

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

WESTERN SIERRA RESOURCE CORPORATION

1001 Grand Ave., Suite 207
Glenwood Springs, Colorado 81602

405.209.5485

Website: www.westernsierraresource.com

Email: admin@westernsierraresource.com

SIC Code: 6794

QUARTERLY DISCLOSURE STATEMENT

For the Period Ending: SEPTEMBER 30, 2021
(the “Reporting Period”)

As of September 30, 2021, the ending date of our current reporting period, the number of shares issued and outstanding of our Common Stock was: 349,089,208

As of June 30, 2021, the ending date of our prior reporting period, the number of shares issued and outstanding of our Common Stock was: 349,089,208

As of December 31, 2020, the ending date of our last fiscal year and the end date of our prior reporting period, the number of shares issued and outstanding of our Common Stock was: 349,089,208

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes:

No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No:

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes: No:

ITEM 1 – NAME OF ISSUER AND PREDECESSOR

The current name of the issuer, any names used by predecessor entities along with the dates of the name changes:

Western Sierra Resource Corporation as of September 24, 2018
Western Sierra Mining Corp. as of December 4, 2003
The Gold Chain Mining Company originally incorporated on August 19, 1907

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years including the issuer's current standing in its state of incorporation:

State of Incorporation: Utah
The Company is in good standing with the State of Utah

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

There are no trading suspension orders issued by the SEC since inception

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

There were no stock splits, stock dividends, recapitalizations, mergers, acquisitions, spin-offs or reorganizations within the past 12 months and none are currently anticipated.

See the Statement of Stockholders' Equity in the accompanying financial statements for detailed information regarding the Company's equity transactions.

The address of the issuer's principal executive office:

1001 Grand Ave., Suite 207
Glenwood Springs, CO 81602

The address of the issuer's principal place of business:

1001 Grand Ave., Suite 207
Glenwood Springs, CO 81602

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: No: **X**

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

Not applicable

ITEM 2 - SECURITY INFORMATION

COMMON STOCK:

Trading Symbol: WSRC

Exact title and class of securities outstanding: Common Stock

CUSIP: 95952L200

Par or stated value: \$0.001

Total number of shares authorized and outstanding:

	<u>9-30-21</u>	<u>12-31-20</u>
<u>Common Stock</u>		
Shares authorized	500,000,000	500,000,000
Shares outstanding	349,089,208	349,089,208
Public float	120,263,126	111,263,126
Shareholders of record	1033	1029

PREFERRED STOCK – SERIES A:

Trading Symbol: N/A

Exact title and class of securities outstanding: Preferred Stock – Series A

CUSIP: N/A

Par or stated value: \$0.001

Total number of shares authorized and outstanding:

	<u>9-30-21</u>	<u>12-31-20</u>
<u>Preferred Stock – Series A</u>		
Shares authorized	100,000,000	100,000,000
Shares outstanding	20,000,000	20,000,000
Freely tradable	0	0
Shareholders of record	6	6

PREFERRED STOCK – SERIES B:

Trading Symbol: N/A

Exact title and class of securities outstanding: Preferred Stock – Series B

CUSIP: N/A

Par or stated value: \$0.001

Total number of shares authorized and outstanding:

	<u>9-30-21</u>	<u>12-31-20</u>
<u>Preferred Stock – Series B</u>		
Shares authorized	10,000,000	10,000,000
Shares outstanding	0	0
Freely tradable	0	0
Shareholders of record	0	0

The name and contact information for the Company’s transfer agent is:

Pacific Stock Transfer, Inc.

800-785-7782

info@pacificstocktransfer.com

6725 Via Austi Pkwy, Suite 300

Las Vegas, Nevada 89119

The Transfer Agent is registered under the Exchange Act.

ITEM 3 – ISSUANCE HISTORY

A. Information regarding the changes in total shares outstanding within the past two fiscal years and any interim period including debt conversions and any securities or options issued for services.

CHANGES TO THE NUMBER OF OUTSTANDING SHARES:

<u>Date</u>	<u>Type</u>	<u>Shares Issued (Cancelled)</u>	<u>Value</u>	<u>Issued at Discount</u>	<u>Issued To</u>	<u>Purpose</u>	<u>Restricted</u>	<u>Exemption or Registration Type</u>
COMMON:								
12/31/2018	OPENING BALANCE	339,957,567						
1/22/2019	New Issuance	2,500,000	\$0.0040	Yes	Victor Wexler	Services	Restricted	4(a)(2) and/or Rule 506
6/7/2019	New Issuance	5,000,000	\$0.0020	Yes	Walter Ferguson	Asset acquisition	Restricted	4(a)(2) and/or Rule 506
8/2/2019	New Issuance	1,281,641	\$0.0280	No	Robert Corr	Debt Conversion	Restricted	3(a)(9)
12/21/2019	Balance	348,739,208						
2/11/2020	New Issuance	<u>350,000</u>	\$0.0710	No	Richmore Consulting, LLC Dillon Moorehead	Services	Restricted	4(a)(2) and/or Rule 506
12/31/2020	ENDING BALANCE	349,089,208						
	New Issuances	<u>0</u>						
9/30/2021	ENDING BALANCE	349,089,208						
PREFERRED SERIES A:								
12/31/2018	OPENING BALANCE	20,000,000						
	New Issuances	<u>0</u>						
12/31/2020	ENDING BALANCE	20,000,000						
	New Issuances	<u>0</u>						
9/30/2021	ENDING BALANCE	20,000,000						
PREFERRED SERIES B:								
12/31/2018	OPENING BALANCE	0						
	New Issuances	<u>0</u>						
12/31/2020	ENDING BALANCE	0						
	New Issuances	<u>0</u>						
9/30/2021	ENDING BALANCE	0						

*See Item 7 - Officers, Directors and Control Persons for voting/investment control

B. Information regarding all outstanding debt securities including promissory notes, convertible notes, convertible debentures or any other debt instruments that may be converted into a class of the issuer's equity securities.

There are no outstanding promissory, convertible notes or debt arrangements.

ITEM 4 - FINANCIAL INFORMATION FOR THE ISSUER'S MOST RECENT FISCAL PERIOD.

- (A) The financial statements were prepared in accordance with U.S. GAAP
- (B) The financial statements were prepared by:
Dennis Atkins, CPA
Chief Financial Officer
Officer and Director
- (C-G) SEE ATTACHED FINANCIAL STATEMENTS

ITEM 5 - ISSUER'S BUSINESS, PRODUCTS AND SERVICES

(A) Summary of the Issuer's Operations:

Historically, Western Sierra Resource Corporation has focused on the strategic acquisition, sale, joint venture, management and extraction of precious metals on its mineral properties and reserves in the western United States and primarily in Central Arizona. On May 21, 2014 the Company completed the acquisition of various water rights in Northern Colorado with a combined appraised value of \$40,500,000 and intends to utilize these assets for real estate development, agricultural production and other beneficial uses as the Company expands and enhances its asset base. The Company is aggressively pursuing development and expansion of its water rights while simultaneously pursuing diversification into other natural resource related projects. The Company's most recent additions are as follows:

Energy Production/Conservation Technologies Project

On August 26, 2020, the Company entered into an agreement to acquire 100% ownership of Mystere Power Group, LLC (MPG) in exchange for \$3,000,000. On January 10, 2021, WSRC updated its acquisition agreement with MPG, LLC to include additional technologies and associated patents under the category description "Energy Tree" (ET Technologies). The negotiated price for inclusion of these additional technologies was \$3,000,000, resulting in a total acquisition price for the company of \$6,000,000. On November 8, 2021, the agreement was modified to cap WSRC's total investment at \$1.5 million in exchange for 25% of MPG. MPG, LLC has licensed, owns, has filed patents for, and/or controls "green" energy conservation and advanced water generation technologies. The two proprietary technologies vested into WSRC are its HVAC/refrigeration global retrofit kit program and advanced Air-Water-Generation (AWG-1, and AWG-2) systems. The HVAC/refrigeration global retrofit kit is an integration of components that collectively reduce the power consumed by the chill cycle and air circulation elements of an HVAC system by approximately 40%. The savings also apply to commercial-industrial refrigeration and freezer plants, where the savings will be in the region of 30%. The Air-Water-Generation (AWG-1 and AWG-2) systems are proprietary water generation technologies with worldwide commercial and industrial applications. These technologies have been developed and maintained under confidential Trade Secret I.P. Agreements. Patents on various components of these technologies were filed in October 2020. The patent rights have been assigned to MPG. As of the date of this report, the Company has effectively completed its due diligence. Based in part on that due-diligence as well as progress made on other available technologies, on December 10, 2020 the Company revised the MPG Acquisition Agreement to eliminate the issuance of Series A and B shares to MPG, while at the same time incrementally expanding the scope of its MPG Acquisition Agreement to include additional technologies under the heading of the MPG "Energy Tree." The Energy Tree represents a combination of technologies with three primary applications, each representing a "branch" of The Energy Tree structure. These 3 primary branches provide a comprehensive approach to multiple consumer market categories for "green" conservation technologies: 1. Facility based electrical power generation for both on-grid and off-grid residential community and commercial complex applications; 2. A mobile application for truck and marine fleet retro-fit which converts diesel vehicles to an electrical power train; and 3. Dramatic reduction in electrical consumption through a revolutionary MPG motor/generator/compressor system in new and retrofit HVAC and Refrigeration systems.

Northern Colorado Water Rights/Industrial Hemp/Construction Project

Also, and as announced by the Company on September 24, 2020, a Letter of Intent was executed with Global Hemp Group, Inc. which was renewed and expanded on November 15, 2020. This Letter of Intent contemplated a collaboration between the Companies utilizing WSRC'S \$40.5 million in water assets as collateral for capital formation to implement the large-scale cultivation

and processing of hemp; manufacture of hemp products; and construction of affordable homes utilizing hemp products and other “green” technologies—among them, the MPG Energy Tree technologies—to create and implement a showcase venue for myriad environmentally sustainable products and services. On February 5, 2021, a Definitive Agreement between the Company and Global Hemp Group was executed to advance the projects between the Companies. On June 15, 2021 the Company’s purchase of a 44.84 acre annexed and commercially/industrially zoned site was closed at a purchase price of \$1,400,000 for purposes of constructing facilities for the processing of industrial hemp and manufacture of hemp-based construction products. This property is currently in the planning and engineering phase for approval and permitting by the Town of Hayden Planning Department. A second land acquisition encompassing 166-acres of vacant, annexed land is under “hard” contract, and pending closing for purposes of developing the first phase of approximately 275 affordable single family homes utilizing hemp-based construction materials. This project is also in planning review for commencement in the Spring/Summer 2022. A third land parcel consisting of 664 contiguous acres is under “hard” contract pending closing for purposes of cultivating irrigated industrial hemp for processing and manufacture of hemp-based construction products with which to build affordable homes. Additional property acquisitions are currently under review and consideration by the respective Boards of Western Sierra Resource Corporation and Global Hemp Group.

Nevada Mining Project

On June 28, 2021, the Company executed an agreement with Silver State Mining Group, Inc. (“SSMG”) to acquire 70% of SSMG’s common stock in exchange for \$10 million which will be used to immediately initiate development of the Sage Hen Mining Claims in Western Nevada. In addition to gold and silver, the enhanced recovery system assays have indicated platinum, palladium and rhodium. WSRC and SSMG plan on building a 100 ton/day plant and then immediately increasing that to 1,100 tons/day. Projected annual net income from the 100 ton/day and 1,100 ton/day operation is \$269 million and \$3.2 billion respectively.

The Sage Hen Claims encompass 640 acres within the Oreana Trend, a consistent ancient seabed that extends to depths of 1000 feet in an active mining area known to contain significant precious metals and offer a unique low risk development opportunity. Many mining groups, including Newmont, Rye Patch, Pershing, Victoria, and others have cored, mined, and expended significant resources and effort in the area. Principals of the Sage Hen Mining claims, Andy Kay and Lonnie Treadwell, have maintained active mining claims for over 20 years based upon hundreds of assays over 20,000 acres of the trend. The Sage Hen claims are located near the Relief Canyon Mine in the Oreana Trend. In addition to gold and silver, the enhanced recovery system assays have indicated platinum, palladium, and rhodium.

SSMG and WSRC will immediately commence the 90-day permitting process to obtain a five-acre disturbance permit on the 640 acre development site on which to build a \$10 million, 100 ton/day Pilot Processing Plant. This facility is scheduled to be fully operational within 12 months. However, specific testing and limited development of the mining claims will commence immediately. Once the 100 ton/day Pilot Plant is established on site, SSMG and WSRC intend to file for permit approval to expand the Pilot Plant for increased capacity to process up to 1100 tons per day. Permitting for this expansion is estimated to require an additional six months.

Due to the extensive prior geological work having been completed in the area, and including the subject claims, SSMG and WSRC have determined it to be redundant to expend the time and capital to secure an NI 43-101 professional report to summarize the data already shown to be consistent through over 20 engineering and assay reports completed by well-respected firms. It has been determined that rather than invest the time and capital in additional third-party reports, it would be more productive to use that investment directly in proving up the claim's reserves through production. At a future date, and concurrent with the realization of actual production results, an NI 43-101 professional report will likely be commissioned to further refine exploration methodologies and aid in establishing specific areas of focus within the boundaries of the reserve. (Assay reports are posted on the SSMG web site).

Based on a subsequent "Assay Review and Enhanced Recovery Report" dated July 21, 2021, projected annual net income from the 100 ton/day and 1,100 ton/day operation have been increased from \$269 million to \$415 million and from \$3.2 billion to \$4.57 billion, respectively.

Based on a subsequent agreement dated July 22, 2021, the total acreage will be increased from 640 acres to 1,300 acres.

Of this \$10 million total required to construct the 100 ton/day plant and commence production and recovery operations, \$1 million is required within 60 days, \$2 million within 90 days and the balance of \$7 million within 150 days. WSRC management's level of confidence in this project is such that the \$10 million cost of the 100 ton/day plant will be invested directly by WSRC's officers and directors to prevent dilution of shareholder equity in the Company. On September 27, 2021, the agreement was extended by consent of both parties.

Four Corners Helium Project

On July 7, 2021, the Company entered into substantive negotiations with a third party exploration company to develop the 25,000 acre **FCHPA Helium Project** in the Four Corners Area. Based on information gathered from existing wells

and utilizing proprietary methodologies for interpretation of 2D and 3D seismic data, it is anticipated that Helium-rich gas is present and recoverable to varying degrees within the property's underlying five geological formations (strata). It is ultimately hoped that a Helium content of between 1% and 5% may be recoverable if the project is successful. If, in fact, Helium is present and recoverable in the quantities suggested by the data, and if 100% ownership of the Project may be acquired, the following preliminary range of projections may be possible:

Estimated Economics (based on 100% ownership) –

Assumption:	
Lease Acquisition	\$1,250,000
Drill and Complete	\$1,500,000
Total	
Cost	\$2,750,000

Helium %	Raw Gas(MCF)/Month	Net Revenue Interest	Price/MCF Net Back	Taxes and Operations Costs - 10%	Potential Net Revenue/Month
1%	90,000	81.25%	\$320	10%	\$210,600.00
1.5%	90,000	81.25%	\$320	10%	\$315,900.00
2.0%	90,000	81.25%	\$320	10%	\$421,200.00
2.5%	90,000	81.25%	\$320	10%	\$526,500.00
3%	90,000	81.25%	\$320	10%	\$631,800.00
4%	90,000	81.25%	\$320	10%	\$842,400.00
5%	90,000	81.25%	\$320	10%	\$1,053,000.00

*These economics **do not** include compensation in any form due the company who has generated and is putting the Project together.*

The above FCHPA Prospect represents the kind of project being considered. Currently the opportunity exists to acquire this project under mutually acceptable terms and conditions. However, the FCHPA is subject to prior sale or withdrawal at any time. The right to replace this project with a similar helium based project is reserved.

The Company has no environmental cleanup issues or liabilities.

The Company has two full-time employees and four part-time employees.

(B) The Company has no subsidiaries, no parent nor any affiliated companies.

(C) Principal Products

The Company's principal products are water, agricultural commodities including hay and alfalfa, industrial hemp to supply the growing demand for hemp-based construction products, textiles, plastics, paper, clothing, animal feed, nutritional supplements and thousands of other "green" consumer products, gold and precious metals reserves and proprietary energy conservation technologies.

Distribution and Marketing

The Company's products have well-established markets and require little or no distribution or marketing efforts.

New Products

The Company's new products include gold and precious metals reserves and proprietary energy conservation technologies.

Competitive Business Conditions

The Company's competes with other companies and individuals to acquire water rights, develop their gold and precious metal reserves, implement their technologies and recruit and train qualified employees. Many of these companies are substantially larger and have greater financial resources than we do.

Sources and Availability of Raw Materials

The acquisition and expansion of water rights and the production of agricultural commodities are subject to competition. Companies with greater financial resources, larger staffs and more experience may be in a better position than WSRC is to compete in these industries. Likewise, the development of gold and precious metal reserves and the implementation of energy conservation technologies are subject to competition from other similar companies.

Major Customers

Water and agricultural commodities are sold on historically well-established, worldwide markets with numerous purchasers for the entirety of the Company's production.

Patents and Trademarks

The Company owns no patents or trademarks.

Government Regulations

The Company's operations are not subject to any specific governmental regulations.

Risk Factors

Some information contained in or incorporated by reference into this report may contain "forward-looking statements." These statements include comments regarding exploration and mine development and construction plans, costs, grade, production, and recovery rates, permitting, financing needs, the availability of financing on acceptable terms or other sources of funding, and the timing of additional tests, feasibility studies and environmental permitting. We believe the expectations reflected in those forward-looking statements are reasonable. However, we cannot assure that these expectations will prove to be correct. Actual results could differ materially from those anticipated as a result of the risk factors, including but not limited to: worldwide economic and political events, volatility in market, financial market conditions and the availability of debt or equity financing on acceptable terms; uncertainties regarding future changes in tax and foreign-investment legislation or implementation of existing tax legislation and the availability of experienced employees.

Issues and Uncertainties

The following issues and uncertainties, among others, should be considered in evaluating our financial outlook. Our ultimate success will depend on our ability to generate profits from our operations. Our viability is largely dependent on the successful development of our currently owned properties. We lack operating cash flow and rely on external funding sources. We cannot assure that additional funding will be available to allow us to fulfill such obligations.

Results of Operations

For the nine months ended September 30, 2021, the Company has realized revenues totaling \$1,202,800 resulting in a net income of \$1,065,983. As of September 30, 2021, the working capital deficit was (\$7,269,682), the stockholders' equity was \$41,681,552 and the accumulated deficit was (\$29,174,237). The Company has changed its business focus to the development and expansion multiple resource-based projects including its water rights and other natural resource related projects. To the extent that cash flow is unavailable, management intends to raise all necessary capital through private financing, the sale of our securities and/or joint venture partnerships.

Plan of Operations and Need for Additional Financing

As described generally above under "Business of Issuer," the Company has been aggressively pursuing natural resource, agricultural commodity development and the development of gold and precious metal reserves and the implementation of its energy conservation technologies.

Environmental Issues

There are no significant environmental concerns or existing reclamation requirements.

Off-Balance Sheet Transactions

The Company does not have any transactions, agreements or other contractual arrangements that constitute off-balance sheet arrangements.

ITEM 6 – ISSUER’S FACILITIES

The Company maintains an administrative office at 1001 Grand Ave., Suite 207, Glenwood Springs, CO, 81602 on a “month to month” rental basis. The Company’s operations and water assets are located near Hayden, Colorado.

ITEM 7 – OFFICERS, DIRECTORS AND CONTROL PERSONS

Information, as of the period end date of this report, regarding any person or entity owning 5% of more of any class of the issuer’s securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.

OFFICERS, DIRECTORS AND CONTROL PERSONS:

<u>Name</u>	<u>Affiliation</u>	<u>Address</u>	<u>No. of Shares Owned</u>	<u>Class Ownership Percentage</u>
COMMON:				
Dennis Atkins	Officer, Director, 5% Owner	Edmond, Oklahoma	52,411,000	15.4%
PREFERRED SERIES A:				
Prescient Strategies Group, LLC Roger Johnson	Officer, Director, 5% Owner	Steamboat Springs, Colorado	20,000,000	100.0%

Officers and Directors as of September 30, 2021:

Roger Johnson
C/O 1001 Grand Avenue, Suite 207
Glenwood Springs, CO 81602

President, Director, CEO

Dennis Atkins
C/O 1001 Grand Avenue, Suite 207
Glenwood Springs, CO 81632

CFO, Director, Secretary

ITEM 8 – LEGAL/DISCIPLINARY HISTORY

A. Within in the past ten years, none of the foregoing persons has been:

1. convicted in a criminal proceeding or has been named as a defendant in a criminal proceeding;
2. subject to an order, judgment or decree by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities or banking activities;
3. subject to a finding or judgment by a court of competent jurisdiction, the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator, of a violation of federal or state

securities or commodities law;

4. subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

B. The Company is not party to any material legal proceedings.

ITEM 9 – THIRD PARTY PROVIDERS

Securities Counsel:

Callie Tempest Jones
Brunson Chandler & Jones, PLLC
175 South Main Street
Suite 1410
Salt Lake City, Utah 84111
801.303.5721
callie@bcjlaw.com

ITEM 10 – ISSUER'S CERTIFICATIONS

1. I have reviewed this Quarterly Disclosure Statement dated September 30, 2021 of Western Sierra Resource Corporation;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the disclosure statements; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: November 9, 2021

/s/ Roger Johnson
Roger Johnson, CEO

/s/ Dennis Atkins
Dennis Atkins, CFO

ITEM 4 - (C-G) FINANCIAL STATEMENTS AND NOTES

WESTERN SIERRA RESOURCE CORP

Balance Sheets (Unaudited)

ASSETS

	September 30, <u>2021</u>	December 31, <u>2020</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 91	\$ 44
Prepaid expenses	<u>132,884</u>	<u>312,884</u>
Total Current Assets	132,975	312,928
WATER RIGHTS	47,591,426	46,720,846
LAND	1,876,541	-
MINING PROPERTY AND ORE RESOURCES	406,500	406,500
OTHER ASSETS	<u>129,774</u>	<u>-</u>
Total Assets	<u>\$ 50,137,216</u>	<u>\$ 47,440,274</u>

STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable	\$ 2,082	\$ 23,962
Accrued compensation	180,000	-
Current maturities of notes payable	<u>8,273,582</u>	<u>5,856,786</u>
Total Current Liabilities	8,455,664	5,880,748
LONG-TERM NOTES PAYABLE	<u>0</u>	<u>943,957</u>
Total Liabilities	8,455,664	6,824,705

STOCKHOLDERS' EQUITY

Common stock - par value \$.001		
500,000,000 shares authorized; 349,089,208 and 349,089,208		
shares issued and outstanding respectively	349,089	349,089
Preferred stock - par value \$.001		
110,000,000 shares authorized; 20,000,000 and 20,000,000		
shares issued and outstanding respectively	20,000	20,000
Stock to be cancelled	(103,182)	(103,182)
Stock to be issued	1,447,895	1,447,895
Paid-in capital	69,141,987	69,141,987
Retained earnings (deficit)	<u>(29,174,237)</u>	<u>(30,240,220)</u>
Total Stockholders' Equity	41,681,552	40,615,569

Total Liabilities and Stockholders' Equity	<u>\$ 50,137,216</u>	<u>\$ 47,440,274</u>
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The accompanying notes are an integral part of these financial statements.

WESTERN SIERRA RESOURCE CORP
Statements of Operations
(Unaudited)

	Nine Months Ended September 30, <u>2021</u>	Nine Months Ended September 30, <u>2020</u>	Year Ended December 31, <u>2020</u>
REVENUES			
Water access fees	\$ 1,202,800	\$ -	\$ -
OPERATING COSTS AND EXPENSES			
Compensation	-	-	-
Professional fees	-	35,000	41,000
Exploration expenses	-	-	-
Licenses, permits, fees	-	-	-
Office expenses	2,799	709	1,137
Reporting company expenses	134,018	11,200	34,642
	<u>136,817</u>	<u>46,909</u>	<u>76,779</u>
Total Expenses			
	136,817	46,909	76,779
Operating Income (Loss)	1,065,983	(46,909)	(76,779)
OTHER INCOME (EXPENSES)			
Interest income (expense)	-	-	-
Other income	-	-	4,000
	<u>-</u>	<u>-</u>	<u>4,000</u>
Income before income taxes	1,065,983	(46,909)	(72,779)
Provision for income taxes	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
NET INCOME (LOSS)	<u>\$ 1,065,983</u>	<u>\$ (46,909)</u>	<u>\$ (72,779)</u>
Earnings Per Share (see Note 2):			
Basic weighted average number of common shares outstanding	<u>349,089,208</u>	<u>349,089,208</u>	<u>349,089,208</u>
Basic income (loss) per share	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Diluted weighted average number of common shares outstanding	<u>349,089,208</u>	<u>349,089,208</u>	<u>349,089,208</u>
Diluted income (loss) per share	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

WESTERN SIERRA RESOURCE CORP
Statement of Stockholders' Equity
(Unaudited)

	<u>Common Stock</u>		<u>Preferred Stock</u>		<u>Stock</u>	<u>Stock</u>	<u>Paid-in</u>	<u>Retained</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>To Be</u>	<u>To Be</u>			
					<u>Cancelled</u>	<u>Issued</u>	<u>Capital</u>	<u>Earnings</u>	
Balance, December 31, 2013	315,493,353	\$ 315,493	-	\$ -	\$ -	\$ -	\$ 28,483,442	\$ (18,322,374)	\$ 10,476,561
Issuance of Series A shares for acquisition of water rights (May 21, 2014)	10,000,000	10,000	11,988,560	11,989			39,348,112		39,370,101
Stock to be issued for acquisition of asset (October 1, 2014)						4,858			4,858
Net loss for period								(15,298)	(15,298)
Balance, December 31, 2014	325,493,353	\$ 325,493	11,988,560	\$ 11,989	\$ -	\$ 4,858	\$ 67,831,554	\$ (18,337,672)	\$ 49,836,222
Net loss for period								(138,097)	(138,097)
Balance, December 31, 2015	325,493,353	\$ 325,493	11,988,560	\$ 11,989	\$ -	\$ 4,858	\$ 67,831,554	\$ (18,475,769)	\$ 49,698,125
Stock issued for acquisition of asset (September 2, 2016)	1,500,000	1,500					3,500		5,000
Remove stock to be issued related to previous impairment (September 30, 2016)						(4,858)			(4,858)
Net loss for period								(11,663,223)	(11,663,223)
Balance, December 31, 2016	326,993,353	\$ 326,993	11,988,560	\$ 11,989	\$ -	\$ -	\$ 67,835,054	\$ (30,138,992)	\$ 38,035,044
Issuance of Series A shares for acquisition of water rights (September 28, 2017)			5,000	5					5
Net loss for period								(6,777)	(6,777)
Balance, December 31, 2017	326,993,353	\$ 326,993	11,993,560	\$ 11,994	\$ -	\$ -	\$ 67,835,054	\$ (30,145,769)	\$ 38,028,272
Issuance of stock for conversion of debt (July 26, 2018)	12,964,214	12,964					24,632		37,596
Issuance of Series A shares for acquisition of water rights (October 23, 2018)			8,006,440	8,006					8,006
Net loss for period								(9,527)	(9,527)
Balance, December 31, 2018	339,957,567	\$ 339,957	20,000,000	\$ 20,000	\$ -	\$ -	\$ 67,859,686	\$ (30,155,296)	\$ 38,064,347
Stock issued for acquisition of asset (January 22, 2019)	2,500,000	2,500					7,500		10,000
Stock issued for acquisition of asset (June 7, 2019)	5,000,000	5,000					5,000		10,000
Issuance of stock for conversion of debt (August 2, 2019)	1,281,641	1,282					34,718		36,000
Net loss for period								(12,145)	(12,145)
Balance, December 31, 2019	348,739,208	\$ 348,739	20,000,000	\$ 20,000	\$ -	\$ -	\$ 67,906,904	\$ (30,167,441)	\$ 38,108,202
Issuance of stock for consulting fees (February 11, 2020)	350,000	350					34,650		35,000
103,182,825 common shares to be returned by two officers and cancelled (October 1, 2020)					(103,182)		103,182		-
103,182,825 common shares to be issued to two officers for accrued compensation (October 1, 2020)						1,135,011			1,135,011
28,444,000 common shares to be issued to two officers for prepaid compensation (October 1, 2020)						312,884			312,884
\$1,104,151 in accrued compensation forgiven by an officer (October 1, 2020)							1,097,251		1,097,251
Net loss for period								(72,779)	(72,779)
Balance, December 31, 2020	349,089,208	\$ 349,089	20,000,000	\$ 20,000	\$ (103,182)	\$ 1,447,895	\$ 69,141,987	\$ (30,240,220)	\$ 40,615,569
Net loss for period								1,065,983	1,065,983
Balance, September 30, 2021	349,089,208	\$ 349,089	20,000,000	\$ 20,000	\$ (103,182)	\$ 1,447,895	\$ 69,141,987	\$ (29,174,237)	\$ 41,681,552

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

WESTERN SIERRA RESOURCE CORP
Statements of Cash Flows

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020	Year Ended December 31, 2020
Operating activities:			
Net income (loss)	\$ 1,065,983	\$ (46,909)	\$ (72,779)
Adjustments to reconcile net income/loss to net cash used in operating activities:			
Non-cash fees/compensation	-	35,000	41,000
Impairment	-	-	-
Gain on debt settlement	-	-	-
(Increase) decrease in assets:			
Other assets	-	-	-
Increase (decrease) in liabilities:			
Accounts payable	(21,880)	1,845	23,962
Accrued expenses	-	-	-
Total adjustments	<u>(21,880)</u>	<u>36,845</u>	<u>64,962</u>
Net cash from/(used in) operating activities	<u>1,044,103</u>	<u>(10,064)</u>	<u>(7,817)</u>
Investing activities:			
Initial capital funding	626,542	-	-
Accrued compensation	180,000	-	600,000
Acquisition of land	(1,876,541)	-	-
Acquisition of other assets	(129,774)	(5,200)	(5,200)
Capitalized water rights development costs	(870,580)	(640,687)	(1,451,022)
Net cash used in investing activities	<u>(2,070,353)</u>	<u>(645,887)</u>	<u>(856,222)</u>
Financing activities:			
Issuance of stock for cash	-	-	-
Capitalized interest	468,479	635,761	835,333
Payments on borrowings	(1,202,800)	(10,000)	(10,000)
Proceeds from borrowings	1,760,618	18,006	26,436
Net cash provided by financing activities	<u>1,026,297</u>	<u>643,767</u>	<u>851,769</u>
Net increase(decrease) in cash and cash equivalents	47	(12,184)	(12,270)
Cash and cash equivalents at beginning of period	44	12,314	12,314
Cash and cash equivalents at end of period	<u>\$ 91</u>	<u>\$ 130</u>	<u>\$ 44</u>
Supplemental cash flow information:			
Cash paid during the period for interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash paid during the period for income taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Noncash investing and financing activities:			
Issuance of stock for acquisition of assets	\$ -	\$ -	\$ -
Issuance of stock for payment of debt	\$ -	\$ -	\$ -
Accrued compensation forgiven by officer	\$ -	\$ -	\$ 1,097,251

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

WESTERN SIERRA RESOURCE CORPORATION
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Note 1 - Organization and Basis of Presentation

Western Sierra Resource Corporation ("Western Sierra", "the Company", "we" or "us")(formerly Western Sierra Mining Corp) was originally formed on August 19, 1907 as The Gold Chain Mining Company in the State of Utah to engage in gold and other precious mineral mining. The Company filed Articles of Restatement of its Articles of Incorporation on April 26, 1996 in the State of Utah. On September 24, 2018, the Company changed its name to Western Sierra Resource Corporation.

On December 1, 2003 we entered into a Share Exchange Agreement with Western Sierra, Inc., whereby Western Sierra, Inc. became a wholly owned subsidiary of Western Sierra Mining Corp. The agreement provided for the exchange of 20,000,000 shares of the Company's common stock for 4,000,000 shares or 100% of the outstanding common stock of Western Sierra, Inc. The Shareholders of Western Sierra, Inc. owned approximately 90% of the stock of Western Sierra Mining Corp. after consummation of the transaction. Western Sierra, Inc. was subsequently dissolved and all operations transferred into Western Sierra Mining Corp.

In the opinion of management, the accompanying balance sheets and related statements of income, cash flows, and stockholders' equity, consisting only of normal recurring items, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Preparing financial statements requires management to make estimates and assumptions that affect the amounts of assets, liabilities, revenue, and expenses. Actual results and outcomes may differ from management's estimates and assumptions.

Water Asset Purchase Agreement

On May 21, 2014, the Company completed the acquisition of various water rights in Northern Colorado with a combined appraised value of \$40,500,000 in exchange for 11,888,560 shares of the Company's Series A Preferred Stock. SFAS 123 specifies that this transaction be recorded on the Company's books at the fair value of the consideration received or the fair value of the common stock issued, whichever is more reliably measured at the date of the transaction. Since the Company's Series A Preferred Stock is not traded and therefore has no market and since the water rights are well documented and have accompanying recent appraisals and valuation reports by certified third party appraisers and engineers, the Company has determined that the acquisition should be valued and recorded on the books based on the appraised value of \$40,500,000 in accordance with SFAS 123. Since the date of acquisition, a total of \$7,091,426 of costs have been capitalized in conjunction with the further development of the water rights. (See Note 3.)

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Note 2 - Going Concern and Management's Plan

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the recoverability of assets and the satisfaction of liabilities in the normal course of business. For the nine months ended September 30, 2021, the Company has incurred net income of \$1,065,983. As of September 30, 2021, the working capital deficit was (\$7,269,682), the stockholders' equity was \$41,681,552 and the accumulated deficit was (\$29,174,237). It is management's opinion that these matters raise substantial doubt about the Company's ability to continue as a going concern for a period of twelve months from the issuance date of this report. The ability of the Company to continue as a going concern is dependent upon management's ability to implement a new business plan, raise additional capital as needed from the sales of stock or debt. The accompanying consolidated financial statements do not include any adjustments that might be required should the Company be unable to continue as a going concern.

NOTE 3 - Summary of Significant Accounting Policies

Basis of presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. As of September 30, 2021, the Company had cash and cash equivalents of \$91. Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash deposits. The Company maintains its cash in institutions insured by the Federal Deposit Insurance Corporation ("FDIC").

Property and Equipment

Provision is made for depreciation of office furniture fixtures and equipment, machinery and equipment, and building. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets which are 5 to 10 years.

Capitalized Development Costs

In accordance with ASC 360, *Property, Plant, and Equipment*, the Company has capitalized certain costs associated with the development of its water rights. Since May 21, 2014, the date of the acquisition of the water rights, all of the Company's efforts have been focused on developing and expanding the current rights and placing them into their intended beneficial use as defined by Colorado Water Law. Likewise, in accordance with ASC 835-20, *Interest, Capitalization of Interest*, the Company has capitalized interest associated with the development of the water rights so as to obtain a measure of cost that more closely reflects the Company's total investment in the water asset and to charge a cost that relates to the acquisition of these water rights that will benefit future periods against the revenues of the future periods they will benefit.

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Since the date of acquisition through September 30, 2021, a total of \$7,091,426 of costs have been capitalized in conjunction with the development of the water rights.

Impairment of Long-Lived Assets

In accordance with Statement of Financial Accounting Standards (“SFAS”) 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" the Company reviews its long-lived assets for impairments. Impairment losses on long-lived assets are recognized when events or changes in circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable. Impairment losses then are measured by comparing the fair value of assets to their carrying amounts.

Management periodically reviews the recoverability of the capitalized mineral properties and mining equipment. Management takes into consideration various information including, but not limited to, historical production records taken from previous mine operations, results of exploration activities conducted to date, estimated future prices and reports and opinions of outside consultants. When it is determined that a project or property will be abandoned or its carrying value has been impaired a provision is made for any expected loss on the project or property.

Based on the Company’s change in business direction from mining to the development and expansion of its water rights and other natural resource related projects, a determination was made that the remaining mining properties should be classified as held for resale and their carrying values reduced accordingly. The Company recognized no impairment losses at September 30, 2021 and December 31, 2020.

Revenue Recognition

The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped to the customer, (iii) the sales price is fixed or determinable, and (iv) its collectability is reasonably assured.

Stock-based compensation

Stock-based compensation is accounted for based on the requirements of ASC 718 – “*Compensation – Stock Compensation*“, which requires recognition in the financial statements of the cost of employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award. The Company utilizes the Black-Sholes option pricing model and uses the simplified method to determine expected term because of lack of sufficient exercise history. Additionally, effective October 1, 2016, the Company adopted the Accounting Standards Update No. 2016-09 (“ASU 2016-09”), *Improvements to Employee Share-Based Payment Accounting*. Among other changes, ASU 2016-09 permits the election of an accounting policy for

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forfeitures of share-based payment awards, either to recognize forfeitures as they occur or estimate forfeitures over the vesting period of the award. The Company has elected to recognize forfeitures as they occur, and the cumulative impact of this change did not have any effect on the Company's consolidated financial statements and related disclosures.

Earnings Per Share

Basic profit or (loss) per share is calculated by dividing the Company's net profit or loss applicable to common shareholders by the weighted average number of common shares issued and outstanding during the period. Diluted earnings per share is calculated by dividing the Company's net income/(loss) available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity.

	For the Nine Months Ended <u>September 30, 2021</u>	For the Year Ended <u>December 31, 2020</u>
Income (Loss)	(\$1,065,983)	(\$72,779)
Basic Average Number of Shares Outstanding	349,089,208	349,089,208
Basic Earnings (Loss) Per Share	\$ (0.00)	\$ (0.00)
Diluted Average Number of Shares Outstanding	349,089,208	349,089,208
Diluted Earnings (Loss) Per Share	\$ (0.00)	\$ (0.00)

Income Taxes

The Company records deferred income taxes using the liability method as prescribed under the provisions of SFAS No. 109. Under the liability method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and income tax bases of the Company's assets and liabilities. An allowance is recorded, based upon currently available information, when it is more likely than not that any or all of the deferred tax assets will not be realized. The provision for income taxes includes taxes currently payable, if any, plus the net change during the year in deferred tax assets and liabilities recorded by the Company.

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Use of estimates and assumptions

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the allowance for bad debt on accounts receivable, reserves on inventory, valuation of goodwill and intangible assets for impairment analysis, valuation of the legal settlement reserve, valuation of stock-based compensation, the valuation of derivative liabilities and the valuation allowance on deferred tax assets.

Goodwill

The Company's goodwill is deemed to have indefinite life and, accordingly, is not amortized, but is evaluated for impairment at least annually, but more often whenever changes in facts and circumstances occur which may indicate that the carrying value may not be recoverable.

Environmental Remediation Costs

Environmental remediation costs are accrued based on estimates of known environmental remediation exposure. Such accruals are recorded even if significant uncertainties exist over the ultimate cost of the remediation. It is reasonably possible that the Company's estimates of reclamation liabilities, if any, could change as a result of changes in regulations, extent of environmental remediation required, means of reclamation or cost estimates. Ongoing environmental compliance costs, including maintenance and monitoring costs, are expensed as incurred. There were no environmental remediation costs accrued at September 30, 2021 and December 31, 2020.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, Leases. The main provisions of ASU No. 2016-02 require management to recognize lease assets and lease liabilities for all leases. ASU 2016-02 retains a distinction between finance leases and operating leases. The classification criteria for distinguishing between finance leases and operating leases are substantially similar to the classification criteria for distinguishing between capital leases and operating leases in the previous release's guidance. The result of retaining a distinction between finance leases and operating leases is that under the lessee accounting model, the effect of leases in the statement of comprehensive income and the statement of cash flows is largely unchanged from previous U.S. GAAP. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018, (early adoption is permitted) including interim periods within those fiscal years. The Company is reviewing this pronouncement and believes adoption of this standard will not have a material impact on the Company's consolidated financial statements and related disclosures.

In August 2016, the FASB issued ASU 2016-15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments" ("ASU 2016-15"). ASU 2016-15 will make eight targeted changes to how cash receipts and cash payments are presented and classified in the statement of cash flows. ASU 2016-15 is effective for fiscal years beginning after December 15, 2017. The new standard will require adoption on a retrospective basis unless it is

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impracticable to apply, in which case it would be required to apply the amendments prospectively as of the earliest date practicable. The adoption of this principle did not have an effect on the Company's Statement of Cash Flows.

In October 2016, the FASB issued ASU 2016-16, "Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other than Inventory", which eliminates the exception that prohibits the recognition of current and deferred income tax effects for intra-entity transfers of assets other than inventory until the asset has been sold to an outside party. The updated guidance is effective for annual periods beginning after December 15, 2019, including interim periods within those fiscal years. Early adoption of the update is permitted. The adoption of this standard did not have a material impact on the Company's consolidated financial statements and related disclosures.

In December 2016, the FASB issued ASU 2016-20, "Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers". The amendments in this Update affect the guidance in Update 2014-09. The effective date and transition requirements for the amendments are the same as the effective date and transition requirements for Topic 606 (and any other Topic amended by Update 2014-09). Accounting Standards Update No. 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date, defers the effective date of Update 2014-09 by one year. Based on the Company's analysis the Company did not identify a cumulative effect adjustment for initially applying the new revenue standards.

In June 2018, the FASB issued ASU 2018-07, "Compensation — Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting", which expands the scope of Topic 718 to include all share-based payment transactions for acquiring goods and services from nonemployees. ASU 2018-07 specifies that Topic 718 applies to all share-based payment transactions in which the grantor acquires goods and services to be used or consumed in its own operations by issuing share-based payment awards. ASU 2018-07 also clarifies that Topic 718 does not apply to share-based payments used to effectively provide (1) financing to the issuer or (2) awards granted in conjunction with selling goods or services to customers as part of a contract accounted for under ASC 606. ASU 2018-07 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, with early adoption permitted, but no earlier than our adoption of ASC 606. The Company chose to early adopt ASU 2018-07 in July 2018. The adoption of this standard had no impact on the Company's consolidated financial statements and related disclosures.

Management does not believe that any recently issued, but not yet effective accounting pronouncements, when adopted, will have a material effect on the accompanying consolidated financial statements.

NOTE 4 - Stockholders' Equity

At various stages in the Company's development we have issued shares of common stock, valued at fair market value, for services or assets with a corresponding charge to operations or property and equipment. In accordance with SFAS 123, these transactions, except for stock issued to employees, have been recorded on the Company's books at the fair value of the consideration received or the fair value of the common stock issued, whichever is more reliably measured.

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Preferred Stock

The Company is authorized to issue 110,000,000 shares of preferred stock, \$.001 par value, with such rights, preferences, variations and such other designations for each class or series within a class as determined by the Board of Directors. The preferred stock is not convertible into common stock, does not contain any cumulative voting privileges, and does not have any preemptive rights. 100,000,000 shares of preferred stock have been designated as Series A Preferred Stock and 10,000,000 shares of preferred stock have been designated as Series B Preferred Stock. The following describes the Series A and Series B Preferred Stock designations: Each one (1) share of the Series A Preferred Stock shall have 100 votes per shares.

The Series A Preferred Stock has no dividend rights, no liquidation rights and no redemption rights, and was created primarily to be able to obtain a quorum and conduct business at shareholder meetings. All shares of the Series A Preferred Stock shall rank (i) senior to the Company's common stock and any other class or series of capital stock of the Company hereafter created, (ii) *pari passu* with any class or series of capital stock of the Company hereafter created and specifically ranking, by its terms, on par with the Series A Preferred Stock and (iii) junior to any class or series of capital stock of the Company hereafter created specifically ranking, by its terms, senior to the Series A Preferred Stock, in each case as to distribution of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary. Each one (1) share of the Series A Preferred Stock shall have 100 votes per shares.

The Series B Preferred Stock has no dividend rights, no liquidation rights and no redemption rights.

On May 21, 2014, the Company completed the acquisition of various water rights in Northern Colorado with a combined appraised value of \$40,500,000 in exchange for 11,888,560 shares of the Company's Series A Preferred Stock.

On October 23, 2018 the Company issued 8,006,440 Series A Preferred Shares to its CEO as compensation for pledging his shares as collateral to secure certain debts of the Company.

Common Stock

The Company is authorized to issue 500,000,000 common shares with a par value of \$.001 per share.

On January 22, 2019, the Company issued 2,500,000 shares to an unrelated party for services valued at \$10,000 resulting in a share value of \$.004.

On June 7, 2019, the Company issued 5,000,000 shares to an unrelated party in partial payment of a debt owed by the Company's CEO of \$10,000 resulting in a share value of \$.002.

On August 2, 2019, the Company converted \$36,000 of debt for 1,281,641 shares resulting in a share value of \$.028.

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On February 11, 2020 the Company issued 350,000 shares to an unrelated party for consulting services valued at \$35,000 resulting in a share value of \$.07.

On October 1, 2020 two officers agreed to contribute/return a total of 103,182,825 shares to the Company for cancellation. These shares are reflected in the equity section on the Company's balance sheet as Stock To Be Cancelled. Also on October 1, 2020 the Company agreed to issue a total of 131,626,825 shares to two officers in exchange for prior accumulated accrued compensation totaling \$1,135,011 and prepaid compensation totaling \$312,884. These shares are reflected in the equity section on the Company's balance sheet as Stock To Be Issued.

NOTE 5 – Water Rights

On May 21, 2014, the Company completed the acquisition of various water rights in Northern Colorado with a combined appraised value of \$40,500,000 in exchange for 11,888,560 shares of the Company's Series A Preferred Stock. SFAS 123 specifies that this transaction be recorded on the Company's books at the fair value of the consideration received or the fair value of the common stock issued, whichever is more reliably measured at the date of the transaction. Since the Company's Series A Preferred Stock is not traded and therefore has no market and since the water rights are well documented and have accompanying recent appraisals and valuation reports by certified third party appraisers and engineers, the Company has determined that the acquisition should be valued and recorded on the books based on the appraised value of \$40,500,000 in accordance with SFAS 123. Since the date of acquisition, a total of \$7,091,426 of costs have been capitalized in conjunction with the further development of the water rights.

NOTE 6 – Northern Colorado Water Rights/Industrial Hemp/Construction Project

Also, and as announced by the Company on September 24, 2020, a Letter of Intent was executed with Global Hemp Group, Inc. which was renewed and expanded on November 15, 2020. This Letter of Intent contemplated a collaboration between the Companies utilizing WSRC'S \$40.5 million in water assets as collateral for capital formation to implement the large-scale cultivation and processing of hemp; manufacture of hemp products; and construction of affordable homes utilizing hemp products and other "green" technologies—among them, the MPG Energy Tree technologies—to create and implement a showcase venue for myriad environmentally sustainable products and services. On February 5, 2021, a Definitive Agreement between the Company and Global Hemp Group was executed to advance the projects between the Companies. On June 15, 2021 the Company's purchase of a 44.84 acre annexed and commercially/industrially zoned site was closed at a purchase price of \$1,400,000 for purposes of constructing facilities for the processing of industrial hemp and manufacture of hemp-based construction products. This property is currently in the planning and engineering phase for approval and permitting by the Town of Hayden Planning Department. A second land acquisition encompassing 166-acres of vacant, annexed land is under "hard" contract, and pending closing for purposes of developing the first phase of approximately 275 affordable single family homes utilizing hemp-based construction materials. This project is also in planning review for commencement in the Spring/Summer 2022. A third land parcel consisting of 664 contiguous acres is under "hard" contract pending closing for purposes of cultivating irrigated industrial hemp for processing and manufacture of hemp-based construction products with which to build affordable homes.

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Additional property acquisitions are currently under review and consideration by the respective Boards of Western Sierra Resource Corporation and Global Hemp Group.

NOTE 7 – Acquisition of MPG, LLC

On August 26, 2020, the Company entered into an agreement to acquire 100% ownership of Mystere Power Group, LLC (MPG) in exchange for \$3,000,000. On January 10, 2021, WSRC updated its acquisition agreement with MPG, LLC to include additional technologies and associated patents under the category description "Energy Tree" (ET Technologies). The negotiated price for inclusion of these additional technologies was \$3,000,000, resulting in a total acquisition price for the company of \$6,000,000. On November 8, 2021, the agreement was modified to cap WSRC's total investment at \$1.5 million in exchange for 25% of MPG. MPG, LLC has licensed, owns, has filed patents for, and/or controls "green" energy conservation and advanced water generation technologies. The two proprietary technologies vested into WSRC are its HVAC/refrigeration global retrofit kit program and advanced Air-Water-Generation (AWG-1, and AWG-2) systems. The HVAC/refrigeration global retrofit kit is an integration of components that collectively reduce the power consumed by the chill cycle and air circulation elements of an HVAC system by approximately 40%. The savings also apply to commercial-industrial refrigeration and freezer plants, where the savings will be in the region of 30%. The Air-Water-Generation (AWG-1 and AWG-2) systems are proprietary water generation technologies with worldwide commercial and industrial applications. These technologies have been developed and maintained under confidential Trade Secret I.P. Agreements. Patents on various components of these technologies were filed in October 2020. The patent rights have been assigned to MPG. As of the date of this report, the Company has effectively completed its due diligence. Based in part on that due-diligence as well as progress made on other available technologies, on December 10, 2020 the Company revised the MPG Acquisition Agreement to eliminate the issuance of Series A and B shares to MPG, while at the same time incrementally expanding the scope of its MPG Acquisition Agreement to include additional technologies under the heading of the MPG "Energy Tree." The Energy Tree represents a combination of technologies with three primary applications, each representing a "branch" of The Energy Tree structure. These 3 primary branches provide a comprehensive approach to multiple consumer market categories for "green" conservation technologies: 1. Facility based electrical power generation for both on-grid and off-grid residential community and commercial complex applications; 2. A mobile application for truck and marine fleet retro-fit which converts diesel vehicles to an electrical power train; and 3. Dramatic reduction in electrical consumption through a revolutionary MPG motor/generator/compressor system in new and retrofit HVAC and Refrigeration systems.

Note 8 - Investment in Mining Project

On June 28, 2021, the Company executed an agreement with Silver State Mining Group, Inc. ("SSMG") to acquire 70% of SSMG's common stock in exchange for \$10 million which will be used to immediately initiate development of the Sage Hen Mining Claims in Western Nevada. In addition to gold and silver, the enhanced recovery system assays have indicated platinum, palladium and rhodium. WSRC and SSMG plan on building a 100 ton/day plant and then immediately increasing that to 1,100 tons/day. Projected annual net income from the 100 ton/day and 1,100 ton/day operation is \$269 million and \$3.2 billion respectively.

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The Sage Hen Claims encompass 640 acres within the Oreana Trend, a consistent ancient seabed that extends to depths of 1000 feet in an active mining area known to contain significant precious metals and offer a unique low risk development opportunity. Many mining groups, including Newmont, Rye Patch, Pershing, Victoria, and others have cored, mined, and expended significant resources and effort in the area. Principals of the Sage Hen Mining claims, Andy Kay and Lonnie Treadwell, have maintained active mining claims for over 20 years based upon hundreds of assays over 20,000 acres of the trend. The Sage Hen claims are located near the Relief Canyon Mine in the Oreana Trend. In addition to gold and silver, the enhanced recovery system assays have indicated platinum, palladium, and rhodium.

SSMG and WSRC will immediately commence the 90-day permitting process to obtain a five-acre disturbance permit on the 640 acre development site on which to build a \$10 million, 100 ton/day Pilot Processing Plant. This facility is scheduled to be fully operational within 12 months. However, specific testing and limited development of the mining claims will commence immediately. Once the 100 ton/day Pilot Plant is established on site, SSMG and WSRC intend to file for permit approval to expand the Pilot Plant for increased capacity to process up to 1100 tons per day. Permitting for this expansion is estimated to require an additional six months.

Due to the extensive prior geological work having been completed in the area, and including the subject claims, SSMG and WSRC have determined it to be redundant to expend the time and capital to secure an NI 43-101 professional report to summarize the data already shown to be consistent through over 20 engineering and assay reports completed by well-respected firms. It has been determined that rather than invest the time and capital in additional third-party reports, it would be more productive to use that investment directly in proving up the claim's reserves through production. At a future date, and concurrent with the realization of actual production results, an NI 43-101 professional report will likely be commissioned to further refine exploration methodologies and aid in establishing specific areas of focus within the boundaries of the reserve. (Assay reports are posted on the SSMG web site).

Based on a subsequent "Assay Review and Enhanced Recovery Report" dated July 21, 2021, projected annual net income from the 100 ton/day and 1,100 ton/day operation have been increased from \$269 million to \$415 million and from \$3.2 billion to \$4.57 billion, respectively.

Based on a subsequent agreement dated July 22, 2021, the total acreage will be increased from 640 acres to 1,300 acres.

Of this \$10 million total required to construct the 100 ton/day plant and commence production and recovery operations, \$1 million is required within 60 days, \$2 million within 90 days and the balance of \$7 million within 150 days. WSRC management's level of confidence in this project is such that the \$10 million cost of the 100 ton/day plant will be invested directly by WSRC's officers and directors to prevent dilution of shareholder equity in the Company. On September 27, 2021, the agreement was extended by consent of both parties.

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Note 9 - Investment in Helium Project

On July 7, 2021, the Company entered into substantive negotiations with a third party exploration company to develop the 25,000 acre FCHPA Helium Project in the Four Corners Area. Based on information gathered from existing wells and utilizing proprietary methodologies for interpretation of 2D and 3D seismic data, it is anticipated that Helium-rich gas is present and recoverable to varying degrees within the property's underlying five geological formations (strata). It is ultimately hoped that a Helium content of between 1% and 5% may be recoverable if the project is successful. If, in fact, Helium is present and recoverable in the quantities suggested by the data, and if 100% ownership of the Project may be acquired, the following preliminary range of projections may be possible:

Estimated Economics (based on 100% ownership) –

Assumption:	
Lease Acquisition	\$1,250,000
Drill and Complete	\$1,500,000
Total	
Cost	\$2,750,000

Helium %	Raw Gas(MCF)/Month	Net Revenue Interest	Price/MCF Net Back	Taxes and Operations Costs - 10%	Potential Net Revenue/Month
1%	90,000	81.25%	\$320	10%	\$210,600.00
1.5%	90,000	81.25%	\$320	10%	\$315,900.00
2.0%	90,000	81.25%	\$320	10%	\$421,200.00
2.5%	90,000	81.25%	\$320	10%	\$526,500.00
3%	90,000	81.25%	\$320	10%	\$631,800.00
4%	90,000	81.25%	\$320	10%	\$842,400.00
5%	90,000	81.25%	\$320	10%	\$1,053,000.00

*These economics **do not** include compensation in any form due the company who has generated and is putting the Project together.*

The above FCHPA Prospect represents the kind of project being considered. Currently the opportunity exists to acquire this project under mutually acceptable terms and conditions. However, the FCHPA is subject to prior sale or withdrawal at any time. The right to replace this project with a similar helium based project is reserved.

NOTE 10 - Related Parties

On October 1, 2020 two officers agreed to contribute/return a total of 103,182,825 shares to the Company for cancellation. These shares are reflected in the equity section on the Company's balance sheet as Stock To Be Cancelled. Also on October 1, 2020 the Company agreed to issue a total of 131,626,825 shares to two officers in exchange for prior accumulated accrued

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compensation totaling \$1,135,011 and prepaid compensation totaling \$312,884. These shares are reflected in the equity section on the Company's balance sheet as Stock To Be Issued.

NOTE 11 - <u>Notes Payable</u>	September 30, <u>2021</u>	December 31, <u>2020</u>
Note payable to one officer/director for funds advanced to the Company, unsecured, due January 2, 2023, bearing no interest	1,031,621	943,957
Note payable, secured by water rights, due May 21, 2015, bearing interest at 21%	1,154,996	2,087,184
Note payable, secured by water rights, due April 1, 2015, bearing interest at 40%	1,012,633	945,025
Note payable, secured by water rights, due March 23, 2015, bearing interest at 12%	906,091	910,586
Note payable, unsecured, due December 8, 2015, bearing interest at 10%	109,528	107,321
Note payable, secured by water rights, due May 26, 2016, bearing interest at 15%	64,600	63,283
Note payable, unsecured, due May 21, 2021, bearing interest at 7%	244,355	-
Advances on investment	626,541	-
Note Payable, secured by land, Non-interest bearing	1,250,000	-
Accrued liability, unsecured, bearing interest at 2.5%	<u>1,873,217</u>	<u>1,743,387</u>
	8,273,582	6,800,743
Less: Current portion	<u>(8,273,582)</u>	<u>(5,856,786)</u>
Long-Term Debt	<u>\$ -</u>	<u>\$ 943,957</u>

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Note 12 - Commitments and Contingencies

Operating Lease

During the nine months ended September 30, 2021 the Company had no operating leases.

Litigation

In the normal course of business, the Company may be involved in legal proceedings, claims and assessments arising in the ordinary course of business. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance.

Except as disclosed below, the Company is unaware of any action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or any of our subsidiaries, threatened against or affecting our Company, our common stock, any of our subsidiaries or of our Company's or our Company's subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

Note 13 - Income Taxes

As of September 30, 2021 and December 31, 2020, the Company had net operating loss carry forwards of approximately \$29,174,237 and \$30,240,220 that may be available to reduce future years' taxable income in varying amounts through 2040. Future tax benefits which may arise as a result of these losses have not been recognized in these financial statements, as their realization is determined not likely to occur and accordingly, the Company has recorded a valuation allowance for the deferred tax asset relating to these tax loss carryforwards.

The provision for Federal income tax consists of the following:

	September 30, <u>2021</u>	December 31, <u>2020</u>
Federal income tax benefit attributable to:		
Current Operations	\$ 7,468,605	\$ 7,741,496
Less: valuation allowance	<u>(7,468,605)</u>	<u>(7,741,496)</u>
Net provision for Federal income taxes	\$ -	\$ -

The cumulative tax effect at the expected rate of 25.6% of significant items comprising our net deferred tax amount is as follows:

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	September 30, <u>2021</u>	December 31, <u>2020</u>
Deferred tax asset attributable to:		
Net operating loss carryover	\$ 7,468,605	\$ 7,741,496
Less: valuation allowance	<u>(7,468,605)</u>	<u>(7,741,496)</u>
Net deferred tax asset	\$ -	\$ -

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry forwards of approximately \$29,174,237 for Federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carry forwards may be limited as to use in future years.

Note 14 – Subsequent Events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company has evaluated events that occurred subsequent to September 30, 2021 and through the date the financial statements were issued.