Consolidated Financial Statements

September 30, 2021 and 2020

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Tarku Resources Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Tarku Resources Ltd. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2021 and 2020, and the consolidated statements of loss and comprehensive loss, changes in 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 September 30, 2021 and 2020, 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company has incurred losses since inception and expects to incur further losses in the development of its business and at September 30, 2021, the Company had a working capital deficiency of $43,642 and an accumulated deficit of $7,181,252. As stated in Note 1, these events and conditions 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 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.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

January 7, 2022

Tarku Resources Ltd.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	September 30, 2021	September 30, 2020
Current		
Cash and cash equivalents	$ 71,985	$ 512,672
Trade and other receivables	30,100	31,139
Prepaid	29,973	126,317
	132,058	670,128
Non-current		
Exploration and evaluation assets (note 4)	1,744,219	363,072
Total assets	$ 1,876,277	$ 1,033,200
Liabilities		
Current		
Trade and other payables (note 7)	$ 115,700	$ 134,854
Loan payable (note 11)	60,000	-
	175,700	134,854
Equity		
Share capital (note 5)	7,836,847	5,118,692
Contributed surplus	1,044,982	360,484
Deficit	(7,181,252)	(4,580,830)
	1,700,577	898,346
Total liabilities and equity	$ 1,876,277	$ 1,033,200

Nature of business and continuance of operations (note 1)
Events after the reporting period (note 14)

APPROVED ON BEHALF OF THE BOARD

"Julien Davy"	**"Kyle Appleby"**
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President, CEO & Director	**CFO & Director**

Tarku Resources Ltd.

Consolidated Statements of Loss and Comprehensive Loss

For the years ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

	2021	2020
Expenses		
Administrative expenses	$ 54,515	$16,115
Consulting fees (note 7)	562,706	177,752
Exploration costs (notes 4 and 7)	1,185,932	35,818
Investor relations expenses	163,860	20,724
Listing and filing fees	77,329	30,126
Professional fees	66,187	55,296
Share-based compensation (notes 5 and 7)	502,400	78,569
	(2,612,929)	(414,400)
Impairment of exploration and evaluation assets (Note 4)	-	(98,490)
Gain on shares for debt settlement	-	7,013
Gain on foreign exchange	12,507	-
Other income - flow-through premium (note 5)	-	2,933
Loss and comprehensive loss for the year	$(2,600,422)	$ (502,944)
Basic and diluted loss per common share	$(0.05)	$(0.03)
Weighted average number of common shares outstanding - basic and diluted	52,857,362	14,667,326

Tarku Resources Ltd.

Consolidated Statements of Cash Flows

For the years ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

	2021	**2020**
Operating activities		
Loss for the year	$ (2,600,422)	$(502,944)
Adjustments:		
Flow-through premium	-	(2,933)
Impairment of exploration and evaluation assets	-	98,490
Gain on shares for debt settlement	-	(7,013)
Share-based compensation	502,400	78,569
Changes in non-cash working capital items:		
Prepaid	96,344	(126,37)
Trade and other receivables	1,039	(21,882)
Trade and other payables	(19,154)	175,099
	(2,019,793)	(308,931)
Financing activities		
Cash received from exercise of warrants	130,050	-
Cash received from share issuance	2,500,000	785,100
Share issue costs	(149,797)	(19,618)
Cash received from loans	60,000	
	2,540,253	765,482
Investing activities		
Additions to exploration and evaluation assets, net of Income Tax Credits received	(961,147)	(6,522)
	(961,147)	(6,522)
Increase (decrease) in cash and cash equivalents	(440,687)	450,029
Cash and cash equivalents, beginning of year	512,672	62,643
Cash and cash equivalents, end of year	$ 71,985	$ 512,672
Cash and Cash Equivalents consists of:		
Cash	$ 71,985	$ 511,532
Term Deposit	-	1,100
	$ 71,985	$ 512,672

Supplemental cash flow information (Note 12)

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

Tarku Resources Ltd.

Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Equity
Balance, September 30, 2019	11,715,197	$ 4,075,380	$ 335,441	$ (4,131,412)	$ 279,409
Private placements	12,078,457	785,100	-	-	785,100
Share issue costs	-	(19,618)	-	-	(19,618)
Fair value reversed on expiration of warrants	-	-	(53,526)	53,526	-
Shares for debt settlement	4,280,384	277,830	-	-	277,830
Share based payments	-	-	78,569	-	
Net loss and comprehensive loss	-	-	-	(502,944)	(502,944)
Balance, September 30, 2020	28,074,038	$ 5,118,692	$ 360,484	$ (4,580,830)	$ 898,346
Balance, September 30, 2020	28,074,038	$ 5,118,692	$ 360,484	$ (4,580,830)	$ 898,346
Private placement	25,000,000	2,500,000	-	-	2,500,000
Property agreement	3,000,000	420,000	-	-	420,000
Share issue costs	-	(331,895)	182,098	-	(149,797)
Exercise of warrants	1,530,000	130,050	-	-	130,050
Share based compensation	-	-	502,400	-	502,400
Net loss and comprehensive loss	-	-	-	(2,600,422)	(2,600,422)
Balance, September 30, 2021	57,604,038	$ 7,836,847	$ 1,044,982	$ (7,181,252)	$ 1,700,577

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

1. Nature of business and continuance of operations

The principal business activity of Tarku Resources Ltd. (the "Company") is the exploration for mineral resources in Arizona, U.S.A, and the province of Quebec. The Company's corporate office is located at Suite 602, 224 4th Ave S., Saskatoon, Saskatchewan. The Company shares are listed on the TSX Venture Exchange under the symbol TKU, the OTCQB under the symbol TRKUF and the Frankfurt stock exchange under the symbol 7TK.

These consolidated financial statements ("financial statements") have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operation. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The use of these principles may not be appropriate. The Company has incurred losses since inception and expects to incur further losses in the development of its business and at September 30, 2021, the Company had a working capital deficiency of $43,642 and at that date, the Company also had an accumulated deficit of $7,181,252 which has been funded primarily by the issuance of equity. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. 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 advantageous to the Company. These factors may cast significant doubt upon the Company's ability to continue as a going concern. 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.

On February 5, 2020, the Company consolidated its share capital on a 6.5 to 1 basis. These consolidated financial statements reflect the share consolidation. All per share amounts have been adjusted retrospectively except where shares were issued subsequent to the share consolidation.

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. This outbreak may increase difficulties in financing, access to properties and increased government regulations, all of which may adversely impact the Company's business and financial condition. To date, and at least the near future, the pandemic will continue to have, an impact on the Company's ability to operate efficiently in the field as a result of travel restrictions and necessary site safety measures. The impact on the efficiency of corporate activities has been minimal.

2. Basis of preparation

(a) Statement of compliance

The Company's financial statements for the year ended September 30, 2021 are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

2. Basis of preparation (continued)

These financial statements were authorized for issue by the Board of Directors on December xx, 2021.

(b) Basis of consolidation

These financial statements include the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated on consolidation.

Subsidiary name	Place of Incorporation	Ownership	Principal activity
Eureka Exploration Inc. ("Eureka")	Quebec	100%	Exploration

The preparation of financial statements in compliance with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and 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 revenues and expenses during the reporting period. Actual results may differ from these estimates and assumptions.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

Significant areas requiring the use of management estimates include amounts of provisions, if any, for impairment of exploration and evaluation assets, reclamation and environmental obligations, deferred income taxes, share-based payments, and contingencies reported in the notes to the financial statements.

Significant areas requiring the use of management judgments include recognition of impairment of exploration and evaluation assets, reclamation and environmental obligations, deferred income taxes, share-based payments, classification of financial instruments, assessment of the going concern assumption, and disclosure of contingencies reported in the notes to the financial statements.

(d) Basis of Measurement

These financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL") which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements are presented in Canadian dollars, which is also the functional currency of the Company and its subsidiary.

3. Significant Accounting Policies

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

(b) Exploration and evaluation assets

Exploration expenditures are expensed as incurred until an economic feasibility study has established the presence of proven and probable reserves and development of the project has commenced, at which time exploration and development expenditures incurred on the project thereafter are capitalized.

Costs incurred relating to the acquisition and claim maintenance of mineral properties, including option payments and annual fees to maintain the project in good standing, are capitalized and deferred by project until the project to which they relate is sold, abandoned, impaired or placed into production.

The Company assesses its capitalized mineral project costs for indications of impairment on a regular basis and when events and circumstances indicate a risk of impairment. A project is written down or written off when the Company determines that an impairment of value has occurred or when exploration results indicate that no further work is warranted.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers, or title may be affected by undetected defects.

(c) Mineral tax credit

Mining exploration tax credits for certain exploration expenditures in Quebec are treated as a reduction of the exploration costs. The amounts are accounted for on an accrual basis.

(d) Reclamation and environmental obligations

The Company recognizes liabilities for statutory, contractual or legal obligations associated with the reclamation of exploration and evaluation assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. Upon initial recognition of the liability, the corresponding asset retirement cost is added to the carrying amount of the related asset and the cost is amortized as an expense over the economic life of the asset using either the unit-of-production method or the straight-line method, as appropriate. Following the initial recognition of the asset retirement obligation, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the amount or timing of the underlying cash flows needed to settle the obligation.

As at September 30, 2021 and 2020, the Company has no asset retirement obligations and accordingly, has not recorded an asset retirement obligation in the financial statements.

3. Significant Accounting Policies (continued)

(e) Impairment of non-financial assets

At the end of each reporting period the carrying amounts of non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. Impairment is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. The impairment loss is recognized in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount had no impairment loss been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

(f) Income taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination or items recognized directly in equity or in other comprehensive income/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 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) Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, flow-through shares, share warrants and options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

3. Significant Accounting Policies (continued)

Flow-through shares

Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being renounced, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued until qualifying expenditures are incurred.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as contributed surplus. If the warrants expire unexercised, the value attributed to the warrants is transferred to deficit.

(h) Earnings (loss) per common share

Basic earnings/loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

For the years ended September 30, 2021 and 2020, this calculation proved to be anti-dilutive.

3. Significant Accounting Policies (continued)

(i) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

The grant date fair value is recognized in profit or loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share-based payments are reflected in share-based payment reserve of contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve of contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

(j) 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, 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.

3. Significant Accounting Policies (continued)

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:

i) 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.

ii) 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.

iii) 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.
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 cash equivalents and trade and other receivables. Cash is measured at fair value and receivables and deposits are measured at amortized cost.

Financial liabilities

The Company's liabilities include trade and other payables and loan payable which are 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. For receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(k) New standards, amendments and interpretations not yet adopted

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company

4. Exploration and evaluation assets

Silver Strike project, Arizona

On October 12, 2020, the Company signed an earn-in and joint venture agreement with arm's length individuals, to earn up to a 75% interest over 3 years in the project by funding project expenditures of up to US$3,000,000 as follows:

- Tarku will acquire 25% of the Property after spending US$1,000,000 in exploration expenses within the first year of earn-in period
- Tarku will acquire an additional 26% (total of 51%) of the Property after spending an additional US$1,000,000 in exploration expenses and the production of a NI 43-101 report on the Property within the first 2 years of earn-in period
- Tarku will acquire an additional 24% (total of 75%) of the Property after spending an additional US$1,000,000 for a cumulative US$3,000,000 in exploration expenses within the first 3 years of earn-in period.

At the end of this Earn-in Period, the Vendors and Tarku will become JV partners on the Property, 75% Tarku, 25% the Vendors. Should the Vendors elect to dispose of their remaining interest, Tarku will keep a Right of First Refusal. In the event that the Company acquires 100% interest in the Property, the seller will receive a 2% Net Smelter Royalty on the Property, being agreed that 1% of which could be repurchased by the Company for $1,000,000.

In accordance with the Definitive Agreement, on April 30, 2021, Tarku issued 3,000,000 common shares to the Vendors in consideration for the Projects. The shares are subject to resale restrictions of 4 equal periods of 6 months each and a right of first refusal will allow Tarku the opportunity to place these shares with existent shareholders at prevailing market prices.

At each anniversary date over the 3 years, Tarku will pay US$175,000 to the vendors of which a minimum of US$50,000 will be a cash payment and US$125,000 will be paid either in shares or in cash at the Company's discretion. In addition, the signing of this agreement, also allows Tarku to acquire an additional 33 patented claims in the historical area of Tombstone under agreement between third parties and the Vendors, namely the Rohe, Corkran, and Turner Options (The "Options"). These agreements are separate and independent from the Unpatented Claims Agreement. These Options require various cash payments with a total cost of US$ 700,000. The payments are spread out until July 2025 for the Rohe Option, until October 2021 for the Corkran Option, and July 2023 for the Turner Option. Tarku will also issue 50,000 shares for the Corkran Option. At the end of each Option acquisition, the patented claims will be added to the above Unpatented Claim Agreement to form the 75% Tarku, 25% Vendor JV Partnership.

Chateau Fort gold project, Quebec

The Company owns 100% of the Chateau Fort gold project and the right to buy down the royalty of 1% for $500,000.

During the year ended September 30, 2021 and the year ended September 30, 2020, the Company incurred no exploration expenditures in connection with this project.

Apollo gold project, Quebec

The Company owns 100% of the Apollo gold project located 50 kilometers east from Matagami, Quebec.

During the year ended September 30, 2021, the Company incurred $73,420 (September 30, 2020 - $13,333) in exploration expenditures in connection with this project.

(Expressed in Canadian dollars)

4. Exploration and evaluation assets (continued)

Admiral gold project, Quebec
The Company owns 100% of the Admiral gold project located 25 kilometers east from Matagami, Quebec.

During the year ended September 30, 2021, the Company incurred $nil (September 30, 2020 - $22,334) in exploration expenditures in connection with this project and received $6,300 (September 30, 2020 - $3,788) in exploration ITCs in connection with previous years exploration expenditures.

Atlas gold project, Quebec
The Company owns 100% of the Atlas gold project located 50 kilometers east from Matagami, Quebec.

During the year ended September 30, 2021, the Company incurred $85,090 (September 30, 2020 - $13,333) in exploration expenditures in connection with this project and received $6,300 (September 30, 2020 - $1,848) in exploration ITCs in connection with previous years exploration expenditures.

Virgin River project, Saskatchewan
The Company maintains a 1% net smelter royalty on the property which the purchaser has the right to buy down the royalty to 0.5% for $500,000 on or before commencement of commercial production.

The Richardson, Bullion, Apollo, Admiral and Atlas gold projects are subject to the following:

- a 1% NSR in favour of Julien Davy, a director and officer of the Company, half of which can be bought back by the Company for $500,000.
- a 1% NSR in favour of Benoit Lafrance, a former director of the Company; half of which can be bought back by the Company for $500,000.

The following is a summary of changes to exploration and evaluation assets for the year ended September 30, 2021 and the year ended September 30, 2020:

Projects	Balance at September 30, 2020	Acquisitions and renewals	Impairment and disposal	Balance at September 30, 2021
Tombstone	$ -	$ 1,367,744	$ -	$ 1,367,744
Appollo	168,400	5,162	-	173,562
Admiral	43,028	-	-	43,028
Atlas	151,644	8,241	-	159,885
Lac Fabien	-	-	-	-
	$ 363,072	$ 1,381,147	$ -	$ 1,744,219

Projects	Balance at September 30, 2019	Acquisitions and renewals	Impairment and disposal	Balance at September 30, 2020
Chateau Fort	$ -	$ 4,620	$ (4,620)	$ -
Apollo	168,400	-	-	168,400
Admiral	42,367	661	-	43,028
Atlas	151,644	-	-	151,644
Lac Fabien	92,630	1,240	(93,870)	-

(Expressed in Canadian dollars)

	$ 455,041	$ 6,521	$ (98,490)	$ 363,072

4. Exploration and evaluation assets (continued)

The following is a summary of exploration and evaluation expenditures for the year ended September 30, 2021:

	Apollo	Atlas	Admiral	Matagami	Silver Strike	Total
Data compilation and planning	$ -	$ 2,340	$ -	$ 3,465	$ 38,046	$ 43,851
Drilling and field programs	-	-	-	-	675,957	675,957
Analysis	-	-	-	-	112,065	112,065
Geological consulting	-	-	-	4,000	48,479	52,479
Geological prospecting and survey	1,725	-	-	-	7,100	8,825
IP/Magnetic survey	77,995	82,750	-	-	-	160,745
Other	(6,300)	(6,300)	(6,300)	-	26,709	7,809
Project management	-	-	-	-	124,201	124,201
Total exploration expenditures	**$ 73,420**	**$ 78,790**	**$ (6,300)**	**$ 7,465**	**$1,032,557**	**$ 1,185,932**

For the year ended September 30, 2020

	Apollo	Atlas	Admiral	Total
Geological	$13,333	$13,333	$13,333	$ 49,000
Exploration ITC refund	(7,546)	(7,546)	(7,546)	(13,182)
Total exploration expenditures	$ 7,546	$ 7,546	$ 7,546	$ 35,818

Exploration input tax credits ("ITC") are received from the Quebec government for qualifying exploration work. Expenditures incurred to satisfy flow through share issuance does not qualify for the ITC.

5. Share capital

(a) Authorized

Unlimited common shares with no par value

Issued

(i) On May 28, 2020, the Company issued 2,879,916 shares with a fair value of $172,795 to settle $198,714 of accounts payables.

(ii) On June 15, 2020, the Company issued 1,400,468 shares with a fair value of $105,035 to settle $86,129 of accounts payables.

(iii) On August 14, 2020, the Company closed a private placement for gross proceeds of $785,100. The private placement consisted of 12,078,457 non-flow through units. Each non-flow through 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 $0.085 per common share for a period of twenty-four months, expiring on August 13, 2022. No value was attributed to the warrant component of the units sold. The Company incurred share issue costs of $19,618.

(Expressed in Canadian dollars)

5. Share capital (continued)

(iv) On October 30, 2020, the Company closed a private placement for gross proceeds of $2,500,000. The private placement consisted of 25,000,000 non-flow through units. Each non-flow through 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 $0.15 per common share for a period of twenty-four months, expiring on October 30, 2022. No value was attributed to the warrant component of the units sold. The Company paid $149,797 in cash as a commission and issued 1,312,500 finders' warrants, exercisable at $0.15 per common share until October 30, 2022. The finders' warrants were valued at $182,098 using the Black-Scholes option pricing model with the same assumptions.

(v) During the year ended September 30, 2021, 1,530,000 warrants were exercised for proceeds of $130,050.

(vi) On April 30, 2021, 3,000,000 common shares were issued in accordance with the silver strike project agreement. The shares were issued at a fair market value of $0.14.

(b) Stock option Plan

The Company has a stock option plan (the "Plan") whereby options to purchase common shares are granted by the board of directors to directors, officers, employees and consultants to the Company. Under the terms of the Plan, the Company has reserved an amount of common shares for options up to 10% of the issued and outstanding number of common shares. Options granted under the Plan are non-transferable; expire no later than the tenth anniversary of the date the option is granted and must comply with the requirements of the regulatory authorities. Options granted under the Plan are subject to vesting terms determined by the board.

A summary of the changes to outstanding and exercisable stock options during the year ended September 30, 2021 and the year ended September 30, 2020 is presented below.

	September 30, 2021			September 30, 2020		
	Options		Weighted Ave Price	Options		Weighted Ave Price
Beginning of year	1,594,611	$	0.10	976,923	$	0.10
Options granted	3,200,000		0.17	810,000		0.11
Options cancelled	(292,305)		0.10	(192,312)		0.10
End of year	4,502,306	$	0.15	1,594,611	$	0.10

As at September 30, 2021, the weighted average remaining life of stock options is 3.82 years (September 30, 2020 – 3.52).

On April 21, 2020 the board passed a resolution (approved by the shareholders May 25, 2020 at the AGM), the exercise price of all 784,611 existing options (granted March 13, 2019) were repriced from $0.65 to $0.10.

On July 30, 2020, the board of directors of the Company approved the grant of 810,000 stock options pursuant to the Plan. 810,000 of the options were granted to directors and executive

(Expressed in Canadian dollars)

5. Share capital (continued)

officers with the balance granted to consultants and the advisory board. The options are exercisable at $0.11 per share, vest immediately and, if not exercised, expire July 30, 2025, subject to earlier expiration in accordance with the Plan and applicable policies of the TSX Venture Exchange.

The value of options issued on July 30, 2020, using the Black-Scholes option pricing model, was $78,569 which was allocated to the share-based compensation expense with a corresponding increase in contributed surplus. Assumptions used in the pricing model for the year are as follows: risk-free interest rate of 0.26%, expected life of 5 years, annualized volatility 158.94%, and dividend rate of nil.

On November 11, 2020, the board of directors of the Company approved the grant of 3,200,000 stock options pursuant to the Plan. 2,500,000 of the options were granted to directors and executive officers with the balance granted to consultants. The options are exercisable at $0.17 per share, vest immediately and, if not exercised, expire November 11, 2025, subject to earlier expiration in accordance with the Plan and applicable policies of the TSX Venture Exchange.

The fair value of options issued on November 11, 2020, using the Black-Scholes option pricing model, was $502,400 which was allocated to the share-based compensation expense with a corresponding increase in contributed surplus. Assumptions used in the pricing model for the year are as follows: risk-free interest rate of 0.39%, expected life of 5 years, annualized volatility 158.79%, and dividend rate of nil.

Grant date	**Number of options**	**Expiry date**	**Exercise price**	**Exercisable**
October 26, 2016	115,384	October 26, 2021*	$ 0.10	115,384
March 13, 2019	376,922	March 13, 2024	$ 0.10	376,922
July 30, 2020	810,000	July 30, 2025	$ 0.11	810,000
November 11, 2020	3,200,000	November 11, 2025	$ 0.17	3,200,000
	4,502,306			4,502,306

**On October 26, 2021, these options expired unexercised.*

The Weighted average expiry date is 3.82. The weighted average exercise price is $0.15.

(b) Warrants

During the year ended September 30, 2021 and the year ended September 30, 2020, the Company had the following warrant activities:

(Expressed in Canadian dollars)

5. Share capital (continued)

	Number of Warrants	Exercise Price	Weighted Average Exercise Price
Balance, September 30, 2019	3,526,561		$ 0.590
Expired	(2,671,177)	$ 0.65	
Expired	(297,692)	$ 0.52	
Expired	(557,692)	$ 0.33	
Issue	12,078,456	$ 0.09	
Balance, September 30, 2020	12,078,456		$ 0.085
Issue	13,812,500	$ 0.15	
Exercised	(1,530,000)	$ 0.085	
Balance, September 30, 2021	24,360,956		$ 0.12

At September 30, 2021, the following table summarizes information about warrants outstanding:

Total issued and outstanding	Warrants Outstanding	Expiry Date	Exercise Price
	10,548,456	Aug 13, 2022	$0.085
	13,812,500	Oct 30, 2022	$0.150
Balance, September 30, 2021	**24,360,956**		**$0.120**

(c) Escrow shares

At September 30, 2021, nil (2020 – nil) common shares were held in escrow.

(d) Other income on settlement of flow-through premium liability

During the year ended September 30, 2019, the Company closed a flow-through financing and recorded a total premium received on flow-through shares in the amount of $46,183, which was recorded as a liability to be reversed to profit and loss as the eligible expenditures were incurred. As at September 30, 2021, the Company had reduced the liability (September 30, 2019 - $60,650) (based on expenditures incurred) to $nil (September 30, 2019 - $2,933) and accordingly, had recorded other income in the same amount.

6. Commitments and contingencies

As of September 30, 2021, the Company had $nil (September 30, 2020 - $1,140) in term deposits with a Canadian financial institution for the guarantee of business credit cards.

(Expressed in Canadian dollars)

7. Related party transactions

The Company had the following related party transactions during the years ended September 30, 2021 and September 30, 2020:

(a) The Chief Executive Officer and director of the Company provided consulting services to the Company. Fees incurred during the period were $168,000 (2020 - $104,000). At September 30, 2021, $32,193 (September 30, 2020 - $81,619) is recorded in trade and other payables.

(b) The Chief Financial Officer and director of the Company provided consulting services to the Company. Fees incurred during the period were $42,000 (2020 - $nil). At September 30, 2021, $8,720 (September 30, 2020 - $nil) is recorded in trade and other payables.

(c) The former Chief Financial Officer and director of the Company provided consulting services to the Company. Fees incurred during the period were $12,240 (2020 - $63,440). At September 30, 2021, $nil (September 30, 2020 - $12,840) is recorded in trade and other payables.

(d) A director of the Company provided geological consulting services to the Company. Fees incurred during the period were $8,000 (2020 - $25,000). At September 30, 2021 and September 30, 2020, $nil is recorded in trade and other payables.

Key Management Compensation:

	2021	2020
Consulting fees	$ 78,240	$ 143,440
Exploration expense	152,000	49,000
Share-based compensation to directors and officers	392,500	78,570
	$ 622,740	$ 271,010

8. Segmented information

The Company operates in one operating segment, being the exploration of mineral properties. The Company's exploration and evaluation assets by geographic location are as follows:

	September 30, 2021	September 30, 2020
Arizona, U.S.A	$ 1,367,744	$ -
Quebec, Canada	376,475	363,072
	$ 1,744,219	$ 363,072

9. Capital management

The Company includes cash and cash equivalents and equity, comprising of issued common shares, contributed surplus and deficit, in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended September 30, 2021. The Company was not subject to any externally imposed capital requirements.

10. Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks by virtue of its activities. The overall financial risk management program focuses on preservation of capital and protecting current and future Company assets and cash flows by reducing exposure to risks posed by the uncertainties and volatilities of financial markets.

The types of risk exposure and the way in which such exposures are managed are as follows:

Credit Risk - The Company's credit risk is primarily attributable to its liquid financial assets. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and cash equivalents with high-credit quality financial institutions. The Company does not have financial assets that are invested in asset backed commercial paper.

Liquidity Risk – The Company ensures that there is sufficient capital in order to meet short term business requirements.

Interest rate risk – In respect to the Company's financial assets, the interest rate risk mainly arises from the interest rate impact on our cash and cash equivalents. For the year ended September 30, 2021, every 1% fluctuation in interest rates up or down would have had little impact on net loss.

Commodity price risk – The value of the Company's mineral resource properties is related to the price of various commodities and the outlook for them. Commodity prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production and short-term changes in supply and demand.

(Expressed in Canadian dollars)

10. Financial risk management (continued)

September 30, 2021	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 71,985	$ -	$ -	$ 71,985

Fair Value - The Company has various financial instruments comprised of cash and cash equivalents, trade and other receivables and trade and other payables.

For disclosure purposes, all financial instruments measured at fair value are categorized into one of three hierarchy levels, described below. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

Level 1 – Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 – Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

11. Loan payable

The loan is unsecured, bears interest of 7% per year and has no set maturity date.

12. Supplemental cash flow information

Non-cash investing and financing activities

During the year ended September 30, 2021,

- The Company issued broker warrants with a fair value of $182,098.

- The Company issued shares in accordance with the Silver Strike property agreement with a fair value of $420,000.

During the year ended September 30, 2020,

- 2,879,936 common shares with a value of $172,795 to settle debt in the amount of $198,714 pursuant to a shares for debt settlement agreement.

- 1,400,468 shares with a fair value of $105,035 to settle debt in the amount of $86,129 pursuant to a shares for debt settlement agreement.

- Of the 3,526,561 warrants that expired, 801,330 carried a historical value, resulting in a fair value reversal of $53,526.

(Expressed in Canadian dollars)

- During the year ended September 30, 2020, $76,662 in exploration and evaluation assets that were included in accounts payable were settled, amongst other debt, through the issuance of shares, resulting in a loss on settlement of $18,906.

13. Income taxes

(a) For the years ended September 30, 2021 and 2020, a reconciliation of income taxes at statutory rates with reported taxes is as follows:

	2021	2020
Loss before income taxes for the year	$ (2,600,422)	$ (502,944)
Statutory tax rate	26.50%	26.50%
Income tax recovery	(689,000)	(133,000)
Change in statutory and other	24,000	10,000
Permanent differences	133,000	20,000
Impact of flow-through shares	-	2,000
Share issue costs	(40,000)	(5,000)
Unrecognized deductible temporary differences	572,000	106,000
Deferred income tax expense (recovery)	$ -	$ -

(b) The component of the Company's deferred income tax asset is a result of the origination and reversal of temporary differences and is comprised of the following:

	September 30, 2021	September 30, 2020
Exploration and evaluation assets	$ 469,000	$ 179,000
Share issue costs	38,000	12,000
Non-capital losses carried forward	1,047,000	791,000
Deferred tax assets	1,554,000	982,000
Unrecognized deferred tax assets	(1,554,000)	(982,000)
Net deferred tax assets	$ -	$ -

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

As at September 30,	**2021**	**Expiry Date Range**	**2020**	**Expiry Date Range**
Exploration and evaluation assets	$ 1,771,000	No expiry date	$ 675,000	No expiry date
Share issue costs	$ 143,000	2040 to 2045	$ 46,000	2040 to 2044
Non-capital losses available for future period	$ 3,952,000	2031 to 2041	$ 2,988,000	2031 to 2040

Tax attributes are subject to review, and potential adjustment, by tax authorities.

14. Events after the reporting period

On December 3, 2021, the Company closed a non-brokered private placement for aggregate gross proceeds of $750,000. This private placement comprised 7,500,000 flow-through shares of the company at a price of $0.10 per share.

The company paid a cash commission equal to 7 per cent of aggregate proceeds from the sale of shares sourced by the finder, totaling $38,500, and issued 385,000 finders' warrants, being equal to 7 per cent of the aggregate number of shares sourced by the finder pursuant to the private placement. Each finder's warrant is exercisable to purchase one common share at an exercise price of $0.15 until December 3, 2023.