
NEXCO RESOURCES INC

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
FEBRUARY 28, 2021

(Expressed in Canadian Dollars)

Notice of No Auditor Review of Condensed Interim Financial Statements

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

The accompanying unaudited condensed interim financial statements of the Company for the six months ended February 28, 2021 have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed interim financial statements.

NEXCO RESOURCES INC.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	February 28, 2021	August 31, 2020
Assets		
Current		
Cash	\$ 1,721,830	\$ 146,205
Prepaid expenses and deposits	-	3,715
Amounts receivable	46,809	4,870
	1,768,639	154,790
Advances (Note 1)	1,534,905	-
Exploration and Evaluation Asset (Note 5)	174,595	174,595
	\$ 3,478,139	\$ 329,385
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 7)	94,473	37,535
Equity		
Share Capital (Note 6)	3,979,738	875,394
Contributes surplus	640,582	315,827
Deficit	(1,236,654)	(899,371)
	3,383,666	291,850
	\$ 3,478,139	\$ 329,385

NATURE OF OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the Board on April 29, 2021.

/s/ "Zayn Kalyan" Director /s/ "Brandon Rook" Director

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

NEXCO RESOURCES INC.
STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Three Months Ended February 28/29,		Six Months Ended February 28/29,	
	2021	2020	2021	2020
	\$	\$	\$	\$
General and administration				
Consulting fees	42,672	3,000	162,475	6,000
Interest	5,293	-	5,293	-
Marketing	45,860	-	45,860	-
Office and general	561	63	5,681	1,221
Professional fees	63,504	14,273	67,096	16,885
Rent	22,429	7,250	34,645	14,750
Transfer agent and filing fees	5,188	6,216	13,921	9,752
Travel	-	1,095	2,312	2,571
Net and comprehensive loss	(185,507)	(31,897)	(337,283)	(51,179)
Basic and Diluted Loss Per Common Share	(0.01)	(0.01)	(0.02)	(0.01)
Weighted Average Number of Common Shares Outstanding	25,340,189	18,428,000	18,077,602	18,428,000

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NEXCO RESOURCES INC.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

Six Months Ended February 29, 2020					
	Common Shares		Contributed Surplus	Deficit	Equity
	# of Shares	Amount			
Balance, September 1, 2019	9,214,000	\$ 875,394	\$ 315,827	\$ (787,034)	404,187
Net loss for the period	-	-	-	(51,179)	(51,179)
Balance, February 29, 2020	9,214,000	\$ 875,394	\$ 315,827	\$ (838,213)	353,008

Six Months Ended February 28, 2021					
	Common Shares		Contributed Surplus	Deficit	Equity
	# of Shares	Amount			
Balance, September 1, 2020	9,214,000	\$ 875,394	\$ 315,827	\$ (899,371)	291,850
Private placements, net	26,398,666	3,104,344	324,755	-	3,429,099
Net loss for the period	-	-	-	(337,283)	(337,283)
Balance, February 28, 2021	35,612,666	\$ 3,979,738	\$ 640,582	\$ (1,236,654)	3,383,666

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

NEXCO RESOURCES INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Six Months Ended February 28/29	
	2021 \$	2020 \$
Cash Flows from Operating Activities		
Net loss for the period	(337,283)	(51,179)
Changes in non-cash working capital items		
Decrease in prepaid expenses and deposits	3,715	-
Increase in accounts receivable	(41,939)	(2,173)
Increase in accounts payable and accrued liabilities	56,938	3,117
	(318,569)	(50,235)
Cash Flows from Investing Activities		
Advances (Note 1)	(1,534,905)	-
Cash Flows from Financing Activities		
Proceeds from private placements, net	3,429,099	-
Change in Cash During the Period	1,575,625	(50,235)
Cash, Beginning of Period	146,205	235,396
Cash, End of Period	1,721,830	185,161
Cash Paid During the Period for Interest	-	-
Cash Paid During the Period for Income Taxes	-	-

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

NEXCO RESOURCES INC.**Notes to the Unaudited Condensed Interim Financial Statements****For the six month period ended February 28, 2021**(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Nexco Resources Inc. ("the Company") was incorporated on December 14, 2012 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is suite 750-1095 W Pender Street, Vancouver, British Columbia, Canada. The Company's principal business activities include the acquisition and exploration of mineral property assets. As at February 28, 2021, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

Effective August 19, 2020, the Company consolidated all its issued and outstanding share capital on a basis of one post-consolidated share for two pre-consolidated shares. All share and per share amounts in these financial statements have been retroactively adjusted to reflect this share consolidation.

On November 30, 2020, the Company entered into a Letter of Intent ("LOI") with SymptomSense, LLC ("SymptomSense"). Pursuant to the LOI, the Company proposes to purchase all of the issued and outstanding securities of SymptomSense (the "Transaction"). Upon completion of the Transaction, SymptomSense will become a wholly owned subsidiary of the Company and the Company will carry on the business of SymptomSense. The Transaction will constitute a Fundamental Change of the Company in accordance with the policies of the Canadian Securities Exchange. As a consideration, the Company will issue 13,000,000 common shares on the closing and 40,000,000 common shares based on certain revenue earn-out milestones to the shareholders of SymptomSense. Pursuant to the LOI, prior to the closing of the transaction the Company will complete a concurrent financing to raise \$3,000,000 gross proceeds at a price of \$0.15 per share. In addition, the Company intends to provide a secured bridge loan of US\$2,000,000 to SymptomSense which will be secured against all present and after acquired property of SymptomSense. On December 8, 2020, the Company advanced US\$200,000 to SymptomSense and on January 5, 2021 the Company advanced US\$1,000,000 to SymptomSense.

Pursuant to the LOI, on Dec 31, 2020, the Company closed a first tranche of a non-brokered private placement and issued an aggregate of 12,423,000 units (each, a "Unit") in the capital of the Company at a purchase price of \$0.15 per Unit. Each Unit consists of one common share (a "Common Share") of the Company and one half of one transferable Common Share purchase warrant (a "Warrant"). Each Warrant is exercisable to purchase an additional Common Share (a "Warrant Share") of the Company at an exercise price of \$0.30 per Warrant Share until December 31, 2022. A total of 12,423,000 common shares and 6,211,500 share purchase warrants have been issued. The Common Shares are subject to a four-month hold period expiring on May 1, 2021. Finder's fees of \$149,076.00 were paid and 993,840 brokers' warrants were issued, at an exercise price of \$0.20, exercisable until December 31, 2022. On January 20, 2021 the Company completed the second and final tranche of a non-brokered private placement and issued an aggregate of 10,576,666 units (each, a "Unit") in the capital of the Company at a purchase price of \$0.15 per Unit. Each Unit consists of one common share (a "Common Share") of the Company and one half of one transferable Common Share purchase warrant (a "Warrant"). Each Warrant is exercisable to purchase an additional Common Share (a "Warrant Share") of the Company at an exercise price of \$0.30 per Warrant Share until January 20, 2023. A total of 10,576,666 common shares and 5,288,333 share purchase warrants have been issued. The Common Shares are subject to a four-month hold period expiring on May 21, 2021. Finder's fees of \$126,499.90 were paid and 843,333 broker warrants were issued, at an exercise price of \$0.20 and exercisable until January 20, 2023.

NEXCO RESOURCES INC.**Notes to the Unaudited Condensed Interim Financial Statements****For the six month period ended February 28, 2021**(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS (continued)

The Company had a deficit of \$1,236,654 as at February 28, 2021, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

2. BASIS OF PRESENTATION

These unaudited condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended August 31, 2020, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these unaudited condensed interim financial statements are consistent with those applied in the Company's audited financial statements for the year ended August 31, 2020. The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

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

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

NEXCO RESOURCES INC.**Notes to the Unaudited Condensed Interim Financial Statements****For the six month period ended February 28, 2021**(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (continued)*Significant accounting estimates*

- i. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable; and
- ii. the inputs used in accounting for share-based payments.

Significant accounting judgments

- i. the measurement of deferred income tax assets and liabilities;
- ii. the determination of categories of financial assets and financial liabilities; and
- iii. the evaluation of the Company's ability to continue as a going concern.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Company in these unaudited condensed interim financial statements are the same as those applied to the audited financial statements as at and for the year ended August 31, 2020.

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

5. EXPLORATION AND EVALUATION ASSET

	Acquisition costs	Exploration costs	Total
	\$	\$	\$
Balance, August 31, 2017	30,250	162,208	192,458
BC mining tax credit	-	(17,863)	(17,863)
Balance, August 31, 2020 and February 28, 2021	30,250	144,345	174,595

Berger Property

Pursuant to an initial and amended option agreements (the "Agreement") dated August 21, 2014 and July 31, 2015, with the Optionor, the Company was granted an option to acquire a 100% undivided interest in the Berger Property (the "Property") which consists of 2 mining claims located in the Kamloops Mining District of British Columbia.

In accordance with the Agreement, the Company has acquired a 100% undivided interest in the Property by issuing a total of 100,000 common shares and making cash payment of \$12,000.

The Optionor will retain a 2% Net Smelter Returns ("NSR") royalty on the Property. The Company has the right to purchase the NSR at a purchase price of \$1,000,000 per percentage point during the 5 year period commencing from the date upon which the Property is put into commercial production.

NEXCO RESOURCES INC.**Notes to the Unaudited Condensed Interim Financial Statements****For the six month period ended February 28, 2021**(Expressed in Canadian dollars)

6. SHARE CAPITAL**a) Authorized:**

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and Outstanding:

As at February 28, 2021 – 35,612,666 (August 31, 2020 – 9,241,000) common shares were issued and outstanding.

c) Financings

- 1) On October 16, 2020, the Company completed a non-brokered private placement (the "Private Placement") of units, issuing an aggregate of 3,399,000 units (each, a "Unit") in the capital of the Company at a purchase price of \$0.075 per Unit for gross proceeds of \$254,925. Each Unit consists of one common share (a "Common Share") of the Company and one Common Share purchase warrant (a "Warrant"). Each Warrant is exercisable to purchase an additional Common Share (a "Warrant Share") of the Company at an exercise price of \$0.15 per Warrant Share and expire on October 16, 2023.
- 2) On December 31, 2020, the Company completed a non-brokered private placement (the "Private Placement") of units, issuing an aggregate of 12,423,000 units (each, a "Unit") in the capital of the Company at a purchase price of \$0.15 per Unit for gross proceeds of \$1,863,450. Each Unit consists of one common share (a "Common Share") of the Company and one half of one transferable Common Share purchase warrant (a "Warrant"). Each Warrant is exercisable to purchase an additional Common Share (a "Warrant Share") of the Company at an exercise price of \$0.30 per Warrant Share until December 31, 2022. Finder's fees of \$149,076.00 were paid and 993,840 brokers' warrants were issued, at an exercise price of \$0.20, exercisable until December 31, 2022. The fair value of the brokers' warrants was \$175,680 and was estimated using the Black-Scholes pricing model with the following assumptions:

Risk free interest rate	0.2%
Expected life	2 years
Expected volatility	109%
Expected dividends	0%

- 3) On January 20, 2021, the Company completed a non-brokered private placement (the "Private Placement") of units, issuing an aggregate of 10,576,666 units (each, a "Unit") in the capital of the Company at a purchase price of \$0.15 per Unit for gross proceeds of \$1,586,500. Each Unit consists of one common share (a "Common Share") of the Company and one half of one transferable Common Share purchase warrant (a "Warrant"). Each Warrant is exercisable to purchase an additional Common Share (a "Warrant Share") of the Company at an exercise price of \$0.30 per Warrant Share until December 31, 2022. Finder's fees of \$126,500 were paid and 843,333 brokers' warrants were issued, at an exercise price of \$0.20, exercisable until January 20, 2021. The fair value of the brokers' warrants was \$149,075 and was estimated using the Black-Scholes pricing model with the following assumptions:

Risk free interest rate	0.2%
Expected life	2 years
Expected volatility	109%
Expected dividends	0%

NEXCO RESOURCES INC.
Notes to the Unaudited Condensed Interim Financial Statements
For the six month period ended February 28, 2021
(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

d) Stock Option Plan:

The Company has adopted a 10% rolling incentive stock option plan, which provides that the Board of the Director may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options ("Options") to purchase up to 10% of the issued and outstanding common shares of the Company at the date of grant. In addition, no Options may be granted under the stock option plan if the number of common shares, calculated on a fully diluted basis, issued within 12 months to (i) related persons, exceeds 10% of the outstanding common shares of the Company, or (ii) a related person and the associates of the related person, exceeds 5% of the outstanding common shares of the Company. During the six month period ended February 28, 2021 the Company did not grant any stock options. The following table summarizes stock option transactions:

	Number of options	Weighted average exercise price \$
Outstanding, August 31, 2020	100,000	0.30
Cancelled	(100,000)	(0.30)
Outstanding, February 28, 2021	-	-

e) Warrants:

During the six months ended February 28, 2021, the Company issued 14,898,833 Warrants and 1,837,173 Brokers' Warrants. The following table summarizes warrant transactions:

	Number of warrants	Weighted average exercise price \$
Outstanding, August 31, 2020	4,269,500	0.20
Issued	16,736,006	0.26
Outstanding, February 28, 2021	21,005,506	0.25

The following table summarizes the warrants outstanding and exercisable as at February 28, 2021:

Exercise price	Number of warrants	Exercisable	Expiry date
\$ 0.20	4,269,500	4,269,500	April 16, 2022
\$ 0.15	3,399,000	3,399,000	October 16, 2023
\$ 0.30	6,211,500	-	December 31, 2022
\$ 0.20	993,840	-	December 31, 2022
\$ 0.30	5,288,333	-	January 20, 2023
\$ 0.20	843,333	-	January 20, 2023
	21,005,506	7,668,500	

NEXCO RESOURCES INC.**Notes to the Unaudited Condensed Interim Financial Statements****For the six month period ended February 28, 2021**(Expressed in Canadian dollars)

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

During the six months ended February 28, 2021, \$42,500 was paid to the chief executive officer and \$5,000 was paid to a director of the Company, or paid to companies under their control. As at February 28, 2021, there was \$Nil owing to any related parties.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at February 28, 2021 are as follows:

Fair Value Measurements Using				
	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	\$	\$	\$	\$
Cash	1,721,830	-	-	1,721,830

NEXCO RESOURCES INC.**Notes to the Unaudited Condensed Interim Financial Statements****For the six month period ended February 28, 2021**(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. 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.

(i) Currency risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company places these instruments with a high quality financial institution.

(iv) Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.