

High Point Exploration Inc.
CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
For the Nine Months Ended January 31, 2021 and 2020
(Expressed in Canadian Dollars)

These unaudited condensed interim financial statements of High Point Exploration Inc. for the nine months ended January 31, 2021, have been prepared by management and approved by the Board of Directors. These unaudited condensed interim financial statements have not been reviewed by the Company's external auditors.

High Point Exploration Inc.

Condensed Interim Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

	Notes	January 31, 2021	April 30, 2020
ASSETS			
Current assets			
Cash		\$ 471,971	\$ 195,484
GST receivable		9,299	881
		481,270	196,365
Exploration and evaluation assets	4	228,050	93,395
TOTAL ASSETS		\$ 709,320	\$ 289,760
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities		31,307	\$ 35,045
Due to related party	6	11,576	21,745
TOTAL LIABILITIES		\$ 42,883	\$ 56,790
SHAREHOLDERS' EQUITY			
Share capital	5	790,829	301,467
Deficit		(124,392)	(68,497)
TOTAL SHAREHOLDERS' EQUITY		666,437	232,970
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 709,320	\$ 289,760

Nature and continuance of operations (Note 1)

Approved by the Board of Directors and authorized for issue on March 26, 2021:

"Jeremy Ross"

Jeremy Ross, Director

"Andrew Bowering"

Andrew Bowering, Director

See accompanying notes to the condensed interim financial statements.

High Point Exploration Inc.

Condensed Interim Statement of Statement of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

	Three months ended January 31,		Nine months ended January 31,	
	2021	2020	2021	2020
Expenses				
Management fees	\$ 7,500	\$ -	\$ 29,000	\$ -
Office and general	24	-	100	-
Professional fees	4,815	8,295	16,112	15,845
Regulatory fees	2,344	603	10,683	7,229
	\$ (14,683)	\$ (8,898)	\$ (55,895)	\$ (23,074)
Loss and comprehensive loss for the period	\$ (14,683)	\$ (8,898)	\$ (55,895)	\$ (23,074)
Loss per share – basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding	32,959,282	5,759,282	24,716,529	2,796,174

See accompanying notes to the condensed interim financial statements.

High Point Exploration Inc.Condensed Interim Statement of Shareholder's Equity
(Unaudited - Expressed in Canadian Dollars)

		Share capital				
	Notes	Number of shares	Amount		Deficit	Total
Balance at April 20, 2019		1	\$ 1	\$	-	\$ 1
Cancellation of common shares		(1)	(1)		-	(1)
Issuance of common shares for property		5,759,282	92,063		-	92,063
Share issue costs			(3,000)			
Loss for the period		-	-		(23,074)	23,074
Balance at January 31, 2020		5,759,282	\$ 89,063	\$	(23,074)	\$ 68,989
Balance at April 30, 2020		7,959,282	\$ 301,467		(68,497)	\$ 232,970
Issuance of common shares for cash	5	25,000,000	500,000		-	500,000
Share issue costs	5	-	(10,638)		-	(10,638)
Loss for the period		-	-		(55,895)	(55,895)
Balance at January 31, 2021		32,959,282	\$ 790,829		(124,392)	\$ 666,437

See accompanying notes to the condensed interim financial statements.

High Point Exploration Inc.

Condensed Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	Nine months ended January 31,	
	2021	2020
Operating activities		
Loss for the period	\$ (55,895)	\$ (23,074)
Changes in non-cash working capital items:		
GST receivable	(8,418)	(459)
Accounts receivables	-	(1,089)
Accounts payable and accrued liabilities	(3,738)	2,250
Net cash flows used in operating activities	(68,051)	(22,372)
Investing activities		
Exploration and evaluation assets	(134,655)	-
Net cash flows used in investing activities	(134,655)	-
Financing activities		
Proceeds from issuance of shares	500,000	-
Share issue costs	(10,638)	(3,000)
Loan from related party	(10,169)	25,372
Net cash flows from financing activities	479,193	22,372
Change in cash	276,487	-
Cash, beginning	195,484	-
Cash, ending	\$ 471,971	\$ -

High Point Exploration Inc.

Notes to the Condensed Interim Financial Statements
For the Nine Months Ended January 31, 2021 and 2020
(Unaudited - Expressed in Canadian Dollars)

1. Nature of operations and going concern

High Point Exploration Inc. (the "Company") was incorporated on September 27, 2018, under the laws of the Province of British Columbia, Canada. On September 20, 2019, the Company completed a plan of arrangement (the "Arrangement") with its former parent, Waraba Gold Limited ("Waraba") formerly known as Zenith Exploration Inc. ("Zenith"), whereby the Mantle property was transferred to the Company, Waraba's one common share in the Company was cancelled and 5,759,282 common shares were issued to the shareholders of Waraba.

The Company is a resource exploration company that is acquiring and exploring mineral properties. The head office, principal address, records office and registered address of the Company are located at 1080 - 789 West Pender Street, Vancouver BC.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. At January 31, 2021, the Company had not yet achieved profitable operations, had accumulated losses of \$124,392 (April 30, 2020 - \$68,497) since its inception and expects to incur further losses in the development of its property, all of which casts significant doubt about the Company's ability to continue as a going concern. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon the successful results from its business activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from coronavirus (COVID-19). The Company continues to operate its business and move its exploration activity forward at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in future periods.

2. Basis of preparation

These condensed interim financial statements were approved and authorized for issue on March 26, 2021 by the directors of the Company.

Statement of compliance with International Financial Reporting Standards

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting.

Basis of measurement

These condensed interim financial statements of the Company have been prepared on a historical cost basis except for certain financial instruments classified as fair value through profit and loss, which are stated at their fair values. In addition, these financial statements have been prepared using the accrual basis of accounting and are presented in Canadian dollars unless otherwise specified.

High Point Exploration Inc.

Notes to the Condensed Interim Financial Statements
For the Nine Months Ended January 31, 2021 and 2020
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2. Basis of preparation (cont'd)

Use of estimates and judgements

The preparation of the Company's condensed interim financial statements in conformity with IFRS requires management to make estimates and assumptions concerning the future. 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.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

- i) **Going concern**
Management has determined that the Company will be able to continue as a going concern for the next year.
- ii) **Economic recoverability and probability of future benefits of exploration and evaluation costs**
Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

3. Significant Accounting Policies

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the year ended April 30, 2020 and have been consistently followed in the preparation of these condensed interim financial statements.

Other accounting pronouncements with future effective dates are either not applicable or are not expected to have a material impact on the Company's financial statements.

4. Exploration and evaluation assets

Mantle Property

On September 20, 2019, the Company received a 100% interest in the mineral property Mantle, located in British Columbia, from its former parent, Waraba. The property is subject to a 1% net smelter return royalty.

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4. Exploration and evaluation assets(cont'd)

At January 31, 2021, the total value of the Mantle Property was \$228,050.

Property acquisition costs		
Balance, beginning	\$	92,063
Balance, ending		92,063
Exploration and evaluation costs		
Balance, beginning		1,332
Costs incurred during the period		134,655
Balance, ending		135,987
Total	\$	228,050

5. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At January 31, 2021, the Company has 32,959,282 (April 30, 2020 – 7,959,282) common shares issued and outstanding.

On July 31, 2020, the Company closed a non-brokered private placement of 25,000,000 units at a price of \$0.02 per common shares for gross proceeds of \$500,000. Each unit is comprised of one common share of the Company and one transferable common share purchase warrant, whereby each warrant entitles the holder thereof to acquire one additional common share of the Company for a total period of five years from the date of issuance at a price of \$0.05 per warrant share. In connection with the closure of the non-brokered private placement, the Company incurred \$10,638 in share issuance costs. The Company received the proceeds on August 5, 2020.

There were no outstanding stock options as of January 31, 2021 and April 30, 2020.

Warrants

In connection with the July 31, 2020 private placement, the Company closed a non-brokered private placement and granted 25,000,000 purchase warrants. Each fully vested and exercisable into a one common share of the Company at a price of \$0.05 for five years from the date of the grant. The fair value of warrants was determined using the Black- Sholes pricing model with the following weighted average assumptions:

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5. Share capital(cont'd)

	January 31, 2021
Expected life of warrants	5 years
Annualized volatility	113.61%
Risk-free interest rate	0.29%
Dividend rate	0%

Purchase warrants exercisable at January 31, 2021, are as follows:

Number of Warrants	Exercise Price	Expiry date	Warrants exercisable
25,000,000	\$ 0.05	July 31, 2025	25,000,000

The weighted average remaining contractual life of outstanding purchase warrants is 4.50 years. The weighted average price of the purchase warrants is \$0.01.

6. Due to related party

During the period ended January 31, 2021, remuneration of the Company's key management (current and former directors), consisted of management fees in the amount of \$29,000 (2019 - \$Nil).

As at January 31, 2021, \$11,576 (April 30, 2020 - \$21,745) was due to the former directors of the Company. The amounts are non-interest bearing, unsecured and due on demand.

7. Financial risk and capital management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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 is not exposed to credit risk.

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 ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been advances from a related party that generates such funds through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

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7. Financial risk and capital management (cont'd)

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 Company is not exposed to interest rate risk.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

Fair value

The Company's financial instruments consist of amounts receivable, accounts payable and accrued liabilities and due to related party. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these investments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.