
NOBLE MINERAL EXPLORATION INC.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020
(EXPRESSED IN CANADIAN DOLLARS)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Noble Mineral Exploration Inc. (the "Company") were prepared in accordance with International Financial Reporting Standards ("IFRS"). Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The significant accounting policies of the Company are summarized in Note 2 to the consolidated financial statements.

Management has established processes, which are in place to provide them with sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the years presented by the consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the years presented by the consolidated financial statements.

The Board of Directors is responsible for ensuring that management fulfills its financial reporting responsibilities and for reviewing and approving the consolidated financial statements together with other financial information. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process and the consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Vance White"

Chief Executive Officer

"Robert D.B. Suttie"

Chief Financial Officer

To the Shareholders of Noble Mineral Exploration Inc.:

Opinion

We have audited the consolidated financial statements of Noble Mineral Exploration Inc. and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at August 31, 2021 and August 31, 2020, and the consolidated statements of comprehensive income, changes in shareholders' 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at August 31, 2021 and August 31, 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

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 audits 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 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 consolidated financial statements, which indicates that the Company incurred a net loss during the year ended August 31, 2021 and, as of that date, the Company had an accumulated deficit. As stated in Note 1, these events or conditions, 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 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 audits 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 audits 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 on this other information, 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 International Financial Reporting Standards, 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits 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 Blair Michael Mabee.

Mississauga, Ontario

December 29, 2021

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Noble Mineral Exploration Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at August 31,	2021	2020
Assets		
Current assets		
Cash and cash equivalents	\$ 2,114,742	\$ 376,663
Prepaid expenses	20,395	2,543
Sundry receivables	36,358	70,395
Marketable securities (Note 5)	8,384,716	6,076,211
Total current assets	10,556,211	6,525,812
Non-current assets		
Exploration and evaluation assets (Note 6)	4,061,645	3,181,204
Total assets	\$ 14,617,856	\$ 9,707,016
Liabilities		
Current liabilities		
Bank indebtedness (Note 19)	\$ 251,657	\$ -
Accounts payable and accrued liabilities (Notes 13 and 16)	632,233	524,500
Promissory note payable (Note 7)	-	334,827
Flow-through premium liability (Note 18)	-	105,583
Total liabilities	883,890	964,910
Shareholders' Equity		
Share capital		
Authorized		
Unlimited number of common shares at no par value		
Issued (Note 8)	20,429,170	15,626,334
Share-based payments and expired warrants reserve (Note 9)	11,599,801	11,332,732
Warrants (Note 10)	2,332,210	4,047,783
Accumulated deficit	(20,627,215)	(22,264,743)
Total shareholders' equity	13,733,966	8,742,106
Total liabilities and shareholders' equity	\$ 14,617,856	\$ 9,707,016

Nature of Operations and Going Concern (Note 1)
Subsequent Events (Note 21)

Approved on Behalf of the Board:

"Vance White"
Director

"Michael Newbury"
Director

See accompanying notes to these consolidated financial statements.

Noble Mineral Exploration Inc.

Consolidated Statements of Comprehensive Income
(Expressed in Canadian Dollars Except Number of Shares)

For the years ended August 31,	2021	2020
Expenses		
General and administrative (Note 14)	\$ 939,797	\$ 710,637
Gain on disposition of exploration assets (Note 6)	(377,724)	(400,694)
Premium on flow-through shares (Note 8)	(105,583)	-
Fair value adjustment on marketable securities (gain)	(2,094,018)	(4,477,652)
Net earnings and comprehensive earnings	\$ 1,637,528	\$ 4,167,709
Basic earnings per share (Note 11)	\$ 0.01	\$ 0.03
diluted earnings per share (Note 11)	\$ 0.01	\$ 0.03
Weighted average number of shares outstanding- basic	162,051,123	139,173,985
Weighted average number of shares outstanding- diluted	164,851,579	139,278,838

See accompanying notes to these consolidated financial statements.

Noble Mineral Exploration Inc.

Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Share Capital	Share-Based Payments and Expired Warrants Reserve	Warrants	Accumulated Deficit	Total
Balance, August 31, 2020	\$ 15,626,334	\$ 11,332,732	\$ 4,047,783	\$(22,264,743)	\$ 8,742,106
Shares issued for exploration and evaluation assets	145,000	-	-	-	145,000
Issuance of warrants on exercise of broker warrants	(175,963)	-	175,963	-	-
Exercise of warrants - cash	3,050,544	-	-	-	3,050,544
Exercise of warrants - valuation	1,624,467	-	(1,624,467)	-	-
Expiry of warrants	-	267,069	(267,069)	-	-
Costs of issue	(75,808)	-	-	-	(75,808)
Vesting and settlement of restricted share units	234,596	-	-	-	234,596
Net earnings and comprehensive earnings	-	-	-	1,637,528	1,637,528
Balance, August 31, 2021	\$ 20,429,170	\$ 11,599,801	\$ 2,332,210	\$(20,627,215)	\$ 13,733,966
Balance, August 31, 2019	\$ 13,604,453	\$ 13,801,082	\$ 3,303,936	\$(26,432,452)	\$ 4,277,019
Shares issued for exploration and evaluation assets	1,610,000	-	-	-	1,610,000
Private placements, net of costs	692,846	-	-	-	692,846
Issuance of warrants - valuation	(274,246)	-	274,246	-	-
Issuance of broker warrants - valuation	(27,015)	-	27,015	-	-
Stock-based compensation	-	31,650	-	-	31,650
Return of capital distribution	-	(2,500,000)	-	-	(2,500,000)
Exercise of warrants - cash	99,965	-	-	-	99,965
Exercise of warrants - valuation	25,914	-	(25,914)	-	-
Warrants issued for exploration and evaluation assets	-	-	468,500	-	468,500
Flow-through share premium	(105,583)	-	-	-	(105,583)
Net earnings and comprehensive earnings	-	-	-	4,167,709	4,167,709
Balance, August 31, 2020	\$ 15,626,334	\$ 11,332,732	\$ 4,047,783	\$(22,264,743)	\$ 8,742,106

See accompanying notes to these consolidated financial statements.

Noble Mineral Exploration Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

Year Ended August 31,	2021	2020
Operating Activities		
Payments to suppliers	\$ (477,584)	\$ (509,021)
Payments to management	(103,746)	(74,528)
Net cash used in operating activities	(581,330)	(583,549)
Financing Activities		
Shares issued for cash	-	692,846
Cash from exercise of warrants, net of costs	2,974,736	99,965
Bank indebtedness	251,657	-
Repayment of loan payable	-	(65,173)
Repayment of promissory note payable	(174,603)	(600,000)
Net cash provided by financing activities	3,051,790	127,638
Investing Activities		
Proceeds on disposal of marketable securities	349,000	1,029,870
Acquisition of marketable securities	(500,000)	-
Costs of exploration and evaluation assets (Note 6)	(581,381)	(407,708)
Proceeds (payment) on property disposition	-	(185,061)
Proceeds from disposition - option agreement	-	318,717
Net cash (used in) provided by investing activities	(732,381)	755,818
Change in cash and cash equivalents during the year	1,738,079	299,907
Cash and cash equivalents, beginning of year	376,663	76,756
Cash and cash equivalents, end of year	\$ 2,114,742	\$ 376,663

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

Years Ended August 31, 2021 and 2020

(Expressed in Canadian Dollars)

1. Nature of Operations and Going Concern

Noble Mineral Exploration Inc., ("the Company" or "Noble") is in the mineral exploration and evaluation business. Noble has a wholly-owned US subsidiary, Hawk Uranium USA, Inc. ("Hawk USA") which is inactive.

The Company is incorporated under the laws of the Province of Ontario, Canada, and its head office is located at 120 Adelaide Street West, Suite 2500, Toronto, Ontario, M5H 1T1.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration programs will result in profitable operations. The recoverability of amounts shown for exploration and evaluation assets is dependent upon completion of the acquisition of the property interests, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write-downs of the carrying values of exploration and evaluation assets.

The Company's major mineral properties are Project 81 and the Holdsworth property. Unless the Company acquires or develops additional material properties, the Company will be mainly dependent upon the Project 81 property. If no additional major mineral properties are acquired by the Company, any adverse development affecting this property would have a material adverse effect on the Company's financial condition and results of its operations.

Although the Company has taken steps to verify title to the property on which it is conducting exploration and it has acquired an interest (and has obtained title insurance on most of the properties comprising Project 81), in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Title to certain properties may be subject to unregistered prior agreements, aboriginal claims, and non-compliance with regulatory requirements.

As at August 31, 2021, the Company had working capital of \$9,672,321 (August 31, 2020 - \$5,560,902) and an accumulated deficit of \$20,627,215 (August 31, 2020 - \$22,264,743). 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 assets expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. Accordingly, these consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. These adjustments could be material.

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

Years Ended August 31, 2021 and 2020

(Expressed in Canadian Dollars)

1. Nature of Operations and Going Concern (Continued)

Due to the worldwide COVID-19 outbreak, material uncertainties may come into existence that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Demand for base metals
- The severity and the length of potential measures taken by governments to manage the spread of the virus and their effect on labour availability and supply lines;
- Availability of essential supplies;
- Global oil prices;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of the approval of these consolidated financial statements, the Canadian government has not introduced measures which impede the activities of the Company. Management believes the business will continue and accordingly, the current situation bears no impact on management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

2. Significant Accounting Policies

(a) Statement of Compliance

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC").

The consolidated financial statements were approved by the Board of Directors on December 29, 2021.

(b) Basis of Presentation

These consolidated financial statements have been prepared on a historical cost basis, with the exception of certain financial instruments, which are measured at fair value.

(c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. The subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases. Control is achieved when an investor has power over an investee to direct its activities, exposure to variable returns from an investee, and the ability to use the power to affect the investor's returns.

The results of subsidiaries acquired or disposed of during the periods presented are included in the consolidated statements of comprehensive loss from the effective date of acquisition of control and up to the effective date of disposal of control, as appropriate. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

The following companies have been consolidated within the consolidated financial statements:

Company	Registered	Principle activity
Noble Mineral Exploration Inc.	Ontario, Canada	Parent company
Hawk Uranium USA, Inc. ¹	USA	Inactive

¹100% owned by Noble Mineral Exploration Inc.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements
Years Ended August 31, 2021 and 2020
(Expressed in Canadian Dollars)

2. Significant Accounting Policies (Continued)

(d) Financial Assets and Liabilities

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVTOCI) and fair value through profit and loss (FVTPL).

Below is a summary showing the classification and measurement bases of the financial instruments:

Cash and cash equivalents	FVTPL
Marketable securities	FVTPL
Bank indebtedness	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Promissory note payable	Amortized cost

(e) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, amounts held in trust with lawyers, deposits in banks and highly liquid investments with an original maturity of ninety days or less.

(f) Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expensed to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

(g) Per share information

Basic earnings (loss) per share is computed by dividing the earnings (loss) for the period available to common shareholders by the weighted average number of shares outstanding during the years. Diluted earnings (loss) per share is computed similarly to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the years.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

Years Ended August 31, 2021 and 2020

(Expressed in Canadian Dollars)

2. Significant Accounting Policies (Continued)

(h) Restoration, Rehabilitation and Environmental Provisions

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration of exploration and evaluation assets. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. The related liability is adjusted for each period for changes to the current market based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

The Company had no restoration, rehabilitation and environmental provisions as at August 31, 2021 and 2020.

(i) Exploration and Evaluation Assets

Exploration and evaluation assets relate to rights acquired and exploration and evaluation expenditures incurred in respect to resource projects that are in the exploration and evaluation stage.

Exploration and evaluation expenditures include costs which are directly attributable to acquisition, surveying, geological, geochemical, geophysical, exploratory drilling, land maintenance, sampling, and assessing technical feasibility and commercial viability. These expenditures are capitalized until the technical feasibility and commercial viability of extracting the mineral resource of a project are demonstrable. During the exploration period, exploration and evaluation assets are not amortized.

Exploration and evaluation assets are allocated to cash generating units ("CGUs") for the purpose of assessing such assets for impairment and each project is identified as a separate CGU. At the end of each reporting period, each project is reviewed for impairment indicators in accordance with IFRS 6. If such indicators exist, the project is tested for impairment and the recoverable amount of the project is estimated. If the recoverable amount of the project is estimated to be less than its carrying amount, the carrying amount of the project is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Once the technical feasibility and commercial viability of extracting a mineral resource of a project are demonstrable, the relevant exploration and evaluation asset is assessed for impairment, and any impairment loss recognized, prior to the balance being reclassified as a mine development asset in property, plant and equipment.

The determination of the demonstration of technical feasibility and commercial viability is subject to a significant degree of judgment and assessment of all relevant factors. In general, technical feasibility may be demonstrable once a positive feasibility study is completed. When determining the commercial viability of a project, in addition to the receipt of a feasibility study, the Company also considers factors such as the availability of project financing, the existence of markets and/or long term contracts for the product, and the ability of obtaining the relevant operating permits.

All subsequent expenditures to ready the property for production are capitalized within mine development assets, other than those costs related to the construction of property, plant and equipment.

Once production has commenced, all costs included in mine development assets are reclassified to mining properties.

Exploration and evaluation expenditures incurred prior to the Company obtaining mineral rights related to the property being explored are recorded as expense in the period in which they are incurred.

(j) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the time value effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements
Years Ended August 31, 2021 and 2020
(Expressed in Canadian Dollars)

2. Significant Accounting Policies (Continued)

(k) Impairment of Non-financial Assets

The carrying amounts of non-financial assets are reviewed for impairment at each reporting period and whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels of CGU. The recoverable amount is the higher of an asset's fair value less disposal cost or its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGUs to which the asset belongs.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(l) Share-based Payments

Share-based compensation transactions

The fair value of equity-settled share-based compensation granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or, notwithstanding that a person is not an employee for tax or legal purposes, when that person provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the vesting period. 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 stock options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Equity-settled transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense is recognized for equity settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in Share-based payments and expired warrants reserve.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding stock options and restricted share units (if any) is reflected as additional dilution in the computation of loss per share.

2. Significant Accounting Policies (Continued)

(l) Share-based Payment (Continued)

Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value. Where a present obligation to settle in cash exists, the award is classified as a liability and is re-measured at the end of every financial reporting period and settlement date. Where no present obligation to settle in cash exists, the award is classified within equity. If an award classified as equity is subsequently settled in cash, the Company recognizes and expense if the cash settlement is greater than the fair value of the shares that would have otherwise been issued on the date of settlement.

(m) Flow-through Shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. 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 expenditures being incurred, 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.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

(n) Foreign Currency

The presentation currency of the Company is the Canadian dollar, which is the functional and presentation currency of the Company. Transactions in the foreign currency are initially recorded to the functional currency of the entity at the exchange rate in effect at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated to the spot rate of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in the statements of comprehensive loss. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of the initial transaction.

(o) Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated 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 future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

Years Ended August 31, 2021 and 2020

(Expressed in Canadian Dollars)

2. Significant Accounting Policies (Continued)

(p) Critical Accounting Estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Stock-based Compensation

Management is required to make certain estimates and assumptions when determining the fair value of stock options awards, and the number of awards that are expected to vest. These estimates affect the amount recognized as stock-based compensation in the statement of comprehensive income based on estimates of forfeiture and expected lives of the underlying stock options.

Income Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

(q) Critical Accounting Judgments

Income Taxes and Recovery of Deferred Tax Assets

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the consolidated financial statements.

Restoration, Rehabilitation and Environmental Provisions

Management's assumption of no material restoration, rehabilitation and environmental exposure, is based on the facts and circumstances that existed in the current and prior periods.

Going Concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its operations and working capital requirements as discussed in Note 1.

Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether there are indicators of impairment. When such indicators exist, an impairment loss is recognized for the amount by which the exploration and evaluation assets carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the exploration and evaluation assets' fair value less costs to dispose and their value in use.

Classification of Restricted Share Units

The Company's restricted share units may be settled in cash at the sole discretion of the Board of Directors. Accordingly, there is no present obligation to settle in cash and awards are accounted for as equity.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

Years Ended August 31, 2021 and 2020

(Expressed in Canadian Dollars)

3. Capital Management

The Company manages its capital with the following objectives:

- (a) To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future opportunities, and pursuit of acquisitions of exploration and evaluation assets; and
- (b) To maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, share based payments and expired warrants reserve, warrants, accumulated deficit, which at August 31, 2021 totaled \$13,733,966 (2020 - \$8,742,106).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on activities related to its exploration and evaluation assets. Selected information is frequently provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the years ended August 31, 2021 and 2020.

4. Financial Risk Factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including interest rate risk, foreign currency risk, and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents. Cash and cash equivalents are held with financial institutions which are closely monitored by management.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at August 31, 2021, the Company had an aggregate cash and cash equivalents balance of \$2,114,742 (2020 - \$376,663) to settle current liabilities of \$883,890 (2020 - \$964,910). The Company will need to raise additional capital to fund operations for the next twelve months. (Note 1)

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

Years Ended August 31, 2021 and 2020

(Expressed in Canadian Dollars)

4. Financial Risk Factors (Continued)

The table below summarizes the maturity profile of all of the Company's financial liabilities based on contractual undiscounted payments:

Year ended August 31, 2021	On Demand	Less than 3 Months	3 to 12 Months	1 to 2 Years	Total
Accounts payable and accrued liabilities	\$ 622,483	\$ 9,750	\$ -	\$ -	\$ 632,233
Bank indebtedness	251,657	-	-	-	251,657
	\$ 874,140	\$ 9,750	\$ -	\$ -	\$ 883,890

Year ended August 31, 2020	On Demand	Less than 3 Months	3 to 12 Months	1 to 2 Years	Total
Accounts payable and accrued liabilities	\$ 416,826	\$ 60,389	\$ 47,285	\$ -	\$ 524,500
Promissory note payable	-	-	334,827	-	334,827
	\$ 416,826	\$ 60,389	\$ 382,112	\$ -	\$ 859,327

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

Years Ended August 31, 2021 and 2020

(Expressed in Canadian Dollars)

4. Financial Risk Factors (Continued)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

i) Interest Rate Risk

The Company has cash balances bearing variable interest. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its banks.

ii) Foreign Currency Risk

Management believes that there is no foreign exchange risk as there are minimum foreign currency transactions and balances, and the US subsidiary is non-operational.

iii) Price Risk

The Company is exposed to price risk with respect to commodity and 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. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as it relates to uranium, gold and other precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

The Company's investment in marketable securities are subject to fair value fluctuations arising from changes in the equity and commodity markets.

Sensitivity Analysis

The sensitivity analysis shown in the notes below may differ materially from actual results.

Based on Management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible":

- i) The Company is exposed to price risk as it relates to its investments held in marketable securities. Sensitivity to a plus or minus 50% change in the bid price as at August 31, 2021 would effect comprehensive loss by approximately \$4,192,358 (2020 - \$3,038,106).
- ii) Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability from mineral exploration depends upon the world market price of uranium, gold and other precious metals. Commodity prices have fluctuated significantly in recent years. There is no assurance that, even if commercial quantities of uranium, gold and other precious metals can be produced in the future, a profitable market will exist for them.

As of August 31, 2021, the Company was not a producer of uranium, gold and other precious metals. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Noble Mineral Exploration Inc.

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5. Marketable Securities

As at August 31, 2021, the Company owned several positions in Canadian junior resource companies. These investments are classified as fair value through profit and loss.

The following is a breakdown of the fair market value of marketable securities held:

	2021	2020
Canada Nickel Company Inc. ("Canada Nickel") - shares	\$ 6,234,970	\$ 4,233,600
MacDonald Mines Exploration Ltd. - shares	165,780	423,660
Spruce Ridge Resources Ltd. ("Spruce Ridge") - shares	1,980,000	640,000
Spruce Ridge Resources Ltd. - warrants	-	777,000
Other	3,966	1,951
	\$ 8,384,716	\$ 6,076,211

The following Black-Scholes inputs were used in determining the value of the Spruce Ridge warrants: volatility (based on the historical volatility of Spruce Ridge), - n/a (August 31, 2020 - 222.16% to 271.51%); expected life: n/a (August 31, 2020 - 3.75 to 3.78 years); risk free interest rate - n/a% (August 31, 2020 - 0.29% to 0.31%).

A continuity of marketable securities is as follows:

	2021	2020
Balance, beginning of year	\$ 6,076,211	\$ 1,363,429
Acquisition of marketable securities	500,000	-
Proceeds on disposition of marketable securities	(349,206)	(1,029,870)
Canada Nickel shares received on option agreement	670,000	3,765,000
CNC shares distributed to shareholders	-	(2,500,000)
Transfers Canada Nickel Shares on acquisition of property interests	(605,034)	-
Changes in fair market value	2,094,018	4,477,652
Other	(1,273)	-
	\$ 8,384,716	\$ 6,076,211

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements
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6. Exploration and Evaluation Assets

For the year ended August 31,	2021	2020
Project 81		
Balance, beginning of year	\$ 2,672,204	\$ 3,162,958
Acquisition costs	891,560	209,118
Surveys	-	-
Geologists and consultants	131,092	139,174
Transportation and accommodation	2,383	6,027
Drilling	5,626	46,692
Assays	11,247	1,084
Disposition of exploration assets	(452,500)	(88,481)
Other	5,044	6,349
Net proceeds received on option agreement	-	(810,717)
	594,452	(490,754)
Balance, end of year	\$ 3,266,656	\$ 2,672,204
Holdsworth Property		
Balance, beginning of year	\$ 509,000	\$ -
Acquisition costs	989	509,000
Balance, end of year	\$ 509,989	\$ 509,000
Buckingham Property		
Balance, beginning of year	\$ -	\$ -
Acquisition costs	285,000	-
Balance, end of year	\$ 285,000	\$ -
Total Exploration and Evaluation Assets, End of Year	\$ 4,061,645	\$ 3,181,204

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements
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(Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets (Continued)

(a) Project 81, Timmins, Ontario

The largest portion of the Company's Project 81 is comprised of patented claims located in 16 townships in the Timmins, Iroquois Falls and Smooth Rock Falls area of Northern Ontario. The patents include surface, mineral and timber rights. The Company has also staked additional mineral claims in the same general area and has added these to Project 81.

The purchase price consisted of \$6,500,000 in cash, 600,000 common shares of the Company and the grant to AbiBow of a 5% net smelter returns royalty ("NSR") from the sale of minerals produced from the property.

In 2012, the Company acquired three mining claim blocks, totalling 12 claim units, located in the Kingsmill and Aubin townships of Northern Ontario. These claim blocks are now included within the Project 81 area.

In 2013, The Company sold, for consideration of \$500,000, its purchase rights with respect to a royalty granted to AbiBow in connection with the purchase of Project 81. The proceeds were applied to pay the purchase price for Project 81.

The Company acquired mineral claims from Metals Creek Resources Corp. in Lucas Duff and Tully Townships that are contiguous to properties in Lucas Township that were acquired in 2011 and have been identified by the Company as containing a gold target. The purchase price consisted of two cash payments for a total of \$50,000, and the issuance of 75,000 common shares on closing and a further issuance of 75,000 common shares on or before June 1, 2012.

In 2012, the Company acquired three mining claim blocks, totalling 12 claim units, located in the Kingsmill and Aubin Townships in Northern Ontario. These claim blocks are within the Project 81 area.

The Company has paid \$35,000 and issued 60,000 common shares of the Company (ascribed a fair value of \$31,500) for these claims and is also required to pay the vendor an annual advance royalty payment. The annual advance royalty payment currently stands at \$10,000 ("Advance Royalty Payment") until the commencement of commercial production on the property acquired. The vendor will also retain a 2% NSR, with the Company having the right to buy back up to 1% of the NSR at a price of \$1,000,000. The Advance Royalty Payments made to the vendor will be deducted from the NSR payable by the Company. The Company also retain the rights of first refusal on the residual 1% NSR, should the vendor elect to sell this interest at anytime. During fiscal 2017, the vendor agreed to accept common shares of the Company in lieu of cash in settlement of the 2015 and 2016 advance royalty payments and agreed to reduce future advance royalty payments to \$10,000 per annum.

During the year ended August 31, 2015, the Company recognized an impairment charge of \$3,645,942 against this property, primarily reflective of the general declines seen in commodity based resource markets. The recoverable amount was determined based on fair value less cost of disposal which was calculated on the basis of the market capitalization of the Company. During the years ended August 31, 2021 and 2020, no impairment charges were recognized.

As announced on August 25, 2017, the Company entered into an Option and Joint Venture Agreement providing a group of private investors an option with respect to lands located within Carnegie Township. Subject to the terms and conditions of that agreement, the optionees can earn a 51% interest in a portion of the Company's Project 81 properties located in Carnegie township, Ontario by carrying out exploration expenditures of \$1 million within the first year of the arrangement. The optionees would then have the right to earn an additional 24% interest in those properties by carrying out additional exploration expenditures of \$1 million within one year after earning the initial 51% interest.

On May 4, 2018, the Company signed an Option and Joint Venture Agreement ("Agreement") with Spruce Ridge to earn up to a 75 percent interest in specific target areas in the part of Project 81 lying within Crawford Township, Ontario.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

Years Ended August 31, 2021 and 2020

(Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets (Continued)

(a) Project 81, Timmins, Ontario (Continued)

Pursuant to the Agreement, Spruce Ridge can earn an initial 51% interest in the subject Crawford property by making (i) a cash payment of \$50,000 (received) by an agreed deadline, and (ii) a second cash payment of \$50,000 (received) approximately six months later. In accordance with the Agreement.

As required by that Agreement, Spruce Ridge also issued 3,000,000 Class A common shares (received and ascribed a fair value of \$90,000) and must issue an additional 3,000,000 common shares not later than one (1) year after the date of the first issue of common shares (received and ascribed a fair value of \$120,000).

Also, as required by that Agreement, Spruce Ridge issued 5,000,000 warrants (received and ascribed a fair value of \$148,000) having a term expiring five (5) years after issuance, and must issue an additional 5,000,000 exercisable warrants not later than one (1) year after the date for the first issue of warrants (received and ascribed a fair value of \$200,000).

After having earned a 51% interest, Spruce Ridge must incur minimum of \$300,000 of expenditures in the first year following the Effective Date and an additional \$700,000 within eighteen (18) months following the Effective Date.

Spruce Ridge can earn an additional 24% undivided interest in the Crawford property by issuing 2,000,000 common shares to Noble and incurring a further \$1,000,000 of qualifying expenditures on or before the third anniversary of the execution of the Agreement.

Once 75% is earned (or 51% should Spruce Ridge elect not to acquire a 75% interest), the Crawford property will be operated as a participating Joint Venture.

During the year ended August 31, 2021, the Company acquired number of miscellaneous claims for cash consideration of \$65,000, 400,000 common shares of Noble (issued and ascribed a fair value of \$50,000) and the issuance of 14,000 shares from its holdings of Canada Nickel, ascribed a fair value of \$39,060)

(b) Crawford Transaction

On November 14, 2019, the Company signed a definitive agreement to consolidate the Crawford Nickel-Sulphide Project ("the Project") under the terms of an implementation agreement that has been entered by Canada Nickel, Noble, Mark Selby (a principal of Canada Nickel), Spruce Ridge and certain private investors (the "Investors"). The net result for Noble of the transactions under the Implementation Agreement (the "Transactions") is:

- Noble received \$2 million cash and 12 million shares of Canada Nickel (ascribed a fair value of \$3,000,000) for the transfer of the Project from Noble to Canada Nickel, and at a special shareholder meeting on December 27, 2019, Noble received approval to distribute 10 of those 12 million shares to its shareholders through a share exchange by plan of arrangement (the "Arrangement"), with Noble retaining the other 2 million shares of Canada Nickel. On February 25, 2020, the Arrangement closed and the Company proceeded to distribute 10,000,000 common shares of Canada Nickel to its shareholders, with an ascribed fair value of \$2,500,000.
- Noble issued Spruce Ridge a \$1 million promissory note, repayable following completion of the Arrangement, and 10,000,000 common share units of Noble (each unit comprised of one common share and 1/2 common share purchase warrant, with each full warrant being exercisable at \$0.15 per share for three years). The 10 million common shares were ascribed a fair value of \$750,000, and the 5,000,000 warrants were assigned an aggregate fair value of \$319,500 using the Black-Scholes valuation model, relative value method, with the following assumptions: dividend yield 0%, expected volatility 179.30%, risk-free rate of return 1.46% and expected life of 3 years. The \$1 million promissory note payable to Spruce Ridge is unsecured, bears no interest, is due on demand. During the year ended August 31, 2020, the Company repaid this promissory note. (Note 7)
- Noble entered into a royalty assignment agreement under which it paid \$2,000,000 for the purchase of a 5% net smelter returns royalty that applies to the portions of Noble's Project 81 (including the Crawford Nickel-Sulphide Project) that are comprised of patented properties.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

Years Ended August 31, 2021 and 2020

(Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets (Continued)

(b) Crawford Transaction (Continued)

- Noble closed an agreement resulting in a net smelter return royalty interest (the “NSR”) on the approximate 52,000 Ha of patented mineral rights of Project 81 property being reduced from 5% to 2% but no longer subject to a purchase option. The Company issued 5,889,281 shares ascribed a fair value of \$500,000 as consideration.(Note 8)
- Noble received 2 million common shares of Spruce Ridge, ascribed a fair value of \$120,000.
- Noble is holding the claims for the benefit of Spruce Ridge on the 907ha Crawford VMS assets, subject to Noble retaining a back-in right to a 25% interest and to the right of Spruce Ridge to substitute other VMS properties in Crawford Township, Ontario of the same size; and
- On December 27, 2019, the Company's shareholders approved the agreement and on February 25, 2020, the Arrangement closed. Professional fees associated with this transaction were \$264,740.

At the time of the Crawford transaction, Noble's chief financial officer also served as the chief financial officer for Canada Nickel. Furthermore, a director of Noble served as Canada Nickel's Vice President, Exploration.

(c) Crawford Annex and Option Transactions

On May 22, 2020, the Company closed a definitive agreement with Canada Nickel whereby Noble agreed as follows (collectively, the “Property Transactions”): (i) to transfer to Canada Nickel certain patented properties and mineral rights referred to therein as the Crawford Annex; (ii) to grant to Canada Nickel separate options to earn an up to 80% interest in five distinct areas of Noble's Project 81 and (iii) to enter into a partial assignment agreement whereby Canada Nickel would be assigned certain rights of Noble that would then allow Canada Nickel to acquire title to certain surface rights that are appurtenant to the patented mineral rights that make up part of Project 81. On May 5, 2020 at the Company's annual shareholder meeting, Noble's shareholders approved the Property Transactions. In consideration for the transfer of property rights, Noble was entitled to receive and aggregate of \$500,000 and 500,000 common shares of Canada Nickel Company Inc. (ascribed a fair value of \$615,000). Concurrently with this transaction, the Company repaid a \$250,000 loan payable to Canada Nickel (Note 7). The proceeds were allocated as follows:

- i) Transfer of the Crawford Annex properties: \$100,000 and 100,000 Canada Nickel shares (ascribed a fair value of \$123,000). After transaction costs of \$20,321 and the underlying carrying cost of these properties of \$68,160, the Company reported gain on disposal of \$134,519.
- ii) Grant of the right to earn up to 80% interest in 5 distinct areas of Project 81: \$400,000 and 400,000 Canada Nickel Company Inc. shares (ascribed a fair value of \$492,000). After transaction costs, \$810,717 was charged against exploration and evaluation assets, representing the value of the net consideration received for the property option.

(d) Holdsworth Property

On August 25, 2020, the Company executed an agreement with MacDonald Mines Exploration Ltd. (TSX-V:BMK) (“MacDonald”) to acquire all of MacDonald's interest in the Holdsworth gold property (the “Property”), located 25 kilometres northeast of Wawa, Ontario in Corbiere and Esquega Townships. As payment for the Property, Noble issued MacDonald 4,000,000 common shares of Noble (ascribed a fair value of \$360,000), as well as 2,000,000 warrants expiring 3 years after issuance and exercisable at \$0.15 per common share of Noble. The warrants were assigned an aggregate fair value of \$149,000 using the Black-Scholes valuation model, with the following assumptions: dividend yield 0%, expected volatility 172.41%, risk-free rate of return 0.29% and expected life of 3 years.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements

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(Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets (Continued)

(e) Buckingham Property

On June 21, 2021, the Company acquired the Buckingham graphite property in the Outaouais region of Western Quebec. The property consists of 30 claims. The consideration for the acquisition are the costs of staking and reserving to the vendor a 2% NSR that will be subject to Noble's right to buyback 50% of the NSR for \$1,000,000. Further, the Company issued 500,000 shares (ascribed a fair value of \$62,500), transferred 50,000 shares it holds in Canada Nickel, (ascribed a fair value of \$172,500), and paid \$50,000 in cash.

As announced on June 24, 2021, the Company acquired the Cere Villebon property near Val d'Or, Quebec. The property consists of 15 claims. The consideration for the acquisition are the costs of staking and reserving to the vendor a 2% NSR that will be subject to Noble's right to buyback 50% of the NSR for \$1,000,000. The property is road and power accessible, located only 4 kilometers east of Highway 117, the highway that connects Montreal to Val d'Or.

On June 29, 2021, the Company acquired the Laverlochere property near Rouyn-Noranda, Quebec. The property consists of 12 claims. The property is road and power accessible, located about 100 kilometers south of Rouyn-Noranda. The consideration for the acquisition are the costs of staking and reserving to the vendor a 2% NSR that will be subject to Noble's right to buyback 50% of the NSR for \$1,000,000.

(f) MacDiarmid Properties

On February 2, 2021, the Company entered into an agreement with International Explorers and Prospectors Ltd ("IEP" or "International Explorers") to acquire the 39 mining claims (the "Claims") in MacDiarmid and Loveland Townships.

All 39 mining claims acquired are subject to a 0.25% net smelter returns royalty (the "First Nations Royalty"), and 4 of the mining claims acquired are also subject to a 2.0% net smelter returns royalty held by other parties (the "Existing Royalty"). Both the First Nations Royalty and the Existing Royalty will continue to apply. For the 35 mining claims that are not subject to the Existing Royalty, a 1.75% net smelter returns royalty will be granted to IEP (the "IEP Royalty"). Noble has purchased a right applicable to the Existing Royalty and IEP Royalty which, if exercised through a payment of \$1,000,000, would vest in Noble 0.25% of the Existing Royalty (out of the total 2.0%) and 0.875% of the IEP Royalty (out of the total 1.75%).

Terms of the transaction are as follows:

- payment of \$25,000 cash by Noble (paid);
- issuance of 250,000 common shares of Noble (issued and ascribed a fair value of \$32,500)
- transfer of 100,000 common shares of CNC from Noble's holdings (Transferred and ascribed a fair value of \$395,000); and
- the transfer of \$500,000 of assessment credits to IEP at any time up to December 31, 2021

On April 14, 2021, the Company closed an earn-in transaction with Canada Nickel with respect to the 39 mineral claims held by Noble in MacDiarmid and Loveland Townships, Ontario. In exchange for the option, Canada Nickel (i) issued 200,000 common shares of CNC to Noble (received and ascribed a fair value of \$670,000), (ii) forgave the \$160,224 amount currently owed by Noble to CNC (forgiven) (Note 7), (iii) agreed to take all steps as are commercially reasonable to transfer \$500,000 in assessment credits to Noble, and (vi) Noble retained the right to acquire a royalty of between 0.25% AND 0.87% for a payment of \$1 million. Under the terms of the Option, a 60% interest in the Claims will vest in CNC provided CNC funds at least \$100,000 of exploration and development expenditures on the Claims within 18 months. An 80% interest in the Claims will vest in CNC provided CNC funds at least an additional \$150,000 (for a total of \$250,000) of exploration and development expenditures on the Claims within 36 months. CNC will also be responsible for exploration expenditures and other costs required to maintain the Claims in good standing (and to make certain related filings). If the conditions to earn a 60% interest or 80% interest have been satisfied, a joint venture would be formed between CNC and Noble on such proportionate basis. A gain on disposition of \$377,724 was recorded on the Company's statement of comprehensive income for the year ended August 31, 2021.

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6. Exploration and Evaluation Assets (Continued)

(f) MacDiarmid Properties (Continued)

On April 22, 2021, the Company entered into a binding letter of intent with Canada Nickel, ("Canada Nickel") to vend to Canada Nickel the properties currently optioned to Canada Nickel, plus additional properties held by Noble. Under the terms of the transaction, Noble and Canada Nickel will terminate the current option and joint venture agreements it previously entered into with Canada Nickel on some of the properties, and in exchange Canada Nickel will acquire 100% of the applicable property rights or claims in return for 3.5 million common shares of Canada Nickel. Noble will also retain a 2% royalty on almost all of the mining claims that would be sold to Canada Nickel (subject to Canada Nickel having a right to purchase one half of that royalty for escalating payments), as well as the right to acquire a royalty of between 0.25% and 0.875% on 39 mineral claims. Following the closing, Noble anticipates distributing substantially all of those Canada Nickel shares to Noble's shareholders as an in-kind dividend, based on a record date to be established post closing. As of August 31, 2021, the transaction had not closed. (Note 21)

7. Promissory Note Payable

On June 26, 2020, the Company obtained a \$625,000 interest-free unsecured loan (the "Loan") from the Canada Nickel (the "Lender"). The Loan had a maturity date of June 25, 2021 and was interest-free until maturity, unless Noble fails to make a payment due. Under the Loan, Noble has agreed that if it sells any Lender securities that it owns, a minimum of 50% of the proceeds of that sale will be paid to Lender (until the principal amount of the Loan has been repaid). If Noble fails to make any payment due under the Loan, interest at 12% per annum will accrue (compounded monthly) retroactive to the date of the Loan until all principal and interest has been repaid. On April 14, 2021, the balance of this promissory note was forgiven upon the closing of an earn-in transaction with Canada Nickel. (See Note 6) A continuity for the promissory note is as follows;

Year Ended August 31,	2021	2020
Balance, beginning of year	\$ 334,827	\$ -
Proceeds received	-	625,000
Payments made	(174,603)	(290,173)
Balance forgiven upon closure of earn-in transaction (Note 6)	(160,224)	-
Balance, end of year	\$ -	\$ 334,827

Noble Mineral Exploration Inc.

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8. Share Capital

	Number of Shares	Stated Value
Balance, August 31, 2019	125,061,725	\$ 13,604,453
Shares issued for exploration and evaluation assets (Note 6)	19,889,281	1,610,000
Private placements, net of costs (i)(ii)(iii)	8,372,083	692,846
Exercise of warrants	999,650	125,879
Issuance of warrants	-	(274,246)
Issuance of broker warrants	-	(27,015)
Flow-through share premium liability	-	(105,583)
Balance, August 31, 2020	154,322,739	\$ 15,626,334
Shares issued for exploration and evaluation assets (Note 6)	1,150,000	145,000
Exercise of warrants	31,052,928	4,675,011
Costs of issue	-	(75,808)
Issuance of warrants on exercise of broker warrants	-	(175,963)
Issued on vesting of restricted share units (Note 9(c))	1,805,768	234,596
Balance, August 31, 2021	188,331,435	\$ 20,429,170

- i) On February 11, 2020, the Company closed non-brokered private placement. The gross proceeds of the private placement were \$549,100, raised through the issuance of 1,233,333 flow-through common share units at \$0.12 per unit, and 5,013,750 hard dollar common share units at \$0.08 per unit. Each flow-through or hard dollar common share unit is comprised of one common share and one half of one common share purchase warrant. Each full common share purchase warrant is exercisable for one common share of Noble at \$0.12 per share for a period of two years. Cash costs of issuance associated with this financing were \$41,183. In addition, the Company issued 541,375 broker warrants exercisable for two years at \$0.12 per warrant. The flow-through premium was calculated to be \$49,333. (Note 18)

The 3,123,541 purchase warrants issued in conjunction with this financing are each exercisable for one common share of the Company at a price of \$0.12 until February 11, 2022. The purchase warrants issued were assigned an aggregate fair value of \$155,865 using the Black-Scholes valuation model, relative value method, with the following assumptions: dividend yield 0%, expected volatility 171.25%, risk-free rate of return 1.47% and expected life of 2 years.

The 541,375 broker warrants, expiring February 11, 2022, issued in conjunction with the financing were assigned an aggregate fair value of \$27,015 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 171.25%, risk-free rate of return 1.47% and expected life of 2 years.

- ii) On May 22, 2020, the Company closed non-brokered private placement. The gross proceeds of the private placement were \$150,000, raised through the issuance of 1,500,000 flow-through common share units at \$0.10 per unit. Each flow through unit is comprised of one common share and one common share purchase warrant. Each common share purchase warrant is exercisable for one common share of Noble at \$0.10 per share for a period of three years. Cash costs of issuance associated with this financing were \$18,495. The flow-through premium was calculated to be \$37,500. (Note 18)

The 1,500,000 purchase warrants issued in conjunction with this financing are each exercisable for one common share of the Company at a price of \$0.10 until May 22, 2023. The purchase warrants issued were assigned an aggregate fair value of \$95,100 using the Black-Scholes valuation model, relative value method, with the following assumptions: dividend yield 0%, expected volatility 172.41%, risk-free rate of return 0.28% and expected life of 3 years.

Noble Mineral Exploration Inc.

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8. Share Capital (Continued)

iii) On August 28, 2020, the Company closed non-brokered private placement. The gross proceeds of the private placement were \$75,000, raised through the issuance of 625,000 flow-through common share units at \$0.12 per unit. Each flow through unit is comprised of one common share and one half of one common share purchase warrant. Each common share purchase warrant is exercisable for one common share of Noble at \$0.15 per share for a period of three years. Cash costs of issuance associated with this financing were \$4,200. The flow-through premium was calculated to be \$18,750. (Note 18)

The 312,500 purchase warrants issued in conjunction with this financing are each exercisable for one common share of the Company at a price of \$0.15 until August 28, 2023. The purchase warrants issued were assigned an aggregate fair value of \$23,281 using the Black-Scholes valuation model, relative value method, with the following assumptions: dividend yield 0%, expected volatility 172.41%, risk-free rate of return 0.29% and expected life of 3 years.

9. Share-Based Payments

a) Stock Options

	Number of Stock Options	Weighted Average Exercise Price
Balance, August 31, 2019	5,510,000	\$ 0.17
Options expired	(1,310,000)	0.24
Balance, August 31, 2020	4,200,000	\$ 0.15
Options expired	(200,000)	0.17
Balance, August 31, 2021	4,000,000	\$ 0.15

As of August 31, 2021, the following options were outstanding:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (Years)	Fair Value of Options Outstanding (\$)	Fair Value per Option (\$)	Number of Options Outstanding
October 20, 2022	0.125	1.14	276,620	0.20	1,500,000
February 25, 2022	0.17	0.49	379,630	0.15	2,500,000
	0.15	0.73	656,250		4,000,000

Of the 4,000,000 options outstanding, all have vested and are exercisable.

During the year ended August 31, 2020, the Company amended the expiry date of stock options originally expiring October 20, 2020, each exercisable at \$0.125 per share, as result of which those options now expire on October 20, 2022. The extension was ascribed a fair value of \$31,650 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 222.17%, risk-free rate of return 0.29% and expected life of 2.46 years.

b) Share-Based and Expired Warrants Reserve

Share-based and expired warrants reserves include the accumulated fair value of options and the transferred value of expired warrants. Share-based and expired warrants reserves record items recognized as share-based payments in the form of stock option grants and vesting of such options until such time that these stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amount recorded will stay in the share-based and expired warrants reserve.

The reserve also records the fair value of expired warrants.

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9. Share-Based Payments (Continued)**c) Supplement Equity Incentive Plan**

Pursuant to the terms of the Company's Supplemental Equity Incentive Plan (the "Supplemental EIP"), on January 28, 2021, the Company granted 1,850,000 compensation units to officers, directors and consultants of the Company. 1,650,000 of those units were issued to directors and officers of the Company. The units fully vested at the time of grant. Accordingly, the units may be settled in the corresponding number of common shares of the Company, in the cash equivalent or in a combination of shares and cash. 1,805,768 were settled and paid in shares of the Company during the year, ascribed a fair value of \$234,596, and the balance of the units, ascribed a fair value of \$9,750 were settled in cash.

The Company has accounted for these RSUs as share based payments in equity because the option to settle the award in cash remains at the sole discretion of the Board of Directors and there is no present obligation to settle the award in cash.

The RSUs were valued at \$234,596, all of which (2020 - \$nil) has been recognized and expensed during the year ended August 31, 2021 (2020- \$nil)

10. Warrants

Type of Warrant	Number of Warrants Outstanding	Warrant Value
Regular Warrants		
Balance, August 31, 2019	58,777,402	\$ 2,967,942
Issued	11,936,042	742,746
Exercised	(999,650)	(25,914)
<hr/>		
Balance, August 31, 2020	69,713,794	\$ 3,684,774
Issued on exercise of broker warrants	1,958,299	175,963
Exercised	(29,041,279)	(1,494,396)
Expired	(4,772,774)	(245,278)
<hr/>		
Balance, August 31, 2021	37,858,040	\$ 2,121,063
<hr/>		
Compensation Warrants		
Balance, August 31, 2019	2,877,982	\$ 335,994
Issued	541,375	27,015
<hr/>		
Balance, August 31, 2020	3,419,357	\$ 363,009
Exercised	(2,011,649)	(130,072)
Expired	(445,000)	(21,790)
<hr/>		
Balance, August 31, 2021	962,708	\$ 211,147
<hr/>		
Total, August 31, 2020	73,133,151	\$ 4,047,783
<hr/>		
Total, August 31, 2021	38,820,748	\$ 2,332,210

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements
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10. Warrants (Continued)

The following table summarizes the warrants outstanding at August 31, 2021:

Expiry Date	Exercise Price (\$)	Number of Warrants
Compensation Warrants		
November 17, 2021 ¹	0.25	33,333
February 12, 2022	0.11	308,000
September 7, 2022	0.075	80,000
February 11, 2022	0.12	541,375
Regular Warrants		
November 17, 2021	0.075	2,070,000
April 20, 2022	0.10	308,318
August 31, 2022	0.10	5,583,332
September 15, 2022	0.10	9,410,349
September 7, 2021	0.10	400,000
February 12, 2022	0.11	8,150,000
February 11, 2022	0.12	3,123,541
February 12, 2022	0.12	5,000,000
May 22, 2023	0.10	1,500,000
August 28, 2023	0.15	2,000,000
August 28, 2023	0.15	312,500
Total Warrants Outstanding		38,820,748

¹ Each warrant is exercisable for one common share and one warrant exercisable at \$0.10 per common share.

The weighted average remaining life for the issued and outstanding warrants is 0.80 years (August 31, 2020 - 1.51 years), and the weighted average exercise price is \$0.11 (August 31, 2020 - \$0.10).

On June 1, 2021, 1,958,299 broker warrants were exercised, resulting in the issuance of 1,958,299 warrants exercisable at \$0.10 with expiries between April 20, 2022 and September 7, 2022. The resulting 1,958,299 warrants, were assigned an aggregate fair value of \$175,963 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 170%, risk-free rate of return 0.31% and expected life of between 0.88 and 1.27 years.

On November 17, 2020, the Company extended the term of 5,484,091 regular warrants exercisable at \$0.15 per common share from November 30, 2020 to November 30, 2022.

11. Basic and Diluted Earnings per Share

The calculation of basic and diluted earnings per share for the year ended August 31, 2021 was based on the earnings attributable to common shareholders of \$1,637,528 (2020 - \$4,167,709) and the weighted average number of common shares outstanding of 162,051,123 (2020 - 139,173,985). (Basic and diluted earnings per share are the same).

12. Segmented Information

The Company's operations are comprised of a single reporting operating segment engaged in the exploration and evaluation of mineral resources. As the operations comprise a single reporting segment, amounts disclosed in the consolidated financial statements also represent a single reporting segment. As at August 31, 2021, all of the Company's exploration and evaluation assets are situated in Canada.

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements
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13. Related Party Disclosures

During the year ended August 31, 2021, the Company incurred an aggregate of \$175,500 (year ended August 31, 2020 - \$138,000) in management fees to three officers for administering the Company's affairs. Of these amounts, \$60,000 (year ended August 31, 2020 - \$60,000) was capitalized to exploration and evaluation assets, and \$115,500 (year ended August 31, 2020 - \$78,000) was included in management fees. As at August 31, 2021, \$78,465 (August 31, 2020 - \$75,466) pertaining to fees and ancillary expense reimbursements were included in accounts payable and accrued liabilities. Officers of the Company were reimbursed for out of pocket expenses that occurred in the normal course of operations.

During the year ended August 31, 2021, the Company accrued or paid professional fees of \$242,217 (year ended August 31, 2020 - \$502,241) for legal advice and related services to a legal firm, Ormston List Frawley LLP, from which an officer of the Company is a partner. Approximately \$42,000 (year ended August 31, 2020 - \$42,000) of that amount is attributable to the services of the Company's Secretary and for related corporate secretarial services, and the remaining \$200,217 (year ended August 31, 2020 - \$460,421) is attributable to services of other lawyers and legal professionals at Ormston List Frawley LLP. As at August 31, 2021, \$83,772 (August 31, 2020 - \$52,687) pertaining to legal fees were included in accounts payable and accrued liabilities.

The Company's outstanding common shares trade on the TSX Venture Exchange under the symbol NOB and to the knowledge of directors and officers of the Company, the Company's outstanding common shares are widely held.

The above noted transactions are in the normal course of business and are measured at fair value, except as noted, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

Remuneration of the key management personnel of the Company is as follows:

	2021	2020
Management fees and professional fees	\$ 417,717	\$ 640,421
Stock-based compensation	\$ -	\$ 31,650
Restricted share unit compensation	\$ 217,930	\$ -

14. General and Administrative

	2021	2020
Accounting and corporate services	\$ 47,993	\$ 48,596
Office and general	47,293	45,612
Management fees (Note 13)	115,500	78,000
Professional fees (Note 13)	362,163	221,438
Shareholder relations	126,348	285,341
Stock-based compensation (Note 13)	-	31,650
Compensation unit compensation (Note 9(c) and 13)	240,500	-
	\$ 939,797	\$ 710,637

15. Supplemental Cash Flow Information

	2021	2020
Supplementary Schedule of Non-Cash Transactions		
Shares issued for property	\$ 145,000	\$ 1,610,000
Warrants issued for property	\$ -	\$ 468,500
Shares issued on vesting of restricted share units	\$ 234,596	\$ -
Marketable securities transferred on acquisition of property interests	\$ 606,560	\$ -

Noble Mineral Exploration Inc.

Notes to Consolidated Financial Statements
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16. Provision for Mining Land Taxes

The following is a continuity of the provision for mining land taxes:

	2021	2020
Opening balance	\$ 186,357	\$ -
Accrued levy	269,903	261,585
Payments made	(125,156)	(75,228)
Closing balance, included in accounts payable and accrued liabilities	\$ 331,104	\$ 186,357

17. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

(a) Assets and liabilities measured at fair value on a recurring basis:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Aggregate fair value
As at August 31, 2021				
Marketable securities	\$ 8,384,716	\$ -	\$ -	\$ 8,384,716
As at August 31, 2020				
Marketable securities	\$ 5,299,211	\$ -	\$ 777,000	\$ 6,076,211

(b) Fair values of financial assets and liabilities:

	August 31, 2021		August 31, 2020	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Financial assets				
Cash and cash equivalents	\$ 2,114,742	\$ 2,114,742	\$ 376,663	\$ 376,663
Marketable securities carried at FVTPL	\$ 8,384,716	\$ 8,384,716	\$ 6,076,211	\$ 6,076,211
	\$ 10,499,458	\$ 10,499,458	\$ 6,452,874	\$ 6,452,874

Noble Mineral Exploration Inc.

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17. Fair Value Measurements (Continued)

(b) Fair values of financial assets and liabilities (continued):

	August 31, 2021		August 31, 2020	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Financial liabilities				
Other financial liabilities				
Accounts payable and accrued liabilities	\$ 632,233	\$ 632,233	\$ 524,500	\$ 524,500
Promissory note payable	-	-	334,827	334,827
Bank indebtedness	251,657	251,657	-	-
	\$ 883,890	\$ 883,890	\$ 859,327	\$ 859,327

The Company does not offset financial assets with financial liabilities.

18. Flow-through Premium Liability

The Flow-Through Common Shares issued in the non-brokered private placement completed on February 11, 2020 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$49,333. As of August 31, 2021, the Company had satisfied the expenditure requirement and the flow-through premium liability provision was taken into income.

The Flow-Through Common Shares issued in the non-brokered private placement completed on May 22, 2020 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$37,500. As of August 31, 2021, the Company had satisfied the expenditure requirement and the flow-through premium liability provision was taken into income.

The Flow-Through Common Shares issued in the non-brokered private placement completed on August 28, 2020 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$18,750. As of August 31, 2021, the Company had satisfied the expenditure requirement and the flow-through premium liability provision was taken into income.

19. Bank Indebtedness

As at August 31, 2021, the Company has bank indebtedness of \$251,657 (August 31, 2020 – \$nil) pertaining to exercise of 10,000,000 \$0.05 Spruce Ridge warrants. The bank indebtedness has no fixed terms for repayment, is due on demand and bears interest at 5.6% per annum.

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20. Income Taxes

(a) Provisions for income taxes

The following table reconciles the expected income tax provision at the statutory rate of 26.50% (2020 - 26.50%) to the amounts recognized in the consolidated statement of comprehensive income.

	2021	2020
Net income before tax	\$ 1,637,528	\$ 4,167,709
Tax rate	26.50%	26.50%
Expected income tax recovery at statutory rate	433,945	1,104,443
Share-based compensation and non-deductible expenses	63,730	(63,610)
Non-taxable portion of fair value adjustments on marketable securities	(259,960)	(541,060)
Effect of flow-through renunciation	98,850	-
Share issue costs booked through equity	(20,090)	(28,690)
Non-taxable portion of gain marketable securities	106,280	-
Change in tax benefits not recognized	(422,755)	(471,083)
Total income tax expense (recovery)	\$ -	\$ -

Deferred Tax

The following table summarizes the components of deferred tax:

	2021	2020
<u>Deferred Tax Assets</u>		
Operating tax losses carried forward	\$ 682,750	\$ 422,800
<u>Deferred Tax Liabilities</u>		
Marketable securities	(682,750)	(422,800)
Net deferred tax liability	\$ -	\$ -

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset.

Unrecognized Deferred Tax Assets

Deferred taxes are provided as a result of temporary differences that arise due to differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom:

	2021	2020
Property, plant and equipment	\$ 45,550	\$ 47,950
Marketable securities	-	-
Share issuance costs - 20(1)(e)	270,160	366,360
Non-capital losses carried forward	9,011,700	9,757,690
Resource pools - Mineral properties	7,405,740	8,156,460

Noble Mineral Exploration Inc.

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20. Income Taxes (Continued)

The Canadian non-capital loss carry forwards expire as noted in the table below. Share issue and financing costs will be fully amortized in 2025. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

The Company's non-capital losses will expire as follows:

2028	\$ 200,760
2029	1,038,110
2030	932,600
2031	1,108,010
2032	1,861,950
2033	1,652,970
2038	609,990
2039	803,150
2040	569,190
2041	234,970
	<u>\$ 9,011,700</u>

21. Subsequent Events

- i) In October 2021, the Company closed a Purchase and Sale Agreement in a 50/50 partnership with 11530313 Canada Inc ("11530313") to acquire 317 patented and tenure identified mining claims (the "Claims") in Carnegie, Kidd, Wark and Prosser Townships totaling about 6,600 hectares formerly held by Explor Resources, a wholly owned subsidiary of Galleon Gold Corp. ("Galleon"). Pursuant to the terms of the Agreement, 11530313 has paid \$250,000 to Galleon, and Noble is issuing to Galleon 2,000,000 common shares of Noble (issued October 1, 2021). At closing, Noble and 11530313 will each have a 50% ownership of the Claims. The transaction has received final approval from the TSX Venture Exchange and approval of the Board of Directors of Noble.
- ii) On November 16, 2021, the Company announced it had signed a purchase and sale agreement to sell properties from its Project 81 to Canada Nickel. On December 23, 2021, the transaction closed.

The principal terms of the transaction are as follows:

- Noble will transfer ownership and title to the Properties to Canada Nickel.
- The Properties are organized in seven areas (the "Property Areas"). Noble will hold a 2% net smelter returns royalty on approximately 720 claims in Mahaffy, MacDiarmid and Bradburn Townships. Those claims are located in three of the Property Areas, with that royalty being subject to a 50% buyback (which, if fully exercised, would reduce Noble's royalty to 1%). The exercise price for the buyback is \$1.5 Million per Property Area if exercised during the first year after closing, increasing to \$2.5 Million per property area if exercised during the second year after closing, and further increasing to \$5 Million per property if exercised at any time thereafter. Noble will also continue to hold the existing right to acquire a royalty of between 0.25% and 0.875% on a small number of claims in MacDiarmid Township, having acquired that right when it acquired those claims earlier in 2021. The 250 patented properties that are included in the Properties to be sold to Canada Nickel in this transaction are not subject to a royalty held by Noble, but will remain subject to an existing royalty held by another party.
- Noble will be issued 3.5 Million common shares of Canada Nickel as payment under this transaction. Those shares will be subject to a four-month hold period. Noble has undertaken to distribute those 3.5 Million shares of Canada Nickel as a dividend-in-kind to Noble's shareholders after the expiration of the four-month hold period. That distribution remains subject to compliance with TSXV policies and applicable laws and regulations. The record date, the distribution date, the effective ratio of Canada Nickel shares per Noble shares that will apply to the distribution and the other conditions of the distribution will be announced after the expiration of the four-month hold period.

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21. Subsequent Events (Continued)

- iii) On November 22, 2021, the Company announced it had entered into a Letter of Intent with Canada Nickel to option its mining claims (the "Claims") in Mann, Hanna, Duff, and Reaume Townships, and to sell its MRO Patents (the "Patents") in Kingsmill and Mabee Townships.

The terms of the Option to earn into the mining claims in Mann, Hanna, Duff, and Reaume Townships over four years will be payments of \$400,000, delivery of 250,000 shares of Canada Nickel, and completion of \$1,700,000 of exploration work, after which the properties would be held in an 80/20 Joint Venture between Canada Nickel and Noble. Noble will also retain a 2% NSR on the staked claims that are included in the Claims, and retain a buyback right on the third-party NSR that applies to the other optioned Claims both of which are subject to certain buyback rights as to 50%. The terms of the sale of the MRO patents in Kingsmill and Mabee Townships will be the issuance of 500,000 shares of Canada Nickel to Noble.