CANADIAN NEXUS TEAM VENTURES CORP.

(formerly Brand X Lifestyle Corp.)

Consolidated Condensed Interim Financial Statements
For the six months ended June 30, 2021

Expressed in Canadian Dollars
(unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the unaudited condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the unaudited condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company. They include appropriate accounting principles, judgment and estimates in accordance with IFRS for unaudited condensed consolidated interim financial statements

The Company's independent auditors have not performed a review of these unaudited condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of unaudited condensed interim financial statements by an entity's auditors.

CANADIAN NEXUS TEAM VENTURES CORP. (formerly Brand X Lifestyle Corp.)
Consolidated Statements of Financial Position
Expressed in Canadian dollars (unaudited)

	Note	June 30, 2021	December 31, 2020
		$	$
Assets			
Current			
Cash and cash equivalents		**599,876**	356,363
Other receivables	4	**58,038**	39,006
Prepaid expenses		**10,000**	-
Note receivable	4	**566,282**	250,000
Reclamation deposits		**60,000**	60,000
Investments	5	**7,330,270**	7,763,144
Convertible debenture receivable	6	**370,342**	370,342
		8,994,808	8,838,855
Liabilities			
Current			
Accounts payable and accrued liabilities	8	**55,407**	88,588
		55,407	88,588
Equity			
Share capital	7	**33,809,961**	32,011,456
Treasury stock	7	**(16,475)**	-
Warrant reserve	7	**-**	-
Option reserve	7	**890,433**	1,234,252
Deficit		**(25,744,518)**	(24,495,441)
		8,939,401	8,750,267
		8,994,808	8,838,855

Nature of operations and going concern (Note 1)
Subsequent events (Note 11)

These condensed consolidated interim financial statements were approved by Board of Directors on August 30, 2021 and were signed on its behalf by:

On behalf of the Board:

"Arni Johannson" Director *"Lisa Kowan"* Director

CANADIAN NEXUS TEAM VENTURES CORP. (formerly Brand X Lifestyle Corp.)
Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
Expressed in Canadian dollars (unaudited)

	Note	**Three months ended June 30, 2021**	Three months ended June 30, 2020	**Six months ended June 30, 2021**	Six months ended June 30, 2020
		$	$	**$**	$
Change in fair value of investments and convertible debentures	5, 6	**(1,786,465)**	199,715	**(1,613,467)**	268,286
Finance income	4, 5	**68,384**	85,342	**83,793**	104,801
Foreign exchange gain		**155**	-	**155**	-
Impairment of investment		**241,500**	-	**241,500**	-
		(1,476,426)	285,057	**(1,288,019)**	373,087
Finance fees and bank charges		**499**	428	**924**	642
Consulting fees	8	**15,750**	10,500	**31,500**	130,390
Filing and transfer agent fees		**8,094**	25,889	**10,720**	40,276
Office, rent and administration		**9,638**	11,592	**19,390**	29,902
Professional fees		**31,203**	15,390	**42,415**	62,088
Marketing		**240**	-	**240**	-
Salaries and employment costs		**107,929**	-	**199,688**	-
Share-based payments	7, 8	**4,688**	-	**24,701**	-
		(178,041)	(63,799)	**(329,578)**	(263,298)
Net and comprehensive income (loss)		**(1,654,467)**	221,258	**(1,617,597)**	109,789
Net income per share					
Basic		**(0.03)**	0.01	**(0.03)**	0.00
Diluted		**(0.03)**	0.01	**(0.03)**	0.00
Weighted average number of common shares outstanding					
Basic and diluted		**52,829,856**	37,139,252	**48,338,734**	32,751,889

CANADIAN NEXUS TEAM VENTURES CORP. (formerly Brand X Lifestyle Corp.)
Consolidated Statements of Changes in Equity
Expressed in Canadian dollars (unaudited)

	Common Shares	Share Capital	Treasury Stock	Warrant Reserve	Option Reserve	Deficit	Total
	#	$	$	$	$	$	$
Balance at December 31, 2019	**24,112,878**	**30,449,956**	**-**	**119,754**	**1,038,131**	**(27,099,746)**	**4,508,095**
Shares issued for cash, net share issue costs (Note 7)	7,500,000	750,000	-	-	-	-	750,000
Shares issued for investment asset (Note 7)	6,900,000	483,000	-	-	-	-	483,000
Net income for the period	-	-	-	-	-	109,789	109,789
Balance at June 30, 2020	**38,512,878**	**31,682,956**	**-**	**119,754**	**1,038,131**	**(26,989,956)**	**5,8850,884**
Balance at December 31, 2020	**38,812,878**	**32,011,456**	**-**	**-**	**1,234,252**	**(24,495,441)**	**8,750,267**
Shares issued for cash, net of share issue costs (Note 7)	7,595,000	600,005	-	-	-	-	600,005
Shares issued for acquisition of investment asset (Note 5)	9,000,000	1,440,000	-	-	-	-	1,440,000
Escrow share cancellation (Notes 5 and 7)	(3,450,000)	(241,500)	-	-	-	-	(241,500)
Normal course issuer bid (Note 7)	-	-	(16,475)	-	-	-	(16,475)
Share-based payments (Note 7)	-	-	-	-	24,701	-	24,701
Stock options cancelled (Note 7)	-	-	-	-	(368,520)	368,520	-
Net loss for the period	-	-	-	-	-	(1,617,597)	(1,617,597)
Balance at June 30, 2021	**51,957,878**	**33,809,961**	**(16,475)**	**-**	**890,433**	**(25,744,518)**	**8,939,401**

CANADIAN NEXUS TEAM VENTURES CORP. (formerly Brand X Lifestyle Corp.)
Consolidated Statements of Cash Flows
Expressed in Canadian dollars (unaudited)

	Six months Ended June 30, 2021	Six months Ended June 30, 2020
Cash flows used in operating activities		
Net income (loss) for the period	**$ (1,617,597)**	$ 109,789
Adjustments for:		
Share-based payments	**24,701**	-
Accretion	-	(23,288)
Accrued interest	**(19,032)**	(20,909)
Change in fair value of investments	**1,371,967**	(268,286)
Normal course issuer bid	**(16,475)**	-
Dividend income	**(64,761)**	(60,000)
Purchase/disposition of investments	**324,168**	-
Investment in note receivable	**(316,127)**	(565,398)
Foreign exchange	**(155)**	-
Changes in non-cash working capital items:		
Other receivables	**-**	(425)
Prepaid expenses	**(10,000)**	-
Accounts payable and accrued liabilities	**(33,181)**	34,310
Net cash used in operating activities	**(356,492)**	(794,207)
Cash flows from financing activities		
Proceeds from issuance of shares, net of costs	**600,005**	750,000
Net cash generated by financing activities	**600,005**	750,000
Change in cash and cash equivalents	243,513	(44,207)
Cash and cash equivalents, beginning	356,363	186,296
Cash and cash equivalents, ending	$ 599,876	$ 142,089
Cash and cash equivalents are comprised of:		
Cash	**$ 599,876**	$ 142,089
Guaranteed Investment Certificate	**-**	-
	$ 599,876	$ 142,089

1. Nature of operations and going concern

Canadian Nexus Team Ventures Corp. (formerly Brand X Lifestyle Corp.) (the "Company") is incorporated under the Business Corporations Act (British Columbia). The Company is an investment company focused on creating shareholder value by acquiring and investing in early-stage to mid-level emerging growth companies. The Company's shares trade on the Canadian Securities Exchange ("CSE") under the symbol "TEAM". The Company's registered and records office is located at 10th floor, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

These unaudited condensed consolidated interim financial statements ("financial statements") are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the six months ended June 30, 2021, the Company realized a net loss of $1,617,597 (2020 – net income of $109,789) and as of that date the Company's deficit was $25,744,518 (December 31, 2020 – $24,495,441). Additional financing may be required to acquire new investments. In addition, the Company has no sources of revenue. Future funding for investments may not be available or may be available but on terms that may not be suitable for the Company. These factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

Since March 2020, 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 business 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 conditions of the Company and its operations in future periods.

2. Basis of Presentation and significant accounting policies

a) Statement of compliance

These financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed, and therefore these financial statements should be read in conjunction with the Company's December 31, 2020 audited annual consolidated financial statements and the notes to such financial statements.

The financial statements of the Company for the six months ended June 30, 2021 were authorized for issue by the Board of Directors ("Board") on August 30, 2021.

b) Basis of presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are classified as fair value at the end of each reporting period. In addition these financial statements have been prepared using the accrual basis of accounting except for cash flow information. All amounts in the consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company.

2. Basis of Presentation and significant accounting policies (continued)

b) Basis of presentation (continued)

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would consider those characteristics when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described in Note 9.

c) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. These financial statements include the accounts of the Company and its wholly-owned subsidiaries CNV Mining Holdings Corp., Wooden Table Hospitality Corp. and Canadian Copper & Gold Corp (Inactive). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intercompany transactions and balances have been eliminated on consolidation. Canadian Copper & Gold Corp. was inactive for the years ended December 31, 2020 and 2019.

Status as investment entity:

The following are the criteria within IFRS 10, Consolidated financial statements, which the Company used to evaluate and determine that it continues to meet the definition of an Investment Entity:

(a) Obtain funds from one or more investors for the purpose of providing those investor(s) with investment management services;
(b) Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
(c) Measures and evaluates the performance of substantially all its investments on a fair value basis.

The Company has evaluated the above criteria and determined that it meets the definition of an Investment Entity.

d) Significant accounting policies

These unaudited condensed interim financial statements follow the same accounting policies and methods of application as the annual audited financial statements for the year ended December 31, 2020.

3. Adoption and future changes in accounting standards

Certain pronouncements were issued by the IASB that are mandatory for accounting years on or after January 1, 2021 or later years. Many are not applicable or do not have significant impact on the Company and have been excluded. The following standard is likely to apply to the Company, has not yet been adopted and is being evaluated to determine its impact.

3. Adoption and future changes in accounting standards (continued)

IAS 1 - Presentation of Financial Statements ("IAS 1") was amended in January 2020 to address inconsistences with how entities apply the standard over classification of current and non-current liabilities. The amendment addresses whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current. This amendment is effective for annual years beginning on or after January 1, 2022. Earlier adoption is permitted. The Company is evaluating the impact of the adoption of this amendment on its consolidated financial statements.

Adoption of Accounting Standards

The Company has adopted IAS 1 that has been revised to incorporate a new definition of "material" and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, has been revised to refer to this new definition in IAS 1. The amendments were effective for annual years beginning on or after January 1, 2020. This adoption did not have a material effect on the Company.

4. Note receivable

On June 19, 2019, the Company issued a $250,000 loan to MineHub Technologies Inc. ("MineHub"), an investee. The note receivable bears interest at 10% and matures on June 18, 2020. In addition, bonus securities of 200,000 common shares of MineHub were issued to the Company. The common shares received were recognized at their fair value of $50,000. The note receivable was initially recorded at fair value of $200,000 and will be accreted to face value over the term of the loan. The note receivable subsequently was amended to have a modified repayment date of March 31, 2022 for which MineHub has provided 100,000 common share purchase warrants exercisable by the Company at a price of $0.64 per common share on or before March 31, 2022. All other terms of the note receivable remain the same. On December 31, 2020 and June 30, 2021, the carrying value of the note receivable was $250,000 consisting of the initial fair value plus accretion. During the six months ended June 30, 2021, the Company recognized $12,397 (2020: $12,534) in finance income resulting from the interest and $Nil (2020: $23,253) in finance income resulting from the accretion on the note receivable.

On March 24, 2020, the Company issued a $170,898 loan to CBIO Brand Development Inc. ("CBIO"), an investee. The note receivable bears interest at 7% and matures March 24, 2021. On April 13, 2020, the Company issued a $299,500 loan to CBIO. The note receivable bears interest at 7% and matures April 13, 2021. On June 3, 2020, the Company issued a $95,000 loan to CBIO. The note receivable bears interest at 7% and matures June 3, 2021. On August 12, 2020 the Company issued 300,000 shares with a fair value of $52,500 for a loan to CBIO bearing interest at 7% and maturing August 12, 2021. During the year ended December 31, 2020, total note receivable of $617,898 was fully impaired.

On January 14, 2021, the Company issued a $60,000 loan to Citizen Mining Corp ("Citizen"), an investee. The note bears interest at 8%. During the six months ended June 30, 2021, the Company recorded $2,196 in interest which is included in Other receivables.

On April 15, 2021, the Company issued a $250,000 loan to Aurista Exploration Corp. ("Aurista"), an investee. The note bears interest at 8% and is payable on demand. During the six months ended June 30, 2021, the Company recorded $4,164 in interest which is included in Other receivables.

On April 30, 2021, the Company issued a US $5,000 (CAD $6,282) loan to Tajus-Link Enterprise, an investee. The note will bear interest at 8% per annum and is due and payable on demand. During the six months ended June 30, 2021, the Company recorded $83 in interest which is included in Other receivables.

Expressed in Canadian dollars (unaudited)

5. Investments

Investments consist of common shares and warrants are classified as FVTPL.

	Financial Instruments Hierarchy		Fair value at December 31, 2020	Additions (dispositions)	Fair value adjustment	Fair value at June 30, 2021
			$	$	$	$
iComply Investor Services Inc.	Level 3		666,664	-	-	666,664
Eli Technologies Corp.	Level 3		195,000	-	-	195,000
Abaxx Technology Inc.	Level 1		1,748,338	-	(245,457)	1,502,881
Quisitive Technology Solutions Inc.	Level 1	(vii)	467,142	(68,747)	207,319	605,714
FansUnite Entertainment Inc.	Level 1	(viii)	330,000	(142,426)	30,676	218,250
AgriFORCE Growing Systems Ltd.	Level 3	(i)	3,400,000	64,761	(500,000)	2,964,761
MineHub Technologies Inc.	Level 3	(iv)	384,000	(262,500)	103,500	225,000
CBIO Brand Development Inc.	Level 3	(ii)	-	-	-	-
Nano Innovations Inc.	Level 3	(iii)	21,000	-	-	21,000
Silota Research and Development Inc.	Level 3		551,000	-	-	551,000
Citizen Mining Corp.	Level 3	(v)	-	100,000	-	100,000
Kutcho Copper Corp.	Level 1	(vi)	-	49,505	30,495	80,000
Aurista Exploration Corp.	Level 3	(ix)	-	1,440,000	(1,240,000)	200,000
Total			**7,763,144**	**1,180,593**	**(1,613,467)**	**7,330,270**

i) On January 16, 2019, the Company purchased 1,000,000 units of AgriFORCE at $0.35 per unit via private placement for $350,000. Each unit consists of one common share and one share purchase warrant, exercisable at $0.50 for three years from the issue date. The fair value of 1,000,000 units of AgriFORCE was $1,000,000 at December 31, 2019.

On May 10, 2019, the Company purchased 1,000,000 units at $1.00 per unit via private placement. Each unit consists of one preferred share and one common share purchase warrant, exercisable at $2.00 for five years from the issue date. The fair value of 1,000,000 units of AgriFORCE was 1,000,000 at December 31, 2019. The Company received 60,000 common shares with a fair value of $60,000 as payment of dividends during the year ended December 31, 2019.

In February 2020, the Company received notification from AgriFORCE Growing Systems Ltd. ("AgriFORCE"), that the automatic conversion requirements under the terms of the subscription agreement executed March 22, 2019 had been met. The convertible debenture converted with a fair value of $506,904 ($500,000 convertible debenture and $6,904 interest) at $1.00 per unit, resulting in the Company holding 506,904 units, where each unit is comprised of one common share and one common share purchase warrant exercisable at $2.00 per share (Note 6).

During the year ended December 31, 2020, the Company received 120,000 common shares with a fair value of $120,000 as payment of dividends. The amount was recorded as finance income on the consolidated statements of income (loss) and comprehensive income (loss). During the six months ended June 30, 2021, the Company received 12,632 common shares with a fair value of $64,761 as payment of dividends.

5. Investments (continued)

At December 31, 2020, the Company held 1,506,904 warrants of AgriFORCE with a fair value determined to be $500,000 (2019: $nil) using the Black Scholes Option Pricing Model with the following assumptions: Risk-free rate of 0.28%; Expected life of 3.36 years and expected volatility of 75%. During the period ended June 30, 2021, the warrants were cancelled and the Company recorded $500,000 as a fair value adjustment related to the warrants.

ii) On March 30, 2020 (the “Closing Date”) the Company acquired 100% of the issued and outstanding common shares in the capital of CBIO. In consideration for the CBIO shares, the Company issued an aggregate of 6,900,000 shares at a fair value of $759,000 to the CBIO shareholders who have transferred their CBIO shares to the Company.

The aggregate of 6,900,000 shares were held in escrow by the Company and released to the CBIO shareholders as follows:

- 1,725,000 shares on the date that is five business days from the end of any three month period following the Closing Date and before March 1, 2021 (the "Clawback Date") in which CBIO generates $500,000 or more in gross revenue in such three month period;
- 1,725,000 shares on the date that is five business days from the end of any three month period following the Closing Date and before the Clawback Date in which CBIO generates $1,000,000 or more in gross revenue in such three month period:
- 1,725,000 shares on the date that is five business days from the end of any three month period following the Closing Date and before the Clawback Date in which CBIO generates $2,000,000 or more in gross revenue in such three month period (cancelled on Clawback Date); and
- 1,725,000 shares on the date that is five business days from the end of any three month period following the Closing Date and before the Clawback Date in which CBIO generates $4,000,000 or more in gross revenue in such three month period (cancelled on Clawback Date).

3,450,000 shares remaining in escrow on the Clawback Date with fair value of $241,500 were cancelled and returned to treasury during the six months ended June 30, 2021 (Note 7).

During the year ended December 31, 2020, the Company fully impaired the CBIO investment and recorded an impairment of $759,000.

iii) On December 1, 2020, the Company acquired 70,000 shares of Nano Innovations Inc. at a price of $0.30 per share for a fair value of $21,000.

iv) On April 4, 2019, the Company purchased 1,000,000 common shares of MineHub Technologies Inc. (“MineHub”) at $0.25 per share via private placement for $250,000. On June 19, 2019, the Company received 200,000 common shares of MineHub with a fair value of $50,000 in relation to a loan provided to MineHub.

During the six months ended June 30, 2021, the Company sold 750,000 shares of MineHub Technologies Inc. for aggregate proceeds of $262,500.

5. Investments (continued)

v) On January 14, 2021, the Company purchased 1,000,000 common shares of Citizen Mining Corp. at $0.10 per share via a private placement for $100,000.

vi) On May 26,2021, the Company purchased 100,000 common shares of Kutcho Copper Corp. at $0.45 per share.

vii) During the six months ended June 30, 2021, the Company disposed of 50,000 shares of Quisitive Technology Solutions for total proceeds of $68,747.

viii) During the six months ended June 30, 2021, the Company disposed of 75,000 shares of Fans Unite Entertainment Inc. for total proceeds of $142,426.

ix) On April 15, 2021, the Company received 4,000,000 common shares at $0.05 per share of Aurista Exploration Corp. in connection to the assignment of the Urban Barry Gold Project (Note 7).

The fair value of the Company's investments is determined as follows:

Listed securities
The fair value of securities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The fair value of securities that are subject to trading restrictions are recorded at a value which takes into account the length and nature of the restrictions, if needed.

Unlisted securities
For investments that are not publicly traded, subsequent to initial recognition, the fair value of these investments is determined by the Company using the most appropriate valuation methodology in light of the nature, facts and circumstances of the investment and its materiality in the context of the total investment portfolio and are valued as follows:

- Investments are valued at cost for a limited period after the date of acquisition, if the purchase price remains representative of the fair value at the reporting date; otherwise, investments are valued using one of the other methodologies detailed below.
  Investments in which there has been a recent or in-progress funding round involving significant financing from external investors are valued at the price of the recent funding, whereby the various shareholder categories rights are taken into account in the valuation. The price is adjusted, where appropriate.
- Investments in which there has been a recent private secondary market trade of meaningful volume and the transaction is undertaken by a sophisticated, arm's-length investor are valued at the price of the recent trade.
- Investments in early-stage companies not generating sustainable revenue or earnings and for which there has not been any recent independent funding are valued using alternative methodologies. The Company considers investee company performance relative to plan, going concern risk, continued funding availability, comparable peer group valuations, exit market conditions and general sector conditions and calibrates its valuation of each investment as appropriate.

Expressed in Canadian dollars (unaudited)

5. Investments (continued)

Unlisted securities (continued)

- For public company warrants, options and conversion features on debt (i.e., the underlying security of which is traded on a recognized stock exchange), valuation models such as Black-Scholes Option Pricing Model are used when there are sufficient and reliable observable market inputs. These market inputs include risk-free interest rate, exercise price, market price at date of valuation, expected dividend yield, expected life of the instrument and expected volatility of the underlying security based on historical volatility. For private company warrants, the underlying security is not traded on a recognized stock exchange, therefore fair value is determined consistent with other investments that do not have an active market, as described above.
- Loans, debentures and promissory notes issued by investees are generally valued at the price at which the instrument was issued. The Company regularly considers whether any indications of deterioration in the value of the underlying business exist, which suggest that the debt instrument will not be fully recovered. The fair value of convertible debentures receivable is measured using valuation techniques including discounted cash flow models and modified Black Scholes Option Pricing Models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment and assumptions provided by Management is required in establishing fair values. Judgements include consideration of inputs such as credit risk, discount rates, volatility, probability of certain triggering events and IPO events, and share prices of private company borrowers. Changes in assumptions relating to these factors could affect the reported fair value of the financial instruments.

The Company may apply a further illiquidity discount to the fair value of an investment if conditions exist that could make it challenging to monetize the investment in the near term at a price indicated by the valuation models. The amount of illiquidity discount applied requires considerable judgment and is based on the facts and circumstances of each investment. The process of valuing investments for which no active market exists is inevitably based on inherent uncertainties, and the resulting values may differ significantly from values that would have been used had a ready market existed for the investments. These differences could be material to the fair value of investments in the portfolio. During the year ended December 31, 2020 and the six months ended June 30, 2021, the reconciliation of investments measured at fair value using unobservable inputs (Level 3) is presented as follows:

Balance - December 31, 2019		2,813,332
Purchases		1,406,904
Change in unrealized gains		1,756,428
Impairment		(759,000)
Balance - December 31, 2020	$	5,217,664
Purchases		102,261
Change in unrealized losses		(396,500)
Balance – June 30, 2021		4,923,425

The table below presents the valuation techniques and the nature of significant inputs used to determine the fair values of the Level 3 investments as at June 30, 2021:

Investment	Method	Inputs
Equity Instruments	Transaction Price	Recent purchase price
Convertible Debt	Black Scholes Option Pricing Model	Market prices, volatility, discount rate

5. Investments (continued)

Unlisted securities (continued)

As at June 30, 2021, if fair values were higher by 2% per annum, the potential effect to the Company would be a decrease in net unrealized losses on portfolio investments by $146,605 (December 31, 2020 - $104,353). If fair values were lower by 2% per annum, the potential effect to the Company would be an increase in net unrealized losses on portfolio investments by $146,605 (December 31, 2020 - $104,353).

6. Convertible debenture receivable

On March 22, 2019, the Company invested in a $500,000 convertible debenture in AgriFORCE. The convertible debenture had an annual interest rate of 12% and matures in five years from the date of issuance. The debenture is convertible based on certain automatic conversion features or at the Company's option until maturity at $1.00 per unit. Each unit includes one common share and one share purchase warrant, exercisable at $2.00 for five years from the issue date.

The Company determined the fair value at initial recognition was $500,000 and $506,904 at December 31, 2019, resulting in a change in fair value of $6,904 recognized in profit and loss during the year ended December 31, 2019.

In February, 2020, the Company received notice from AgriFORCE that the convertible debenture had been converted to 506,904 units of AgriFORCE (500,000 units from the convertible debenture and 6,904 units from the interest). Each unit is comprised of one common share and one common share purchase warrant exercisable at $2.00 per share (Note 5).

During the year ended December 31, 2020, the Company fair valued the convertible debenture receivable to $300,000 that was previously impaired in 2018. The Company recorded a fair value of $370,342 in convertible debenture receivable and change in fair value adjustment. The convertible debenture receivable is due on March 27, 2023.

7. Share capital

Authorized: unlimited number of common shares without par value

Issued and outstanding June 30, 2021: 51,957,878 (December 31, 2020: 38,812,8778) common shares.

On March 30, 2020, the Company consolidated its issued and outstanding share capital on the basis of one post consolidated common share for every two pre-consolidated common shares. No fractional shares were issued, as all fractional shares were rounded to the nearest whole number. All share and per share amounts in these consolidated financial statements are presented on a post-consolidation basis.

On April 30, 2021, the Company announced that it intends to execute a normal course issuer bid ("NCIB") through the facilities of the Canadian Securities Exchange. Under the NCIB, the Company intends to acquire up to 2.59 million common shares in the capital of the Company, representing approximately 5% of its issued and outstanding common shares. As of April 30, 2021, the Company had 51,957,878 common shares issued and outstanding. The normal course issuer bid commenced on May 3, 2021, and will end no later than May 3, 2022. The Company may terminate the NCIB earlier if it feels it is appropriate to do so. During the six months ended June 30, 2021, the Company acquired 123,500 common shares at an average price per share of $0.131 for total cost of $16,475.

7. Share capital (continued)

a) Share issuances

Share issuances during the period ended June 30, 2021

On February 26, 2021 the Company completed a non-brokered private placement whereby it issued 7,595,000 units at a price of $0.079 per unit for gross proceeds of $600,005. Each unit consists of one common share in the capital of the Company and one common share purchase warrant, each warrant entitling the holder to purchase one additional common share of the Company, at an exercise price of $0.105 per share, for a period of five years from the date of issuance.

On March 9,2021 the Company issued 9,000,000 common shares at $0.16 per share for fair value of $1,440,000 in connection with the acquisition of an investment asset pursuant to the terms of a Joint Venture Option Agreement with arms-length vendors to acquire a 100% interest in the Urban Barry Gold Project. by issuing an aggregate of 9,000,000 common shares (issued), paying $1,300,000 over three years, and completing $2,100,000 in exploration expenditures over three years. In addition, a 1% Gross Overriding Royalty has been granted to the vendors, of which ½% can be purchased from the vendors for $1,000,000. The Joint Venture Option Agreement was subsequently assigned to Aurista Exploration Corp. on April 15, 2021 resulting in the Company recording a loss of fair value of investment of $1,240,000 during the period ended June 30, 2021 (Note 5).

On April 23, 2021, the Company cancelled the remaining portion of the TEAM shares that were held in escrow by the Company to be released to the CBIO shareholders on the terms provided in the Company's agreement with the CBIO shareholders dated March 10, 2020. As the Clawback Date of March 1, 2021 has passed and the required gross revenue milestones were not met by CBIO, 3,450,000 common shares were cancelled and returned to treasury (Note 5).

Share issuances during the year ended December 31, 2020

On August 12, 2020, the Company issued 300,000 common shares in connection with a note receivable to CBIO (see note 4).

On May 20, 2020, the Company completed a non-brokered private placement whereby it issued 2,500,000 units at a price of $0.10 per unit for proceeds of $250,000. Each unit consists of one common share in the capital of the Company and one common share purchase warrant entitling the holder to purchase one additional common share of the Company, at an exercise price of $0.35 per share, for a period of one year from the date of issuance. The warrants are subject to an acceleration right that allows the Company to give notice of an earlier expiry date if the Company's share price on the CSE (or such other stock exchange the Company's shares may be trading on) is equal to or greater than $0.60 for a period of 10 consecutive trading days.

On January 15, 2020, the Company completed a non-brokered private placement whereby it issued 5,000,000 units at a price of $0.10 per unit for proceeds of $500,000. Each unit consists of one common share in the capital of the Company and one common share purchase warrant entitling the holder to purchase one additional common share of the Company, at an exercise price of $0.35 per share, for a period of two years from the date of issuance. The warrants are subject to an acceleration right that allows the Company to give notice of an earlier expiry date if the Company's share price on the CSE (or such other stock exchange the Company's shares may be trading on) is equal to or greater than $0.60 for a period of 10 consecutive trading days.

Expressed in Canadian dollars (unaudited)

7. Share capital (continued)

b) Share purchase warrants

The warrant continuity schedule is as follows:

	Number of warrants	Weighted average exercise price
		$
Balance, December 31, 2019	201,500	0.80
Issued	7,500,000	0.35
Expired	(201,500)	0.80
Balance, December 31, 2020	7,500,000	0.35
Issued	7,595,000	0.105
Expired	(2,500,000)	0.35
Balance, June 30, 2021	**12,595,000**	**0.20**
Weighted average remaining contractual life		3.03 years

	Warrants outstanding				Warrants exercisable	
Expiry Date	Exercise Price	Warrants	Weighted Average Exercise Price	Weighted average remaining contractual life (years)	Warrants	Weighted Average Exercise Price
	$		$			$
January 15, 2022	0.35	5,000,000	0.35	0.79	5,000,000	0.35
February 26, 2026	0.105	7,595,000	0.105	4.91	7,595,000	0.105

During the six months ended June 30, 2021, 2,500,000 warrants expired unexercised.

During the year ended December 31, 2020, 201,500 warrants expired for which the fair value of $119,754 was transferred to deficit.

c) Stock options

On May 4, 2020, the Company granted 1,685,000 stock options to directors and consultants of the Company at an exercise price of $0.14 per common share for a period of five years ending May 4, 2025. The stock options vest 25% every three months after the grant date. The fair value of the options was $196,120 determined using Black-Scholes Option Pricing Model with the following assumptions: Risk-free rate of 0.37%; expected life of 5 years, expected volatility of 195% and dividend rate of 0%.

During the six months ended June 30, 2021, the Company recognized share-based payments of $24,701 (2020 - $Nil).

Expressed in Canadian dollars (unaudited)

7. Share capital (continued)

c) Stock options (continued)

The balance of stock options outstanding and exercisable for the six months ended June 30, 2021 is as follows:

	Number of options	**Weighted average exercise price**
		$
Balance, December 31, 2019	1,632,500	0.61
Issued	1,685,000	0.14
Balance, December 31, 2020	3,317,500	0.37
Expired/Cancelled	(1,320,000)	0.29
Balance, June 30, 2021	1,997,500	0.43
Weighted average remaining contractual life		1.85 years

	Options outstanding			**Options exercisable**	
Expiry Date	Exercise Price	Options	Remaining contractual life (years)	Options	Exercise Price $
	$				
December 8, 2021	0.33	762,500	0.44	762,500	0.33
January 11, 2023	0.86	600,000	1.53	600,000	0.86
May 4, 2025	0.14	635,000	3.85	635,000	0.14
Weighted average	0.47	1,997,500		1,997,500	

For options cancelled during the period ended June 30, 2021, the fair value of $368,520 (2020 - $Nil) was transferred to deficit.

d) Reserves

Warrant reserve records fair value of the warrants issued as part of the units in private placement and issued for finders until such time that the warrants are exercised or expired, at which time the corresponding amount will be transferred to share capital. The reserve also records fair value of the warrant issued for services other than finders until such time that the warrants are exercised or expired, at which time the corresponding amount will be transferred to share capital or charged to deficit, respectively.

Option reserve records fair value of the stock options issued for services until such time that the options are exercised or expired, at which time the corresponding amount will be transferred to share capital or charged to deficit, respectively.

8. Related party transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consists of executive and non-executive members of the Company’s Board of Directors and corporate officers.

Key management personnel compensation

During the six months ended June 30, 2021, the Company incurred consulting fees of $33,000 (2020 - $10,000) and salaries of $125,000 (2020 - $Nil) to key management personnel.

8. Related party transactions (continued)

During the six months ended June 30, 2021, compensation to key management personnel included share-based payments of $7,696 (2020 - $Nil).

At June 30, 2021, $5,250 (December 31, 2020 - $10,500) was due to related parties and included in accounts payables.

9. Financial instruments and risk management

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board approves and monitors the risk management processes:

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts and notes receivable. The majority of cash is deposited in bank accounts held with a major bank in Canada. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Credit risk for notes receivable is management by considering the entity to which the loan is

Credit risk (continued)
made and the underlying business. The notes receivable were not past due as at June 30, 2021. Credit risk is assessed low.

Liquidity risk
Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to settle liabilities and obligations when they become due. As at June 30, 2021 the Company had cash and cash equivalents of $599,876 to settle current liabilities of $55,407. Liquidity risk was assessed as high.

Market risk
Market risk consists of currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns. The Company is exposed to certain market risk that the value of, or future cash flows from, the Company's financial assets will significantly fluctuate due to changes in market prices. The value of the financial assets can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is exposed to market risk in trading its investments, and unfavorable market conditions could result in dispositions of investments at less than favorable prices. Additionally, the Company is required to mark to market its fair value through profit or loss investments at the end of each reporting period. This process could result in significant write-downs of the Company's investments over one or more reporting periods, particularly during periods of overall market instability, which would have a significant unfavourable effect on the Company's financial position. The Company manages market risk by having a portfolio which is not singularly exposed to any one issuer or class of issuers. The Board monitors changes in the market on an ongoing basis and adjusts the Company's lending and investing practices and policies when necessary to reduce the impact of the above risks.

Expressed in Canadian dollars (unaudited)

9. Financial instruments and risk management (continued)

The Company's investments include publicly-listed entities that are listed on a CSE. Changes in the fair value of investments designated as fair value through profit and loss are reported in the consolidated statement of income and comprehensive income. The following table shows the estimated sensitivity on the consolidated statement of comprehensive income for the six months ended June 30, 2021 from a change in closing price of the Company's publicly-listed investments, with all other variables held constant as at June 30, 2021:

Percentage of change in closing prices	Change in comprehensive income (net of tax) from % increase in closing price	Change in comprehensive income (net of tax) from % decrease in closing price
5%	$120,342	$(120,342)
10%	$240,685	$(240,685)

Foreign currency risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has no foreign exchange rate risk.

Interest rate and commodity price risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company is not significantly exposed to interest rate or commodity price risk.

Fair value hierarchy
Financial instruments measured at fair value are grouped into three levels, based on the degree to which the fair value is observable:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2- significant observable inputs other than quoted prices included within Level 1; and
- Level 3 – significant unobservable inputs.

There were no transfers between levels of the fair value hierarchy during the six months ended June 30, 2021.

The following is a summary of the Company's financial instruments at fair value as at June 30, 2021:

	Level 1	Level 2	Level 3
	$	$	$
Cash	599,876	-	-
Note receivable	-	-	566,282
Convertible debenture receivable	-	-	370,342
Investments	2,406,845	-	4,923,425
	2,906,721	-	5,860,049

The carrying amounts in the consolidated statements of financial position for other receivables, reclamation deposits and accounts payable, approximate their fair values due to their short-term maturity of these instruments.

10. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure to finance its corporate administration and working capital for projects.

In order to maintain or adjust its capital structure the Company may issue new equity if it is available on favorable terms or finance through debt.

The Company is dependent on capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the markets, by the status of the Company's projects in relation to these markets and by its ability to compete for investor support of its projects. The Company is not subject to externally imposed capital requirements and there were no changes in the Company's management of capital during the six months ended June 30, 2021 or the year ended December 31, 2020. The Company's capital structure consists of cash and shareholders' equity, which is comprised of share capital net of accumulated deficit. In order for the Company to carry out operations and pay for administrative costs, the Company will spend its working capital and intends to raise additional amounts externally as needed.

11. Subsequent events

The following events occurred subsequent to June 30, 2021:

i) The Company acquired 276,500 of common shares at an average price of $0.12 per share as part of the announced NCIB.

ii) On July 12, 2021, the Company issued 5,100,000 common shares in connection with an option agreement with arm's-length vendors to acquire a 100-per-cent interest in Abitibi claims.

iii) On July 27, 2021, 123,500 common shares of the Company were returned to treasury as part of the NCIB.