



## **STAMPER OIL & GAS CORP.**

### **Condensed Interim Consolidated Financial Statements**

**September 30, 2021**

(Expressed in Canadian dollars)

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

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited interim financial statements for the quarter ended September 30, 2021.

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

**Stamper Oil & Gas Corp.**Statements of Financial Position  
(Expressed in Canadian dollars)

	September 30, 2021 \$	June 30, 2021 \$
<hr/>		
Assets		
Current assets		
Cash	68,582	684,719
Receivables	10,726	2,432
<b>Total current assets</b>	<b>79,308</b>	<b>687,151</b>
<hr/>		
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	166,941	358,361
Loan payable (Note 4)	250	263,359
<b>Total current liabilities</b>	<b>167,191</b>	<b>621,720</b>
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Shareholders' equity		
Share capital (Note 6)	51,409,105	51,398,313
Contributed surplus (Note 6)	5,031,717	5,031,717
Deficit	(56,528,705)	(56,364,599)
<b>Total shareholders' equity</b>	<b>(87,883)</b>	<b>65,431</b>
<b>Total liabilities and shareholders' equity</b>	<b>79,308</b>	<b>687,151</b>

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)  
SUBSEQUENT EVENTS (Note 10)

APPROVED ON BEHALF OF THE BOARD on November 25, 2021:

*(signed) Bryson Goodwin*  
Bryson Goodwin, Director*(signed) Barry Hartley*  
Barry Hartley, Director

**Stamper Oil & Gas Corp.**

## Statements of Operations and Comprehensive Loss

	3 months ended	
	September 30, 2021	September 30, 2020
	\$	\$
Expenses		
Auditing and legal	14,012	130
Management & consulting fees	120,000	32,000
Office and other (recovery)	391	200
Regulatory costs	29,062	10,402
Travel	641	–
Total expenses	164,106	42,732
Loss before other expenses	(164,106)	(42,732)
Other expenses		
Gain on forgiveness of debt	-	6,121
Total other expenses	-	6,121
Net loss and comprehensive loss	(164,106)	(36,611)
Basic and diluted loss per share	(0.00)	(0.00)
Weighted average shares outstanding	79,667,940	49,763,857
(Expressed in Canadian dollars)		

**Stamper Oil & Gas Corp.**Statements of Changes in Equity (Deficiency)  
(Expressed in Canadian dollars)

	Share capital		Contributed Surplus	Deficit	Total shareholders' equity
	Number	Amount \$			
Balance, June 30, 2020	34,599,022	50,361,313	4,859,665	(56,070,456)	(849,478)
Common shares issued for cash	20,000,000	200,000	–	–	200,000
Net loss for the period	–	–	–	(36,611)	(36,611)
Balance, September 30, 2020	54,599,022	50,561,313	4,859,665	(56,107,067)	(686,089)
Balance, June 30, 2021	79,499,022	51,398,313	5,031,717	(56,364,599)	65,431
Common shares issued to settle debt	215,840	10,792	–	–	10,792
Net loss for the period	–	–	–	(164,106)	(164,106)
Balance, September 30, 2021	79,714,862	51,409,105	5,031,717	(56,528,705)	(87,883)

**Stamper Oil & Gas Corp.**

## Statements of Cash Flows

(Expressed in Canadian dollars)

	September 30, 2021 \$	September 30, 2020 \$
Operating activities		
Net loss	(164,106)	(36,611)
Items not involving cash:		
Gain on forgiveness of debt	–	(6,121)
Shares for debt conversion	10,792	–
Changes in non-cash working capital items:		
Receivables	–	(1,361)
Prepaid expenses and deposits	(8,294)	(2,599)
Accounts payable and accrued liabilities	(191,420)	(254,963)
Net cash used in operating activities	(353,028)	(301,655)
Financing Activities		
Common shares issued for cash	–	200,000
Shareholder loan	–	640,055
Loan proceeds	–	(338,400)
Loans payable	(263,109)	–
Net cash used in financing activities		501,655
Change in cash	(616,137)	200,000
Cash, beginning of period	684,719	383
Cash, end of period	68,582	200,383
Cash paid during the period for interest	–	–
Cash paid during the period for income taxes	–	–

## **STAMPER OIL & GAS CORP.**

### **Notes to the Condensed Interim Consolidated Financial Statements**

**Period ended September 30, 2021**

**(Expressed in Canadian Dollars)**

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#### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Stamper Oil & Gas Inc., (the “Company”) (formerly Panorama Petroleum Inc.) is an exploration stage company incorporated under the laws of British Columbia on September 18, 1984. The company is in the process of acquiring and exploring natural resource properties and has not yet determined whether the properties contain ore or gas reserves that are economically recoverable.

The Company’s principal address and registered and records office is Suite 600 - 535 Howe St, Vancouver, BC V6C 2C2.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations rather than through a process of forced liquidation. The Company has incurred operating losses over the past several years and does not have a current source of revenue or sufficient financial resources to sustain operations in the long term.

The Company continues to be dependent upon its ability to finance its operations and exploration programs through financing activities that may include issuances of additional debt or equity securities. The Company’s ability to continue as a going concern, is dependent upon the existence and economic recovery of reserves, the ability to raise financing to complete the development of future properties, and upon future profitable production or, alternatively, upon the Company’s ability to dispose of its interest on an advantageous basis, all of which are uncertain.

While the Company has been successful in obtaining its required financing in the past, mainly through non-arms-length demand loans, there is no assurance that such financing will be available or be available on favourable terms. These material uncertainties may cast significant doubt on the ability of the Company to continue as a going concern. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from the novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows during the year ended June 30, 2022.

#### **2. STATEMENT OF COMPLIANCE**

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

These financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The Company’s presentation currency is Canadian dollars. Reference herein of \$ is to Canadian dollars. Reference herein to US\$ is to United States dollars.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### ***Use of estimates***

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates. Significant assumptions about the future and other sources of estimation and judgment uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

The determination of deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases (“temporary differences”), and losses carried forward. The determination of the ability of the Company to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether it is “probable” that the Company will benefit from these prior losses and other deferred tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilizing the losses.

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

#### ***Exploration and evaluation assets***

Costs directly related to the exploration and evaluation of mineral properties are capitalized to exploration and evaluation assets once the legal rights to explore the mineral properties are acquired or obtained. When the technical and commercial viability of a mineral resource have been demonstrated and a development decision has been made, the capitalized costs of the related property are transferred to mining assets and depreciated using the units of production method on commencement of commercial production.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined that there is an impairment in value, the property is written down to its recoverable amount. Mineral properties are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

From time to time, the Company acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as exploration and evaluation assets or recoveries when the payments are made or received. After all costs relating to a property have been recovered, further payments received are recorded as a gain on option or disposition of exploration and evaluation assets.

#### ***Impairment***

At the end of each reporting period, the Company’s assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm’s length transaction between knowledgeable and willing parties.

**STAMPER OIL & GAS CORP.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**Period ended September 30, 2021**  
**(Expressed in Canadian Dollars)**

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**3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

***Impairment*** *(continued)*

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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

***Provision for environmental rehabilitation***

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of exploration and evaluation assets and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The increase in the provision due to the passage of time is recognized as interest expense.

***Foreign exchange***

The functional currency is the currency of the primary economic environment in which the entity operations and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of operations.

***Income (Loss) per share***

Basic income (loss) per share is computed by dividing the income (loss) for the year by the weighted average number of common shares outstanding during the year. Diluted income (loss) per share is calculated based on the weighted average number of common shares outstanding during the year, plus the effects of dilutive common share equivalents. Common share equivalents include stock options and warrants. For this purpose, the "treasury stock method" is used with respect to stock options and warrants.

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**3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

***Income taxes***

Deferred taxes relate to the expected future tax consequences of differences between the carrying amount of statement of financial position items and their corresponding tax values. Deferred tax assets, including those arising from unused loss carry-forwards and other deductions, are recognized only to the extent that, in the opinion of management, it is more likely than not that the deferred tax assets will be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment or substantive enactment.

***Financial instruments***

The following is the Company's accounting policy for financial instruments under IFRS 9: *Classification*

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of financial assets is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

***Measurement***

***Financial assets and liabilities at amortized cost***

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

***Financial assets and liabilities at FVTPL***

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

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

***Impairment of financial assets at amortized cost***

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

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**3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

**Financial instruments** *(continued)*

*Derecognition*

*Financial assets*

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

*Financial liabilities*

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The Company's financial assets and liabilities are recorded and measured as follows:

<b>Asset or liability</b>	<b>Category</b>	<b>Measurement</b>
Cash	FVTPL	Fair value
Accounts Payable	Other liabilities	Amortized cost
Accrued Liabilities	Other liabilities	Amortized cost
Loans Payable	Other liabilities	Amortized costs

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash has been measured at fair value using Level 1 inputs.

**4. LOANS PAYABLE**

The following table summarized the Company's outstanding debt obligations. The loans are unsecured, due on demand, and with parties who transact with the Company on a non-arm's-length basis. Transactions between the related parties are approved by the Board of Directors.

	September 30, 2021	June 30, 2021
	\$	\$
Related party loan (non-interest bearing)	-	5,176
Other short-term loans (non-interest bearing)	250	258,183
	250	263,359

**STAMPER OIL & GAS CORP.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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**(Expressed in Canadian Dollars)**

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**5. RELATED PARTY TRANSACTIONS**

During the period ended September 30, 2021, significant related party transactions and balances not disclosed elsewhere are as follows:

- (a) The following fees were incurred by key management personnel (directors, officers and former directors and officers of the Company as well as other management personnel having a significant role in the decision-making process): \$15,000 (2020 - \$15,000) for consulting fees included in operating costs.
- (b) Included in accounts payable at September 30, 2021 is \$10,500 (June 30, 2021 - \$142,472) due to companies with a common director and/or key management personnel.

**6. SHARE CAPITAL AND CONTRIBUTED SURPLUS**

**(a) Authorized**

Unlimited common shares without par value.

During the period ended September 30, 2021 the following share transactions occurred:

- (a) On July 21, 2021, the Company issued 215,840 units in the capital of the Company at a deemed price of \$0.05 per unit as per an agreement entered into with a third-party creditor to settled \$10,792 of debt. Each unit consisted of one common share and one transferrable share purchase warrant. Each warrant entitles the creditor to purchase one additional common share of the Company at an exercise price of \$0.08 with an expiry date of July 21, 2024.

During the year ended June 30, 2021 the following share transactions occurred:

- (a) On July 23, 2020, the Company issued a total of 20,000,000 common shares of the Company at a price of \$0.01 per share.
- (b) On March 12, 2021, the Company issued 3,000,000 common shares for proceeds of \$150,000 pursuant to the exercise of stock options.
- (c) On March 19, 2021, the Company issued 1,500,000 common shares for proceeds of \$75,000 pursuant to the exercise of stock options.
- (d) On June 7, 2021, the Company issued 20,400,000 units at a price of \$0.03 per unit. Each unit consisted of one common share and one transferrable share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.05 with an expiry date of June 7, 2024.

**STAMPER OIL & GAS CORP.**  
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**(Expressed in Canadian Dollars)**

**6. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)**

**(b) Warrants**

The following table summarizes the warrant activity for the current and previous fiscal year.

	Number of warrants	Weighted average exercise price \$
Balance, June 30, 2020	3,000,000	0.50
Issued	20,400,000	0.05
Expired	(3,000,000)	0.50
Balance, June 30, 2021	20,400,000	0.05
Issued	215,840	0.08
Balance, September 30, 2021	20,615,840	0.05

Number of warrants outstanding	Exercise price \$	Expiry date
20,400,000	0.05	June 7, 2024
215,840	0.08	July 21, 2024
<u>20,615,840</u>		

**(c) Stock options**

The Company has adopted an incentive stock option plan (the "Option Plan") dated which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with stock exchanges requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company and that the number of common shares reserved for issuance pursuant to options granted to all consultants or persons conducting investing relations activities will not exceed 2% of the issued and outstanding common shares within any 12-month period. At the discretion of the Board of Directors of the Company, options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

On March 4, 2021, the Company granted 5,000,000 stock options at an exercise price of \$0.05 per option with a term of one year expiring March 4, 2022. The grant date fair value of the options was measured at \$172,052. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: stock price - \$0.07; exercise price - \$0.05; expected life - 1 year; volatility - 99%; dividend yield - \$0; and risk-free rate - 1.86%.

**STAMPER OIL & GAS CORP.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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**6. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)**

**(c) Stock options (continued)**

The following table summarizes the stock option activity for the current period and previous fiscal year.

	Number of options	Weighted average exercise price \$
Balance, June 30, 2020	-	-
Granted	5,000,000	0.05
Exercised	(4,500,000)	0.05
Balance, June 30, 2021 and September 30, 2021	500,000	0.05

Number of options outstanding	Exercise price \$	Expiry date
<u>500,000</u>	0.05	March 4, 2022
<u>500,000</u>	Outstanding and exercisable	

**7. SEGMENTED INFORMATION**

The Company currently operates in one industry segment, that being the acquisition, exploration, development and operation of oil and gas assets.

**8. FINANCIAL RISK FACTORS**

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

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

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

*Credit risk*

Credit risk is the risk of potential loss to the Company if the counter-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

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**8. FINANCIAL RISK FACTORS** *(continued)*

*Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2021, the Company had a cash balance of \$68,582 (June 30, 2021 - \$684,719) to settle current liabilities of \$167,191 (June 30, 2021 - \$621,720). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The risk to the going concern assumption is presented in Note 1.

*Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at September 30, 2021, the Company did not have any investments in investment-grade short-term deposit certificates.

The Company currently has no financial liabilities exposed to interest rate risk. The Company does not use derivative instruments to reduce its exposure to interest rate risk.

b) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies; however, the Company currently has virtually no foreign currency denominated liabilities or assets. Fluctuations in the foreign currencies will, consequently, have little impact upon the Company's profitability and the value of the Company's liabilities. As at September 30, 2021, the impact of a 10% change in rate of exchange on the US Dollar compared to the Canadian dollar would result in virtually no change on the Company's loss for the year. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

**9. CAPITAL MANAGEMENT**

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the exploration and development of its mineral interests. Capital is comprised of the Company's shareholders' equity (deficiency). As at September 30, 2021, the Company's shareholders' deficit was \$87,883 (June 2021 – equity \$65,431). The Company manages its capital structure to maximize its financial flexibility, making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There were no changes to the way the Company manages its capital in the current period.

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**10. SUBSEQUENT EVENTS**

On November 4, 2021, the Company issued 3,500,000 flow-through common shares in the capital of the Company at a deemed price of \$0.03 for proceeds of \$105,000.