



PJX RESOURCES INC.
Financial Statements
Three and nine months ended September 30, 2021 and 2020
(UNAUDITED)

The accompanying unaudited condensed interim financial statements of PJX Resources Inc. (the "Company") are the responsibility of the Board of Directors.

These unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the end of the reporting period. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

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

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

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

(signed)
John Keating
President and Chief Executive Officer

(signed)
Linda Brennan
Chief Financial Officer

Toronto, Canada
November 10, 2021

Notice of Disclosure of Non-auditor Review of Condensed Interim Financial Statements

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company for the interim periods ended September 30, 2021 and 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS") accounting principles and are the responsibility of the Company's management.

The Company's independent auditors, McGovern Hurley LLP, have not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of financial statements by an entity's auditor.

PJX Resources Inc.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

As at	Note	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
ASSETS			
Current assets			
Cash		\$ 1,439,779	\$ 1,061,346
Amounts receivable	6	24,843	17,847
Prepayments	7(a)	35,661	30,423
Total current assets		1,500,283	1,109,616
Non-current assets			
Deposits	7(b)	188,936	189,207
Property and equipment	8(a)	80,923	2,115
Right-of-use asset	8(a)	14,702	21,317
Total non-current assets		284,561	212,639
Total assets		1,784,844	1,322,255
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	15(c)	112,979	166,033
Flow-through premium liability	10(b)(i)	-	48,805
Current lease liabilities	8(b)	8,955	8,606
Total current liabilities		121,934	223,444
Non-current liabilities			
Reclamation obligation	7(c)	24,500	24,500
Non-current lease liabilities	8(b)	7,035	13,796
Total non-current liabilities		31,535	38,296
Total liabilities		153,469	261,740
SHAREHOLDERS' EQUITY			
Share capital	10(b)	12,922,577	11,947,758
Warrants	11	1,427,806	1,786,069
Contributed surplus		5,739,722	5,053,323
Accumulated deficit		(18,458,730)	(17,726,635)
Total shareholders' equity		1,631,375	1,060,515
Total shareholders' equity and liabilities		\$ 1,784,844	\$ 1,322,255

Going concern (Note 1)

Commitments and contingencies (Note 9 and 14)

Approved by the Board of Directors:

(Signed) John Keating

John Keating, Director

(Signed) Linda Brennan

Linda Brennan, Director

See accompanying notes to the unaudited condensed interim financial statements.

PJX Resources Inc.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)
(Unaudited)

Periods ended September 30,	Note	Three months		Nine Months	
		2021	2020	2021	2020
Expenses					
Exploration	12(a)	\$ 373,532	\$ 165,551	\$ 1,037,200	\$ 680,139
General and administration	12(b)	133,628	88,976	386,981	297,305
Share based compensation	10(b)(ii)	342,053	271,625	353,788	278,136
Depreciation	8(a)	2,423	2,424	7,271	7,272
Total operating expenses		851,636	528,576	1,785,240	1,262,852
Gain on sale of royalty	13	-	-	(1,000,000)	-
Loss before income taxes		851,636	528,576	785,240	1,262,852
Other tax recoveries		(4,322)	(580)	(4,340)	(580)
Flow-through premium recoveries	10(b)(i)	-	(29,079)	(48,805)	(140,637)
Net loss and comprehensive loss for the period		\$ 847,314	\$ 498,917	\$ 732,095	\$ 1,121,635
Basic and diluted loss per share		\$0.01	\$0.00	\$0.01	\$0.01
Weighted average number of shares outstanding (basic and diluted)		123,824,694	108,224,294	122,519,749	108,162,688

See accompanying notes to the unaudited condensed interim financial statements.

PJX Resources Inc.

CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian dollars)

(Unaudited)

Periods ended September 30,	Note	Three months		Nine Months	
		2021	2020	2021	2020
Share capital					
Balance, beginning of the period		12,922,577	11,179,292	11,947,758	11,156,342
Shares issued under private placement	10(b)(i)	-	-	1,000,000	-
Reallocation of issue cost to warrants	11	-	-	25,652	-
Shares issued on property option payment		-	-	-	22,950
Balance, end of the period		12,922,577	11,179,292	12,922,577	11,179,292
Share capital to be issued					
Balance, beginning of the period		-	-	-	-
Shares to be issued	10(c)	-	805,250	-	805,250
Balance, end of the period		-	805,250	-	805,250
Warrants					
Balance, beginning of the period		1,760,417	2,021,689	1,786,069	2,060,933
Reallocation of issue cost to warrants	11	-	-	(25,652)	-
Compensation warrants expired	11	-	-	-	(39,244)
Warrants expired	11	(332,611)	-	(332,611)	-
Balance, end of the period		1,427,806	2,021,689	1,427,806	2,021,689
Contributed surplus					
Balance, beginning of the period		5,065,058	4,188,228	5,053,323	4,142,472
Warrants expired	11	332,611	-	332,611	39,244
Share based compensation	10(b)(ii)	342,053	271,625	353,788	278,137
Balance, end of the period		5,739,722	4,459,853	5,739,722	4,459,853
Accumulated deficit					
Balance, beginning of the period		(17,611,416)	(16,753,014)	(17,726,635)	(16,130,296)
Net income (loss) for the period		(847,314)	(498,917)	(732,095)	(1,121,635)
Balance, end of the period		(18,458,730)	(17,251,931)	(18,458,730)	(17,251,931)
Total shareholders' equity		\$ 1,631,375	\$ 1,214,153	\$ 1,631,375	\$ 1,214,153

See accompanying notes to the unaudited condensed interim financial statements.

PJX Resources Inc.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
(Unaudited)

Nine months ended September 30,	Note	2021	2020
Cash flows from operating activities			
Net income (loss) for the year		\$ (732,095)	\$ (1,121,635)
<i>Items not involving cash:</i>			
Depreciation	8(a)	7,271	7,272
Flow through premium recoveries	10(b)(i)	(48,805)	(140,637)
Share based compensation	10(b)(ii)	353,788	278,137
Shares issued on option payment	10(b)(iii)	-	22,950
<i>Changes in non-cash working capital:</i>			
Deposits		271	(21,402)
Amounts receivable and prepayments		(12,234)	14,893
Mining tax refunds receivable		-	40,000
Accounts payable and accrued liabilities		(53,054)	(25,273)
Net cash generated by (used) in operating activities		(484,858)	(945,695)
Cash flow from investing activities			
Acquisition of equipment		(79,464)	-
Net cash generated by investing activities		(79,464)	-
Cash flow from financing activities			
Payment of lease liability	8(b)	(6,412)	(6,080)
Proceeds on issuance of shares and warrants	13	1,000,000	-
Cash received on shares to be issued	10(c)	-	805,250
Cash portion of issue costs	10(b)(i)	(50,833)	-
Net cash generated by financing activities		942,755	799,170
Net change in cash		378,433	(146,525)
Cash, beginning of the period		1,061,346	1,259,561
Cash, end of the period		\$ 1,439,779	\$ 1,113,036

See accompanying notes to the unaudited condensed interim financial statements.

PJX Resources Inc.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
(Unaudited)

Three and nine months ended September 30, 2021 and 2020

1. NATURE OF OPERATIONS AND GOING CONCERN

PJX Resources Inc. (the "Company" or "PJX") is a Canadian corporation incorporated under the laws of Alberta on April 22, 2010, originally under the name of 1532063 Alberta Inc. On March 7, 2011, the Company obtained a Certificate of Continuance from the Registrar of Corporations for the Province of Alberta changing its jurisdiction to the Province of Ontario. On the same date the Company changed its name to PJX Resources Inc. The Company's corporate offices are located at 5600 One First Canadian Place, Toronto, Ontario, M5X 1C9.

The principal activities of the Company are the exploration of mineral projects located near Cranbrook, British Columbia. To date, the Company has not earned mining revenues. The Company is considered to be in the exploration stage.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, expropriation of properties, and political uncertainty.

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 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 ability to raise funds.

These unaudited condensed interim financial statements have been prepared using generally accepted accounting principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due in the foreseeable future. For the nine months ended September 30, 2021, the Company generated a net loss of \$732,095 or \$0.01 per share, (September 30, 2020: net loss of \$1,121,635 or \$0.01 per share), and reported an accumulated deficit of \$18,458,730 (December 31, 2020: \$17,726,635). As at September 30, 2021 the working capital of the Company was \$1,378,349 (December 31, 2020: \$886,172). Management believes that the working capital is sufficient to support operations for the next twelve months. However, additional funding will be required to allow the Company to continue operating and to fund future exploration and development programs. The Company will continue to explore financing alternatives to raise capital. Although PJX has been successful in these activities in the past, the Company has no assurance on the success or sufficiency of these initiatives or that such financing will be available on acceptable terms.

These unaudited condensed interim financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial positions classifications that might be necessary were the going concern assumption is inappropriate. These adjustments could be material.

These unaudited condensed interim financial statements were approved by the Board of Directors for issue on November 10, 2021.

PJX Resources Inc.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
(Unaudited)

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

The principal accounting policies applied in the preparation of these financial statement are set out below. These policies have been consistently applied in the periods presented, unless otherwise stated. These unaudited condensed interim financial statements are expressed in Canadian dollars, which is the Company's presentation and functional currency.

Statement of Compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretation issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of November 10, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2020. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2021 could result in restatement of these unaudited condensed interim financial statements.

Changes in accounting policies:

During the nine months ended September 30, 2021, the Company adopted a number of amendments and improvements of existing standards. These included IAS 1 – Presentation of Financial Statements, and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The adoption of these new amendments did not have any material impact on the Company's financial statements.

Future accounting changes

Certain pronouncements were issued by the International Accounting Standards Board ("IASB") or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods commencing on or after January 1, 2021. Many are not applicable or do not have a significant impact to the Company and have been excluded.

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

3. CAPITAL MANAGEMENT

The Company considers its capital to be shareholders' equity, which is comprised of share capital, warrants, contributed surplus and accumulated deficit, which as at September 30, 2021 totaled \$1,631,375 (December 31, 2020: \$1,060,515). When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and

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benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of its exploration properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent on further external financing to fund its working capital and exploration activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and attempt to raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the three and nine months ended September 30, 2021. The Company is not subject to externally imposed capital requirements.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of September 30, 2021, the Company believes it is compliant with the policies of the TSXV.

4. FINANCIAL RISK FACTORS

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and deposits. Cash is held with reputable Canadian chartered banks, from which management believes the risk of loss to be minimal. Deposits are held with the British Columbia Ministry of Energy and Mines, from which management believes that the credit risk is minimal.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At September 30, 2021, the Company had a cash balance of \$1,439,779 (December 31, 2020: \$1,061,346) to settle current liabilities of \$121,934 which includes a non-cash flow through premium liability of \$Nil (December 31, 2020: \$223,444). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. In addition, refer to Note 3 for the Company's approach to capital management.

Market risk

Interest rate risk

The Company's current policy is to invest excess cash in interest bearing accounts at major Canadian chartered banks. The Company periodically monitors its cash management policy. At September 30, 2021 and December 31, 2020, the Company did not have any amounts invested in interest bearing accounts.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity

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prices or general movements in the level of the stock market affecting PJX's capacity to obtain future financings. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as it relates to the mineral commodities to determine the appropriate course of action to be taken by the Company.

Based on Management's knowledge and experience in the financial markets, the Company believes that it is "reasonably possible" that commodity price fluctuation could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of mineral commodities. As of September 30, 2021, the Company was not in the production phase. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

5. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As at September 30, 2021 and 2020, the carrying values approximate the fair value amounts of the Company's financial instruments due to their short-term nature.

6. AMOUNTS RECEIVABLE

Amounts receivable corresponds to the sale taxes recoverable paid on taxable purchases of material and services.

7. PREPAYMENTS AND DEPOSITS

- a) Prepayments totalling \$35,661 (December 31, 2020: \$30,423) represents advanced payments to suppliers.
- b) At September 30, 2021, the Company has deposits with the British Columbia Ministry of Finance for \$162,900 (December 31, 2020: \$162,900) representing remediation cost bonds associated with its properties; and other advances totalling \$26,036 (December 31, 2020: \$26,307).
- c) During the year ended December 31, 2018, the Company assumed obligations relating to an excavated trail located in the Zinger Property, in exchange for cash consideration of \$25,000. The decommissioning liabilities are assessed based on the estimated costs to reclaim the excavation trails and the estimated timing of the costs to be incurred in future periods. Management of the Company has estimated that the total undiscounted cash flows required to settle the obligations will be approximately \$27,000. These obligations have been discounted using a risk-free rate of 3% and an inflation rate of 2% per year. Most of this obligation is not expected to be paid until approximately 5 years in the future and have already been fully funded with a refundable deposit, held on account with the British Columbia Ministry of Finance. Included under deposits disclosed in Note 7(b) are \$24,500 that the Company has made with the British Columbia Ministry of Natural Resources on this respect, funds that will be refunded to the Company once its obligation is discharged.

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8. PROPERTY AND EQUIPMENT, RIGHT OF USE ASSET AND LEASE LIABILITY

a) Property, equipment and right of use asset

The following schedules describe the transactions for Vehicles and Right of Use arising during the six months period ended September 30, 2021 and the year ended December 31, 2020:

Property & equipment:	Vehicles	Right of Use Asset	Total
Book Value - opening	\$ 3,500	\$ 35,282	\$ 38,782
Acquisitions	79,464	-	79,464
	\$ 82,964	\$ 35,282	\$ 118,246
Accumulated depreciation			
Balance, December 31, 2020	1,385	13,965	15,350
Depreciation	656	6,615	7,271
Accumulated depreciation - September 30, 2021	2,041	20,580	22,621
Net book value - September 30, 2021	\$ 80,923	\$ 14,702	\$ 95,625

	Vehicles	Right of Use Asset	Total
Book Value - December 31, 2019 and 2020	\$ 3,500	\$ 35,282	\$ 38,782
	\$ 3,500	\$ 35,282	\$ 38,782
Accumulated depreciation			
Balance, December 31, 2019	510	5,145	5,655
Depreciation	875	8,820	9,695
Accumulated depreciation - December 31, 2020	1,385	13,965	15,350
Net book value December 31, 2020	\$ 2,115	\$ 21,317	\$ 23,432

b) Lease liability:

The Company has one lease agreement for a vehicle lease entered into during September 2019. The Company did not incur any variable lease payments and there were no leases with residual value guarantees or not yet commenced to which the Company is committed.

Periods ended	September 30, 2021	December 31, 2020
Lease liability	\$ 15,990	\$ 22,402
Less: Current portion	(8,955)	(8,606)
Long-term portion	\$ 7,035	\$ 13,796

Periods ended	September 30, 2021	December 31, 2020
Undiscounted lease liability	\$ 16,782	\$ 23,974
No later than one year	(10,389)	(10,389)
Later than one year and no later than five years	(6,393)	(13,585)
	\$ -	\$ -

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9. MINERAL EXPLORATION PROPERTIES

The Company has 100% ownership in eight properties: the Dewdney Trail Property, the Eddy Property, the Zinger Property, the Vine Property, the West Basin Property, the Gold Shear Property, the Parker Copper Property and the DD Property. In addition, it has an option to earn a 100% interest in the Estella Mine crown grants. All properties are located in the Cranbrook area of British Columbia, Canada.

a) DD Property Agreement:

On July 26, 2015, PJX announced that it has entered into an option agreement with Doug Anderson and Dave Pighin (the "Optionors"), to acquire 100% of the DD Property, near Cranbrook, British Columbia. The Company has also staked land adjacent to the DD Property.

Under the DD Property Agreement (the "DD Agreement"), PJX is required to issue to the Optionors on or before each anniversary day of the DD Agreement, 50,000 PJX common shares over a 5-year period to a maximum of 250,000 shares. See Note 10(b)(iii) for a detail of shares issued under this agreement.

Upon the deemed exercise of the option, the Optionors will be granted an aggregate Net Smelter Royalty ("NSR") of 2% in respect of the DD Property and on certain claims owned by PJX, under certain predefined terms. The Company will have the right to purchase 50% of such NSR (being a 1% NSR - 0.5% from each individual comprising the Optionors) for \$1,000,000, and the remaining 50% of such NSR (being a 1% NSR - 0.5% from each individual comprising the Optionors) for \$1,000,000.

On June 17, 2020, the Company signed a letter of intent with DLP Resources Inc. ("DLP") where DLP could earn up to a 75% undivided interest in the DD property by paying a non-refundable deposit of \$20,000 and executing an Option Agreement that contains the following terms:

- 1) *In order to earn an undivided 50% interest in the DD Property:*
 - Within 12 months of the effective date of the Option Agreement, incur work in the property for a cumulative amount of \$350,000;
 - Within 24 months of the effective date of the Option Agreement, incur work in the property for a cumulative amount of \$1,000,000;
 - Within 36 months of the effective date of the Option Agreement, incur work in the property for a cumulative amount of \$2,500,000;
 - Within 48 months of the effective date of the Option Agreement, incur work in the property for a cumulative amount of \$4,000,000 and cash payments of \$250,000 inclusive of the \$20,000 non-refundable deposit.

- 2) *In order to earn an additional undivided 25% interest in the DD property:*
 - Complete a bankable commercial feasibility study on the DD property within 96 months of the effective date of the Option Agreement.
 - Upon DLP's exercise of the Option and acquisition of a 50% or 75% interest in the DD Property, as applicable, the parties will enter into a joint venture agreement for the further development of the Property.

On July 13, 2020, the Company and DLP entered into an Option Agreement. On August 17, 2020 the Company and DLP signed an addendum (the "Addendum") to the Option Agreement where three additional properties (Moby Dick, NZOU and LMC (NZOU)), where DLP has an option to earn a 100% interest from a third party (the "Third Party"), was added to the Option Agreement.

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Under the terms of the Addendum, PJX will acquire:

- 50% of the Moby Dick property by paying 50% of staking costs of the Moby Dick property, representing approximately \$461;
- 50% of the NZOU property by reimbursing DLP for 50% of DLP's option commitment on the NZOU properties (NZOU and LMC (NZOU)), by incurring \$32,500 in exploration work commitments and reimbursing 50% of DLP's share option commitments with the Third Party, representing 200,000 shares of DLP.

PJX has the option to reimburse 50% of DLP's share payment by:

- Paying DLP 50% of the share option commitment in cash at DLP's share market price, or
- If DLP's share market price exceeds \$0.50, then PJX can elect to pay 50% of the value of the option commitment in cash to a maximum of \$0.50 per DLP share price. Any value of the option commitment above a DLP share price of \$0.50 owed by PJX would then be applied as part of DLP's earn in commitment as part of the DD Option Agreement.

Should DLP exercise their option in the NZOU option agreement, a 2% NSR will be granted to the Third Party, where DLP has the right to purchase back 50% of this 2% NSR for \$1 million. This right would be shared 50:50 with PJX.

b) Gold Shear Property Agreement:

On January 17, 2018, the Company entered into an option agreement with Mr. Louis Davis (the "Optionor") to earn a 100% interest in the Gold Shear Property, located in the province of British Columbia, Canada.

To earn its interest in the Gold Shear Property, the Company paid \$45,000 and issued 200,000 common shares of PJX over a period of 24 months.

As of September 2, 2020, the Company has fully earned its interest in this property (see Note 10(b) (iii)).

Under the Agreement, the Optionor retains a 2% NSR. PJX will have the right to purchase 50% of such NSR (being a 1% NSR) for \$1,000,000, and the remaining 50% of such NSR (being a 1% NSR) for \$1,000,000.

On May 29, 2020 the Company entered into an agreement with Mr. David Morgan (the "Seller") where PJX acquired a 100% interest in the "David 6" Claim by paying \$2,000 cash (paid) and issuing 20,000 shares of the Company (issued). Upon the closing of the transaction, the Seller was granted a NSR of 2% in respect of the David 6 claim. PJX will have the right to purchase 50% of such NSR for \$1,000,000 and the remaining 50% of such NSR (being 1%) for \$1,000,000.

c) Estella Mine Crown Grants:

On July 29, 2021 the Company announced option of the historical Estella Mine crown grants (the "Estella") from Imperial Metals Corporation ("Imperial").

Subject to TSX Venture Exchange approval, PJX can earn a 100% interest in the Estella by making cash payments, or share equivalent payments, to Imperial totaling \$250,000 over a 5-year period as follows:

- \$15,000 on signing the agreement (paid); and
- \$20,000 on or before July 26, 2022; and
- \$25,000 on or before July 26, 2023; and
- \$30,000 on or before July 26, 2024; and
- \$35,000 on or before July 26, 2025; and

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- \$125,000 on or before July 26, 2026

Upon exercise of the option by PJX, Imperial will retain a Net Smelter Return Royalty (“NSR”) of 2% in respect of the Estella Property. PJX will have the right to buy back 50% of the NSR [being a 1% NSR] for \$1,000,000, and the remaining 50% of the NSR [being a 1% NSR] for an additional \$1,000,000.

d) Other Properties:

The Company also has other exploration properties, all located in British Columbia, Canada, where it has earned a 100% interest. See Note 12(a) for a detail on exploration work conducted by PJX in these properties.

10. SHARE CAPITAL

(a) Authorized capital

The authorized share capital of the Company is an unlimited number of common shares with no par value.

(b) Issued capital

The following schedule describes the share transactions since December 31, 2019:

	# of Shares		Value
Balance at December 31, 2019	108,054,294	\$	11,156,342
Shares issued on property option payment (Note 10(b)(iii))	170,000		22,950
Shares issued on private placement (Note 10(b)(i))	9,350,400		1,230,800
Value allocated to warrants			(332,443)
Share premium on flow-through shares (Note 10(b)(i))			(62,000)
Share issue cost (Note 10(b)(i))			(67,891)
Balance at December 31, 2020	117,574,694	\$	11,947,758
Shares issued on private placement (Note 10(b)(i))	6,250,000		1,000,000
Reallocation of value from warrant			25,652
Share issue cost (Note 10(b)(i))			(50,833)
Balance at September 30, 2021	123,824,694	\$	12,922,577

(i) Private placements

On October 6, 2020, the Company closed a non-brokered private placement for gross proceeds of \$1,230,800, through the issuance of 2,480,000 flow-through units at a price of \$0.15 per unit and 6,870,400 units at a price of \$0.125 per unit.

Each flow-through unit consists of one common share issued as a “flow-through share” within the meaning of the Income Tax Act (Canada) and one common share purchase warrant. Each unit consists of one common share and one common share purchase warrant. Each warrant, whether acquired as part of a flow-through unit or unit, entitles the holder to purchase one common share at an exercise price of \$0.20 for 24 months following completion of the offering.

As the proceeds received by the Company on October 6, 2020 for a flow-through unit and non-flow through unit at the time of the transaction were different, a premium on flow-through shares of \$62,000

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was recorded. The premium has been deducted from capital and a flow-through premium liability for the same amount was recorded. The premium is subsequently amortized as the flow-through funds are utilized in qualified exploration programs.

In connection with the offering the Company paid finder fees for a total of \$50,980 and issued 301,120 compensation warrants, valued at \$16,911. Each of the finder's warrants entitles the finder to purchase one common share of the Company at a price of \$0.20 for 24 months.

On March 1, 2021 the Company announced the completion of an investment agreement with Osisko Gold Royalties Ltd ("Osisko") pursuant to which Osisko purchased 6,250,000 common shares of PJX at a subscription price equal to \$0.16 per share, for gross proceeds of \$1,000,000. The company incurred \$30,000 in legal fees related to this transaction that have been allocated to share issue cost.

Included under share issue cost there are \$20,833 of legal expenses related to prior years that have been reclassified as share issue cost.

The following schedule describes the flow-through premium liabilities as at September 30, 2021 and December 31, 2020:

Periods ending	September 30, 2021	December 31, 2020
Unamortized premium balance - opening	\$ 48,805	\$ 196,650
Premium on issued flow-through shares	-	62,000
Premium amortization and adjustments	(48,805)	(209,845)
Unamortized premium balance - ending	\$ -	\$ 48,805

(c) Shares to be issued

Subsequent to September 30, 2020, the Company completed a non-brokered private placement for gross proceeds of \$1,230,800, through the issuance of 2,480,000 Flow Through Units at a price of \$0.15 per Unit and 6,870,400 Non-Flow Through Units at a price of \$0.125 per Unit. Subscriptions totaling \$805,250 were received on account of this financing by September 30, 2020. The shares related to these subscriptions were issued subsequent to quarter ended September 30, 2020.

(ii) Share based compensation

The Company has a stock option plan (the "Plan") to provide incentive for the directors, officers, employees, consultants and service providers of the Company. The maximum number of shares which may be set aside for issuance under the Plan is 10% of the outstanding common shares.

On August 11, 2020, the Company granted an aggregate of 2,792,500 incentive stock options to employees, officers, directors and consultants of the Company, pursuant to the Company's Plan, at an exercise price of \$0.20 per share. Out of the options granted, 2,632,500 were fully vested on granting and 160,000 vest every quarter over a period of 1 year, with the first quarter vesting three months after granting. All options granted are exercisable until August 11, 2025. The fair value of each option was estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions: share price of \$0.14, expected dividend yield of 0%, expected volatility of 109%; risk-free interest rate of 0.38%; and an expected average life of 5 years. The fair value of all these options was estimated at \$289,233 of which the remaining balance of \$16,573 was vested during the nine months ended September 30, 2021.

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On September 13, 2021, the Company granted an aggregate of 2,685,000 incentive stock options to employees, officers, directors and consultants of the Company, pursuant to the Company's Plan, at an exercise price of \$0.20 per share. Out of the options granted, 2,645,000 were fully vested on granting and 40,000 vest every quarter over a period of 1 year, with the first quarter vesting three months after granting. All options granted are exercisable until September 12, 2026. The fair value of each option was estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions: share price of \$0.17, expected dividend yield of 0%, expected volatility of 106%; risk-free interest rate of 0.82%; and an expected average life of 5 years. The fair value of all these options was estimated at \$342,315 of which \$337,215 has been vested as of September 30, 2021.

On July 20, 2020, 1,380,000 options exercisable at \$0.19, expired unexercised.

During the third quarter of fiscal 2021, 1,150,000 options with a weighted average exercise price of \$0.23 were cancelled.

The following schedules describe the options outstanding at September 30, 2021:

Expiry Date	Exercise price	Life remaining in years	Number outstanding	Number vested
November 17, 2021	\$0.20	0.13	2,885,000	2,885,000
August 19, 2023	\$0.25	1.88	1,675,000	1,675,000
January 3, 2024	\$0.25	2.26	2,610,000	2,610,000
August 11, 2025	\$0.20	3.87	2,492,500	2,492,500
September 12, 2026	\$0.20	4.95	2,685,000	2,645,000
Balance at September 30, 2021	\$0.22	1.54	12,347,500	12,307,500

The following schedule describes the options transactions since December 31, 2019:

	Number of stock options	Weighted average exercise price
Balance at December 31, 2019	9,400,000	\$ 0.22
Options granted	2,792,500	0.20
Options expired	(1,380,000)	0.19
Balance at December 31, 2020	10,812,500	\$ 0.22
Options granted	2,685,000	0.20
Options cancelled	(1,150,000)	0.23
Balance at September 30, 2021	12,347,500	\$ 0.22

(iii) Shares issued on property option payments

DD Agreement:

Under the DD Property Agreement, PJX was required to issue to the Optionors on or before each anniversary day of the DD Agreement, 50,000 PJX common shares over a 5-year period to a maximum of 250,000 shares. The last and final issuance of 50,000 shares, with a fair value of \$4,750 were issued on June 2, 2020 (see Note 9(a)).

The value ascribed to the shares issued were based on the Company's closing shares price the day before the transaction.

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Gold Shear Agreement:

Under this agreement entered on January 17, 2018, the Company is required to issue 200,000 PJX shares to the optionor within a period of 24 months of the signing of the Agreement. The last and final issuance of 100,000 shares, with a fair value of \$16,300 were issued on June 2, 2020 (see Note 9(a)).

Under the new purchase agreement that the Company entered to acquire the David 6 Claim (see Note 9(b)), the Company issued 20,000 common shares valued at \$1,900.

The value ascribed to the shares issued were based on the Company's closing shares price the day before the transaction.

11. WARRANTS

The following schedule describes the warrants outstanding at September 30, 2021 and December 31, 2020:

Expiry Date	Number of Warrants	Exercise price	Value
December 17, 2021 *	4,574,131	0.30	241,972
December 17, 2021 *	332,600	0.30	19,120
May 15, 2022**	12,296,276	0.25	537,320
October 5, 2022	9,350,400	0.20	332,443
October 5, 2022	301,120	0.20	16,911
December 5, 2022	5,802,157	0.25	249,241
December 5, 2022	649,733	0.25	30,799
Balance at September 30, 2021	33,306,417	\$ 0.24	\$ 1,427,806

* Exercisable at \$0.25 until December 17, 2020 and at \$0.30 from then until December 17, 2021.

** Warrants originally expiring on May 15, 2021 and extended to May 15, 2022

Expiry Date	Warrants	price	Value
August 29, 2021 **	6,833,284	\$ 0.25	\$ 332,611
May 15, 2021 ***	12,296,276	0.25	537,320
December 17, 2021 *	4,574,131	0.30	241,972
December 17, 2021 *	332,600	0.30	19,120
October 5, 2022	9,350,400	0.20	332,443
October 5, 2022	301,120	0.20	16,911
December 5, 2022	5,802,157	0.25	274,893
December 5, 2022	649,733	0.25	30,799
Balance at December 31, 2020	40,139,701	\$ 0.24	\$ 1,786,069

* Exercisable at \$0.25 until December 17, 2020 and at \$0.30 from then until December 17, 2021.

** Warrants expiry date extended from August 29, 2020 to August 29, 2021.

*** Warrants expiry date extended from May 15, 2020 to May 15, 2021.

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The following schedule describes the warrant transactions since December 31, 2019:

	Number of Warrants	Exercise price *	Value
Balance at December 31, 2019	43,782,066	\$ 0.26	\$ 2,060,933
Warrants issued on private placement	9,350,400	0.20	332,443
Compensation w arrants issued	301,120	0.20	16,911
Warrants expired	(12,457,431)	0.25	(584,974)
Compensation w arrants expired	(836,454)	0.25	(39,244)
Balance at December 31, 2020	40,139,701		1,786,069
Expired w arrants	(6,833,284)		(332,611)
Reallocation of issue cost to w arrants			(25,652)
Balance at September 30, 2021	33,306,417	\$ 0.29	\$ 1,427,806

* Weighted average exercise price at September 30, 2021 reflects the increase in exercise price in year 3 for 4,906,732 w arrants expiring on December 17, 2021.

Warrants issued:

As part of the financing announced October 6, 2020, the Company issued 9,350,400 warrants valued at \$332,443. Each warrant, whether acquired as part of a flow-through unit or unit, entitles the holder to purchase one common share of the Company at a price of \$0.20 per share for 24 months.

As part of the financing announced on October 6, 2020, the Company issued 301,120 compensation warrants valued at \$16,911. Each warrant entitles the holder to purchase one common share of the Company at a price of \$0.20 per share for 24 months.

The grant date fair values of the outstanding warrants were calculated, when granted, using the Black-Scholes options pricing model, using the following assumptions:

Expiry date	Number of Warrants	Dividend yield	Volatility *	Risk free interest rate	Expected average life (years)	Value
December 17, 2021 (1)	4,574,131	Nil	108%	2.02%	3	241,972
December 17, 2021 (1) (2)	332,600	Nil	108%	2.02%	3	19,120
May 15, 2022	12,296,276	Nil	104%	2.06%	2	537,320
October 5, 2022	9,350,400	Nil	112%	0.23%	2	306,791
October 5, 2022 (2)	301,120	Nil	112%	0.23%	2	16,911
December 5, 2022	5,802,157	Nil	103%	1.63%	3	274,893
December 5, 2022 (2)	649,733	Nil	103%	1.63%	3	30,799
	33,306,417					\$ 1,427,806

* Volatility rates were determined based on historical share pricing volatility for the Company's common shares.

(1) Exercisable at \$0.25 during years 1 and 2 and at \$0.30 in year 3

(2) Compensation w arrants

Warrants extended:

On May 5, 2020, the Company announced that it has extended the term of 12,296,276 share purchase warrants. These warrants were originally issued pursuant to a private placement completed in May 2018. The warrants were to expire on May 15, 2020 and exercisable at \$0.25 per share. The new expiration date of the warrants is May 15, 2021. All other terms of the warrants remain unchanged.

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In August 2020, the Company extended the term of 6,833,284 share purchase warrants exercisable at \$0.25 and expiring on August 29, 2020, for one additional year to August 29, 2021. All other terms remain unchanged.

Reallocation of issue cost to warrants:

During the first quarter of fiscal 2021, the Company reclassified \$25,652 in share issue cost from capital stock to warrants, corresponding to the allocated value of share issue cost to warrants on the December 2019 financing (warrants expiring December 5, 2022).

Warrants expired:

On August 29, 2021, 6,833,284 warrants valued at \$332,611, exercisable at \$0.25 expired unexercised.

Expired During 2020:

<u>Expiry Date</u>	<u>Number of Warrants</u>	<u>Exercise price</u>	<u>Value</u>
May 17, 2020	836,454	0.25	39,244
November 18, 2020	12,457,431	0.25	584,974
	13,293,885	\$ 0.25	\$ 624,218

12. EXPLORATION AND GENERAL AND ADMINISTRATION EXPENSES

a) Exploration Expenses:

The following schedules describe exploration expenses incurred in each property during the three and nine months ended September 30, 2021 and 2020, and since inception:

<u>Periods ended September 30,</u>	<u>Three months</u>		<u>Nine Months</u>		<u>Balance since inception</u>
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
Dewdney Trail Property	\$ 47,984	\$ 5,845	\$ 223,258	\$ 16,495	\$ 1,558,678
Eddy Property	52,027	24,682	90,829	46,568	909,157
Zinger Property	18,479	8,983	145,625	9,283	1,173,953
Vine Property	4,842	13,097	211,430	428,113	6,133,312
DD Property	-	-	11,676	(14,250)	65,955
Gold Shear Property	230,811	92,936	333,999	164,892	1,152,394
Parker Copper Property	450	-	1,445	-	62,051
Others	18,939	20,008	18,938	29,038	85,778
	\$ 373,532	\$ 165,551	\$ 1,037,200	\$ 680,139	11,141,278
<i>BC refundable tax credits received</i>	-	-	-	-	(272,274)
Total exploration expenses	\$ 373,532	\$ 165,551	\$ 1,037,200	\$ 680,139	\$10,869,004

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The following schedule describes exploration expenses incurred during the three and nine months ended September 30, 2021 and 2020, and since inception, segregated by nature:

Periods ended September 30,	Three months		Nine Months		Balance since inception
	2021	2020	2021	2020	
Geology, geophysics and geochemistry	\$ 113,934	\$ 123,269	\$ 488,668	\$ 260,029	\$ 3,507,965
Exploration-other accommodation	427	-	1,712	-	4,152
Permitting	1,909	-	3,052	-	58,487
Land rights, claims and environment	4,489	-	20,092	5,590	189,964
Drilling	221,757	3,350	435,163	304,613	5,805,100
Laboratory	3,422	10,509	44,130	27,080	429,428
Roads and surface preparation	-	-	-	-	70,944
Camp cost and exploration supplies	1,559	403	3,040	981	33,716
Exploration - travel and transportation	4,970	3,518	12,724	13,244	282,503
Exploration- meals	3,054	3,069	4,904	4,740	56,409
Rent - field office	2,445	-	7,329	3,500	64,796
Insurances	566	1,424	1,052	4,272	3,780
Surface sampling and mapping	-	-	-	-	50,505
Option payments (receipts)	15,000	-	15,000	27,050	526,261
Reclamation provision	-	-	-	-	24,500
Legal expenses-exploration	-	-	-	-	1,898
Non-flow-through exploration expenses	-	20,009	334	29,040	30,870
	\$ 373,532	\$ 165,551	\$ 1,037,200	\$ 680,139	\$ 11,141,278
<i>BC refundable tax credits received</i>	-	-	-	-	(272,274)
Total exploration expenses	\$ 373,532	\$ 165,551	\$ 1,037,200	\$ 680,139	\$ 10,869,004

b) General and administration:

The following is a breakdown of the Company's general and administration expenses incurred during the three and nine months ended September 30, 2021 and 2020:

Periods ended September 30,	Three months		Nine Months	
	2021	2020	2021	2020
Insurance	\$ 3,781	\$ 2,810	\$ 9,831	\$ 10,979
Interest, bank charges and penalties	287	627	907	1,538
Investor relations	16,485	10,634	53,318	46,179
Listing and regulatory fees	32,446	19,348	55,834	38,113
Office expenses	2,997	2,635	10,566	8,388
Professional fees	12,317	4,720	60,584	23,440
Rent	3,707	3,687	11,082	5,232
Salaries and benefits	58,251	44,267	169,179	150,456
Taxes and levies	-	18	4,655	9,243
Travel and transportation	3,357	230	11,025	3,737
	\$ 133,628	\$ 88,976	\$ 386,981	\$ 297,305

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13. GAIN ON SALE OF ROYALTY

On March 1, 2021, the Company announced the completion of an investment agreement with Osisko pursuant to which Osisko agreed to acquire a 0.5% net smelter return royalty on the Company's Gold Shear, Eddy, Zinger and Dewdney Trail properties for aggregate cash consideration of \$1,000,000.

14. COMMITMENTS AND CONTINGENCIES

The Company is party to certain management contracts and severance obligations. These contracts contain clauses requiring additional payments up to \$792,000 to be made upon the occurrence of certain events such as change of control. As the triggering event has not occurred, the contingent payment has not been provided for in these unaudited condensed interim financial statements.

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Pursuant to the terms of the flow-through share agreements, the Company needs to comply with its flow-through contractual obligations with subscribers with respect to the Income Tax Act (Canada) by incurring qualified exploration expenditures before December 31 of the year following the year in which the agreement is entered into. The Company indemnifies the subscribers of current and previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments. As at September 30, 2021, the Company had no commitments related to previous flow-through share agreements entered into to be incurred by December 31, 2021.

Pursuant to the option agreement entered on July 29, 2021 with Imperial, to earn 100% interest in the Estella, the Company is committed to disburse a total of \$235,000, between July 26, 2022 and July 26 2026 (see Note 9(c)).

The Novel Coronavirus ("COVID-19") pandemic is causing a widespread health crisis that has affected economies and financial markets around the world resulting in an economic downturn. In response to the outbreak, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing. The COVID-19 outbreak and the response of governmental authorities to try to limit it are having a significant impact on the private sector and individuals, including unprecedented business, employment and economic disruptions. The continued spread of COVID-19 nationally and globally could have an adverse impact on the Company's business, operations and financial results, as well as a deterioration of general economic conditions including a possible national or global recession. Due to the speed with which the COVID-19 situation is developing and the uncertainty of its magnitude, outcome and duration, it is not possible to estimate its impact on the Company's business, operations or financial results, including the Company's ability to secure financing; however, the impact could be material.

Management is also closely evaluating the impact of COVID-19 on the Company's business. In order for the Company to continue as a going concern and fund its operations, the Company will require additional financing. The availability of financing will be affected by, among other things, the state of the capital markets considering the impact of COVID-19 and strategic partnership arrangements.

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15. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

a) Purchase of services:

During the three and nine months ended September 30, 2021 and 2020, the Company incurred professional fees with companies where directors of the Company are partners or controlling executives, as described below:

Periods ended September 30,	Three months		Nine months	
	2021	2020	2021	2020
Fee paid to a director for geological services rendered	6,448	1,200	6,448	1,200
Fees paid to a director of the company for legal services rendered	3,628	-	48,888	-
	\$ 10,076	\$ 1,200	\$ 55,336	\$ 1,200

b) Key management compensation:

Key management includes directors (executive and non-executive), and senior officers (Chief Executive Officer and Chief Financial Officer). The compensation paid to key management for employee services is shown below:

Periods ended September 30,	Three months		Nine months	
	2021	2020	2021	2020
Salaries	\$ 70,667	\$ 66,000	\$ 212,000	\$ 198,000
Stock-based compensation	280,482	256,348	280,482	256,348
	\$ 351,149	\$ 322,348	\$ 492,482	\$ 454,348

c) Period-end balances arising from purchases of services and key management compensation:

As of September 30,	2021	2020
Patable to officers and directors	\$ 5,512	\$ -
Payable to a law firm where a director of the Company is a partner	10,000	-
	\$ 15,512	\$ -

16. SUBSEQUENT EVENTS

Effective November 4, 2021, the Company's common shares commenced trading on the OTCQB Venture Market (the "OTCQB") in the United States under the stock symbol "PJXRF." The Company's common shares will continue to trade on the TSX Venture Exchange under the symbol "PJX".