Financial Statements of

West Red Lake Gold Mines Ltd.
(formerly DLV Resources Ltd.)

Years Ended November 30, 2022 and 2021
(Expressed in Canadian dollars)

DeVISSERGRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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Independent Auditor's Report

To the Shareholders of West Red Lake Gold Mines Ltd. (formerly DLV Resources Ltd.)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of West Red Lake Gold Mines Ltd. (formerly DLV Resources Ltd.) (the 'Company'), which comprise the statements of financial position as at November 30, 2022 and 2021, and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Company as at November 30, 2022 and 2021, 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 audit 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 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 financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company has not generated significant revenues from operations and does not currently have a recurring source of revenue. In the context of a significant change in the Company's business activity subsequent to year end whereby it has obtained the ownership and obligations associated with a portfolio of exploration property interests, the Company has as at the year end date reassessed its disclosures in respect to its current viability as a going concern. Specifically, the Company's ability to continue as a mining firm will now depend upon, ultimately, the existence and development of economically recoverable mineral reserves from within its property interests. However, in the near-term its continued viability will be based upon the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, obtaining the necessary permits to mine, future profitable production from any mine, and proceeds from the disposition of a property. These facts, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 Financial Statements

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

In preparing the 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.

Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 audits.

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 James D. Gray.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada
March 28, 2023

West Red Lake Gold Mines Ltd.
(formerly DLV Resources Ltd.)
Statements of Financial Position
(Expressed in Canadian dollars)

	November 30, 2022	November 30, 2021
Assets		
Current assets		
Cash	**$ 1,641,230**	$ 2,017,332
Amounts receivable	**13,750**	2,499
Deferred transaction costs (Note 8)	**204,477**	-
Total assets	**$ 1,859,457**	$ 2,019,831
Liabilities		
Current liabilities		
Amounts payable	**$ 71,433**	$ 39,498
Total liabilities	**71,433**	39,498
Equity		
Share capital (Note 4)	**20,705,484**	20,705,484
Reserves	**198,059**	198,059
Deficit	**(19,115,519)**	(18,923,210)
Total equity	**1,788,024**	1,980,333
Total liabilities and equity	**$ 1,859,457**	$ 2,019,831

Nature and continuance of operations (Note 1)
Subsequent events (Notes 1,8,9)

Approved by the Board of Directors and authorized for issue on March 28, 2023:

"Thomas W. Meredith" Director

"Susan Neale" Director

The accompanying notes are an integral part of these financial statements

West Red Lake Gold Mines Ltd.
(formerly DLV Resources Ltd.)
Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Years ended November 30, **2022**	2021
Expenses		
Consulting and management	**$ 161,000**	$ 120,000
Office and administration	**29,230**	56,254
Professional fees	**14,932**	9,778
Regulatory and filing	**22,684**	17,846
	(227,846)	(203,878)
Gain on sale of property	**-**	15,000
Interest income	**35,537**	11,599
Loss and comprehensive loss	**$ (192,309)**	$ (177,279)
Basic and diluted loss per share	**$ (0.01)**	$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	**14,868,066**	14,868,066

The accompanying notes are an integral part of these financial statements

West Red Lake Gold Mines Ltd.
(formerly DLV Resources Ltd.)
Statements of Changes in Equity
(Expressed in Canadian dollars)

	Share Capital				
	Shares issued	Amount	Reserves	Deficit	Total equity
At November 30, 2020	14,868,066	$ 20,705,484	$ 198,059	$ (18,745,931)	$ 2,157,612
Loss and comprehensive loss	-	-	-	(177,279)	(177,279)
At November 30, 2021	14,868,066	20,705,484	198,059	(18,923,210)	1,980,333
Loss and comprehensive loss	-	-	-	(192,309)	(192,309)
At November 30, 2022	14,868,066	$ 20,705,484	$ 198,059	$ (19,115,519)	$ 1,788,024

The accompanying notes are an integral part of these financial statements

West Red Lake Gold Mines Ltd.
(formerly DLV Resources Ltd.)
Statements of Cash Flows
(Expressed in Canadian dollars)

	Years ended November 30, 2022	2021
Operating activities		
Loss	**$ (192,309)**	$ (177,279)
Item not involving cash:		
Gain on sale of property	**-**	(15,000)
Changes in non-cash working capital items:		
Amounts receivable	**(11,251)**	76
Amounts payable	**474**	(3,991)
	(203,086)	(196,194)
Investing activities		
Proceeds from sale of property	**-**	15,000
Deferred transaction costs	**(173,016)**	-
	(173,016)	15,000
Net change in cash	**(376,102)**	(181,194)
Cash, beginning	**2,017,332**	2,198,526
Cash, end	**$ 1,641,230**	$ 2,017,332
Supplemental cash flow information		
Deferred transaction costs included in amounts payable	**$ 31,460**	$ -

No cash was paid for interest or income taxes during the years ended November 30, 2022 and 2021.

1. NATURE AND CONTINUANCE OF OPERATIONS

West Red Lake Gold Mines Ltd. (formerly DLV Resources Ltd.) ("WRLG" or the "Company") was incorporated under the Business Corporations Act of Ontario as 'New Dolly Varden Minerals Inc.', and continued under the Business Corporations Act of British Columbia on November 27, 2017, as DLV Resources Ltd. The Company changed its name to West Red Lake Gold Mines Ltd. on December 29, 2022, and is listed on the TSX Venture Exchange under the symbol 'WRLG'. The address of the Company's registered and records office is 25th Floor, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3.

On July 15, 2022, the Company completed a consolidation of its issued and outstanding share capital on the basis of one new common share for every five outstanding common shares (the "Consolidation"). Immediately prior to the Consolidation, there were 74,340,328 shares issued and outstanding. After giving effect to the Consolidation, the Company had 14,868,066 shares issued and outstanding. These financial statements reflect the Consolidation retrospectively.

On December 30, 2022, the Company completed the Transaction with West Red Lake Gold Mines Inc. ("RLG") pursuant to which the Company acquired all of the issued and outstanding common shares of RLG (see Note 8).

The Company has not generated significant revenues from operations. As of November 30, 2022, the Company had working capital of $1,788,024 (November 30, 2021 - $1,980,333). The Company recorded a loss of $192,309 for the year ended November 30, 2022, and had an accumulated deficit of $19,115,519 at November 30, 2022 (November 30, 2021 - $18,923,210). The Company does not currently have a recurring source of revenue. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company.

Following completion of the Transaction (see Note 8), the Company intends to carry on the business of RLG, which is the business of acquiring, exploring, and developing mining properties in the Red Lake Gold District of Northwestern Ontario, including the Rowan Mine Property (see Note 9). The Company's continuing operations and the underlying value of the RLG properties acquired are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the properties, obtaining the necessary permits to mine, future profitable production from any mine, and proceeds from the disposition of a property. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

These financial statements were approved and authorized for issuance by the Board of Directors on March 28, 2023.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements as at and for the year ended November 30, 2022, including comparatives, are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

(b) Basis of measurement

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

2. BASIS OF PRESENTATION (continued)

(c) Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Critical Judgments

The preparation of these financial statements requires the Company to make judgments regarding the going concern of the Company as discussed in Note 1.

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant. Significant estimates made by management affecting our financial statements include:

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets properties does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Cash

Cash includes deposits held with banks that are available on demand.

(b) Exploration and evaluation assets

Exploration and evaluation expenditures are capitalized to a property once the legal right to explore a property has been acquired, and future economic benefits are more likely than not to be realized. These include the costs of acquiring, maintaining its interest in, and exploring and evaluating mineral properties until such time as the lease expires, it is abandoned, sold, or considered impaired in value. Costs incurred before the Company has obtained the legal right to explore, as well as indirect administrative costs, are expensed as incurred.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

At each reporting date the carrying amounts of the Company's exploration and evaluation assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

(c) Loss per share

Basic loss per share is computed by dividing the net loss for the period by the weighted average number of shares outstanding during the period. The diluted loss per share reflects the potential dilution of share equivalents, such as outstanding share options and share purchase warrants, in the weighted average number of shares outstanding during the period. For this purpose, it is assumed that proceeds upon the exercise of options and warrants are used to purchase shares at the average market price during the period. Options and warrants outstanding as at November 30, 2022, as disclosed in Note 4, are anti-dilutive and, therefore, the loss and diluted loss per share disclosures are identical.

(d) Share-based payments

The Company's share option plan allows Company employees, directors, officers, consultants and charitable organizations to acquire shares of the Company. The fair value of options granted is recognized as share-based compensation expense with a corresponding increase in equity reserve.

Fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of options that are expected to vest. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

(e) Unit valuation

Proceeds from unit placements are allocated between shares and warrants using the residual value method, which allocates value first to the fair value of the shares and the balance, if any, is allocated to the attached warrants.

(f) Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income or loss. Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized.

At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(g) Financial instruments

Financial assets are classified as measured at: amortized cost; fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification. The Company's financial assets which consist primarily of cash and amounts receivable are classified at amortized cost.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities are initially recognized on the date they are originated and are derecognized when the contractual obligations are discharged or cancelled or expire. These financial liabilities are recognized initially at fair value and subsequently are measured at amortized costs using the effective interest method, when materially different from the initial amount. Fair value is determined based on the present value of future cash flows, discounted at the market rate of interest.

The Company's financial liabilities which consist of amounts payable are classified as other financial liabilities.

(h) Leases

Effective December 1, 2019, the Company adopted IFRS 16 – Leases ("IFRS 16"). IFRS 16 replaces IAS 17 – Leases. The new standard eliminates the classification of leases as either operating or finance leases for a lessee. Instead, leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments. The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets.

4. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and fully paid

There were no shares issued during the years ended November 30, 2022 and 2021.

5. FINANCIAL INSTRUMENTS

Financial Risk Management and Fair Value Measurement

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, amounts receivable, and amounts payable, and are held at amortized cost which approximates fair value due to the short-term nature of these financial instruments.

Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company is exposed to credit risk on its cash and amounts receivable. The Company reduces credit risk on its cash by maintaining its bank account with a large international financial institution. The Company's amounts receivable is primarily comprised of amounts owing from the Government of Canada for input tax credits receivable. Accordingly, the Company does not believe it is subject to significant credit risk. The carrying value of these financial assets represents the maximum credit exposure.

Liquidity Risk

The Company's cash is invested in bank accounts which are available on demand. The liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk through careful management of its financial obligations in relation to its cash position. Using budgeting processes, the Company manages its liquidity requirements based on expected cash flow to ensure there are adequate funds to meet its short-term obligations.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

i) Interest Rate Risk

The Company is nominally exposed to interest rate risk. The Company's cash earns interest at variable rates. The Company's future earned interest is exposed to short-term rate fluctuations. Interest rate risk exposure is considered to be insignificant.

ii) Foreign Currency Risk

The Company is not exposed to currency risk as all transactions are denominated in Canadian dollars.

iii) Price Risk

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

(Expressed in Canadian dollars)

6. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions, business opportunity and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or return capital to its shareholders. The Company is not subject to externally imposed capital requirements. Management reviews its capital management approach on an ongoing basis. There was no change in the Company's management of capital policies during the periods presented.

7. INCOME TAX

The provision for income taxes reported differs from the amounts computed by applying the cumulative Canadian federal and provincial income tax rates to the loss before income taxes due to the following:

		2022		2021
Loss before income taxes	**$**	**(192,309)**	$	(177,279)
Canadian federal and provincial income tax rates		**27.00%**		27.00%
Income tax recovery based on the above rates		**51,900**		47,900
Increase (decrease) due to:				
Deductible amounts		**3,100**		3,100
Change in tax rates		**-**		-
Tax assets not recognized		**(55,000)**		(51,000)
Income tax recovery	**$**	**-**	$	-

The provision for income taxes reported differs from the amounts computed by applying the cumulative Canadian federal and provincial income tax rates to the loss before income taxes due to the following:

		2022		2021
Deferred income tax assets:				
Exploration and evaluation assets	**$**	**2,550,672**	$	2,550,672
Non-capital loss carryforwards		**2,147,000**		1,943,000
Share issue costs		**-**		11,328
		4,697,672		4,505,000
Total deferred tax assets at 27%		**1,268,371**		1,216,350
Valuation allowance		**(1,268,371)**		(1,216,350)
Net assets	**$**	**-**	$	-

8. ASSET ACQUISITION

On September 15, 2022, the Company entered into an amalgamation agreement with RLG, a Toronto-based mineral exploration company focused on gold exploration and development in the Red Lake Gold District of Northwestern Ontario, pursuant to which the Company agreed to acquire all of the issued and outstanding shares of RLG in consideration of the issuance of 0.1215 of a WRLG common share for each RLG common share acquired (the "Transaction"). Completion of the Transaction was subject to RLG completing a flow-through financing to raise gross proceeds of $4,100,000 (the "Financing") in which the Company agreed to assist with sourcing subscribers.

8. ASSET ACQUISITION (continued)

On December 30, 2022, the Transaction was completed and RLG amalgamated with 1000310732 Ontario Ltd., a wholly-owned subsidiary of WRLG, to form a new amalgamated company called 'West Red Lake Gold Mines Inc.', which became a wholly-owned subsidiary of WRLG, and subsequently changed its name to West Red Lake Gold Mines (Ontario) Ltd. on February 20, 2023 ("Subco").

Pursuant to the Transaction, the RLG shareholders received 0.1215 (the "Exchange Ratio") of a WRLG common share for each RLG common share held resulting in an aggregate of 35,451,916 WRLG shares being issued to the RLG shareholders (24,964,548 issued to former RLG shareholders, and 10,487,368 issued to subscribers of the Financing of which a major shareholder of the Company participated). Holders of convertible securities of RLG received convertible securities of WRLG as adjusted by the Exchange Ratio, resulting in the issuance of replacement options of WRLG to acquire 978,075 shares and replacement warrants of WRLG to acquire 538,603 shares. The Company also issued an aggregate of 1,700,000 finders fee shares to certain third parties in connection with the Transaction. On completion of the Transaction, the Company had 52,019,982 shares outstanding.

The Company has not completed its full assessment of the accounting treatment for the Transaction, however it is anticipated that WRLG will be considered to be the acquirer and continuing entity for reporting purposes and RLG the entity being acquired. It is also anticipated that the Transaction will be accounted for as an asset acquisition, as RLG did not meet the definition of a business under the parameters of IFRS 3, Business Combinations.

As of November 30, 2022, $204,477 of expenditures relating to the Transaction has been recorded as deferred transaction costs on the statement of financial position (November 30, 2021 - $nil).

9. SUBSEQUENT EVENTS

Option Grants

In December 2022, the Company granted 3,775,000 options to certain directors, officers, consultants and employees of the Company and to certain charitable organizations, exercisable at $0.50 per share until December 30, 2032.

In February 2023, the Company granted 565,000 options to certain officers and consultants of the Company exercisable at $0.50 per share until February 13, 2033.

Joint Venture Interest Purchase Agreement

On February 23, 2023, the Company and Subco, entered into a joint venture interest purchase agreement with Evolution Mining Limited ("Evolution") to purchase Evolution's 28% interest in the Rowan Mine Property (the "Property"), located in Northwestern Ontario, increasing WRLG's ownership of the Property to 100% (the "Purchase Agreement"). On closing of the Purchase Agreement, the Company paid $250,000 and issued 3,645,000 shares to Evolution on March 8, 2023, and granted a 2.5% net smelter return royalty to Evolution on the Property. The Company also issued an aggregate of 182,250 success fee shares to certain third parties in connection with the Purchase Agreement.