



**BWR EXPLORATION INC.
CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
THREE MONTHS ENDED FEBRUARY 28, 2022
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

Notice To Reader

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

BWR Exploration Inc.**Condensed Consolidated Interim Statements of Financial Position****(Expressed in Canadian Dollars)****(Unaudited)**

	As at February 28, 2022	As at November 30, 2021
ASSETS		
Current assets		
Cash	\$ 221,869	\$ 292,370
Sales tax receivable	3,050	10,295
Total assets	\$ 224,919	\$ 302,665
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	\$ 650,231	\$ 619,196
Flow-through share liability (note 11)	10,323	10,823
Total liabilities	660,554	630,019
Shareholders' deficiency		
Share capital (note 4)	4,068,461	4,068,461
Reserves (notes 5 and 6)	676,374	677,674
Deficit	(5,180,470)	(5,073,489)
Total shareholders' deficiency	(435,635)	(327,354)
Total liabilities and shareholders' deficiency	\$ 224,919	\$ 302,665

Nature of operations and going concern (note 1)

Subsequent event (note 12)

Approved on behalf of the Board:"Neil Novak", Director"George Duguay", Director

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

BWR Exploration Inc.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)**

	Three Months Period Ended February 28, 2022	Three Months Period Ended February 28, 2021
Operating expenses		
Exploration and evaluation expenditures (note 3)	\$ 35,842	\$ 59,339
General and administrative (note 8)	72,939	51,436
Loss from operating expenses	(108,781)	(110,775)
Settlement of flow-through share premium (note 11)	500	15,356
Total loss and comprehensive loss for the period	\$ (108,281)	\$ (95,419)
Basic and diluted net loss per share (note 7)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	101,442,461	89,502,461

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

BWR Exploration Inc.**Condensed Consolidated Interim Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

	Three Months Period Ended February 28, 2022	Three Months Period Ended February 28, 2021
Operating activities		
Net loss for the period	\$ (108,281)	\$ (95,419)
Adjustments for:		
Settlement of flow-through share premium	(500)	(15,356)
Changes in non-cash operating capital:		
Sales tax receivable	7,245	1,202
Accounts payables and accrued liabilities	31,035	35,522
Net cash used in operating activities	(70,501)	(74,051)
Net change in cash	(70,501)	(74,051)
Cash, beginning of period	292,370	336,066
Cash, end of period	\$ 221,869	\$ 262,015

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

BWR Exploration Inc.**Condensed Consolidated Interim Statements of Changes in Shareholders' Deficiency****(Expressed in Canadian Dollars)****(Unaudited)**

		<u>Reserves</u>			
	Share Capital	Contributed surplus	Warrants reserve	Deficit	Total
Balance, November 30, 2020	\$ 3,698,877	\$ 326,751	\$ 185,200	\$ (4,312,404)	\$ (101,576)
Net loss for the period	-	-	-	(95,419)	(95,419)
Balance, February 28, 2021	\$ 3,698,877	\$ 326,751	\$ 185,200	\$ (4,407,823)	\$ (196,995)
Balance, November 30, 2021	\$ 4,068,461	\$ 398,034	\$ 279,640	\$ (5,073,489)	\$ (327,354)
Expiry of warrants	-	-	(1,300)	1,300	-
Net loss for the period	-	-	-	(108,281)	(108,281)
Balance, February 28, 2022	\$ 4,068,461	\$ 398,034	\$ 278,340	\$ (5,180,470)	\$ (435,635)

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

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2022

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of operations and going concern

BWR Exploration Inc. (the "Company" or "BWR"), was incorporated on January 20, 2011, and reincorporated under the laws of the Province of Ontario, Canada, by Articles of Incorporation dated March 1, 2021. BWR is engaged in the exploration of precious and base metal properties. BWR is a public company, quoted for trading on the TSX Venture Exchange ("TSX-V") under the symbol "BWR". The Company's principal properties are the Shunby Property, the Vendôme Sud Property and the Little Stull Lake Gold Project. The registered office of the Company is located at The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario, M5C 1P1, Canada.

As at February 28, 2022, the Company had a working capital deficit of \$435,635 (November 30, 2021 - \$327,354) and a deficit of \$5,180,470 (November 30, 2021 - \$5,073,489). In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. The Company is experiencing permitting delays, exacerbated by COVID-19 restrictions on travel to the northern parts of Manitoba and also having the community meetings deemed necessary prior to issuing any permits. These factors indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. However, management of the Company believes that it will be able to pay its ongoing general and administrative expenses and meet its liabilities for the ensuing twelve months as they fall due through additional financing. 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 Company's ability to continue operations and fund its exploration and evaluation expenditures is dependent on management's ability to generate cash and manage its cash resources.

Management believes the going concern assumption to be appropriate for these unaudited condensed consolidated interim financial statements. If the going concern assumption was not appropriate, adjustments might be necessary to the carrying value of the assets and liabilities, reported revenues and expenses, and the balance sheet classifications used in the unaudited condensed consolidated interim financial statements. These adjustments could be material.

The recoverability of exploration and evaluation expenditures is dependent upon the discovery of economically recoverable reserves, the preservation of the Company's interest in the underlying mineral claims, the ability to obtain necessary financing, obtain government approval and attain profitable production, or alternatively, upon the Company's ability to dispose of its interest on an advantageous basis.

2. Summary of significant accounting policies

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

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2022

(Expressed in Canadian Dollars)

(Unaudited)

2. Summary of significant accounting policies (continued)

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRS issued and outstanding as of the date the Board of Directors approved these statements. The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual financial statements as at and for the year ended November 30, 2021. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending November 30, 2022 could result in restatement of these unaudited condensed consolidated interim financial statements.

New standards adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2021 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded as it had no impact on the unaudited condensed consolidated interim financial statements.

3. Mineral properties

	Shunsby Property	Little Stull Lake Gold Property	Total
Exploration and Evaluation Expenditures			
Period Ended February 28, 2021			
Leases and taxes	\$ -	\$ 1,258	\$ 1,258
Geological consultants	-	58,081	58,081
Total February 28, 2021		\$ 59,339	\$ 59,339

	Vendôme Sud Property	Shunsby Property	Little Stull Lake Gold Property	Total
Exploration and Evaluation Expenditures				
Period Ended February 28, 2022				
Leases and taxes	-	-	13,702	13,702
Geological consultants	-	-	17,003	17,003
Travel, meals and accommodation	-	-	5,137	5,137
Total February 28, 2022	-	-	35,842	35,842

4. Share capital

a) Authorized share capital

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

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2022

(Expressed in Canadian Dollars)

(Unaudited)

4. Share capital (continued)

b) Common shares issued

	Number of common shares	Amount
Balance - November 30, 2020 and February 28, 2021	89,502,461	\$ 3,698,877
Balance - November 30, 2021 and February 28, 2022	101,442,461	\$ 4,068,461

5. Warrants

The following summarizes the warrant activity for the three months ended February 28, 2022 and February 28, 2021:

	Number of warrants	Weighted average exercise price
Balance - November 30, 2020 and February 28, 2021	7,698,000	\$ 0.075
Balance - November 30, 2021	13,033,600	\$ 0.079
Expired	(152,000)	(0.075)
Balance - February 28, 2022	12,881,600	\$ 0.079

As of February 28, 2022, the following warrants were outstanding:

Date issued	Expiry Date	Number of warrants	Exercise price (\$)	Fair value on grant (\$)
September 30, 2019 ⁽¹⁾	September 30, 2022	1,500,000	0.100	35,200
October 30, 2019 ⁽¹⁾	October 30, 2022	630,000	0.100	12,400
April 16, 2021 ⁽²⁾	April 16, 2022	509,600	0.075	5,370
September 16, 2020	September 16, 2022	96,000	0.075	2,240
September 18, 2020	September 18, 2022	176,000	0.075	4,100
September 16, 2020 ⁽¹⁾	September 16, 2023	3,600,000	0.075	91,890
September 18, 2020 ⁽¹⁾	September 18, 2023	1,400,000	0.075	35,770
April 16, 2021 ⁽¹⁾	April 16, 2024	4,970,000	0.075	91,370
		12,881,600	0.079	278,340

⁽¹⁾ Exercisable at a price of \$0.075 per share for the first and second years and \$0.10 per share for the third year from the date of grant.

⁽²⁾ Expired unexercised subsequent to February 28, 2022.

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2022

(Expressed in Canadian Dollars)

(Unaudited)

6. Stock options

The following summarizes the stock option activity for the three months ended February 28, 2022 and February 28, 2021:

	Number of stock options	Weighted average exercise price
Balance - November 30, 2020 and February 28, 2021	4,980,000	\$ 0.05
Balance - November 30, 2021 and February 28, 2022	5,975,000	\$ 0.05

As of February 28, 2022, the following stock options were outstanding:

Expiry Date	Exercise price (\$)	Number of stock options	Number of exercisable stock options	Weighted average contractual life (years)	Fair value on Grant (\$)
May 29, 2022	0.075	875,000	875,000	0.25	45,588
June 02, 2023	0.05	500,000	125,000	1.26	12,100
May 29, 2024	0.05	1,300,000	1,300,000	2.25	48,286
April 13, 2025	0.05	1,450,000	1,450,000	3.12	31,400
June 02, 2026	0.05	1,850,000	1,850,000	4.26	61,802
	0.05	5,975,000	5,600,000	2.71	199,176

7. Loss per share

	Three Months Period Ended February 28, 2022	Three Months Period Ended February 28, 2021
Net loss per share:		
- basic	\$ (0.00)	\$ (0.00)
- diluted	\$ (0.00)	\$ (0.00)
Net loss for the period	\$ (108,281)	\$ (95,419)
Weighted average outstanding		
- basic and diluted	101,442,461	89,502,461

Basic loss per share is computed by dividing net loss (the numerator) by the weighted average number of outstanding common shares for the period (the denominator). In computing diluted loss per share, an adjustment is not made for the dilutive effect of outstanding warrants and outstanding stock options as they are anti-dilutive.

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2022

(Expressed in Canadian Dollars)

(Unaudited)

8. General and administrative expenses

	Three Months Period Ended February 28, 2022	Three Months Period Ended February 28, 2021
Consulting fees (note 9)	\$ 33,000	\$ 21,000
Accounting and corporate secretarial fees (note 9)	11,069	9,379
Professional fees (note 9)	18,173	6,000
Office and general (note 9)	10,136	11,258
Investor relations and shareholder information	561	3,799
	\$ 72,939	\$ 51,436

9. Related party transactions

During the three months ended February 28, 2022, the Company incurred \$nil (three months ended February 28, 2021 - \$nil) in share-based payments to certain officers, directors and employees of the Company.

The Chief Financial Officer is a senior employee of Marrelli Support Services Inc. ("MSSI"), a firm providing accounting services. During the three months ended February 28, 2022, the Company incurred \$9,228 (three months ended February 28, 2021 - \$51,588) for accounting services rendered by MSSI. As at February 28, 2022, MSSI was owed \$8,800 (November 30, 2021 - \$7,541) and this amount was included in accounts payable and accrued liabilities.

DSA Corporate Services Inc. ("DSA"), a firm providing corporate secretarial and filing services, is affiliated with MSSI through a common officer. During the three months ended February 28, 2022, the Company incurred \$500 (three months ended February 28, 2021 - \$9,988) for services rendered by DSA. As at February 28, 2022, DSA was owed \$1,196 (November 30, 2021 - \$942) and this amount was included in accounts payable and accrued liabilities.

The Company received consulting services from Nominex Ltd. ("Nominex"), a company controlled by the President and Chief Executive Officer ("CEO"). The fees consisted of consulting fees of \$15,000 during the three months ended February 28, 2022 (three months ended February 28, 2021 - \$15,000) for CEO services and exploration and evaluation expenditures of \$22,500, during the three months ended February 28, 2022 (three months ended February 28, 2021 - \$90,000) for geological consulting. As at February 28, 2022, Nominex was owed \$235,000 (November 30, 2021 - \$229,800) and this amount was included in accounts payable and accrued liabilities.

The Company received consulting services from Diges Professional Corporation ("Diges"), a company controlled by the Company's Corporate Secretary. During the three months ended February 28, 2022, the Company incurred \$9,000 (three months ended February 28, 2021 - \$6,000) for services rendered by Diges. As at February 28, 2022, Diges was owed \$55,000 (November 30, 2021 - \$46,000) and this amount was included in accounts payable and accrued liabilities.

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2022

(Expressed in Canadian Dollars)

(Unaudited)

9. Related party transactions (continued)

The Company received legal services from REVLaw, where the Company's Corporate Secretary is a partner. During the three months ended February 28, 2022, the Company incurred \$12,500 (three months ended February 28, 2021 - \$nil) for services rendered by REVLaw, of which \$25,000 was reflected as share issue costs (three months ended February 28, 2021 - \$nil). As at February 28, 2022, REVLaw was owed \$202,500 (November 30, 2021 - \$190,000) and this amount was included in accounts payable and accrued liabilities.

The Company received consulting services from G. Duguay Services Inc., a company controlled by a director of the Company. During the three months ended February 28, 2022, the Company incurred \$9,000 (three months ended February 28, 2021 - \$6,000) for services rendered by G. Duguay Services Inc. As at February 28, 2022, G. Duguay Services Inc. was owed \$118,000 (November 30, 2021 - \$109,000) and this amount was included in accounts payable and accrued liabilities.

10. Segmented information

The Company operates in one reportable operating segment, being the acquisition and exploration and evaluation of mineral properties located in Canada.

11. Commitment

The Company was obligated to spend \$302,000 by December 31, 2021 as it raised flow-through funds on December 20, 2019 (note 4(b)) and \$497,000 by December 31, 2022 as it raised flow-through funds on April 16, 2021 (note 4(b)). The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. As at February 28, 2022, the Company has a flow-through share liability of \$10,323 (November 30, 2021 - \$10,823) as it has incurred eligible expenditures of approximately \$475,000. During the three months ended February 28, 2022, the Company recognized a settlement of flow-through share premium of \$500 (three months ended February 28, 2021 - \$15,356).

12. Subsequent event

Subsequent to February 28, 2022, 509,600 warrants at an exercise price of \$0.075 expired unexercised.