
79NORTH INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
THREE AND NINE MONTHS ENDED
AUGUST 31, 2021
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of 79North 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.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

Unaudited

	As at August 31, 2021	As at November 30, 2020
ASSETS		
Current assets		
Cash	\$ 1,696,167	\$ 2,870,786
Receivables and other assets (note 4)	28,716	136,960
	1,724,883	3,007,746
Equipment (note 5)	170,979	99,032
Total assets	\$ 1,895,862	\$ 3,106,778
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (notes 6 and 12)	\$ 84,179	\$ 112,094
Total liabilities	84,179	112,094
Equity		
Share capital (note 7)	7,883,098	7,360,896
Reserve	2,899,704	2,809,710
Accumulated other comprehensive income	61,485	61,485
Deficit	(9,586,795)	(7,791,598)
Equity attributable to the shareholders of the Company	1,257,492	2,440,493
Non-controlling interest	554,191	554,191
Total equity	1,811,683	2,994,684
Total equity and liabilities	\$ 1,895,862	\$ 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)

Event after the reporting date (note 14)

79North Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended August 31, 2021	Three Months Ended August 31, 2020	Nine Months Ended August 31, 2021	Nine Months Ended August 31, 2020
Operating expenses				
Exploration and evaluation expenditures (note 11)	\$ 411,373	\$ 189,468	\$ 1,058,889	\$ 241,792
Professional fees	66,701	454,540	213,302	688,202
Management and consultants compensation	45,000	41,597	149,412	116,597
Travel	178	-	45,467	1,701
Office and general	82,687	80,552	177,627	121,683
Foreign exchange (gain) loss	(2,839)	15,205	13,020	21,189
Investor relations	15,885	107,891	172,286	107,891
Share-based payments (note 8)	8,600	495,300	31,600	495,300
Listing expense (note 3)	-	534,949	-	534,949
Total comprehensive loss for the period	\$ (627,585)	\$ (1,919,502)	\$ (1,861,603)	\$ (2,329,304)
Basic and diluted net loss per share (note 10)	\$ (0.01)	\$ (0.02)	\$ (0.02)	\$ (0.04)
Weighted average number of common shares outstanding	86,543,682	80,303,508	86,102,139	55,568,859

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

79North Inc.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

Unaudited

	Nine Months Ended August 31, 2021	Nine Months Ended August 31, 2020
Operating activities		
Net loss for the period	\$ (1,861,603)	\$ (2,329,304)
Adjustments for:		
Amortization	24,791	7,143
Share-based payments (note 8)	31,600	495,300
Listing expense (note 3)	-	534,949
Changes in non-cash working capital items:		
Receivables and other assets	108,244	(131,646)
Accounts payable and accrued liabilities	(27,915)	(72,624)
Net cash used in operating activities	(1,724,883)	(1,496,182)
Investing activities		
Purchase of equipment	(96,738)	-
Cash acquired on RTO	-	572,270
Net cash provided by (used in) investing activities	(96,738)	572,270
Financing activities		
Proceeds from private placement (note 7(b))	655,245	4,652,250
Share issuance costs (note 7(b))	(8,243)	(359,338)
Repayment of loan from related party	-	(25,000)
Net cash provided by financing activities	647,002	4,267,912
Net change in cash	(1,174,619)	3,344,000
Cash, beginning of period	2,870,786	56,835
Cash, end of period	\$ 1,696,167	\$ 3,400,835

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79North 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)
Private placement	4,910,250	-	-	-	4,910,250	-	4,910,250
Share issuance costs	(473,338)	114,000	-	-	(359,338)	-	(359,338)
Warrant valuation	(1,495,200)	1,495,200	-	-	-	-	-
Acquired on RTO	1,001,000	81,400	-	-	1,082,400	-	1,082,400
Share-based payments	-	495,300	-	-	495,300	-	495,300
Net loss for the period	-	-	-	(2,329,304)	(2,329,304)	-	(2,329,304)
Balance, August 31, 2020	\$ 7,360,896	\$ 2,780,310	\$ 61,485	\$ (7,279,892)	\$ 2,922,799	\$ 554,191	\$ 3,476,990
Balance, November 30, 2020	\$ 7,360,896	\$ 2,809,710	\$ 61,485	\$ (7,791,598)	\$ 2,440,493	\$ 554,191	\$ 2,994,684
Private placement	655,245	-	-	-	655,245	-	655,245
Share issuance costs	(8,243)	-	-	-	(8,243)	-	(8,243)
Warrant valuation	(124,800)	124,800	-	-	-	-	-
Stock options cancelled	-	(66,406)	-	66,406	-	-	-
Share-based payments	-	31,600	-	-	31,600	-	31,600
Net loss for the period	-	-	-	(1,861,603)	(1,861,603)	-	(1,861,603)
Balance, August 31, 2021	\$ 7,883,098	\$ 2,899,704	\$ 61,485	\$ (9,586,795)	\$ 1,257,492	\$ 554,191	\$ 1,811,683

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

79North Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

1. Nature of operations and going concern

79North 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". On March 5, 2021, the Company's common shares commenced trading on the OTCQB Venture Market under the ticker symbol "SVNTF".

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 August 31, 2021, the Company has a working capital of \$1,640,704 (November 30, 2020 - working capital of \$2,895,652). For the nine months ended August 31, 2021, the Company had a net loss and comprehensive loss of \$1,861,603 (nine months ended August 31, 2020 - loss of \$2,329,304) and had cash outflows from operations of \$1,724,883 (nine months ended August 31, 2020 - cash outflows of \$1,496,182). 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.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

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 October 25, 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. Reverse take-over

On June 12, 2020, the Company acquired all the issued and outstanding shares of 79North Ltd. Prior to closing, 79North Ltd. had 43,133,953 common shares and 12,759,183 warrants outstanding. The Company's shares were then exchanged for the shares of 79North Ltd. on a 1:1 basis.

The acquisition constitutes an asset acquisition as the Company did not meet the definition of a business, as defined in IFRS 3 - Business Combinations. Additionally, as a result of the RTO, the statement of financial position has been adjusted for the elimination of the Company's share capital, warrants, share-based compensation and deficit within shareholders' equity.

As a result of this asset acquisition, a listing expense of \$534,949 was recorded. This reflects the difference between the estimated fair value of consideration given less the fair value of the net assets acquired.

The allocation of estimated fair value of consideration given is as follows:

Fair value of net assets acquired

Cash	\$ 572,270
Receivables and other assets	8,961
Accounts payable and accrued liabilities	(33,780)
Listing expense	534,949
	\$ 1,082,400

Consideration given

10,010,000 common shares	\$ 1,001,000
500,000 stock options	56,000
320,000 warrants	25,400
	\$ 1,082,400

79North Inc.**Notes to Condensed Interim Consolidated Financial Statements****Three and Nine Months Ended August 31, 2021****(Expressed in Canadian Dollars)****Unaudited**

4. Receivables and other assets

	August 31, 2021	November 30, 2020
Amounts receivable	\$ 6,913	\$ 32,972
Prepaid expenses	21,803	103,988
	\$ 28,716	\$ 136,960

5. 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	53,252	43,486	96,738
Balance, August 31, 2021	\$ 186,400	\$ 43,486	\$ 229,886

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	18,203	6,588	24,791
Balance, August 31, 2021	\$ 52,319	\$ 6,588	\$ 58,907

Carrying Value	Equipment	Vehicle	Total
Balance, November 30, 2020	\$ 99,032	\$ -	\$ 99,032
Balance, August 31, 2021	\$ 134,081	\$ 36,898	\$ 170,979

79North Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

6. 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.

	August 31, 2021	November 30, 2020
Accounts payable	\$ 54,179	\$ 46,544
Accrued liabilities	30,000	65,550
	\$ 84,179	\$ 112,094

7. 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	43,133,953	\$ 3,418,184
Private placement (i)	32,734,988	4,910,250
Share issuance costs (i)	-	(473,338)
Warrant valuation (i)	-	(1,495,200)
Shares issued on RTO (note 3)	10,010,000	1,001,000
Balance, August 31, 2020 and November 30, 2020	85,878,941	7,360,896
Private placement (ii)	4,368,300	655,245
Share issuance costs (ii)	-	(8,243)
Warrant valuation (ii)	-	(124,800)
Balance, August 31, 2021	90,247,241	\$ 7,883,098

(i) On June 11, 2020, the Company completed a non-brokered private placement of subscription receipts (the "Offering"), resulting in the sale of an aggregate of 30,481,655 subscription receipts (the "Subscription Receipts") at a price of \$0.15 per Subscription Receipt for aggregate gross proceeds of \$4,572,250.

Upon satisfaction of the conditions (the "Escrow Release Conditions") set forth in the certificates representing the Subscription Receipts, the gross proceeds from the sale of the Subscription Receipts were released from escrow, which was immediately prior to the completion of the RTO Transaction on June 12, 2020. Each Subscription Receipt was converted into one unit, consisting of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to acquire an additional common share at a price of \$0.25 per warrant until June 12, 2023, subject to customary anti-dilution provisions.

79North Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

7. Share capital (continued)

(b) Common shares issued (continued)

(i) (continued) In connection with the Offering, the Company paid \$359,338 cash share issuance costs and issued an aggregate of 2,133,714 finders' warrants. Each finders' warrant is exercisable to acquire one common share and one share purchase warrant of the issuing company at a price of \$0.15 per finder warrant. The underlying warrants have the same terms as the warrants issued upon conversion of the applicable Subscription Receipts.

Concurrent with the Offering, the Company issued 2,253,333 units at \$0.15 per unit to settle \$338,000 of debt owed by the Company. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.25 per share until June 12, 2023.

The grant date fair values of the 32,734,988 warrants and 2,133,714 finders' warrants were estimated to be \$1,495,200 and \$114,000, respectively, using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.27%, and expected life of 3 years.

(ii) On August 17, 2021, the Company completed the first tranche of a non-brokered private placement and issued an aggregate of 4,368,300 units at a price of \$0.15 per unit for aggregate gross proceeds of \$655,245. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.25 per share until August 17, 2024. In connection with the offering, the Company paid \$8,243 of cash share issuance costs.

In connection with the closing of the first tranche of the non-brokered private placement, Mr. Jon North, Chairman, President and Chief Executive Officer ("CEO") of the Company, acquired ownership and control of 66,666 units.

The grant date fair values of the 2,184,150 warrants were estimated to be \$124,800, using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.55%, and expected life of 3 years.

8. Stock options

	Number of stock options	Weighted average exercise price
Balance, November 30, 2019	-	\$ -
Granted (i)	3,500,000	0.15
Issued on RTO (note 3)	500,000	0.15
Balance, August 31, 2020	4,000,000	\$ 0.15
Balance, November 30, 2020	4,300,000	\$ 0.15
Granted (ii)(iii)(iv)	450,000	0.15
Cancelled	(500,000)	0.15
Expired	(500,000)	0.15
Balance, August 31, 2021	3,750,000	\$ 0.15

79North Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

8. Stock options (continued)

(i) On June 16, 2020, the Company granted an aggregate of 3,500,000 stock options exercisable at \$0.15 per share expiring on June 16, 2025. The grant date fair value of the options is estimated to be \$495,300 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.38%, and expected life of 5 years.

(ii) 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. The grant date fair value of the options is estimated to be \$10,900 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.97%, and expected life of 5 years.

(iii) On May 10, 2021, the Company granted an aggregate of 200,000 stock options to a director 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. The grant date fair value of the options is estimated to be \$12,100 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.88%, and expected life of 5 years.

(iv) On June 28, 2021, the Company granted an aggregate of 100,000 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. The grant date fair value of the options is estimated to be \$8,600 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 0.98%, and expected life of 5 years.

The following table reflects the actual stock options issued and outstanding as of August 31, 2021:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
June 16, 2025	0.15	3.79	3,100,000	3,100,000
September 23, 2025	0.15	4.07	200,000	200,000
March 29, 2026	0.15	4.58	150,000	50,000
May 10, 2026	0.15	4.69	200,000	66,667
June 28, 2026	0.15	4.83	100,000	33,333
	0.15	3.92	3,750,000	3,450,000

79North Inc.

Notes to Condensed Interim Consolidated Financial Statements Three and Nine Months Ended August 31, 2021 (Expressed in Canadian Dollars) Unaudited

9. Warrants

	Number of warrants	Weighted average exercise price
Balance, November 30, 2019	12,759,183	\$ 0.19
Issued	34,868,702	0.24
Issued on RTO (note 3)	320,000	0.15
Balance, August 31, 2020 and November 30, 2020	47,947,885	0.23
Issued	2,184,150	0.25
Expired	(320,000)	0.15
Balance, August 31, 2021	49,812,035	\$ 0.23

The following table reflects the warrants issued and outstanding as of August 31, 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
August 17, 2024	0.25	2,184,150
	0.23	49,812,035

(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 June 12, 2023. If at any time following November 30, 2020, the common shares of the Company trade on the CSE 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.

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Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

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10. Net loss per share

The calculation of basic and diluted loss per share for the three and nine months ended August 31, 2021 was based on the loss attributable to common shareholders of \$627,585 and \$1,861,603, respectively (three and nine months ended August 31, 2020 - \$1,919,502 and \$2,329,304, respectively) and the weighted average number of common shares outstanding of 86,543,682 and 86,102,139, respectively (three and nine months ended August 31, 2020 - 80,303,508 and 55,568,859, respectively). Diluted loss per share did not include the effect of warrants and stock options as they are anti-dilutive.

11. Exploration and evaluation expenditures

Three months ended August 31, 2021	Nassau Gold Project	Sela Creek Project	Project Generation	Total
Administrative	\$ 27,834	\$ -	\$ -	\$ 27,834
Amortization	10,875	-	-	10,875
Camp costs	30,396	376	-	30,772
Consulting	2,961	-	6,370	9,331
Drilling	140,063	-	-	140,063
Labour costs	147,469	190	-	147,659
Professional fees	27,845	-	-	27,845
Supplies	10,759	-	-	10,759
Surface exploration	1,252	-	-	1,252
Vehicle costs	4,983	-	-	4,983
Total exploration and evaluation expenditures	\$ 404,437	\$ 566	\$ 6,370	\$ 411,373

Nine months ended August 31, 2021	Nassau Gold Project	Sela Creek Project	Project Generation	Total
Administrative	\$ 103,789	\$ -	\$ -	\$ 103,789
Amortization	24,791	-	-	24,791
Analysis	47,164	-	-	47,164
Camp costs	70,889	1,746	-	72,635
Consulting	63,412	3,739	8,210	75,361
Drilling	202,103	-	-	202,103
Labour costs	352,254	60,787	-	413,041
Professional fees	63,660	-	-	63,660
Supplies	20,196	-	-	20,196
Surface exploration	2,831	-	-	2,831
Vehicle costs	33,318	-	-	33,318
Total exploration and evaluation expenditures	\$ 984,407	\$ 66,272	\$ 8,210	\$ 1,058,889

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Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended August 31, 2021
(Expressed in Canadian Dollars)
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11. Exploration and evaluation expenditures (continued)

Three months ended August 31, 2020	Nassau Gold Project	Sela Creek Project	Project Generation	Total
Administrative	\$ 148,016	\$ 652	\$ -	\$ 148,668
Amortization	2,381	-	-	2,381
Camp costs	1,426	-	-	1,426
Consulting	1,400	-	-	1,400
Labour costs	27,557	3,275	-	30,832
Vehicle costs	4,761	-	-	4,761
Total exploration and evaluation expenditures	\$ 185,541	\$ 3,927	\$ -	\$ 189,468

Nine months ended August 31, 2020	Nassau Gold Project	Sela Creek Project	Project Generation	Total
Administrative	\$ 161,435	\$ 652	\$ -	\$ 162,087
Amortization	7,143	-	-	7,143
Camp costs	4,873	-	-	4,873
Consulting	5,660	3,258	2,200	11,118
Labour costs	47,533	4,277	-	51,810
Vehicle costs	4,761	-	-	4,761
Total exploration and evaluation expenditures	\$ 231,405	\$ 8,187	\$ 2,200	\$ 241,792

12. Related party transactions

Key management includes the 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 August 31, 2021 and 2020 is as follows:

	Three Months Ended August 31, 2021	Three Months Ended August 31, 2020	Nine Months Ended August 31, 2021	Nine Months Ended August 31, 2020
Management compensation (a)	\$ 45,000	\$ 41,597	\$ 145,000	\$ 116,597
Professional fees (b)(c)	31,295	16,035	55,651	30,265
Rent (b)	5,700	5,700	17,100	17,100
Office and general (b)	1,535	4,440	7,108	4,440
Investor relations (b)	3,200	3,132	4,864	3,132
Share issuance costs (b)	-	6,000	-	6,000
Share-based payments	-	-	12,100	-
	\$ 86,730	\$ 76,904	\$ 241,823	\$ 177,534

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 and nine months ended August 31, 2021, the Company incurred management compensation of \$45,000 and \$145,000, respectively (three and nine months ended August 31, 2020 - \$41,597 and \$116,597, respectively) to the CEO of the Company. As at August 31, 2021, the CEO was owed \$10,856 (November 30, 2020 - \$27,632) and these amounts were included in accounts payable and other liabilities.

79North Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended August 31, 2021

(Expressed in Canadian Dollars)

Unaudited

12. Related party transactions (continued)

(b) During the three and nine months ended August 31, 2021, the Company paid professional fees, rent, office and general totaling \$16,195 and \$60,723, respectively (three and nine months ended August 31, 2020 - \$30,867 and \$60,937, respectively) to Marrelli Support Services Inc., DSA Corporate Services Inc., DSA Filing Services Limited, Marrelli Capital 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 \$4,994 (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 three and nine months ended August 31, 2021, the Company incurred professional fees of \$24,000 (three and nine months ended August 31, 2020 - \$nil) to a director of the Company.

(d) 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.

(e) See note 7(b) for details regarding related party participation in the private placements.

13. 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:

August 31, 2021

	Canada	Suriname	Total
Current assets	\$ 1,686,515	\$ 38,368	\$ 1,724,883
Non-current assets	41,784	129,195	170,979
	\$ 1,728,299	\$ 167,563	\$ 1,895,862

November 30, 2020

	Canada	Suriname	Total
Current assets	\$ 2,982,777	\$ 24,969	\$ 3,007,746
Non-current assets	-	99,032	99,032
	\$ 2,982,777	\$ 124,001	\$ 3,106,778

14. Event after the reporting period

On October 1, 2021, the Company completed the second and final tranche of a non-brokered private placement and issued an aggregate of 1,300,000 units at a price of \$0.15 per unit for aggregate gross proceeds of \$195,000. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.25 per share until August 17, 2024.