
MANSA EXPLORATION INC.
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2021

MANSA EXPLORATION INC.
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FOR THE PERIOD ENDED MARCH 31, 2021
(Expressed in Canadian Dollars)

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NOTICE OF NO AUDITOR REVIEW OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

MANSA EXPLORATION INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	March 31, 2021	December 31, 2020
	\$	\$
ASSETS		
CURRENT		
Cash	239,264	364,178
Sales taxes receivable	3,573	5,920
Prepaid expense	5,670	-
Total current assets	248,507	370,098
Long-term prepaid asset	25,000	25,000
Exploration and evaluation assets (Note 5)	475,101	438,356
TOTAL ASSETS	748,608	833,454
LIABILITIES		
CURRENT		
Accounts payable and accrued expenses (Notes 6 and 7)	16,752	117,304
TOTAL LIABILITIES	16,752	117,304
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	1,393,954	1,201,954
Reserves (Note 8)	31,000	31,000
Deficit	(693,098)	(516,804)
TOTAL SHAREHOLDERS' EQUITY	731,856	716,150
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	748,608	833,454

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
GOING CONCERN (Note 2)
COMMITMENTS AND CONTINGENCIES (Note 5)
SUBSEQUENT EVENTS (Note 12)

Approved on behalf of the Board:

/s/ Trumbull Fisher
Director

/s/ Ryan Cheung
Director

MANSA EXPLORATION INC.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Share Capital		Reserves	Deficit	Total
	Deficit	Amount			
		\$	\$	\$	\$
Balance, December 31, 2019	13,454,245	689,175	-	(435,721)	253,454
Net income and comprehensive income for the period	-	-	-	5,103	5,103
Balance, March 31, 2020	13,454,245	689,175	-	(430,618)	258,557
Balance, December 31, 2020	19,979,245	1,201,954	31,000	(516,804)	716,150
Shares issued for debt	400,000	40,000	-	-	40,000
Share-based compensation	1,600,000	152,000	-	-	152,000
Net loss and comprehensive loss for the period	-	-	-	(176,294)	(176,294)
Balance, March 31, 2021	21,979,246	1,393,954	31,000	(693,098)	731,856

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

MANSA EXPLORATION INC.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
	\$	\$
EXPENSES		
Consulting (Note 6)	3,000	-
Office and administration	3,416	117
Professional fees (Note 6 and 7)	3,200	2,280
Filing fees	14,678	-
Write-off sales tax receivable	-	-
Share-based compensation	152,000	-
Debt forgiveness	-	(7,500)
Net profit (loss) and comprehensive profit (loss) for the period	(176,294)	5,103
Basic and diluted earnings (loss) per common share	(0.001)	0.00
Weighted average number of common shares outstanding – basic and diluted	21,432,578	13,454,246

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

MANSA EXPLORATION INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
	\$	\$
OPERATING ACTIVITIES		
Net profit (loss) and comprehensive loss	(176,294)	5,103
Share-based compensation	152,000	-
Debt forgiveness	-	(7,500)
Changes in non-cash working capital items:		
Sales taxes receivable	2,347	-
Prepaid expenses	(5,670)	-
Accounts payable and accrued expenses	(60,552)	(9,040)
Net cash (used) in operating activities	(88,169)	(11,437)
INVESTING ACTIVITIES		
Exploration and evaluation	(36,745)	-
Net change in cash	(124,914)	(11,437)
Cash, beginning of the year	364,178	36,373
Cash, end of the year	239,264	24,936

MANSA EXPLORATION INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2021
(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Mansa Exploration Inc. (the "Company") was incorporated on June 10, 2016 under the laws of British Columbia. The head office, principal address, records office, and registered address of the Company is located at 401-217 Queen Street West, Toronto, Ontario, M5V 0R2. On December 21, 2020, the Company's common shares began trading publicly on the Canadian Stock Exchange under the stock symbol "MANS".

The Company's principal business activities include the acquisition and exploration of mineral property assets located in British Columbia, Canada. The Company entered into an option agreement to acquire 100% rights over certain mineral claims (Note 5).

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration and evaluation programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

2. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes 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 operations.

Several adverse conditions cast significant doubt on the validity of this assumption. As at December 31, 2020, the Company had working capital of \$252,794 (December 31, 2019: working capital deficit of \$184,902) and an accumulated deficit of \$516,804 (December 31, 2019: \$435,721), had not advanced its exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful exercise of its mineral property option agreement, results from its exploration activities and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations and ongoing operating losses. These material uncertainties cast significant doubt on the ability of the Company to continue operations as a going concern. Management intends to finance operating costs over the next twelve months with current working capital.

These financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

MANSA EXPLORATION INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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2. GOING CONCERN *(continued)*

Novel Coronavirus (“COVID-19”)

The Company’s operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company’s operations and ability to finance its operations. While the extent of the impact is unknown, we anticipate that the outbreak may cause a variety of disruptions, all of which may negatively impact the Company’s business and financial condition.

3. BASIS OF PRESENTATION

Statement of compliance

These financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The financial statements were authorized for issue by the Board of Directors on May 10, 2021.

Basis of measurement

The financial statements are presented in Canadian dollars, which is also the Company’s functional currency. The financial statements of the Company have been prepared on an accrual basis, except for cash flow information, and are based on historical costs. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4(k).

4. CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in the statement of loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

MANSA EXPLORATION INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2021
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4. CRITICAL ACCOUNTING ESTIMATES (continued)

Judgements

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that these financial statements should be presented under the going concern assumption. The factors considered by management are disclosed in Note 2.

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Estimates

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Impairment

Management assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of any such assets may exceed their recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the Company shall measure, present and disclose any resulting impairment.

MANSA EXPLORATION INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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5. EXPLORATION AND EVALUATION ASSETS

On October 13, 2016, a group of third parties (collectively, the “Optionee”) entered into a property option agreement (“the Option Agreement”) to acquire a 100% interest in certain mineral claims (“the Mineral Claims”). The Mineral Claims are located at Skyfire Mineral Property, located in central British Columbia.

On October 13, 2016, the Company entered into an assignment and assumption agreement with the Optionee (the “Assignment Agreement”). The Optionee agreed to assign to the Company all its rights, obligations, interests and assets in respects of the Option Agreement. As consideration for the Assignment Agreement, the Company must pay to the Optionee \$10,000 cash (paid) and issue 4,000,000 common shares of the Company (issued). Additionally, the Company must issue 1,450,000 common shares of the Company to the initial optionors of the Option Agreement (the “Optionors”) (issued) and incur exploration expenditures of \$1,250,000.

On June 13, 2018, the Option Agreement was amended and new terms for the Optionee to acquire the Mineral Claims were agreed upon and on April 30, 2019, the Option Agreement was further amended. The cash payment of \$10,000 to the Optionee was waived to acquire 100% interest. On January 31, 2020, the agreement was amended to extend the timeline to complete the expenditure commitment. The table below reflects the amended timeline.

Upon completion of a positive feasibility study, the Company has an obligation to issue 1,000,000 common shares to the Optionors of the Option Agreement.

The Optionee must meet minimum exploration expenditures as follows:

	Minimum exploration expenditures to be incurred
June 30, 2021 (met)	\$ 100,000
December 31, 2021	150,000
June 30, 2022	250,000
December 31, 2022	750,000
	\$ 1,250,000

The Company is required to incur these costs in order to earn the interest in the property from the Optionee.

The property is subject to a 2% net smelter royalty. Beginning on December 31, 2019, and annually thereafter, the Company was previously obligated to make \$50,000 cash annual advance minimum royalty payment to the Optionors. On November 7, 2019, this obligation was cancelled by the Optionors and the Company.

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5. EXPLORATION AND EVALUATION ASSETS (continued)

As at December 31, 2020, the project is still at an early exploration stage. The Company has incurred the following exploration expenditures:

	March 31, 2020	December 31, 2020
Exploration costs:	\$	\$
Acquisition costs (5,450,000 common shares at \$0.05 per common shares issued to the Optionee and Optionors)	272,500	272,500
Exploration costs:		
Geological costs	202,501	165,856
	475,001	438,356

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates. The Company believes it conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and the expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the exploration and evaluation assets, the potential for production on the property may be diminished or negated.

5. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	March 31, 2021	December 31, 2020
Trade payable	\$ 16,752	\$ 107,304
Accrual for accounting, audit and legal fees	-	10,000
	\$ 16,572	\$ 117,304

MANSA EXPLORATION INC.
NOTES TO THE FINANCIAL STATEMENTS
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6. RELATED PARTY TRANSACTIONS AND BALANCES

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.

Related parties or transactions with related parties are assessed in accordance with IAS 24 "Related Party Disclosures". Related parties may enter into transactions which unrelated parties might not.

When considering each possible related party, not only their legal status is taken into account, but also the substance of the relationship between these parties.

During the period ended March 31, 2021, the Chief Financial Officer charged \$3,000 in professional fees to the Company (2020 - \$Nil). As of December 31, 2020, the Company owed the CFO \$3,000 in unpaid fees (December 31, 2020 - \$30,000) in unpaid professional fees. During the period ended March 31, 2021, a director of the Company charged \$3,000 in consulting fees to the Company (2020 - \$Nil). During the period ended March 31, 2021, \$152,000 in share-based compensation was recognized for shares issued because of an exercise of 1,600,000 Restricted Share Units to officers and directors of the Company (Note 7).

MANSA EXPLORATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2021
(Expressed in Canadian dollars)

7. SHARE CAPITAL

a) Authorized

Unlimited common shares without par value.

b) Share capital activity

As at March 31, 2021, the Company had issued and outstanding 21,979,246 common shares (December 31, 2020: 19,979,245).

On January 19, 2021, the Company settled \$40,000 in historical trade payables debt through the issuance of 400,000 common shares at a price of \$0.10 per share. \$30,000 of trade payables were settled with a director of the Company for professional services.

On January 19, 2021, the Company granted 1,600,000 restricted share units (the "RSUs") to certain directors, officers and consultants of the Company pursuant to the Company's amended restricted share unit plan dated effective September 9, 2020 (the "Plan"). The Plan was approved by the shareholders of the Company on January 8, 2021. The RSUs vest on January 19, 2021 and will expire on September 30, 2024. The RSUs and any underlying common shares in the capital of the Company will be subject to a four month and one day hold period pursuant to the policies of the Canadian Securities Exchange. On January 26, 2021, of the 1,600,000 RSUs granted, 1,100,000 RSUs were granted to directors and officers of the Company, all of which converted into common shares of the Company.

On December 17, 2020, the Company completed an initial public offering of 6,525,000 shares at a price of \$0.10 per share for total gross proceeds of \$652,500. The Company paid a finders fee of \$52,200, share issuance costs of \$42,914, and issued 522,000 broker warrants valued at \$31,000.

c) Warrants

On December 17, 2020, the Company issued 522,000 broker warrants at an exercise price of \$0.10 per share, expiring two years from the date of grant. These broker warrants had an estimated fair value of \$31,000 using the Black Scholes model with the following inputs: i) exercise price: \$0.10; ii) share price: \$0.10; iii) term: 2 years; iv) volatility: 117%; v) discount rate: 0.27%. The underlying expected stock price volatility is based on historical data of similar companies, as the Company has limited historical data itself on which it could be based. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry commensurate with the expected life of the options. The remaining life of these warrants was 1.72 years as of March 31, 2021. At March 31, 2021, there were 522,000 warrants outstanding with expiry date of December 17, 2022 (December 31, 2020 – 522,000).

d) Stock option plan

The Company has adopted a stock option plan (the "Option Plan"), which provides that the Board of Directors of the Company may, from time to time, grant to directors, officers, employees and technical consultants of the Company, non-transferable options to purchase common shares. The expiry date for each option shall be set by the Board of Directors at the time of issue. A vesting schedule may be imposed at the discretion of the Board of Directors at the time of issue. The number of shares that may be reserved for issuance shall not exceed 10% of the total number of issued and outstanding shares of the Company. There were no stock options outstanding at March 31, 2021 and December 31, 2020.

MANSA EXPLORATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2021
(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

e) Restricted share unit plan

The Company has adopted a restricted share unit plan (the "RSU Plan"), which provides that the Board of Directors of the Company may, from time to time, grant to directors, officers, employees and technical consultants of the Company, non-transferable restricted share units. The expiry date for each restricted share unit shall be set by the Board of Directors at the time of issue. A vesting schedule may be imposed at the discretion of the Board of Directors at the time of issue. The number of shares that may be reserved for issuance shall not exceed 10% of the total number of issued and outstanding shares of the Company. Upon vesting, the Company may choose to either issue one share for each vested restricted share unit, or pay cash amount equal to the fair market value of the vested restricted share unit. There were no restricted share units outstanding at March 31, 2021 and December 31, 2020.

9. CAPITAL MANAGEMENT

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. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its share capital and equity reserves. To maintain or adjust the capital structure, the Company may attempt to issue new shares and reserves. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company's approach to capital management during the years ended December 31, 2020, and 2019. The Company is not subject to external restrictions on its capital.

MANSA EXPLORATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2021
(Expressed in Canadian dollars)

10. FINANCIAL RISK MANAGEMENT

	Ref.	March 31, 2021	December 31, 2020
		\$	\$
Other financial assets	a	239,264	364,178
Other financial liabilities	b	16,752	117,304

a. Comprises cash

b. Comprises accounts payable and accrued expenses

The fair values of the Company's financial instruments are not materially different from their carrying values due to their short-term nature.

Management of Industry and Financial Risk

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company endeavors to ensure that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. The Company's cash is held in corporate bank accounts available on demand. The Company's accounts payable and accrued expenses generally have contractual maturities of less than 30 days and are subject to normal trade terms.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Currency Risk

The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. The Company is not exposed to significant currency risk.

**MANSA EXPLORATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2021
(Expressed in Canadian dollars)**

10. FINANCIAL RISK MANAGEMENT (continued)

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it has no interest bearing debt.

Price Risk

The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

11. SUBSEQUENT EVENTS

On April 13, 2021, 33,600 broker warrants were exercised for \$0.10 per share.