
**79NORTH INC. (FORMERLY 12 EXPLORATION INC.)
CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
THREE MONTHS ENDED FEBRUARY 28, 2021
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of 79North Inc. (formerly 12 Exploration Inc.) (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

79North Inc. (Formerly 12 Exploration Inc.)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

	As at February 28, 2021	As at November 30, 2020
ASSETS		
Current assets		
Cash	\$ 2,381,358	\$ 2,870,786
Receivables and other assets (note 3)	106,431	136,960
	2,487,789	3,007,746
Equipment (note 4)	119,859	99,032
Total assets	\$ 2,607,648	\$ 3,106,778
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (notes 5 and 11)	\$ 199,085	\$ 112,094
Total liabilities	199,085	112,094
Equity		
Share capital (note 6)	7,360,896	7,360,896
Reserve	2,809,710	2,809,710
Accumulated other comprehensive income	61,485	61,485
Deficit	(8,377,719)	(7,791,598)
Equity attributable to the shareholders of the Company	1,854,372	2,440,493
Non-controlling interest	554,191	554,191
Total equity	2,408,563	2,994,684
Total equity and liabilities	\$ 2,607,648	\$ 3,106,778

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)
Events after the reporting date (note 13)

79North Inc. (Formerly 12 Exploration Inc.)**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****Unaudited**

	Three Months Ended February 28, 2021	Three Months Ended February 29, 2020
Operating expenses		
Exploration and evaluation expenditures (note 10)	\$ 286,348	\$ 30,398
Professional fees	55,317	20,495
Management and consultants compensation	57,267	37,500
Travel	30,468	1,701
Office and general	46,793	22,834
Foreign exchange loss	4,494	647
Investor relations	105,434	-
Total comprehensive loss for the period	\$ (586,121)	\$ (113,575)
Basic and diluted net loss per share (note 9)	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding	85,878,941	43,133,953

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

79North Inc. (Formerly 12 Exploration Inc.)
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended February 28, 2021	Three Months Ended February 29, 2020
Operating activities		
Net loss for the period	\$ (586,121)	\$ (113,575)
Adjustments for:		
Amortization	6,886	2,381
Changes in non-cash working capital items:		
Receivables and other assets	30,529	(102)
Accounts payable and accrued liabilities	86,991	70,119
Net cash used in operating activities	(461,715)	(41,177)
Investing activities		
Purchase of equipment	(27,713)	-
Net cash used in investing activities	(27,713)	-
Net change in cash	(489,428)	(41,177)
Cash, beginning of period	2,870,786	56,835
Cash, end of period	\$ 2,381,358	\$ 15,658

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79North Inc. (Formerly 12 Exploration Inc.)**Condensed Interim Consolidated Statements of Changes in Equity****(Expressed in Canadian Dollars)****Unaudited**

	Share capital	Reserve	Accumulated other comprehensive income	Deficit	Total attributable to shareholders of Company	Non- controlling interest	Total
Balance, November 30, 2019	\$ 3,418,184	\$ 594,410	\$ 61,485	\$ (4,950,588)	\$ (876,509)	\$ 554,191	\$ (322,318)
Net loss for the period	-	-	-	(113,575)	(113,575)	-	(113,575)
Balance, February 29, 2020	\$ 3,418,184	\$ 594,410	\$ 61,485	\$ (5,064,163)	\$ (990,084)	\$ 554,191	\$ (435,893)
Balance, November 30, 2020	\$ 7,360,896	\$ 2,809,710	\$ 61,485	\$ (7,791,598)	\$ 2,440,493	\$ 554,191	\$ 2,994,684
Net loss for the period	-	-	-	(586,121)	(586,121)	-	(586,121)
Balance, February 28, 2021	\$ 7,360,896	\$ 2,809,710	\$ 61,485	\$ (8,377,719)	\$ 1,854,372	\$ 554,191	\$ 2,408,563

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

79North Inc. (Formerly 12 Exploration Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended February 28, 2021

(Expressed in Canadian Dollars)

Unaudited

1. Nature of operations and going concern

79North Inc. (formerly 12 Exploration Inc.) (the "Company" or "79North") was incorporated under the Business Corporations Act (Ontario) on November 27, 2017. The Company is focused on the acquisition, exploration and development of properties which are prospective for gold and other metals. The Company is domiciled in Canada and its registered office is located at 82 Richmond Street East, Suite 306, Toronto, Ontario, M5C 1P1.

On June 12, 2020, the Company completed a reverse take-over transaction ("RTO Transaction") with 79North Ltd. wherein the Company acquired 100% of the issued and outstanding common shares of 79North Ltd. As a result of the share exchange, 79North Ltd. is considered to have control. While the Company is the legal acquirer, the accounting acquirer is 79North Ltd. and these financial statements are consolidated and presented with 79North Ltd. as the continuing entity. Concurrent with the RTO, the Company changed its name to 12 Exploration Inc. and began trading on the Canadian Securities Exchange ("CSE") under the symbol "TWLV". On August 19, 2020, the Company changed its name to 79North Inc. and began trading on CSE under the symbol "JQ".

79North is at an early stage of exploring and acquiring gold properties and as is common with many small companies, it raises financing for its exploration and acquisition activities in discrete tranches. As at February 28, 2021, the Company has a working capital of \$2,288,704 (November 30, 2020 - working capital of \$2,895,652). For the three months ended February 28, 2021, the Company had a net loss and comprehensive loss of \$586,121 (three months ended February 29, 2020 - loss of \$113,575) and had cash outflows from operations of \$461,715 (three months ended February 29, 2020 - cash outflows of \$41,177). These conditions indicate the existence of some uncertainty that may cast doubt regarding the Company's ability to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern.

The Company's ability to continue as a going concern is dependent upon obtaining additional financing and eventually achieving profitable production in the future. The Company is currently evaluating various options in order to address its financing needs. There can be no assurance that the Company's financing activities will continue to be successful or sufficient.

Longer term, the Company may pursue opportunities to raise additional capital through equity markets; however, there can be no assurance it will be able to raise funds in the future. The ultimate ability of the Company to remain a going concern and complete exploration and development of properties, if properties are proven successful, is dependent upon successfully raising additional capital.

These unaudited condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets, liabilities and reported expenses should the Company be unable to continue as a going concern. These adjustments could be material.

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

79North Inc. (Formerly 12 Exploration Inc.)
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended February 28, 2021
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2. Significant accounting policies

Statement of compliance

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

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of April 19, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended November 30, 2020. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending November 30, 2021 could result in restatement of these unaudited condensed interim consolidated financial statements.

3. Receivables and other assets

	February 28, 2021	November 30, 2020
Amounts receivable	\$ 40,918	\$ 32,972
Prepaid expenses	65,513	103,988
	\$ 106,431	\$ 136,960

4. Equipment

Cost	Equipment	Vehicle	Total
Balance, November 30, 2019	\$ 69,004	\$ -	\$ 69,004
Additions	64,144	-	64,144
Balance, November 30, 2020	133,148	-	133,148
Additions	5,747	21,966	27,713
Balance, February 28, 2021	\$ 138,895	\$ 21,966	\$ 160,861

Accumulated Depreciation	Equipment	Vehicle	Total
Balance, November 30, 2019	\$ 21,385	\$ -	\$ 21,385
Depreciation for the year	12,731	-	12,731
Balance, November 30, 2020	34,116	-	34,116
Depreciation for the period	5,239	1,647	6,886
Balance, February 28, 2021	\$ 39,355	\$ 1,647	\$ 41,002

Carrying Value	Equipment	Vehicle	Total
Balance, November 30, 2020	\$ 99,032	\$ -	\$ 99,032
Balance, February 28, 2021	\$ 99,540	\$ 20,319	\$ 119,859

79North Inc. (Formerly 12 Exploration Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended February 28, 2021

(Expressed in Canadian Dollars)

Unaudited

5. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for purchases relating to general operating activities.

	February 28, 2021	November 30, 2020
Accounts payable	\$ 169,085	\$ 46,544
Accrued liabilities	30,000	65,550
	\$ 199,085	\$ 112,094

6. Share capital

(a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Common shares issued

	Number of common shares	Amount
Balance, November 30, 2019 and February 29, 2020	43,133,953	\$ 3,418,184
Balance, November 30, 2020 and February 28, 2021	85,878,941	\$ 7,360,896

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7. Stock options

	Number of stock options	Weighted average exercise price
Balance, November 30, 2019 and February 29, 2020	-	\$ -
Balance, November 30, 2020 and February 28, 2021	4,300,000	\$ 0.15

The following table reflects the actual stock options issued and outstanding as of February 28, 2021:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
June 12, 2021	0.15	0.28	500,000	500,000
June 16, 2025	0.15	4.30	3,500,000	3,500,000
September 23, 2025	0.15	4.57	300,000	300,000
	0.15	3.85	4,300,000	4,300,000

8. Warrants

	Number of warrants	Weighted average exercise price
Balance, November 30, 2019 and February 29, 2020	12,759,183	\$ 0.19
Balance, November 30, 2020 and February 28, 2021	47,947,885	\$ 0.23

The following table reflects the warrants issued and outstanding as of February 28, 2021:

Expiry date	Exercise price (\$)	Number of warrants outstanding
June 12, 2023 (i)	0.20	11,032,400
June 12, 2023 (i)(ii)	0.15	1,726,783
June 12, 2023	0.25	32,734,988
June 12, 2023 (iii)	0.15	2,133,714
May 15, 2021	0.15	320,000
	0.23	47,947,885

79North Inc. (Formerly 12 Exploration Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended February 28, 2021

(Expressed in Canadian Dollars)

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8. Warrants (continued)

(i) On May 9, 2019, the Company extended the expiry date of the share purchase warrants and the broker warrants originally scheduled to expire on December 21, 2020 to the earlier of (i) May 9, 2024, and (ii) 3 years after the date of the Company completing a Going Public Transaction, provided that, if at any time following November 30, 2020, the common shares of the Company trade on a recognized Canadian stock exchange at a volume weighted average price of \$0.50 or more for ten consecutive trading days, the Company may, by notice to warrant holders, reduce the expiry date to not less than 20 business days from the date of such notice.

(ii) Exercisable to acquire one unit, consisting of one common share of the Company and one-half of one common share purchase warrant. Each warrant shall be exercisable to acquire one additional common share at a price of \$0.20 per share.

(iii) Exercisable to acquire one unit, consisting of one common share of the Company and one common share purchase warrant. Each warrant shall be exercisable to acquire one additional common share at a price of \$0.25 per share.

9. Net loss per share

The calculation of basic and diluted loss per share for the three months ended February 28, 2021 was based on the loss attributable to common shareholders of \$586,121 (three months ended February 29, 2020 - \$113,575) and the weighted average number of common shares outstanding of 85,878,941 (three months ended February 29, 2020 - 43,133,953). Diluted loss per share did not include the effect of warrants and stock options as they are anti-dilutive.

10. Exploration and evaluation expenditures

Three months ended February 28, 2021	Nassau Gold Project	Sela Creek Project	Project Generation	Total
Administrative	\$ 24,123	\$ -	\$ -	\$ 24,123
Amortization	6,886	-	-	6,886
Analysis	47,164	-	-	47,164
Camp costs	14,832	-	-	14,832
Consulting	52,275	-	264	52,539
Labour costs	108,730	15,293	-	124,023
Professional fees	7,248	-	-	7,248
Supplies	5,187	-	-	5,187
Surface exploration	1,087	-	-	1,087
Vehicle costs	3,259	-	-	3,259
Total exploration and evaluation expenditures	\$ 270,791	\$ 15,293	\$ 264	\$ 286,348

Three months ended February 29, 2020	Nassau Gold Project	Sela Creek Project	Project Generation	Total
Administrative	\$ 3,871	\$ -	\$ -	\$ 3,871
Amortization	2,381	-	-	2,381
Camp costs	1,343	-	-	1,343
Consulting	1,340	1,340	2,200	4,880
Labour costs	17,923	-	-	17,923
Total exploration and evaluation expenditures	\$ 26,858	\$ 1,340	\$ 2,200	\$ 30,398

79North Inc. (Formerly 12 Exploration Inc.)
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11. Related party transactions

Key management includes the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), and the directors of the Company. The compensation paid or payable to key management for services during the periods ended February 28, 2021 and 2020 is as follows:

	Three Months Ended February 28, 2021	Three Months Ended February 29, 2020
Management compensation (a)	\$ 55,000	\$ 37,500
Professional fees (b)	9,672	10,230
Rent (b)	5,700	5,700
Office and general (b)	600	-
	\$ 70,972	\$ 53,430

The noted transactions below are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the directors in strict adherence to conflict of interest laws and regulations.

(a) During the three months ended February 28, 2021, the Company incurred management compensation of \$55,000 (three months ended February 29, 2020 - \$37,500) to the CEO of the Company. As at February 28, 2021, the CEO was owed \$490 (November 30, 2020 - \$27,632) and these amounts were included in accounts payable and other liabilities.

(b) During the three months ended February 28, 2021, the Company paid professional fees, rent, office and general totaling \$15,972 (three months ended February 29, 2020 - \$15,930) to Marrelli Support Services Inc., DSA Corporate Services Inc., DSA Filing Services Limited, the Canadian Venture Building, Limited, and Marrelli Press Release Services Limited, together known as the "Marrelli Group", for:

- (i) Carmelo Marrelli, Managing Director of the Marrelli Group, to act as the CFO of the Company;
- (ii) Bookkeeping services;
- (iii) Corporate secretarial services;
- (iv) Regulatory filing services;
- (v) Office rent; and
- (vi) Escrow services.

The Marrelli Group was owed \$4,613 (November 30, 2020 - \$3,236) and these amounts were included in amounts payable and accrued liabilities. The Company also had a \$1,900 deposit with the Canadian Venture Building, Limited as a deposit for last months rent.

(c) During the year ended November 30, 2019, the CEO advanced \$25,000 to the Company. The advance is non-interest bearing and repayable on demand. The amount was fully repaid during the year ended November 30, 2020.

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12. Segmented information

The Company primarily operates in one reportable operating segment, being the exploration and evaluation of gold properties in Suriname. The Company has administrative offices in Toronto, Canada. Geographical information is as follows:

February 28, 2021

	Canada	Suriname	Total
Current assets	\$ 2,415,620	\$ 72,169	\$ 2,487,789
Non-current assets	25,779	94,080	119,859
	\$ 2,441,399	\$ 166,249	\$ 2,607,648

November 30, 2020

	Canada	Suriname	Total
Current assets	\$ 2,986,300	\$ 24,969	\$ 3,011,269
Non-current assets	-	99,032	99,032
	\$ 2,986,300	\$ 124,001	\$ 3,110,301

13. Events after the reporting period

On March 5, 2021, the Company's common shares commenced trading on the OTCQB Venture Market under the ticker symbol "SVNTF".

On March 29, 2021, the Company granted 150,000 stock options to a consultant of the Company. The stock options are exercisable at \$0.15 per share and expire in 5 years. The stock options vest 1/3 immediately and 1/3 each on first and second anniversaries of grant date.