LAKEWOOD EXPLORATION INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2021 AND MARCH 31, 2020

(UNAUDITED)

Notice of No Auditor Review of 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 condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim financial statements by an entity's auditor.

The accompanying unaudited condensed interim financial statements of Lakewood Exploration Inc. for the six months ended March 31, 2021 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

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

LAKEWOOD EXPLORATION INC.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	March 31, 2021 (Unaudited)	September 30, 2020 (Audited)
ASSETS		
Current		
Cash	$ 60,065	$ 50,001
Amounts receivable	1,561	520
	61,626	50,521
Deferred costs	20,000	20,000
Exploration and evaluation assets (Note 5)	97,027	97,027
	$ 178,653	$ 167,548
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 90,562	$ 43,964
Loan payable	22,000	–
	112,562	43,964
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	236,501	236,501
Contributed surplus	87,500	87,500
Deficit	(257,910)	(200,417)
	66,091	123,584
	$ 178,653	$ 167,548

NATURE OF CONTINUANCE OF OPERATIONS (Note 1)
SUBSEQUENT EVENTS (NOTE 10)

Approved and authorized for issue on behalf of the board on May 26, 2021:

"Michael Dake" Director

"Dave Grandy" Director

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

LAKEWOOD EXPLORATION INC.

CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars) UNAUDITED

	Three months ended March 31, 2021	Three months, ended March 31, 2020	Six months ended March 31, 2021	Six months, ended March 31, 2020
EXPENSES				
Office and miscellaneous	$ 1,582	$ 22	$ 2,796	$ 40
Professional fees	23,259	–	39,446	1,530
Rent	6,212	–	9,546	–
Transfer agent and filing fees	5,705	–	5,705	–
NET LOSS AND COMPREHENSIVE LOSS OF THE PERIOD	$ 36,758	$ 22	$ 57,493	$ 1,570
LOSS PER SHARE (basic and diluted)	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARE OUTSTANDING	7,850,001	6,850,001	7,850,001	6,850,001

LAKEWOOD EXPLORATION INC.

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars) UNAUDITED

	Number of Shares	Amount	Contributed Surplus	Deficit	Total
		$	$	$	$
Balances September 30, 2020	7,850,001	236,501	87,500	(200,417)	123,584
Comprehensive loss for the period	–	–	–	(57,493)	(57,493)
Balance, March 31, 2021	7,850,001	236,501	87,500	(257,910)	66,091
Balances, September 30, 2019	6,850,001	186,501	87,500	(146,995)	127,006
Comprehensive loss for the period	–	–	–	(1,570)	(1,570)
Balance, March 31, 2020	6,850,001	186,501	87,500	(148,565)	125,436

LAKEWOOD EXPLORATION INC.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars) UNAUDITED

		Six month March 31, 2021 (Unaudited)		Six month September 30, 2020 (Audited)
CASH PROVIDED BY (USED IN)				
OPERATING ACTIVITIES				
Net loss for the period	$	(57,493)	$	(1,570)
Changes in non-cash working capital balances:				
Amounts receivable		(1,041)		(77)
Loan payable		22,000		–
Accounts payable and accrued liabilities		46,598		(4,499)
Cashed used in operating activities	$	10,064	$	(6,146)
INCREASE IN CASH DURING THE PERIOD		10,064		(6,146)
CASH, BEGINNING OF PERIOD		50,001		6,182
CASH, END OF PERIOD	$	60,065	$	36
SUPPLEMENTAL DISCLOSURE				
Interest paid	$	–	$	–
Income taxes paid	$	–	$	–
Shares issued for evaluation and exploration costs	$	–	$	–

1. NATURE OF OPERATIONS

Lakewood Exploration Inc. (the "Company") was formed on May 2, 2017 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 200-551 Howe Street, Vancouver, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at March 31, 2021, the Company holds an interest in an early stage mineral exploration property and the Company had not yet determined whether the Company's mineral property asset contains a deposit of minerals that is 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.

The Company had a deficit of $257,910 as at March 31, 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.

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

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared in accordance with IAS 34 Interim Financial Reporting ("IAS34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended September 30, 2020.

The financial statements are prepared in accordance with accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretation of the International Financial Reporting Interpretation Committee ("IFRIC").

The financial statements were authorized for issue by the Board of Directors on May 26, 2021.

(Expressed in Canadian Dollars) UNAUDITED

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and estimates of amounts reported in the Company's September 30, 2020 annual financial statements.

4. NEW ACCOUNTING STANDARDS INTERPRETETAION AND AMENDMENTS

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its unaudited condensed interim financial statements would not be significant.

5. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	Exploration Costs	Total
	$	$	$
Balance, September 30, 2019	10,000	87,027	97,027
Additions	–	–	–
Balance, September 30, 2020 and March 31, 2021	10,000	87,027	97,027

Lacy Property

Pursuant to an option agreement dated November 2, 2017 (the "Agreement") and amended on October 8, 2020, with Barrie Field-Dyte (the "Optionor"), the Company was granted an option to acquire a 100% undivided interest in the Lacy Property (the "Property") located in the Alberni Mining Division of British Columbia. The Property is comprised of three mineral claims.

In accordance with the Agreement, the Company has the option to acquire 100% undivided interest in the Property by paying $10,000 (paid) upon execution of the Agreement and issue 300,000 common shares of the Company no later than 15 days after the Company's common shares are listed on a securities exchange in Canada. If the common shares of the Company are not listed by July 31, 2021, the option to acquire the Property will be terminated.

The Optionors will retain a 2% Net Smelter Returns royalty on the Property. The Company has the right to purchase each of the percentage of NSR for $1,000,000 during the five-year period commencing from the date the Property is put into commercial production.

6. SHARE CAPITAL

a) Authorized:

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

b) Escrow Shares:

Upon closing the IPO described in Note 10, the Company will enter into an escrow agreement, whereby common shares will be held in escrow and scheduled for release at 15% on every six months over the period of thirty six months from date of listing.

(Expressed in Canadian Dollars) UNAUDITED

6. SHARE CAPITAL (continued)

c) Issued and Outstanding as at March 31, 2021: 7,850,000 common shares.

There were no share capital transactions in the six month ended March 31, 2020

During the year ended September 30, 2020, the Company had the following share capital transactions:

(i) The Company issued 1,000,000 flow-through units (“Units”) at $0.05 per share for gross proceeds of $50,000. Each Unit consists of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to purchase an additional share at a price of $0.10 per common share for a period of twelve months.

For the purposes of the calculating the tax effect of any premium related to the issuance of the flow-through shares, the Company reviewed recent financings and compared it to determine if there was a premium paid on the shares. As a result of the review, the Company did not recognize any premium on the flow-through shares issued.

Under the terms of the flow-through share private placement, the Company must incur $50,000 of Canadian Exploration Expenditures (“CEE”) and renounce the CEE to the shareholders that participated in the private placement.

d) Warrants

There were no warrants outstanding as at March 31, 2021.

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.

The following amounts are due to related parties and have been included in accounts payable and accrued liabilities:

	March 31, 2021	**September 30, 2020**
	$	$
Accounts payable and accrued liabilities	10,500	49,267

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 RISK

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 March 31, 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	60,065	–	–	60,065

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at March 31, 2021 because of the demand nature or short-term maturity of these instruments.

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.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(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.

10. SUBSEQUENT EVENT

The Company entered into an agency agreement whereby the agent (the "Agent") has agreed to raise on commercially reasonable efforts up to $300,000 in an initial public offering ("IPO") by the issuance of up to 3,000,000 common shares of the Company at a price of $0.10 per common share.

Pursuant to the terms of the agency agreement, the Company has agreed to pay to the Agent a cash commission of 8% of the gross proceeds of the IPO. The Company has also agreed to grant to the Agent warrants (the "Agent's Warrant") which will entitle the Agent to purchase up to 8% of the common shares sold under the IPO, at a purchase price that is equal to the price per share offered in the IPO. The Agent's Options are exercisable until 24 months from the Listing date. In addition, the Company has agreed to pay a corporate finance fee of $25,000, the Agent's legal fees incurred and any other reasonable expenses pursuant to the IPO. Subsequent to March 31, 2021 the Company completed the IPO.