

**Fire River Gold Corp.**  
**Condensed Interim Financial Statements**  
**April 30, 2021**  
(Expressed in Canadian dollars)

**Fire River Gold Corp.**  
**Condensed Interim Statements of Financial Position**  
(Expressed in Canadian dollars)

	Note	As at April 30, 2021 (Unaudited)	As at October 31, 2020 (Audited)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash		\$ 991,563	\$ 2,115
<b>Total Assets</b>		<b>\$ 991,563</b>	<b>\$ 2,115</b>
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>			
<b>Current Liabilities</b>			
Trade and other payables	4,11	\$ 878,054	\$ 750,078
Loans payable	5	421,071	402,368
<b>Total Liabilities</b>		<b>1,299,125</b>	<b>1,152,446</b>
<b>Shareholders' Deficit</b>			
Common shares	6	39,703,485	39,172,995
Reserves	6	18,456,557	18,029,569
Deficit		(58,467,604)	(58,352,895)
<b>Total Shareholders' Deficit</b>		<b>(307,562)</b>	<b>(1,150,331)</b>
<b>Total Liabilities and Shareholders' Deficit</b>		<b>\$ 991,563</b>	<b>\$ 2,115</b>

Going Concern (Note 1)

Approved by:

“David Bentil”  
\_\_\_\_\_  
Director

“Quinn Field-Dyde”  
\_\_\_\_\_  
Director

# Fire River Gold Corp.

## Condensed Interim Statements of Comprehensive Loss

(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended April 30,		Six months ended April 30,	
		2021	2020	2021	2020
Administration expenses	7	\$ (32,842)	\$ (26,334)	\$ (116,258)	\$ (50,349)
Other item:					
Foreign exchange gain (loss)		691	(902)	1,549	(999)
<b>Net loss for the period</b>		<b>\$ (32,151)</b>	<b>\$ (27,236)</b>	<b>\$ (114,709)</b>	<b>\$ (51,348)</b>
<b>Loss per share</b>					
Basic and diluted	8	\$ (0.004)	\$ (0.009)	\$ (0.022)	\$ (0.016)

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

**Fire River Gold Corp.**  
**Condensed Interim Statements of Cash Flows**  
(Unaudited - Expressed in Canadian dollars)

	Three months ended April 30,		Six months ended April 30,	
	2021	2020	2021	2020
<b>OPERATING ACTIVITIES</b>				
Net loss for the period	\$ (32,151)	\$ (27,236)	\$ (114,709)	\$ (51,348)
Non-cash items:				
Foreign exchange (gain) loss	(531)	902	(1,851)	366
Accrued interest	9,200	8,236	18,703	15,176
Operating cash flows before movements in working capital:				
Change in trade and other payables	55,890	18,074	129,827	(16,730)
<b>Cash provided by (used in) operating activities</b>	<b>32,408</b>	<b>(24)</b>	<b>31,970</b>	<b>(52,536)</b>
<b>FINANCING ACTIVITIES</b>				
Shares issued for cash	1,000,000	-	1,000,000	-
Share issuance costs	(42,522)	-	(42,522)	-
<b>Cash provided by financing activities</b>	<b>957,478</b>	<b>-</b>	<b>957,478</b>	<b>-</b>
<b>Change in cash</b>	<b>989,886</b>	<b>(24)</b>	<b>989,448</b>	<b>(52,536)</b>
Cash, beginning of period	1,677	32,177	2,115	84,689
<b>Cash, end of period</b>	<b>\$ 991,563</b>	<b>\$ 32,153</b>	<b>\$ 991,563</b>	<b>\$ 32,153</b>

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

## Fire River Gold Corp.

### Condensed Interim Statements of Changes in Shareholders' Deficit

(Unaudited - Expressed in Canadian dollars)

	Note	Number of shares	Common shares	Stock option reserve	Warrant reserve	Deficit	Total
Balances at October 31, 2019		3,161,570	\$ 39,172,995	\$ 3,473,677	\$ 14,555,892	\$ (58,192,052)	\$ (989,488)
Net and comprehensive loss for the period		-	-	-	-	(51,348)	(51,348)
<b>Balances at April 30, 2020</b>		<b>3,161,570</b>	<b>\$ 39,172,995</b>	<b>\$ 3,473,677</b>	<b>\$ 14,555,892</b>	<b>\$ (58,243,400)</b>	<b>\$ (1,040,836)</b>
Balances at October 31, 2020		3,161,570	\$ 39,172,995	\$ 3,473,677	\$ 14,555,892	\$ (58,352,895)	\$ (1,150,331)
Shares issued for cash	6	7,142,855	573,012	-	426,988	-	1,000,000
Share issued costs	6	-	(42,522)	-	-	-	(42,522)
Net and comprehensive loss for the period		-	-	-	-	(114,709)	(114,709)
<b>Balances at April 30, 2021</b>		<b>10,304,425</b>	<b>\$ 39,703,485</b>	<b>\$ 3,473,677</b>	<b>\$ 14,982,880</b>	<b>\$ (58,467,604)</b>	<b>\$ (307,562)</b>

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

# **Fire River Gold Corp.**

## **Notes to Condensed Interim Financial Statements**

April 30, 2021  
(Unaudited - Expressed in Canadian dollars)

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### **1 CORPORATE INFORMATION**

Fire River Gold Corp. (the “Company”) was incorporated on September 22, 1997 under the laws of the Province of British Columbia and is a mineral exploration company focused on the acquisition, exploration and development of gold, silver and base metal properties. The Company’s shares are listed on the NEX Board of the TSX Venture Exchange (“Exchange”). Its head office is located at 400 – 837 West Hastings Street, Vancouver, British Columbia, V6C 3N6.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will be able to continue in operation for the foreseeable future, will be able to realize its assets, discharge its liabilities and commitments in the normal course of business. As of April 30, 2021, the Company had no mining or exploration projects. The Company will require capital to fund operations. The application of the going concern concept is dependent upon the Company’s ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. Management is actively engaged in the review and due diligence on new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost cutting measures. There can be no assurance that management’s plan will be successful. If the going concern assumption were not appropriate for these financial statements, then adjustments could be necessary in the carrying value and classification of assets and liabilities. Such adjustments could be material.

In March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, the Company anticipate this outbreak might increase the difficulty in capital raising which may negatively impact the Company’s business and financial condition.

### **2 BASIS OF PREPARATION**

#### **2.1 Basis of presentation**

The Company’s condensed interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value (Note 10) and are presented in Canadian dollars except where otherwise indicated.

These condensed interim financial statements were approved by the board of directors on June 29, 2021.

**Fire River Gold Corp.**  
**Notes to Condensed Interim Financial Statements**  
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**2 BASIS OF PREPARATION (Continued)**

**2.2 Statement of compliance**

The condensed interim financial statements of the Company, including comparatives, have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim financial statements do not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”).

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These condensed interim financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements and should be read in conjunction with the Company’s audited financial statements for the year ended October 31, 2020.

**3.1 Significant accounting judgments, estimates and assumptions**

The preparation of the Company’s condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

**3.2 New accounting pronouncements not yet effective**

There are no other IFRS or International Financial Reporting Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on the Company’s condensed interim financial statements.

**4 TRADE AND OTHER PAYABLES**

The Company’s trade and other payables are as follows:

	<b>As at April 30, 2021</b>	<b>As at October 31, 2020</b>
Trade payables (Note 11)	\$ 820,830	\$ 681,946
Accrued liabilities	57,224	68,132
<b>Total trade and other payables</b>	<b>\$ 878,054</b>	<b>\$ 750,078</b>

Included in trade and other payables are amounts due to related parties which are disclosed in Note 11.

**Fire River Gold Corp.**  
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**5 LOANS PAYABLE**

During the year ended October 31, 2019, the Company owed \$300,000 (2018: \$300,000) to non-related parties. The promissory notes bear interest at the rate of 10% per annum and compounding annually (Note 7). The promissory notes were due and payable on or before April 19, 2019. As at April 30, 2021, the balance outstanding including accrued interest of \$400,311 (October 31, 2020: \$382,310) is in default.

During the year ended October 31, 2020, the Company received loan of \$20,000 from a non-related party. The loan bears interest at the rate of 7% per annum (Note 7) and due and payable on or before October 16, 2021. As at April 30, 2021, the balance outstanding including accrued interest is \$20,760 (October 31, 2020: \$20,058).

**6 SHARE CAPITAL**

**6.1 Authorized share capital**

The Company has authorized an unlimited number of common shares with no par value. At April 30, 2021, the Company had 10,304,425 common shares outstanding (October 31, 2020: 3,161,570).

**6.2 Share issuances**

On March 11, 2021, the Company closed a non-brokered private placement, consisting of 7,142,855 units at a price of \$0.14 per unit for total proceeds of \$1,000,000. Each unit comprise of one common share and one common share purchase warrant of the Company. Each warrant will be exercisable into one common share of the Company at an exercise price of \$0.185 with a 12-month expiry. In connection with this issuance, the Company incurred \$42,522 share issuance costs.

No shares were issued during the year ended October 31, 2020.

**6.3 Share purchase warrants**

The Company's share purchase warrant transactions are summarized as follows:

	Number of warrants	Weighted average exercise price
		\$
Balance, October 31, 2019 and 2020	-	-
Issued	7,142,855	0.185
<b>Balance, April 30, 2021</b>	<b>7,142,855</b>	<b>0.185</b>

The following summarizes information about share purchase warrants outstanding and exercisable as at April 30, 2021:

Expiry date	Outstanding and exercisable	Exercise price	Weighted average remaining contractual life, in years
March 11, 2022	7,142,855	\$ 0.185	0.86



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**6 SHARE CAPITAL (Continued)**

**6.3 Share purchase warrants (continued)**

In connection with shares issuance on March 11, 2021, pursuant to a non-brokered private placement, the Company issued 7,142,855 share purchase warrants with a fair value of \$426,988. Each warrant will be exercisable into one common share of the Company at an exercise price of \$0.185 until March 11, 2022. The fair value of the warrants was calculated using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 0.26%, expected life of 1 year, volatility of 208% and no expected dividends. The fair value is recorded under warrants reserve.

There were no share purchase warrants issued and outstanding during the year ended October 31, 2020.

**6.4 Stock options**

The Company established a share purchase option plan whereby the Board may from time to time grant stock options to directors, officers, employees or consultants up to 1,030,443 shares at any time. Options granted must be exercised no later than ten years from date of grant or such lesser period as determined by the Company's board of directors. The exercise price of an option will be set by the Board of Directors at the time such option is granted and cannot be less than the closing market price on the Exchange on the last trading day preceding the grant date, less any allowable discounts that may be permitted under applicable exchange policies.

There were no stock options issued and outstanding during the six months ended April 30, 2021 and year ended October 31, 2020.

**6.5 Reserves**

**Stock option reserve**

The stock option reserve records items recognized as share-based payments expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

**Warrant reserve**

The warrant reserve records the fair value of the warrants issued for services until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

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**7 ADMINISTRATION EXPENSES**

The administration expenses for the Company are broken down as follows:

	Three months ended April 30,		Six months ended April 30,	
	2021	2020	2021	2020
Accounting	\$ 628	\$ 1,012	\$ 628	\$ 1,012
Consulting (Note 11)	15,750	15,750	31,500	31,500
Filing fees	11,961	1,312	17,310	2,625
Interest expense (Note 5)	9,200	8,236	18,703	15,176
Bank charges	51	24	69	36
Office expenses	2,113	-	7,025	-
Legal expenses	(6,861)	-	41,023	-
<b>Total administration expenses</b>	<b>\$ 32,842</b>	<b>\$ 26,334</b>	<b>\$ 116,258</b>	<b>\$ 50,349</b>

**8 LOSS PER SHARE**

The calculation of basic and diluted loss per share is based on the following data:

	Three months ended April 30,		Six months ended April 30,	
	2021	2020	2021	2020
Net loss for the period	\$ (32,151)	\$ (27,236)	\$ (114,709)	\$ (51,348)
Weighted average number of shares - basic and diluted	7,174,410	3,161,570	5,134,734	3,161,570
<b>Loss per share, basic and diluted</b>	<b>\$ (0.004)</b>	<b>\$ (0.009)</b>	<b>\$ (0.022)</b>	<b>\$ (0.016)</b>

**9 CAPITAL MANAGEMENT**

The Company's objectives are to safeguard its ability to continue as a going concern in order to support its normal operating requirements. The Company is dependent on external financing to fund its activities. In order to pay for general administration costs, the Company will issue shares or debt. The Company will continue to assess new properties and seek to acquire an interest in additional properties if there is sufficient geologic or economic potential and if adequate financial resources are available. As at April 30, 2021, the Company's capital structure consists of the equity of the Company (Note 6). The Company is not subject to any externally imposed capital requirements. There were no changes in the Company's approach to capital management.

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**10 FINANCIAL INSTRUMENTS**

**10.1 Categories of financial instruments**

	<b>As at April 30, 2021</b>	<b>As at October 31, 2020</b>
<b>FINANCIAL ASSETS</b>		
<b>Amortized cost</b>		
Cash	\$ 991,563	\$ 2,115
<b>Total financial assets</b>	<b>\$ 991,563</b>	<b>\$ 2,115</b>
<b>FINANCIAL LIABILITIES</b>		
<b>Amortized cost</b>		
Trade and other payables	\$ 878,054	\$ 750,078
Loans payable	421,071	402,368
<b>Total financial liabilities</b>	<b>\$ 1,299,125</b>	<b>\$ 1,152,446</b>

**10.2 Fair value**

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

There were no transfers between Level 1 and 2 during the six months ended April 30, 2021 and year ended October 31, 2020. Cash is measured using Level 1 inputs.

**10.3 Management of financial risks**

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk and currency risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

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**10 FINANCIAL INSTRUMENTS (Continued)**

**10.3 Management of financial risks (continued)**

**Credit risk**

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on the cash balance at the bank. The majority of the Company's cash is held in Canadian based banking institutions, authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. As such, management determines credit risk to be low.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities. Liquidity risk is assessed as high.

**Interest rate 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. The interest rate of the loans payable is fixed. Therefore, the Company's exposure to interest rate risk is minimal.

**Currency risk**

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 is not exposed to currency risk.

**11 RELATED PARTY TRANSACTIONS**

The remuneration of directors and other members of key management for the three and six months ended April 30, 2021 and 2020 are as follows:

	<b>Three months ended April 30,</b>		<b>Six months ended April 30,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Consulting fees (Note 7)	\$ -	\$ 15,750	\$ 5,250	\$ 31,500

Included in trade and other payables is \$197,135 (October 31, 2020: \$136,500) owing to companies controlled by a former officer and director of the Company (Note 4). The amounts payable to related parties are non-interest bearing, unsecured and with no fixed terms of repayment.

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(Unaudited - Expressed in Canadian dollars)

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**12 PROPOSED BUSINESS COMBINATION**

On April 1, 2021, the Company entered into a definitive agreement with Yummy Bear Goods Inc. (“Yummy Bear”), whereby the Company will purchase all of the issued and outstanding shares of Yummy Bear in exchange for 22,000,000 common shares of the Company. The transaction will be affected by way of a statutory amalgamation between Yummy Bear and a newly formed wholly owned subsidiary of the Company and is subject to a number of conditions including receipt of all necessary shareholder and regulatory approvals, as well as the completion of an equity financing in an amount not less than \$2,000,000, the terms of which will be announced prior to closing of the Transaction.

Yummy Bear is a health-conscious low sugar alternative confectionary company based in Vancouver BC and has developed a portfolio of healthy vegan, low sugar and sugar alcohol free candies made from natural ingredients with proprietary recipes. All of its products are free of soy, gluten, nuts, sugar alcohols and genetically modified organisms.

As at June 29, 2021, the transaction was not yet completed.