



CONSOLIDATED FINANCIAL STATEMENTS

For the Years ended

November 30, 2020 and 2019

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Wildsky Resources Inc.

Opinion

We have audited the accompanying consolidated financial statements of Wildsky Resources Inc. (the "Company"), which comprise the consolidated statements of financial position as at November 30, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, changes in shareholder's equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Other Information

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

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

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

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



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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

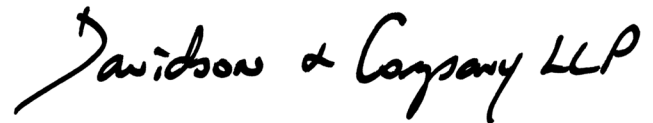
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Glenn Parchomchuk.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

March 15, 2021

WILDSKY RESOURCES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)
AS AT November 30,

	Notes	2020	2019
ASSETS			
Current			
Cash		\$ 35,323	\$ 169,901
Restricted cash	10,16	800,000	-
Receivables		7,460	6,563
Investments	7	-	1,746,000
Prepaid expenses		<u>4,842</u>	<u>11,307</u>
Total current assets		847,625	1,933,771
Equity investment	8	8,083,526	-
Property, plant and equipment	3,4	21,067	433,025
Reclamation bonds	3,6	-	354,944
Exploration and evaluation assets	3,5	<u>-</u>	<u>6,839,004</u>
Total assets		\$ 8,952,218	\$ 9,560,744
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities		\$ 81,467	\$ 104,163
Due to related parties	11	135,536	66,700
Convertible debentures	9	<u>509,112</u>	<u>302,920</u>
Total current liabilities		726,115	473,783
Asset retirement obligation	3,6	<u>-</u>	<u>2,809,783</u>
Total liabilities		<u>726,115</u>	<u>3,283,566</u>
Shareholders' equity			
Share capital	10	52,983,761	52,991,720
Share subscription received in advance	10,16	800,000	-
Share-based payments reserve		10,072,391	10,072,391
Equity components of convertible debentures	9	94,727	36,240
Deficit		<u>(55,724,776)</u>	<u>(56,823,173)</u>
Total shareholders' equity		<u>8,226,103</u>	<u>6,277,178</u>
Total liabilities and shareholders' equity		\$ 8,952,218	\$ 9,560,744

Nature of operations and going concern (Note 1)

Events subsequent to the reporting period (Note 16)

On behalf of the Board:

“Wilson Jin” Director “John Anderson” Director

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

WILDSKY RESOURCES INC.**CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian dollars)

FOR THE YEARS ENDED November 30,

	2020	2019
EXPENSES		
Accretion of asset retirement obligation (Note 6)	\$ 40,038	\$ 58,732
Accretion of interest (Note 9)	94,879	37,160
Amortization (Note 4)	42,212	46,755
Filing and transfer agent	22,735	26,047
Management fees (Note 11)	168,000	168,000
Professional fees	62,315	50,184
Project investigation	43,778	126,642
Rent and office expenses (Note 11)	16,858	29,230
Share based compensation (Note 10)	-	118,614
Shareholder relations	9,213	9,140
Camp maintenance	2,984	47,418
Total expenses	(503,012)	(717,922)
Fair value adjustment on investments (Note 7)	2,007,900	349,200
Interest income	3,613	4,780
Loss on dilution of investment in equity investment (Note 8)	(5,534)	-
Share of loss on equity investment (Note 8)	(58,940)	-
Write-off of receivables	-	(8,400)
Loss on disposal of subsidiary (Note 3)	(345,630)	-
	1,601,409	345,580
Income (loss) and comprehensive income (loss) for the year	1,098,397	(372,342)
Basic income (loss) per common share	\$ 0.07	\$ (0.03)
Weighted average number of common shares outstanding - Basic	14,839,813	14,839,813
Diluted income (loss) per common share	\$ 0.07	\$ (0.03)
Weighted average number of common shares outstanding - Diluted	16,239,813	14,839,813

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

WILDSKY RESOURCES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
FOR THE YEARS ENDED November 30,

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss) for the year	\$ 1,098,397	\$ (372,342)
Items not affecting cash:		
Accretion of asset retirement obligation	40,038	58,732
Accretion of interest	94,879	37,160
Amortization	42,212	46,755
Share based compensation	-	118,614
Fair value adjustment on investments	(2,007,900)	(349,200)
Loss on disposal of subsidiary	345,630	-
Loss on dilution of investment in equity investee	5,534	-
Share of loss on equity investment	58,940	-
Write-off of receivables	-	8,400
Changes in non-cash working capital items:		
Other receivables and prepaids	5,568	11,130
Accounts payable and accrued liabilities	(22,696)	67,751
Due to related parties	68,836	27,605
Net cash used in operating activities	(270,562)	(345,395)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share subscription received in advance	800,000	-
Share issuance costs	(7,959)	-
Proceeds from convertible debentures	200,000	302,000
Repayment of loan and interest	(30,200)	-
Net cash provided by financing activities	961,841	302,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of reclamation bonds	-	(5,500)
Acquisition of property, plant and equipment	(30,961)	-
Restricted cash	(800,000)	-
Exploration and evaluation expenditures	5,104	41,881
Net cash provided by (used in) investing activities	(825,857)	36,381
Change in cash during the year	(134,578)	(7,014)
Cash, beginning of year	169,901	176,915
Cash, end of year	\$ 35,323	\$ 169,901

Supplemental disclosures with respect to cash flows (Note 14)

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

WILDSKY RESOURCES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Share Capital		Share subscription received in advance	Share-Based Payments Reserve	Equity component of convertible debentures	Deficit	Total
	Number	Amount					
Balance, November 30, 2018	14,839,813	\$ 52,991,720	\$ -	\$ 9,953,777	\$ -	\$ (56,450,831)	\$ 6,494,666
Equity component of convertible debentures	-	-	-	-	36,240	-	36,240
Share-based compensation	-	-	-	118,614	-	-	118,614
Net loss for the year	-	-	-	-	-	(372,342)	(372,342)
Balance, November 30, 2019	14,839,813	52,991,720	-	10,072,391	36,240	(56,823,173)	6,277,178
Share subscription received in advance	-	-	800,000	-	-	-	800,000
Equity component of convertible debentures	-	-	-	-	58,487	-	58,487
Share issuance costs	-	(7,959)	-	-	-	-	(7,959)
Net income for the year	-	-	-	-	-	1,098,397	1,098,397
Balance, November 30, 2020	14,839,813	\$ 52,983,761	\$ 800,000	\$ 10,072,391	\$ 94,727	\$ (55,724,776)	\$ 8,226,103

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

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

1. NATURE OF OPERATIONS AND GOING CONCERN

Wildsky Resources Inc. (“Wildsky” or the “Company”) was incorporated in January 2006 under the laws of British Columbia, Canada. The Company’s registered office is Suite 890 – 580 Hornby Street, Vancouver, British Columbia, Canada. Wildsky is listed on the TSX Venture Exchange under the trading symbol “WSK”. The Company and its subsidiary are in the business of acquisition, exploration and development of mineral properties.

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operations for the foreseeable future and meet its obligations and commitments in the normal course of business. As the Company is in the exploration stage, no revenue has been generated to date. At November 30, 2020, the Company had cash of \$35,323 (2019 - \$169,901), a working capital of \$121,510 (2019 – \$1,459,988) and a deficit of \$55,724,776 (2019 - \$56,823,173). Management has assessed that this working capital is sufficient for the Company to continue as a going concern beyond one year. If the going concern assumption were not appropriate for these financial statements, it could be necessary to restate the Company’s assets and liabilities on a liquidation basis.

These consolidated financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and International Financial Reporting Interpretations Committee (“IFRIC”).

These financial statements were approved and authorized for issue by the Board of Directors on March 15, 2021.

Basis of presentation

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

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Cassiar Gold (2020) Corp. (“Cassiar (2020)”, formerly “Cassiar Gold Corp.”) and 1248120 BC Ltd. (“1248120”). The Company consolidates these subsidiaries on the basis that it controls these subsidiaries. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. All intercompany transactions and balances have been eliminated on consolidation.

1248120 was newly incorporated on April 23, 2020 in the province of British Columbia, and has no transactions since incorporation.

As of October 9, 2020, the Company transferred 100% of its interest in Cassiar (2020) to Cassiar Gold Corp. (“Margaux” formerly “Margaux Resources Inc.”) according to the option agreement dated March 25, 2019. (Note 5). As a result, the Company ceased to consolidate Cassiar (2020)’s financial statements from October 9, 2020.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (*cont'd...*)

Cash

Cash includes cash held at major financial institutions and highly liquid guaranteed investment certificates that are readily available to the Company on demand or with maturity dates of three months or less.

Interest in equity-accounted investees

Equity accounted investees are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies. The Company's investment in the equity-accounted investees is recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, these consolidated financial statements include the Company's share of the profit or loss and other comprehensive income of the equity-accounted investee, until the date on which significant influence or joint control ceases. If the Company's share of losses equals or exceeds its interest in the equity-accounted investees, including unsecured advances, the Company would not recognize further losses. Dividends received from the equity-accounted investees reduce the carrying amount of the investment. Additional advances to the equity-accounted investees increase the carrying amount of the investment.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated amortization and any impairment charges. The cost of an item of property, plant and equipment includes the purchase price and related costs in bringing the item to the location and preparing the condition necessary for its intended use, as well as the estimated costs of dismantling, removing the item and restoring the site on which the item is installed.

Amortization expense of assets used in exploration are capitalized to exploration and evaluation assets. Amortization is recorded over the expected useful lives of the assets on a declining balance basis at the following annual rates:

Buildings and bridges	10%
Site equipment	20%
Vehicles	30%
Computer equipment	30%
Office furniture	20%

Exploration and evaluation assets ("E&E" assets)

The Company capitalizes costs related to the acquisition and exploration of E&E assets. These costs include purchase cost, mineral lease, staking costs, filing fees, drilling, assaying, geological, geophysical, technical studies and any other exploratory activities. E&E assets for which commercially viable reserves have been identified are reclassified to development assets. They are tested for impairment immediately prior to reclassification out of E&E assets. When an unproven mineral interest is abandoned, all related expenditures are written off to operations for the period.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (*cont'd...*)

Impairment of non-current assets

Property, plant and equipment and exploration and evaluation assets are assessed for impairment when events or circumstances indicate that the carrying amounts of the assets may not be recoverable. An impairment loss is recognized for any amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its 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. Value in use is determined as the present value of the estimated future pre-tax cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal. The Company reviews impairment on non-financial assets for possible reversal when events or circumstances warrant such consideration.

Asset retirement obligation ("ARO")

Restoration provision is made for future obligations to retire long-lived assets which include dismantling, removing facilities and restoring the affected areas to normal operations. The provision for future restoration costs is the best estimate of the present value of the cash flows required to settle the restoration obligation at the reporting date.

Upon initial recognition of the ARO liability, the amount is capitalized to the carrying value of the related asset and amortized as an expense over the economic life of the asset. The ARO liability increases in following periods as the accretion expenses are accounted for. The ARO is adjusted annually for changes to factors such as the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the discount rate.

Share-based payments

The Company uses the fair value method of accounting for share-based payments on stock option grants. Under this method, the cost of stock options is recorded based on the estimated fair value at the grant date, including an estimate of the forfeiture rate, and charged either to operations or capitalized to exploration and evaluation asset costs over the vesting period. The fair value is calculated using the Black-Scholes option pricing model.

Share-based payment transactions for employees and others providing similar services is determined based on the grant date fair value. Share-based payment for non-employees is determined based on the fair value of the goods or services received or option granted measured at the date on which the Company obtains such goods or services.

Each tranche in an option award is considered a separate award with its own vesting period. Share-based payment expense is recognized over each tranche's vesting period, in earnings or capitalized as appropriate, based on the number of awards expected to vest. Where awards are forfeited, the expense previously recognized is proportionately reversed in the period the forfeiture occurs. If stock options are ultimately exercised, the applicable amounts of reserves are transferred to share capital.

Loss per share

The Company presents basic and diluted earnings (loss) per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by dividing the profit or loss attributable to common shareholders by the weighted average number of common shares outstanding, adjusted for own shares held and for the effects of all potential dilutive common shares related to outstanding stock options and warrants issued by the Company for the years presented, except if their inclusion proves to be anti-dilutive

As at November 30, 2020, the diluted weighted average number of common shares outstanding is adjusted on the basis of the basic weighted average number of shares, by adding 1,400,000 stock options exercisable at \$0.10 per common share that was in the money on November 30, 2020 as these would have a dilutive effect on the EPS upon exercise.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (*cont'd...*)

Convertible debentures

Convertible debentures are separated into their liability and equity components on the statements of financial position. The liability component is initially recognized at fair value, determined as the net present value of future payments of interest and principal, discounted at the market rate for similar non-convertible liabilities at the time of issue. The liability component is recognized at amortized cost, using the effective interest method, until extinguished upon conversion, maturity or a normal course issuer bid. The fair value of the equity component of the convertible debentures is estimated using the residual method in which the difference between the face value of the instrument and the fair value of the debt component is allocated as the fair value of the equity component.

Income taxes

Income taxes comprise current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year using enacted tax rates at the reporting date. Deferred tax is calculated using the liability method on temporary differences between the carrying values of assets and liabilities and their respective income tax bases, except for temporary differences in assets and liabilities arising in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, transactions relating to investments in jointly controlled entities to the extent that they will not reverse in the foreseeable future, and transactions arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the enacted tax rates that are expected to apply when the assets are recovered and the liabilities settled. Deferred tax assets are recognized for unused tax losses, tax credits and deductible temporary differences to the extent that future taxable income will be available against which they can be used.

Financial instruments

The Company recognizes a financial asset or a financial liability in its statement of financial position when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset or a financial liability at its fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or the financial liability.

Financial assets

The Company will classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss, based on its business model for managing the financial asset and the financial asset's contractual cash flow characteristics. The three categories are defined as follows:

- a) Amortized cost - a financial asset is measured at amortized cost if both of the following conditions are met:
 - the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
 - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- b) Fair value through other comprehensive income - financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- c) Fair value through profit or loss - any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (*cont'd...*)

Financial instruments (*cont'd...*)

When, and only when, the Company changes its business model for managing financial assets it must reclassify all affected financial assets.

The Company's financial assets are comprised of cash and receivables, which are measured at amortized cost. The investments in public company shares were originally measured at fair value through profit or loss, and then changed to the equity method after the Company's shareholding in the investee reached 20%.

Financial liabilities

The Company's liabilities include accounts payable and accrued liabilities, due to related parties and convertible debentures which are all measured at amortized cost. After initial recognition, an entity cannot reclassify any financial liability.

Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Management judgments and estimates

The preparation of these consolidated financial statements in accordance with IFRS requires management use of estimates, assumptions and judgment that impact the Company's reported financial results. These estimates are based on past experiences and expectations of future events. Uncertainty on these judgments could result in material differences of the carrying amounts in the Company's financial position.

The key judgments and estimates that affect the consolidated financial statements are:

Impairment of exploration and evaluation assets (E&E assets)

The Company carries out an impairment assessment on its E&E assets when circumstances indicate their carrying values may exceed their recoverable amounts. The process of determining the impairment involves significant judgment and estimation on the recoverability of the E&E assets as it relies on both an interpretation of geological and technical data as well as market conditions including commodity prices, investor sentiment and global financing. As new information comes up, the recoverable amounts of the assets and the impairment loss may differ from these judgments and estimates.

Impairment of property, plant and equipment

The Company carries out an impairment assessment on its property, plant and equipment when circumstances indicate their carrying values may exceed their recoverable amounts. The process of determining the impairment involves significant judgment and estimation on the recoverability of the carrying value of the property, plant and equipment, which is impacted by factors such as the condition of and demand for such assets. Therefore, actual recoverable amounts of the assets and the impairment loss may differ from these judgments and estimates.

Asset retirement obligation ("ARO")

Provision on the retirement of the E&E assets and site restoration is based on many assumptions and judgments: future estimated costs, expected amounts of cash flows to discharge the obligation, timing of such cash flows and the prevalent market discount rate. Any changes to the assumptions will result in an adjustment to the provision which affects the Company's liabilities and operating results.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

New, amended and future accounting pronouncements

Standards and amendments issued but not yet effective for the year ended November 30, 2020, are as follows:

Amendments to *IFRS 3, Business Combinations*, clarify the definition of a business by providing a new framework for determining whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments are effective for annual periods beginning on or after January 1, 2020. The Company does not expect any impact on its financial statements from this new standard.

Amendments to *IAS 1, Presentation of Financial Statements*, and *IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors*, clarify the definition of 'materiality' and how it should be applied. The amendments also improve the explanations of the definition and ensure consistency across all IFRS Standards. The new definition is: "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments are effective for annual periods beginning on or after January 1, 2020. The Company does not expect any impact on its financial statements from this new standard.

Amendments to *IFRS 16, Leases*, COVID-19-Related Rent Concessions, permit lessees not to assess whether eligible COVID-19 related rent concessions are lease modifications, and account for them as if they were not lease modifications. The amendments are effective for annual periods beginning on or after January 1, 2020. The Company does not expect any impact on its financial statements from this new standard.

3. DISPOSAL OF SUBSIDIARY

As of October 9, 2020, the Company transferred 100% of its interest in Cassiar (2020) to Margaux according to the option agreement dated March 25, 2019 (Note 5) for total proceeds of \$5,790,990 (value of the 11,640,000 Margaux shares received). The proceeds have been recorded to reduce the carrying value of the exploration and evaluation assets when received.

Details of the disposal are as follows:

Carrying amounts of net assets over which control was lost:

Non-current assets

Property, plant and equipment (Note 4)	\$ 400,706
Reclamation bonds (Note 6)	354,944
Exploration and evaluation assets (Note 5)	<u>2,439,801</u>
Total assets	<u>3,195,451</u>

Non-current liabilities

Asset retirement obligation (Note 6)	<u>2,849,821</u>
Total liabilities	<u>(2,849,821)</u>

Loss on disposal of subsidiaries

Net assets derecognized	<u>\$ (345,630)</u>
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WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

4. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Computers	Geological equipment	Total
COST					
Balance, November 30, 2018 and 2019	\$ 20,000	\$ 875,217	\$ 3,072	\$ -	\$ 898,289
Additions	-	-	-	30,961	30,961
Disposal of subsidiary (Note 3)	(20,000)	(875,217)	-	-	(895,217)
Balance, November 30, 2020	\$ -	\$ -	\$ 3,072	\$ 30,961	\$ 34,033
Accumulated amortization					
Balance, November 30, 2018	\$ -	\$ 417,912	\$ 597	\$ -	\$ 418,509
Additions	-	45,731	1,024	-	46,755
Balance, November 30, 2019	-	463,643	1,621	-	465,264
Additions	-	30,868	1,024	10,321	42,213
Disposal of subsidiary (Note 3)	-	(494,511)	-	-	(494,511)
Balance, November 30, 2020	\$ -	\$ -	\$ 2,645	\$ 10,321	\$ 12,966
Carrying amounts					
At November 30, 2019	\$ 20,000	\$ 411,574	\$ 1,451	\$ -	\$ 433,025
At November 30, 2020	\$ -	\$ -	\$ 427	\$ 20,640	\$ 21,067

5. EXPLORATION AND EVALUATION ASSETS

Cassiar Project, British Columbia

The Company, through its subsidiary Cassiar (2020), owns 100% of the Cassiar project's mineral assets. The Cassiar project is located in northern British Columbia, Canada.

The Cassiar project's two major areas of exploration and development activities are the Table Mountain and Taurus properties. Table Mountain is a past-producing underground gold mine. The property has a fully permitted gold mill and tailings management facility which are available for future ore processing.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

5. EXPLORATION AND EVALUATION ASSETS (*cont'd...*)

The Company's expenditures on its exploration and evaluation assets were as follows:

	Year ended November 30, 2020	Year ended November 30, 2019
Balance, beginning of the year	\$ 6,839,004	\$ 7,809,859
Exploration costs		
Asset retirement obligation – changes in estimation	-	467,826
Assay and staking	-	26,042
BC Mining Exploration Tax Credit	(5,103)	(62,423)
Margaux Payment shares (Note 7)	(4,394,100)	(1,396,800)
Other	-	(5,500)
Disposal of subsidiary (Note 3)	(2,439,801)	-
Balance, end of the year	\$ -	\$ 6,839,004

Option agreement with Margaux

On March 25, 2019, the Company entered into an option agreement (the "Agreement") with Margaux, a TSX-V listed junior exploration company. Pursuant to the terms of the Agreement, the Company granted (the "Transaction") Margaux an option (the "Option") to acquire all of the common shares in the capital of the Company's wholly-owned subsidiary Cassiar (2020).

During the year ended November 30, 2020, the Company received 8,148,000 (2019 – 3,492,000) common shares (the "Payment Shares") in the capital of Margaux, valued at \$4,394,100 (2019 - \$1,396,800) at the time of receipt.

- (a) Issue 5,820,000 Payment Shares (1,164,000 post-consolidation shares, valued at \$465,600) being issued to the Company on receipt of final TSX-V approval of the Agreement, as fully paid and non-assessable securities;
- (b) Issue 11,640,000 Payment Shares (2,328,000 post-consolidation shares, valued at \$931,200) being issued to the Company on the date that is the earlier of six months from (i) the date of the Agreement, and (ii) the receipt of final TSX-V approval of the Agreement;
- (c) Issue 17,460,000 Payment Shares (3,492,000 post-consolidation shares, valued at \$1,134,900) to the Company on the date that is the earlier of twelve months from (i) the date of the Agreement, and (ii) the receipt of final TSX-V approval of the Agreement; and
- (d) Issue 23,280,000 Payment Shares (4,656,000 post-consolidation shares, valued at \$3,259,200) to the Company on the date that is the earlier of eighteen months from (i) the date of the Agreement, and (ii) the receipt of final TSX-V approval of the Agreement.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

5. EXPLORATION AND EVALUATION ASSETS (cont'd...)

All Payment Shares issued to the Company in accordance with the Agreement shall be subject to a statutory hold period (the "Statutory Hold Period") of 4 months plus a contractual hold period of a further 8 months (for a total of 12 months from the date of issuance).

In October 2020, Margaux completed all obligations under the Agreement. As a result, the Company transferred 100% of its interest in Cassiar (2020) to Margaux as of October 9, 2020.

6. ASSET RETIREMENT OBLIGATION ("ARO")

Cassiar (2020) has future obligations relating to retiring its exploration and evaluation assets at the Cassiar Property including dismantling, remediation and treatment of the site. The exact nature and costs of the obligation are subject to change because of the ongoing changes of environmental requirements enacted by government agencies.

A continuity of the asset retirement obligation is as follows:

	Year ended November 30, 2020	Year ended November 30, 2019
Asset retirement obligation – beginning balance	\$ 2,809,783	\$ 2,283,225
Changes in estimates	-	467,826
Accretion expense	40,038	58,732
Disposal of subsidiary (Note 3)	(2,849,821)	-
Asset retirement obligation – ending balance	\$ -	\$ 2,809,783

As of October 9, 2020, the disposal date, Cassiar (2020) had \$354,944 (November 30, 2019 - \$354,944) of reclamation bonds with the Ministry of Energy and Mines of British Columbia as commitments to meet its regulatory obligations. The reclamation bonds are interest bearing at the prime rate less 0.60% and 0.70% respectively. The reclamation bonds are hypothecated and automatically renewed upon maturity.

7. INVESTMENTS ACCOUNTED UNDER FVTPL

During the year ended November 30, 2020, the Company received 8,148,000 (2019 – 3,492,000) shares of Margaux valued at \$4,394,100 (2019 - \$1,396,800) at the time of receipt. (Note 5).

	Amount
Balance, as at December 1, 2018	\$ -
Fair value of shares received	1,396,800
Fair value adjustment	349,200
Balance, as at November 30, 2019	1,746,000
Fair value of shares received	4,394,100
Fair value adjustment	2,007,900
Transferred to equity investment on October 2, 2020	(8,148,000)
Balance, as at November 30, 2020	\$ -

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

8. INVESTMENTS ACCOUNTED UNDER EQUITY METHOD

	Amount
Balance, as at November 30, 2018 and 2019	\$ -
Amount transferred to equity investment on October 2, 2020 (Note 7)	8,148,000
Loss on dilution of investment in equity investment	(5,534)
Share of loss on equity investment	(58,940)
Balance, as at November 30, 2020	\$ 8,083,526

As of October 2, 2020, upon receiving the last tranche of Margaux Payment Shares, the Company holds 11,640,000 common shares of Margaux, representing 25.98% of the total issued and outstanding shares of Margaux.

Before October 2, 2020, the Company held less than a 20% interest in Margaux. The investment in Margaux was measured as financial assets at fair value through profit or loss.

Starting October 2, 2020, the investment in Margaux is accounted for using the equity method. The fair value of the 11,640,000 Margaux shares, \$8,148,000, was transferred from financial assets at fair value through profit or loss to equity investment (Note 7).

On October 30, 2020, Margaux closed on a non-brokered private placement of 3,252,867 units of Margaux at a purchase price of \$0.60 per unit, 3,775,715 flow-through units at a purchase price of \$0.70 per unit, and 2,508,333 charitable flow-through units a purchase price of \$0.82 per unit, for total proceeds of \$6,650,000. As a result of the private placement, the Company's shareholding in Margaux decreased to 21.42%.

From October 2, 2020 to November 30, 2020, the Company recognized a loss on the dilution of its investment in Margaux in the amount of \$5,534, which was the result of Margaux issuing additional shares on October 30, 2020 and the Company's shareholding in Margaux decreasing to 21.42% as of November 30, 2020.

From October 2, 2020 to November 30, 2020, the Company recognized \$58,940 of Margaux's loss during the period. The Company estimated the loss during the period by using the most recent available financial statements of Margaux which is for its fiscal year ended September 30, 2020 and then adjusting significant transactions of Margaux that occurred between September 30, 2020 and November 30, 2020.

The following summarize Margaux's most available financial info:

	Year ended September 30, 2020
Current assets	\$ 2,177,890
Non-current assets	\$ 6,828,857
Current liabilities	\$ (767,491)

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

8. INVESTMENTS ACCOUNTED UNDER EQUITY METHOD (cont'd...)

	Year ended September 30, 2020
Total revenue	\$ -
Total expenses	\$ (2,036,274)
Net loss and comprehensive loss	\$ (2,449,549)

9. CONVERTIBLE DEBENTURES

	Year ended November 30, 2020	Year ended November 30, 2019
Convertible debenture – beginning balance	\$ 302,920	\$ -
Convertible debentures at issuance	177,753	265,760
Convertible debentures at renewal	(302,000)	-
Convertible debentures revalued at renewal	265,760	-
Interest accretion	94,879	37,160
Interest payment	(30,200)	-
Convertible debenture – ending balance	\$ 509,112	\$ 302,920

Convertible Debenture May 2019

In May 2019, the Company closed a non-brokered, private placement of debentures (the “Debentures”) of the Company at a price of \$1,000 per Debenture for gross proceeds of \$302,000. Each Debenture has the following terms and conditions attached:

- 1) Term: Twelve months from the date of issuance of the Debentures, subject to an option on the part of the holders thereof to extend the maturity to twenty-four months from the date of issuance of the Debentures.
- 2) Interest Rate: The Debentures shall bear interest at 10% per annum, accrued monthly, and payable at maturity.
- 3) Security: The Debentures shall be unsecured.
- 4) Conversion: The Debenture holder may, at any time and from time to time up to maturity, elect to convert the outstanding Debentures and any interest accrued and unpaid thereon into common shares in the capital of the Company at a price of \$0.10 per share.

The Debentures were renewed for a year at the same terms on May 20, 2020. The Company repaid interest of \$30,200 at the renewal date.

For accounting purposes, the renewed Debentures are separated into their liability (\$265,760) and equity components (\$36,240) by first valuing the liability component. The fair value of the liability component at the time of issue was calculated as the discounted cash flows of the Debentures assuming an 25% discount rate, which was the estimated rate for a similar debenture without a conversion feature. The fair value of the equity component (conversion feature) was determined at the time of issue as the difference between the face value of the Debentures and the fair value of the liability component.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

9. CONVERTIBLE DEBENTURES (*cont'd...*)

During the year ended November 30, 2020, the Company recorded \$64,440 (2019 - \$37,160) of accretion and interest on this debt.

Convertible Debenture April 2020

In April 2020, the Company closed a non-brokered, private placement of debentures (the "Debentures") of the Company at a price of \$1,000 per Debenture for gross proceeds of \$200,000. The Debentures has the same terms as the Debentures issued in May 2019.

For accounting purposes, the Debentures are separated into their liability (\$177,753) and equity components (\$22,247) by first valuing the liability component. The fair value of the liability component at the time of issue was calculated as the discounted cash flows of the Debentures assuming an 25% discount rate, which was the estimated rate for a similar debenture without a conversion feature. The fair value of the equity component (conversion feature) was determined at the time of issue as the difference between the face value of the Debentures and the fair value of the liability component.

During the year ended November 30, 2020, the Company recorded \$28,439 (2019 - \$Nil) of accretion and interest on this debt.

10. SHARE CAPITAL

Authorized - unlimited number of common shares without par value

Share issuance

There were no share issuances during the years ended November 30, 2020 and 2019.

Subscription received in advance

On March 23, 2020, the Company announced a non-brokered, private placement of units of the Company at a price of \$0.10 per Unit for gross proceeds of \$800,000. Each Unit shall be comprised of one common share and ½ of one share purchase warrant (each whole warrant being a "Warrant"). Each Warrant shall be exercisable into a common share at a price of \$0.15 per Warrant Share at any time up to the close of business on the third anniversary of the date of issuance of the Units. The Company received the proceeds of \$800,000.

Subsequently in December 2020, the Company received TSX-V's approval and closed the private placement.

Stock options

The Company has a stock option plan whereby the Board of Directors may, from time to time, grant options to directors, officers, employees and consultants. The term of the option grants is up to ten years and vests immediately except for stock options granted to investor relations consultants whereby these options vest over 12 months. The maximum number of common shares reserved for issue shall not exceed 10% of the total number of common shares issued and outstanding as at the grant date.

During the year ended November 30, 2019, the Company granted to directors, officers and consultants 1,400,000 stock options, exercisable at \$0.10 per share for a term of 5 years. These options vested on the date of grant. The fair value of the stock options granted was \$118,614 (\$0.08 per option).

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

10. SHARE CAPITAL (cont'd...)

Stock options (cont'd...)

The fair value of the stock options granted was determined using the following assumptions:

Weighted average assumptions	Year ended November 30, 2019
Risk free interest rate	1.20%
Volatility	264.74%
Expected life of options	5 years
Dividend rate	0%

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, November 30, 2018	950,000	\$ 0.20
Expired/cancelled	(950,000)	0.20
Granted	1,400,000	0.10
Balance, November 30, 2019 and 2020	1,400,000	\$ 0.10
Exercisable, at November 30, 2020	1,400,000	\$ 0.10

As at November 30, 2020, the following incentive stock options are outstanding:

Number of Options	Exercise Price	Expiry Date
1,400,000	\$ 0.10	August 7, 2024

Warrants

The continuity of the Company's warrants as of November 30, 2020 is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2018 and 2019	7,245,000	\$ 0.30
Expired	(7,245,000)	0.30
Balance, November 30, 2020	-	\$ -

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

11. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the year ended November 30, 2020:

a) During the year ended November 30, 2020, the Company paid or accrued \$96,000 (2019 -\$96,000) to a company controlled by the CEO and President. As of November 30, 2020, \$85,236 (2019 - \$36,400) payable to the company controlled by the CEO and President was included in due to related parties.

On May 21, 2019, a company controlled by the CEO and President subscribed for 42 units of the Company's convertible debenture with a principal amount of \$42,000 (Note 9). The principal was renewed on May 21, 2020. The Company paid interest of \$4,200 to the company controlled by the CEO in May 2020.

b) During the year ended November 30, 2020, the Company paid or accrued \$72,000 (2019 -\$72,000) to a company controlled by the CFO. As of November 30, 2020, \$50,300 (2019 - \$30,300) payable to the company controlled by the CFO was included in due to related parties.

On May 21, 2019, the CFO subscribed for 10 units of the Company's convertible debenture with a principal amount of \$10,000 (Note 8). The principal was renewed on May 21, 2020. The Company paid interest of \$1,000 to the CFO in May 2020.

c) During the year ended November 30, 2020, the Company paid or accrued \$500 (2019 -\$6,000) to a company of which the CEO and President is a director. As of November 30, 2019, the Company prepaid \$525 for December rent.

d) During the year ended November 30, 2020, Nil (2019 - 1,300,000) stock options were granted to directors and officers having a fair value on issuance of \$Nil (2019 - \$110,142).

Due to related parties do not bear interest, are unsecured and repayable on demand.

12. FAIR VALUE MEASUREMENT AND RISK MANAGEMENT

IFRS 13, Fair Value Measurement, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's accounts payable and accrued liabilities, due to related parties, and convertible debentures are measured at amortized cost. Its financial assets, cash, is measured at fair value and GST receivable, is measured at amortized cost. The Company's carrying values of these items approximate their fair value due to the relatively short periods to maturity of the instruments.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

12. FAIR VALUE MEASUREMENT AND RISK MANAGEMENT (*cont'd...*)

The Company's financial instruments as at November 30, 2020 are as follows:

	Level 1	Level 2	Level 3
Financial assets at FVTPL			
Cash	\$ 35,323	\$ -	\$ -
Financial assets at amortized costs			
Other receivables	\$ 7,460	\$ -	\$ -
Financial liabilities at amortized costs			
Accounts payable and accrued liabilities	\$ 81,647	\$ -	\$ -
Due to related parties	\$ 135,536	\$ -	\$ -
Convertible debentures	\$ -	\$ 509,112	\$ -

Financial risk management

The Company's objective in risk management is to maintain its ability to continue as a going concern. It is exposed to the following risks:

Liquidity risk

Liquidity risk is the risk that the Company might not be able to meet its obligations and commitments as they come due. As at November 30, 2020, the Company had cash of \$35,323 (2019 - \$169,901) and a working capital of \$121,510 (2019 - \$1,459,988).

Credit risk

Credit risk arises from cash held with financial institutions as well as credit exposure on outstanding receivables.

The Company's cash is held at high-credit rating financial institutions. The Company's maximum exposure to credit risk is the carrying amounts of cash and receivables on its consolidated statement of financial position.

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.

i. Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company's convertible debentures bear interest at 10% per annum. The Company's exposure to interest rate risk is insignificant.

ii. Foreign currency risk

Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has no significant assets or liabilities and has no revenue or expenses denominated in a foreign currency, so it is not exposed to foreign currency risk.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

12. FAIR VALUE MEASUREMENT AND RISK MANAGEMENT (*cont'd...*)

iii. Equity price risk

Equity price risk arises from market fluctuations in equity prices that could adversely affect the Company's operations. The Company's current exposure to equity price risk is limited to declines in the values and volumes including those of its own shares, which could impede its ability to raise additional funds when required.

13. CAPITAL MANAGEMENT

The Company's capital management objective is to ensure its ability to continue as a going concern to meet its operational obligations and to maintain capital access to fund its Cassiar mineral exploration activities.

The capital that the Company manages is the total of liabilities and equity on the consolidated statements of financial position. The Company may modify the capital structure to meet its funding needs by issuing new equity shares and/or debt instruments, disposing assets or bringing in joint venture partners. To facilitate the management of its capital, the Company prepares annual budgets approved by the Board of Directors. The budget is reviewed and updated periodically to account for changes in the expenditures and economic conditions. The Company is not subject to any externally imposed capital requirements.

14. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

During the year ended November 30, 2020, the Company recorded a reduction of \$4,394,100 to the exploration and evaluation assets which is the fair value of the 8,148,000 shares received from Margaux pursuant to the option agreement (Note 5).

During the year ended November 30, 2019, the Company

a) recorded an addition of \$467,826 to the exploration and evaluation assets which resulted from a change of estimation in the asset retirement obligation.

b) recorded a reduction of \$1,396,800 to the exploration and evaluation assets which is the fair value of the 3,492,000 shares received from Margaux pursuant to the option agreement (Note 5).

15. INCOME TAXES

A reconciliation of income taxes at statutory rates (2020 – 27%; 2019 – 27%) with the reported taxes is as follows:

	Year ended November 30, 2020	Year ended November 30, 2019
Income (loss) for the year	\$ 1,098,397	\$ (372,342)
Expected income tax (recovery)	\$ 297,000	\$ (101,000)
Non-deductible expenditures (non-taxable income)	1,497,000	(14,000)
Adjustment to prior years provision versus statutory tax returns	(191,000)	25,000
Impact of Cassiar Gold Corp. sale option agreement	-	(189,000)
Tax impact of loss on disposal of subsidiary	(275,000)	-
Change in unrecognized deductible temporary differences	(1,328,000)	279,000
Total income tax expenses (recovery)	\$ -	\$ -

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

15. INCOME TAXES (cont'd...)

Details of deferred tax assets are as follows:

	November 30, 2020	November 30, 2019
Equipment	\$ 84,000	\$ 574,000
Resource deductions	3,556,000	3,106,000
Allowable capital losses	1,589,000	-
Asset retirement obligation	-	759,000
Share issue costs	3,000	1,000
Non-capital losses available for future periods	4,985,000	7,106,000
	10,218,000	11,546,000
Unrecognized tax benefits	(10,218,000)	(11,546,000)
Net deferred tax assets	\$ -	\$ -

As of November 30, 2020, the Company has non-capital losses for Canadian Income tax purposes of approximately \$18,462,000 (2019 - \$26,138,000) which can be carried forward to reduce taxable income in future years. These tax losses expire at various times between years 2026 and 2040. In addition, the Company has resource deductions of \$13,169,000 (2019 - \$11,502,000) and allowable capital losses of \$5,888,000 (2019 - \$Nil) available to reduce taxable income of future years. The Company did not recognize deferred income tax assets because the Company has a history of losses as evidenced by its accumulated deficit.

16. EVENTS SUBSEQUENT TO THE REPORTING PERIOD

Acquisition of Exploration Licenses in Nigeria

In December 2020, the Company received approval from the TSX-V for its acquisition of 1187935 BC Limited ("1187935 BC"). 1187935 BC legally and beneficially owns 9,900,000 ordinary shares (out of 10,000,000 ordinary shares issued and outstanding, the "Shares") of Zijin Midas Nigeria Limited ("ZMNL"), a private company incorporated in the Federal Republic of Nigeria.

Pursuant to a Share Purchase Agreement (the Agreement) with 1187395 BC dated December 5, 2019, the Company will purchase the Shares for cash consideration of US\$96,000. On December 15, 2020, the Company obtained a 100% interest in 1187935 BC.

ZMNL holds ten Exploration Licenses (the "EL's") in Nigeria, three of the EL's pertain to niobium-tantalum ("Nb-Ta") exploration (each being a "Nb-Ta EL"), and the remaining seven EL's are for gold and lead-zinc exploration (each being a "Au-Pb EL"). The ten EL's cover a total area of 742 km².

The EL's are subject to a call option (the "Slight Edge Option") in favour of Slight Edge HK Limited ("Slight Edge"). Slight Edge's Nigerian subsidiary assisted ZMNL through the application process which lead to the issuance of the EL's. According to a call-option deed entered into between ZMNL and Slight Edge, Slight Edge has an option permitting it to obtain up to a 30% interest in the seven Au-Pb EL's and a 20% interest in the three Nb-Ta EL's. Slight Edge may exercise its Slight Edge Option before February 8, 2021 by reimbursing ZMNL for its respective percentage of costs and expenses incurred by ZMNL with respect to the EL's.

WILDSKY RESOURCES INC.
Notes to the consolidated financial statements
(Expressed in Canadian dollars)
For the years ended November 30, 2020 and 2019

16. EVENTS SUBSEQUENT TO THE REPORTING PERIOD *(cont'd...)*

Private placement

On December 15, 2020, the Company closed the non-brokered private placement announced in March 2020. As a result, the Company issued 8,000,000 Units at a price of \$0.10 per Unit for gross proceeds of \$800,000. Each Unit is comprised of one common share and $\frac{1}{2}$ of one share purchase warrant (each whole warrant being a "Warrant"). Each Warrant is exercisable into a common share at a price of \$0.15 per Warrant Share at any time up to the close of business on the third anniversary of the date of issuance of the Units.