other Payables</b>	<b>663,053</b>	405,880

# LaSalle Exploration Corp.

## Notes to the Financial Statements

For the nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars) (Unaudited)

### 8. FLOW-THROUGH SHARE PREMIUM LIABILITY

As at	September 30, 2021 \$	December 31, 2020 \$
Balance, beginning of period	167,761	341,400
Liability incurred on flow-through shares issued	273,851	153,482
Settlement of flow-through share liability	(334,888)	(327,121)
<b>Total Flow-Through Share Premium Liability</b>	<b>106,724</b>	167,761

On March 31, 2021, the Company issued 2,787,500 flow-through shares to Quebec residents at \$0.20 per share for proceeds of \$557,500. The flow-through shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The Company recorded a flow-through premium liability of \$111,500.

On March 31, 2021, the Company issued 8,117,555 flow-through shares at \$0.18 per share for gross proceeds of \$1,461,160. The flow-through shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The Company recorded a flow-through premium liability of \$162,351.

In November 2020, The Company issued 5,033,646 flow-through units for gross proceeds of \$553,701, and a further 1,923,077 Quebec flow-through units were sold to Quebec residents for gross proceeds of \$250,000. The flow-through units were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The Company recorded a flow-through premium liability of \$108,028.

In April 2020, the Company issued 2,272,700 flow-through units for gross proceeds of \$249,997. The flow-through units were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The Company recorded a flow-through premium liability of \$45,454.

In December 2019, the Company issued 8,500,000 flow-through units for gross proceeds of \$1,191,400. The flow-through units were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The Company recorded a flow-through premium liability of \$341,400.

The premium liability is derecognized through income as the qualifying expenditures are incurred. During the year ended December 31, 2020, the Company satisfied \$327,121 of the commitment by incurring qualifying expenditures of \$1,141,570.

The Company is committed to incur \$ 960,511 of qualifying expenditures by December 31, 2022.

# LaSalle Exploration Corp.

## Notes to the Financial Statements

For the nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars) (Unaudited)

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### 9. SHARE CAPITAL

Pursuant to an escrow agreement dated October 15, 2019, 9,780,701 common shares are to be held in escrow. Under the escrow agreement, 10% of the escrowed common shares were issued on completion of the IPO. 15% will be released every six months thereafter over a period of 36 months. As of September 30, 2021, 4,401,316 shares are held in escrow.

On September 30, 2018, the Company completed the consolidation of its shares on the basis of every 1.9 pre-consolidation common shares into 1 common share.

#### Authorized share capital

The Company has authorized an unlimited number of common shares with no par value.

#### Share issuances

- In August 2021, the Company closed a private placement of 10,443,750 Units (each Unit consists of one common share and one-half warrant with each whole warrant being exercisable onto one common share for 24 months from issuance at \$0.24 per share) for \$0.16 per unit for total proceeds of \$1,671,000. Also in August, the Company issued 200,000 shares for a fair value of \$30,000 to fulfill an obligation to issue shares pursuant to the Egan Property Option Agreement.
- On June 17, 2021, the Company issued 100,000 shares for a fair value of \$ 17,500 pursuant to the purchase agreement with Prosper Gold to acquire adjacent land to the Egan Property. The cost of this acquisition is recorded as part of the Egan property.
- For the six months ended June 30, 2021, the Company issued 465,735 shares for warrants that were exercised for gross proceeds of \$60,074.
- On March 31, 2021, the Company issued 2,787,500 flow-through shares to residents of Quebec at a \$0.20 per share for proceeds of \$557,500. In the same financing the Company issued 8,117,555 flow-through shares at \$0.18 per share for proceeds of \$1,461,160. A cash commission of \$120,070 was paid and 165,000 broker warrants were issued related to the Quebec flow-through shares issued. The Company incurred other share issuance costs in the amount of \$20,000. Each broker warrant entitles the holder to purchase one common share \$0.20 per share for 12 months. The Company issued 483,719 broker warrants related to the Federal flow through shares issued. Each broker warrant entitles the holder to purchase one common share at \$0.18 per share for a period of 12 months.
- On November 30, 2020, the Company issued 8,450,000 units at \$0.10 per unit for gross proceeds of \$845,000. Each unit consists of one common share and one-half warrant. Each whole warrant entitles the holder to purchase one common shares at \$0.15 per share for a period for 18 months from the date of issuance. The value attributed to the warrants was \$nil determined used the residual method.
- On November 30, 2020, the Company issued 5,033,646 flow-through units at \$ 0.11 per unit for gross proceeds of \$553,701 and 1,923,076 Quebec flow-through units (“QFT”) were sold at \$0.13 per QFT to Quebec residents for gross proceeds of \$250,000. Each unit consists of one

# LaSalle Exploration Corp.

## Notes to the Financial Statements

For the nine months ended September 30, 2021 and 2020

(Expressed in Canadian dollars) (Unaudited)

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common share and one-half warrant. Each warrant entitles the holder to purchase one common share at \$0.15 per share for 18 months. The value attributed to the warrants was \$nil determined using the residual method.

A cash commission of \$69,254 was paid and 617,585 broker warrants were issued. Each broker warrant entitles the holder to purchase one common share at \$0.15 per share for 18 months. The fair value of the 617,585 broker warrants was estimated at \$27,635, using the Black-Scholes option pricing model with the following weighted average assumptions: expected dividend yield – 0%, share price of \$0.12, expected volatility – 100%, risk-free interest rate – 0.24%, exercise price of \$0.15 and an average life of 1.5 years. The Company incurred other share issuance costs in the amount of \$11,250.

The flow-through units were issued at a premium in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$108,028 (Note 8).

- On August 27, 2020, the Company issued 200,000 shares for a fair value of \$28,000 pursuant to the Egan Property Option Agreement. The Company incurred legal costs in the amount of \$1,750 for the issuance.
- On July 2020, the Company issued 43,090 shares for warrants that were exercised for proceeds of \$4,359.
- On July 24, 2020, the Company issued 1,500,000 units at \$0.10 per unit for proceeds of \$150,000. Each unit comprised of one common share and one warrant to acquire one additional common share for two years at \$ 0.15 per share. The Company paid \$6,000 in cash commission.
- On April 23, 2020, the Company issued 2,272,700 flow-through shares for proceeds of \$249,997 at \$0.11 per share.

A cash commission of \$17,500 was paid and 159,089 broker warrants were issued. Each broker warrant entitles the holder to purchase one common share at \$0.15 per share, for a period of 24 months from closing. The fair value of the 159,089 broker warrants was estimated at \$7,812, using the Black-Scholes option pricing model with the following weighted average assumptions: expected dividend yield – 0%, share price of \$0.11, expected volatility – 100%, risk-free interest rate – 0.30%, exercise price of \$0.15 and an average life of 2 years. The Company incurred other share issue costs in the amount of \$2,650.

The flow-through units were issued at a premium in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$45,454 (Note 8).

- On February 12, 2020, the Company issued 1,769,034 common shares with a fair value of \$88,452 to fulfill an obligation to issue shares pursuant to the Blakelock agreement (Note 6).

### Stock options

The Company has established a stock option plan under which common share purchase options may be granted to directors, officers, employees, and consultants. The maximum number of shares available for options issuable under the stock option plan is 10% of the Company's common shares

# LaSalle Exploration Corp.

## Notes to the Financial Statements

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outstanding. Options granted have an exercise price of the Company's prior day closing price quoted on the TSX-V for the common shares of the Company.

On September 10, 2021, the Company granted 1,000,000 stock options to directors, employees, and consultants exercisable at a price of \$0.15 per share for five years. The fair value of \$0.09 per stock option was assigned using the Black-Scholes option pricing model with the following assumptions: an expected life of five years; risk-free interest rate of 0.83%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 100.0%. Of 1,000,000 stock options, 600,000 stock options vest equally over three years on each anniversary date following the grant date.

On June 9, 2021, the Company granted 500,000 stock options to a consultant acting as VP Corporate Development, exercisable at a price of 0.17 per share for five years. The fair value of \$0.11 per stock option was assigned using the Black-Scholes option pricing model with the following assumptions: an expected life of five years; risk-free interest rate of 0.16%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 100.0%. Of the 500,000 options issued, 1/3 vest 6 months from the date of the grant, 1/6 vest on one year plus one day from grant, 1/6 vest on 18 months after grant, 1/6 vest on 24 months plus one day from grant and 1/6 vest on the third anniversary from grant.

On January 13, 2021, the Company granted 400,000 stock options to a consultant acting as VP Exploration, exercisable at a price of \$0.15 per share for five years. The fair value of \$0.11 per stock option was assigned using the Black-Scholes option pricing model with the following assumptions: an expected life of five years; risk-free interest rate of 0.16%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 100.0%. Of the 400,000 Options issued on January 13, 2021, 1/3 vest on grant, 1/6 vest on one year plus one day from grant, 1/6 vest on 18 months after grant, 1/6 vest on 24 months plus one day from grant and 1/6 vest on the third anniversary from grant.

On January 13, 2021, the Company granted 250,000 stock options to a director exercisable at a price of \$0.15 per share for five years. The fair value of \$0.11 per stock option was assigned using the Black-Scholes option pricing model with the following assumptions: an expected life of five years; risk-free interest rate of 0.16%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 100.0%. All the options vest immediately.

In April 2020, the Company granted 200,000 stock options to a consultant exercisable at a price of \$0.10 per share for five years. The fair value of \$0.038 per stock option was assigned using the Black-Scholes option pricing model with the following assumptions: an expected life of five years; risk-free interest rate of 0.34%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 100.0%. Of the 200,000 Options issued in April 2020, 50% vest in six months from issuance and the remaining 50% vest in one year from issuance.

In December 2019, the Company granted 3,650,000 stock options to directors, employees, and consultants exercisable at a price of \$0.10 per share for five years. The fair value of \$0.032 per stock option was assigned using the Black-Scholes option pricing model with the following assumptions: an expected life of five years; risk-free interest rate of 1.46%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 100.0%. Of 3,650,000 stock options, 2,200,000 stock options vest equally over three years on each anniversary date following the grant date.



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	Number of options outstanding	Weighted-average remaining contractual life (years)	Weighted average exercise price \$
Balance, December 31, 2019	3,650,000	3.8	0.10
Expired	(400,000)	-	0.10
Issued	200,000	4.00	0.10
Balance, December 31, 2020	3,450,000	3.8	0.10
Expired	-	-	-
Issued	2,150,000	4.68	0.15
<b>Balance, September 30, 2021</b>	<b>5,600,000</b>	<b>3.81</b>	<b>0.12</b>

A summary of the stock options outstanding and exercisable at September 30, 2021 is as follows:

Exercise Price	Number Outstanding	Number Exercisable	Expiry Date
\$0.10	3,250,000	2,516,667	December 20, 2024
\$0.10	200,000	200,000	April 16, 2025
\$0.15	650,000	383,333	January 13, 2026
\$0.17	500,000	-	June 9, 2026
\$0.15	1,000,000	600,000	September 10, 2026

During the three and nine months ended September 30, 2021, the Company recorded share-based payments of \$ 78,605 and 143,554 (September 30, 2020 - \$3,969 and \$18,858) relating to stock options vested.

A summary of the warrants outstanding as at September 30, 2021 is as follows:

### Warrants

Warrants Outstanding	Exercise Price	Expiry Date
889,175	\$0.10	December 20, 2021
15,829,000	\$0.15	December 20, 2021
159,089	\$0.15	April 28, 2022
1,500,000	\$0.15	July 28, 2022
8,320,946	\$0.15	May 25, 2022
483,719	\$0.18	March 29, 2022
165,000	\$0.20	March 29, 2022
4,470,001	\$0.24	July 28, 2023
1,171,875	\$0.24	August 18, 2023
<b>32,988,805</b>		

As at September 30, 2021, the weighted average remaining contractual life of the warrants was 8 months.

# LaSalle Exploration Corp.

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### 10. CAPITAL MANAGEMENT

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors.

There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

As September 30, 2021, the Company's capital structure consists of the equity of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

As at September 30, 2021, the Company's available capital resources, consisting of cash of \$3,166,370 (December 31, 2020 - \$2,346,416). As at September 30, 2021, the Company's total current liabilities were \$769,777 (December 31, 2020 - \$573,641).

### 11. FINANCIAL INSTRUMENT RISK MANAGEMENT

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

# LaSalle Exploration Corp.

## Notes to the Financial Statements

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### Categories of financial instruments

		As at September 30, 2021	As at December 31, 2020
	Level	\$	\$
<b>FINANCIAL ASSETS</b>			
<b>FVTPL</b>			
Cash	1	3,166,370	2,346,416
<b>Amortized cost</b>			
Amount Receivable		-	-
<b>Total financial assets</b>			
		3,166,370	2,346,416
<b>FINANCIAL LIABILITIES</b>			
<b>Amortized cost</b>			
Trade and other payables		663,053	405,880
Long term liability		25,184	22,684
<b>Total financial liabilities</b>			
		688,237	428,564

As of September 30, 2021, and December 31, 2020, cash is measured at the fair value using the Level 1 input. The carrying value of amount receivable and trade payables approximates their fair value due to their short-term to maturity.

The financial risk arising from the Company's operations are credit risk, liquidity risk, and interest rate risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### Credit risk

The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote.

#### Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it has sufficient working capital to meet liabilities when due. As at September 30, 2021, the Company has cash of \$ 3,166,370 (December 31, 2020 – \$2,346,416) to settle trade and other payables of \$663,053 (December 31, 2020 – \$405,880). All the Company's current financial liabilities have contractual maturities of 30 days and are subject to normal trade terms.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuates because of changes in market interest rates.

# LaSalle Exploration Corp.

## Notes to the Financial Statements

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### 12. 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.

#### Key management personnel compensation

The remuneration to key management personnel are as follows:

	Three months ended September 30, 2021 \$	Three months ended September 30, 2020 \$	Nine months ended September 30, 2021 \$	Nine months ended September 30, 2020 \$
Short-term benefits	96,400	130,378	251,700	286,430
Share-based payment	23,944	1,861	58,731	10,042
<b>Total key management personnel compensation</b>	<b>120,344</b>	<b>132,239</b>	<b>310,431</b>	<b>296,472</b>

#### Related Party Expenses

The Company's related party expenses are as follows:

	Three months ended September 30, 2021 \$	Three months ended September 30, 2020 \$	Nine months ended September 30, 2021 \$	Nine months ended September 30, 2020 \$
Professional fees	103,900	36,155	275,785	108,555
General exploration expenses	-	(434)	305	18,461
Share-based payment (Note 9)	51,271	1,906	113,757	10,511
<b>Total related party expenses</b>	<b>155,171</b>	<b>37,627</b>	<b>389,847</b>	<b>137,527</b>

For the three and nine months ended September 30, 2021, exploration expenses of \$43,157 and \$119,329 (three and nine months ended September 30, 2020 - \$28,717 and \$95,637) paid to related parties were capitalized to exploration and evaluation properties (Note 6).

The Company entered into contracts with GeoVector Management Inc, a mineral exploration consulting firm. The total expenditures incurred was \$234,819 during the three months ended September 30, 2021 and \$451,617 for the nine months ended September 30, 2021. Mr. Alan Sexton was appointed as the Vice-president Exploration of the Company on January 13, 2021 and is a partner in GeoVector Management Inc.

# **LaSalle Exploration Corp.**

## **Notes to the Financial Statements**

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(Expressed in Canadian dollars) (Unaudited)

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### **13. COVID-19 IMPACT**

The recent outbreak of the coronavirus, also known as “COVID-19,” has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company’s business activities. The extent to which the coronavirus may impact the Company’s business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. The effect that these events will have such as the ability for the Company to raise capital, the Company cannot determine their financial impact at this time.