



GOLCAP RESOURCES CORP.

Unaudited Condensed Interim Financial Statements
(Expressed in Canadian Dollars)

For the three and six month periods ended March 31, 2021 and 2020

NOTICE TO READER

Under National Instrument 51-102, 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 condensed interim financial statements have been prepared by management, and were not reviewed by the Company's independent auditor.

GOLCAP RESOURCES CORP.

Condensed Interim Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	March 31, 2021	September 30, 2020
Assets		
Current Assets		
Cash	\$ 368,797	\$ 311,542
Amounts receivable (note 3)	15,750	584
Prepaid expenses (note 4)	2,500	10,000
	<u>387,047</u>	<u>322,126</u>
Non-current Assets		
Exploration assets (note 5 and 8)	211,601	96,001
	<u>\$ 598,648</u>	<u>\$ 418,127</u>
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 16,284	\$ 31,622
Shareholders' Equity		
Share capital (note 5 and 7)	930,574	479,998
Reserve	208,154	-
Accumulated deficit	(556,364)	(93,493)
	<u>582,364</u>	<u>386,505</u>
	<u>\$ 598,648</u>	<u>\$ 418,127</u>

Nature of operations (note 1)

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

Approved on behalf of the Board:

"Gordon Lam"
Gordon Lam, CEO

"Alan Tam"
Alan Tam, CFO

GOLCAP RESOURCES CORP.

Condensed Interim Statements of Operations and Comprehensive Loss
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(Unaudited)

	Three months ended		Six months ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Expenses:				
CSE listing costs (note 7)	\$ -	\$ -	\$ 233,511	\$ -
Consultants	26,500	-	55,500	-
General and administrative	1,749	124	2,974	697
Management fees (note 8)	12,000	-	16,000	-
Professional fees (note 7 and 8)	(12,685)	16,160	(21,703)	16,160
Regulatory and transfer agent	38,995	-	38,995	-
Stock based compensation (note 7)	-	-	137,594	-
Net loss and comprehensive loss for the period	\$ (66,559)	\$ (16,284)	\$ (462,871)	\$ (16,857)
Net loss per share basic and diluted (note 7(c))	\$ (0.00)	\$ (0.00)	\$ (0.03)	\$ (0.00)
Weighted average number of common shares outstanding:				
Basic and diluted	17,624,117	9,999,916	15,641,490	8,375,627

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

GOLCAP RESOURCES CORP.

Notes to the Condensed Interim Financial Statements
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	Number of shares	Share capital	Reserve	Accumulated deficit	Total
Balance September 30, 2019	3,000,001	\$ 15,000	\$ -	\$ (883)	\$ 14,117
Issuance of common shares non-brokered	6,999,916	139,998	-	-	139,998
Loss for the period	-	-	-	(16,857)	(16,857)
Balance March 31, 2020	9,999,917	\$ 154,998	\$ -	\$ (17,740)	\$ 137,258
Balance September 30, 2020	13,249,916	\$ 479,998	\$ -	\$ (93,493)	\$ 386,505
Issuance of IPO units brokered (note 7)	2,875,000	233,067	54,433	-	287,500
Issuance of IPO advisory shares (note 7)	1,000,000	81,067	-	-	81,067
Issuance of IPO units agent commission (note 7)	287,500	23,307	18,620	-	41,927
Share issuance of IPO unit (note 7)	-	(58,723)	-	-	(58,723)
Grant of options (note 7)	-	-	137,593	-	137,593
Issuance of shares for additional Tulameen property options (note 5 and 7)	250,000	102,500	-	-	102,500
Exercise warrants (note 7)	228,645	69,358	(2,492)	-	66,866
Loss for the period	-	-	-	(462,871)	(462,871)
Balance March 31, 2021	17,891,061	\$ 930,574	\$ 208,154	\$ (556,364)	\$ 582,364

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

GOLCAP RESOURCES CORP.

Notes to the Condensed Interim Financial Statements
(Expressed in Canadian dollars)
(Unaudited)

	Six months ended March 31, 2021	Six months ended March 31, 2020
Cash (used in) provided by:		
Operating:		
Net loss	\$ (462,871)	\$ (16,857)
Non-cash items:		
CSE listing costs (note 7)	233,511	
Stock based compensation	137,594	-
Changes in operating working capital:		
Amounts receivable	(15,167)	(2,724)
Prepaid expenses	7,500	(5,000)
Accounts payable and accrued liabilities	(15,212)	12,561
Cash used in operating activities	(114,645)	(12,020)
Financing:		
Issuance of common shares (note 7)	287,500	139,998
Cash provided by financing activities	287,500	139,998
Investing:		
Investment in exploration assets (note 5 and 8)	(115,600)	(85,538)
Cash used in investing activities	(115,600)	(85,538)
Increase in cash	57,255	42,440
Cash, beginning of year	311,542	15,000
Cash, end of year	\$ 368,797	\$ 57,440

The accompanying notes are an integral part of these financial statements

GOLCAP RESOURCES CORP.

Notes to the Condensed Interim Financial Statements
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1. Nature of operations:

Golcap Resources Corp. (“Golcap” or “the Company”) was incorporated on September 20, 2019 under the *Business Corporations Act* (British Columbia). The Company’s registered office is located at #2080 – 777 Hornby Street, Vancouver, British Columbia, V6K 2A4.

The Company is engaged in the exploration of mineral properties and has not yet determined whether any of its properties contain economically recoverable reserves. To date, the Company has not earned any operating revenue and is in the exploration stage. The mining exploration business involves a high degree of risk. The recoverability of the amounts expended on mineral interests by the Company is dependent upon the existence of economically viable reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of its mineral properties and upon future profitable production or proceeds from disposition of its mineral interest.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2021, the Company has no source of revenue, and during the period ended March 31, 2021, generated negative cash flows from operating activities and has an accumulated deficit of \$556,364.

Since incorporation, the Company has raised equity financing from investors and expects these funds to provide for its early stage exploration and working capital needs for the next twelve months. Additional fundraising may involve further private placements, convertible debentures, third party earn-ins or joint ventures using debt or equity financing structures, to ensure the continuation of the Company’s operations.

There can be no assurances that the Company will be successful in raising additional cash to finance operations or that the continued support of shareholders will be available. These financial statements have been prepared using the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future. The financial statements do not include any adjustments relating to the recoverability of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

On December 22, 2020, the Company completed an initial public offering for gross proceeds of \$287,500 and the company shares are listed on the CSE under the symbol “GCP” (see Note 7).

GOLCAP RESOURCES CORP.

Notes to the Condensed Interim Financial Statements
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2. Basis of preparation:

(a) Statement of compliance:

The financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These financial statements were approved and authorized for issue by the Board of Directors on May 26, 2021.

(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are recorded at fair value.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the functional currency for the Company.

(d) Use of estimates and judgments:

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

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. Significant judgments made by management in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include the recoverability of exploration assets and the application of the going concern assumption.

3. Amounts receivable:

The amounts receivable is comprised of GST input tax credit receivable.

4. Prepaid expenses:

Prepaid fees relate to an Agent expense holdback amount.

GOLCAP RESOURCES CORP.

Notes to the Condensed Interim Financial Statements
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5. Exploration assets:

	Tulameen Property
Acquisition costs	\$ 102,500
Geological and geophysical costs	94,300
Staking costs	2,456
Survey costs	12,345
Balance, March 31, 2021	\$ 211,601

	Tulameen Property
Geological and geophysical costs	\$ 77,337
Staking costs	2,456
Survey costs	5,745
Balance, March 31, 2020	\$ 85,538

The Tulameen property (the "Property") originally consisted of two mineral claims totalling 1,738.29 hectares situated west of Otter Lake in southern British Columbia.

On October 10, 2019, the Company staked the Redcap tenure consisting of 1,403.33 hectares and on October 19, 2019, staked the SGBG TIP tenure consisting of 334.96 hectares.

On February 22, 2021, the Company entered into an option agreement with a third party to increase the Tulameen property land package to 3,938 hectares. Under the agreement, the Company has the exclusive right and option to acquire 100% interest by issuing shares and incurring exploration expenditures under the following schedule:

Date	Shares	Exploration Expenditures
On the Effective Date	250,000	Nil
Year 1 Anniversary Date	500,000	Greater of \$25,000 or amount required to keep the Property in good standing
Year 2 Anniversary Date	750,000	Greater of \$50,000 or amount required to keep the Property in good standing
Year 3 Anniversary Date	1,000,000	\$100,000
Total	2,000,000	\$175,000

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6. Financial instruments:

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis are presented on the Company's statement of financial position as at March 31, 2021 as follows:

	Fair Value Measurements Using			Balance as at March 31, 2021 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	368,797	-	-	368,797
Amounts receivable	15,750	-	-	15,750

The fair values of other financial instruments, which include accounts payable, approximate their carrying values due to the nature and relatively short-term maturity of these instruments.

(b) Financial risk management:

The following provides disclosures relating to the nature and extent of the Company's exposure to risks arising from financial instruments, including credit risk, liquidity risk, foreign currency risk and interest rate risk, and how the Company manages those risks.

(i) Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's credit risk is attributable to cash. The Company manages such risk by holding cash as operating bank accounts with Canadian chartered banks with minimum DBRS ratings of AA (S&P AA-).

(ii) 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 currently settles its financial obligations using cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

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6. Financial instruments (continued):

(b) Financial risk management (continued):

(ii) Liquidity risk:

All of the Company's contractual obligations have maturities of one year or less:

	Carrying Amount	Contractual Cash Flows	Within 1 year	Within 2 years	Within 3 years
	\$	\$	\$	\$	\$
<i>As at March 31, 2021</i>					
Accounts payable	16,284	16,284	16,284	–	–
Total	16,284	16,284	16,284	–	–
<i>As at March 31, 2020</i>					
Accounts payable	3,445	3,445	3,445	–	–
Total	3,445	3,445	3,445	–	–

(iii) Currency risk:

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company does not have any significant transaction in foreign currencies and therefore is not exposed to significant currency risk.

(iv) 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 significant interest rate risk.

7. Share capital:

(a) Authorized share capital:

Unlimited voting, participating common shares, with no par value.

As at March 31, 2021, there were 17,891,061 common shares outstanding of which 3,500,000 common shares are being held in escrow.

(b) Issued share capital and options:

On December 22, 2020, the Company completed an initial public offering for gross proceeds of \$287,500 by the issuance of 2,875,000 units of the Company at a price of \$0.10. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one common share of the Company at an exercise price of \$0.30 per warrant for a period of 12 months from the date of grant.

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7. Share capital (continued):

(b) Issued share capital and options (continued):

Pursuant to the terms of the agreement, the Company paid the Agent a commission representing 10% of the gross proceeds through the issuance of the 287,500 Agent's units. In addition, the Company paid the Corporate Finance Fee in the amount of \$20,000 and issued 1,000,000 Advisory Shares. The Agent also received 287,500 non-transferable agent's warrants to acquire up to 287,500 shares at a price of \$0.10 per share until December 22, 2021. As a consequence, the Company recognized \$28,750 as fair value for the Agent's commission units, \$81,067 as fair value for the Advisory Shares, and \$13,176 as fair value for the non-transferrable agent's warrants.

On December 22, 2020, the Company granted 1,660,000 incentive stock options to the directors and officers of the Company. The stock options are exercisable into 1,660,000 common shares at a price of \$0.10 per share for a period of five years. As a consequence, the Company recognized \$137,594 as share based compensation.

After completing the initial public offering, the Company reclassified certain expenses, such as legal expenses to CSE listing costs.

On February 1, 2021, the Company extended the expiry period of warrants previously issued on April 30, 2020 and June 30, 2020 prior to completing its initial public offering on December 22, 2020. A total of 3,250,000 warrants exercisable at \$0.30, price unchanged, will now expire on December 22, 2021.

On February 22, 2021, the Company issued 250,000 common shares to a third party as settlement for signing the new Tulameen option agreement.

From February 5, 2021 to March 22, 2021, the Company issued 228,645 common shares for the exercise of 228,645 warrants and realized gross proceeds of \$66,864.

(c) Loss per share computation:

The following table sets forth the computation of loss per common share:

	Three months ended		Six months ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Loss for the period	\$ (66,559)	\$ (16,284)	\$ (462,871)	\$ (16,857)
Weighted average, common shares outstanding	17,624,117	9,999,916	15,641,490	8,375,627
Loss per share, Basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.03)	\$ (0.00)

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7. Share capital (continued):

(d) Share Purchase Warrants:

A summary of the warrant transactions during the period ended March 31, 2021 is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, September 30, 2020	3,250,000	\$ 0.30
Issued during the period		
IPO offering warrants	2,875,000	0.30
Agent's Commission warrants	287,500	0.30
Agent's warrants	287,500	0.10
Exercise of IPO warrants	(200,000)	(0.30)
Exercise of agent commission warrants	(20,000)	(0.30)
Exercise of agent warrants	(8,645)	(0.10)
Balance March 31, 2021	6,471,335	\$ 0.29

The following warrants are outstanding at March 31, 2021:

Number of warrants	Exercise price per warrant	Expiry date
2,950,000	\$ 0.30	December 22, 2021
100,000	0.30	December 22, 2021
2,875,000	0.30	December 22, 2021
267,500	0.30	December 22, 2021
278,855	0.10	December 22, 2021
6,471,335		

As at March 31, 2021, the weighted average life of warrants outstanding was 0.75 years.

(e) Share Purchase Options:

A summary of the option transactions during the period ended March 31, 2021 is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, September 30, 2020	-	\$ -
Issued during the period		
Management options	1,660,000	0.10
Balance March 31, 2021	1,660,000	\$ 0.10

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Notes to the Condensed Interim Financial Statements
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7. Share capital (continued):

(e) Share Purchase Options (continued):

The following options are outstanding at March 31, 2021:

Number of options	Exercise price per option	Expiry date
1,660,000	\$ 0.10	December 31, 2025
1,660,000		

As at December 31, 2020, the weighted average life of options outstanding was 4.98 years.

8. Related party transactions and balances:

Related parties include Directors of the Company and the Company's key management personnel. Key management personnel include the Company's CEO and CFO.

(a) Balances with related parties:

There were nil balances owing to or from related parties as at March 31, 2021 and \$3,360 owing as at March 31, 2020 to a company controlled by the CFO, for professional fees.

(b) Transactions during the period with management consulting companies controlled by the Chief Executive Officer, the Chief Financial Officer and a Director, respectively, are as follows:

	Three months ended		Six months ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Management fees	\$ -	\$ -	\$ 16,000	\$ -
Professional fees	6,000	6,160	12,320	6,160
Exploration assets	-	7,890	-	19,084