

GOLDEX RESOURCES CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021

(Expressed in Canadian dollars)

Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated 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 consolidated financial statements have been prepared by and are the responsibility of the management.

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

GOLDEX RESOURCES CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT,
(Expressed in Canadian dollars)

	Unaudited June 30, 2021	Audited December 31, 2020
ASSETS		
CURRENT		
Cash	\$ 503	\$ 7,119
Accounts receivable (Note 5)	7,002	2,803
Prepaid expenses and deposits	2,728	177
	10,233	10,099
Right-of-use assets (Note 6)	-	1,783
Equipment (Note 7)	947	1,307
Reclamation bond (Note 8)	137,176	137,176
Exploration and evaluation assets (Note 9 and schedule)	1,284,238	1,277,032
	\$ 1,432,594	\$ 1,427,397
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT		
Accounts payable and accrued liabilities (Note 11)	\$ 517,621	\$ 628,897
Lease liabilities (Note 12)	-	3,674
Due to related parties (Note 13)	485,027	411,479
Interest payable on convertible notes (Note 15)	13,139	321,590
Promissory notes payable (Note 14)	702,503	700,227
Convertible notes (Note 15)	610,000	-
	2,328,290	2,065,867
Convertible notes (Note 15)	-	598,117
	2,328,290	2,663,984
SHAREHOLDERS' DEFICIT		
Capital stock (Note 16)	21,232,993	20,931,873
Reserves (Note 17)	3,425,452	3,425,452
Warrants	127,803	127,803
Equity portion of convertible notes (Note 15)	-	71,853
Deficit	(25,681,944)	(25,793,568)
	(895,696)	(1,236,587)
	\$ 1,432,594	\$ 1,427,397

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)

On behalf of the Board:

"Charles Ross" Director "James Ravannack" Director

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

GOLDEX RESOURCES CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT
(Unaudited - Expressed in Canadian dollars)

	Shares issued	Capital stock	Reserve - Share- based payments	Reserve - Warrants	Equity component of convertible notes	Deficit	Total
Balance at December 31, 2019	13,867,036	\$ 20,787,750	\$ 3,425,452	\$ 131,926	\$ 76,682	\$ (25,519,774)	\$ (1,097,964)
Shares issued for cash (Note 16)	1,000,000	50,000	-	-	-	-	50,000
Share issue cost	-	(1,000)	-	-	-	-	(1,000)
Conversion of debentures (Note 15 & 16)	200,000	20,000	-	-	(2,356)	-	17,644
Loss for the period	-	-	-	-	-	(175,636)	(175,636)
Balance at June 30, 2020	15,067,036	\$ 20,856,750	\$ 3,425,452	\$ 131,926	\$ 74,326	\$ (25,695,410)	\$ (1,206,956)
Balance at December 31, 2020	15,777,036	\$ 20,931,873	\$ 3,425,452	\$ 127,803	\$ 71,853	\$ (25,793,568)	\$ (1,236,587)
Warrants exercised (Note 16)	500,000	35,000	-	-	-	-	35,000
Shares issued for debt (Note 15 & 16)	3,326,500	266,120	-	-	-	-	266,120
Convertible debentures matured	-	-	-	-	(71,853)	71,853	-
Income for the period	-	-	-	-	-	39,771	39,771
Balance at June 30, 2021	19,603,536	\$ 21,232,993	\$ 3,425,452	\$ 127,803	\$ -	\$ (25,681,944)	\$ (895,696)

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

GOLDEX RESOURCES CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited - Expressed in Canadian dollars)

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
EXPENSES				
Amortization (Notes 6 and 7)	\$ 180	\$ 3,243	\$ 2,143	\$ 6,486
Interest expense (Notes 12, 13, 14 and 15)	20,829	28,329	49,781	58,490
Management fees (Note 13)	24,000	24,000	48,000	48,000
Office and administrative	2,644	830	4,108	1,725
Professional fees (Note 13)	5,316	13,032	6,316	14,032
Transfer agent and filing fees	5,179	4,390	8,182	7,181
Travel and promotion	250	-	250	-
	(58,398)	(73,824)	(118,780)	(135,914)
OTHER ITEMS				
Foreign exchange gain	13,614	17,075	20,538	(39,722)
Gain on settlement of debt (Note 15 & 16)	66,530	-	66,530	-
Write-off of accounts payable	71,483	-	71,483	-
	151,627	17,075	158,551	(39,722)
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	\$ 93,229	\$ (56,749)	\$ 39,771	\$ (175,636)
BASIC AND DILUTED INCOME (LOSS) PER COMMON SHARE	\$ 0.00	\$ (0.00)	\$ 0.00	\$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – BASIC AND DILUTED	19,018,657	14,871,432	17,481,387	14,369,234

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

GOLDEX RESOURCES CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(Unaudited - Expressed in Canadian dollars)

	2021	2020
OPERATING ACTIVITIES		
Net income (loss) for the period	\$ 39,771	\$ (175,636)
Items not affecting cash:		
Amortization	2,143	6,486
Accrued interest	49,781	58,490
Accrued management fees	48,000	48,000
Foreign exchange gain	(11,173)	20,987
Gain on settlement of debt	(66,530)	-
Write-off of accounts payable	(71,483)	-
Change in non-cash working capital items:		
Accounts receivable	(1,799)	4,136
Prepaid expenses and deposits	(2,551)	(2,607)
Accounts payable and accrued liabilities	(46,999)	5,926
Net cash used in operating activities	(60,840)	(34,218)
FINANCING ACTIVITIES		
Shares issued for cash	35,000	50,000
Share issue cost	-	(1,000)
Lease payments	(3,859)	(7,717)
Advances from (repayments to) related parties	23,083	(6,375)
Net cash provided by financing activities	54,224	34,908
CHANGE IN CASH FOR THE PERIOD	(6,616)	690
CASH – BEGINNING	7,119	6,809
CASH– ENDING	\$ 503	\$ 7,499

Supplementary disclosure with respect to cashflows (Note 18)

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

GOLDEX RESOURCES CORPORATION
CONSOLIDATED SCHEDULE OF EXPLORATION AND EVALUATION ASSET EXPENDITURES
(Unaudited - Expressed in Canadian dollars)

	For the period ended June 30, 2021		
	Opening balance	2021 expenditures	Ending balance
El Pato, Las Minas, Silimanita, San Juan – Guatemala			
Acquisition of Minera	\$ 1,715,402	\$ -	\$ 1,715,402
Additional consideration	396,000	-	396,000
	2,111,402	-	2,111,402
Deferred exploration costs	4,231,193	7,206	4,238,399
Impairment	(5,065,563)	-	(5,065,563)
Total	\$ 1,277,032	\$ 7,206	\$ 1,284,238

	For the year ended December 31, 2020		
	Opening balance	2020 expenditures	Ending balance
El Pato, Las Minas, Silimanita, San Juan - Guatemala			
Acquisition of Minera	\$ 1,715,402	\$ -	\$ 1,715,402
Additional consideration	396,000	-	396,000
	2,111,402	-	2,111,402
Deferred exploration costs	4,215,838	15,355	4,231,193
Impairment	(5,065,563)	-	(5,065,563)
Total	\$ 1,261,677	\$ 15,355	\$ 1,277,032

Details of deferred exploration costs are as follows:

	Period ended June 30, 2021	
	El Pato	Total
Salaries and benefits	\$ 7,206	\$ 7,206
	\$ 7,206	\$ 7,206

	Year ended December 31, 2020	
	El Pato	Total
Salaries and benefits	\$ 15,355	\$ 15,355
	\$ 15,355	\$ 15,355

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

GOLDEX RESOURCES CORPORATION
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021
(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Goldex Resources Corporation (the “Company”) was incorporated on April 16, 1987 under the laws of British Columbia. The Company’s head office is at 2300 – 1177 West Hastings Street, Vancouver, B.C., Canada, V6E 2K3. The Company’s common shares are listed on the TSX Venture Exchange (“TSX-V”) under the symbol GDX.

The condensed interim consolidated financial statements of the Company are presented in Canadian dollars, which is the functional currency of the parent company and its subsidiaries.

The Company is engaged in the acquisition and exploration of gold exploration and evaluation assets. The recoverability of carrying amounts for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying exploration and evaluation assets, the ability of the Company to obtain necessary financing to complete exploration and development, achievement of future profitable production or proceeds from the disposition thereof. The Company has not determined whether its exploration and evaluation assets contain ore reserves that are economically recoverable.

These financial statements have been prepared under the going concern assumption which contemplates the Company will continue operations and realize the carrying value of its assets and discharge its liabilities in the normal course of business. Should the going concern assumption not continue to be appropriate, adjustments to recorded values may be required. At June 30, 2021, the Company had a working capital deficit of \$2,318,057 (December 31, 2020 – \$2,055,768) and accumulated deficit of \$25,681,944 (December 31, 2020 - \$25,793,568). The ability of the Company to continue as a going concern is dependent upon the Company’s ability to raise additional capital through the sale of shares or other sources as required to fund ongoing exploration activities and operating losses and ultimately on generating future profitable operations. The Company will need to raise capital to continue operations through its next fiscal year. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

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 future impact on the Company’s ability to raise funding to carry out its business operations is not currently determinable but management continues to monitor the situation.

2. STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements are unaudited and have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ (“IAS 34”) 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”). These interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2020, which have been prepared in accordance with IFRS.

These financial statements were approved by the Board of Directors on August 30, 2021.

Basis of presentation

The condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of consolidation

The condensed interim consolidated financial statements of the Company include the accounts of the Company and its wholly-owned subsidiaries Goldex Resources Mexico S.A. (“Goldex Mexico”) incorporated in Mexico, Compania Minera El Condor S.A (“Minera”) incorporated in the Republic of Guatemala, and NCS Mercantile Corp. (“NCS”) incorporated in Barbados. All inter-company transactions and balances have been eliminated upon consolidation.

GOLDEX RESOURCES CORPORATION
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021
(Unaudited - Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting estimates

The preparation of these condensed interim consolidated financial statements requires management to make estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected. Actual results may differ from these estimates.

Significant areas requiring the use of estimates and assumptions relate to determination of useful lives of equipment, the valuation of exploration and evaluation assets, the valuation of provisions, stock-based compensation, fair value of financial instruments, and deferred income taxes.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification / allocation of expenditures as exploration and evaluation expenditures or operating expenses; and
- the determination of the functional currency of the parent company and its subsidiaries.

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

5. ACCOUNTS RECEIVABLE

	June 30, 2021	December 31, 2020
Sales taxes recoverable	\$ 6,304	\$ 1,924
Due from related party	189	189
Trade receivables	509	690
	<u>\$ 7,002</u>	<u>\$ 2,803</u>

6. RIGHT-OF-USE ASSETS

	Premise Lease
Balance, December 31, 2019	\$ 18,624
Amortization	(11,772)
Modification	(5,069)
Balance, December 31, 2020	1,783
Amortization	(1,783)
Balance, June 30, 2021	<u>\$ -</u>

GOLDEX RESOURCES CORPORATION
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021
(Unaudited - Expressed in Canadian dollars)

7. EQUIPMENT

	Computer Hardware
Cost:	
At December 31, 2019 and 2020 and June 30, 2021	\$ 6,819
Amortization:	
At December 31, 2019	3,914
Amortization for the year	1,598
At December 31, 2020	5,512
Amortization for the period	360
At June 30, 2021	5,872
Net book value:	
At December 31, 2020	1,307
At June 30, 2021	\$ 947

8. RECLAMATION BOND

During the year ended December 31, 2017, the Company posted a reclamation bond for \$137,176 (800,000 Guatemalan Quetzales) in favour of the Ministry of Environment and Natural Resources of Guatemala for the El Pato property. The bond remains outstanding.

9. EXPLORATION AND EVALUATION ASSETS

(a) El Pato Property, Guatemala

The Company owns 100% of the mineral title and rights to explore and extract minerals from a mineral property known as the El Pato Property in Guatemala. The Company has applied for a 25-year exploitation license on the El Pato Property, extendable for an additional 25 years.

The El Pato Property is subject to the following: i) A royalty fee of \$1 US per ounce of gold produced; and ii) a 1% Net Smelter Royalty ("NSR") payable to the Mining Directorate of the Ministry of Energy and Mines (Guatemala).

(b) Las Minas (formerly Cerro Las Minas), Guatemala

In March 2011 a private company applied for an initial 3 year exploration licence on the property and entered into an agreement with the Company to assign its rights under the exploration licence to the Company. The private company's licence may be extended for two additional 2-year periods; and subsequently converted to a 25-year exploitation license, extendable for an additional 25 years.

The Las Minas Property is subject to the following: i) a royalty fee of \$1 US per ounce of gold produced; and ii) a 1% NSR payable to the Mining Directorate of the Ministry of Energy and Mines (Guatemala). During the year ended December 31, 2017, the Company relinquished this license as the license area is included in the Silimanita license described in Note 8c.

(c) Silimanita (formerly El Morro) and San Juan (formerly El Mojon), Guatemala

On June 9, 2008, the Guatemalan Ministry of Energy and Mines granted Minera an exploration licence for the area of El Morro. In February 2009 Minera applied to extend the area of the El Morro licence to 100 square kilometres to reacquire 12 of the 15 square kilometres relinquished in the Cerro Las Minas extension application. On October 27, 2008, the Guatemalan Ministry of Energy and Mines granted Minera an exploration licence for the area of El Mojon.

GOLDEX RESOURCES CORPORATION**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021

(Unaudited - Expressed in Canadian dollars)

9. EXPLORATION AND EVALUATION ASSETS (continued)**(c) Silimanita (formerly El Morro) and San Juan (formerly El Mojon), Guatemala (continued)**

During the year ended December 31, 2015, the Company relinquished the licences. Concurrently a private company applied for an initial 3 year exploration licence on the properties under the names Silimanita and San Juan and entered into an agreement with the Company to assign its rights under the exploration licences to the Company. The private company's licences may be extended for two additional 2-year periods; and subsequently converted to a 25-year exploitation license, extendable for an additional 25 years.

The Silimanita and San Juan properties are subject to a 1% NSR payable to the Mining Directorate of the Ministry of Energy and Mines (Guatemala).

10. SEGMENTED INFORMATION

The Company determines its reportable segments based on geography.

	June 30, 2021	December 31, 2020
Current Assets		
Canada	\$ 9,892	\$ 5,074
Guatemala	341	5,025
Total	\$ 10,233	\$ 10,099
Exploration and evaluation assets - Guatemala	\$ 1,284,238	\$ 1,277,032
Reclamation bond - Guatemala	\$ 137,176	\$ 137,176
Equipment - Canada	\$ 947	\$ 1,307
Current liabilities		
Canada	\$ 1,761,816	\$ 1,493,669
Guatemala	489,991	495,715
Mexico	73,586	73,586
Barbados	2,897	2,897
Total	\$ 2,328,290	\$ 2,065,867
	Six months ended June 30,	
	2021	2020
Comprehensive income (loss)		
Canada	\$ 42,854	\$ (175,636)
Guatemala	(3,083)	-
Total	\$ 39,771	\$ (175,636)

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2021	December 31, 2020
Trade payables	\$ 29,846	\$ 134,505
Due to related party	4,538	8,925
Accrued liabilities	483,237	485,467
	\$ 517,621	\$ 628,897

GOLDEX RESOURCES CORPORATION**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021

(Unaudited - Expressed in Canadian dollars)

12. LEASE LIABILITIES

	Premise Lease
Balance, December 31, 2019	\$ 22,378
Finance cost	1,800
Modification	(5,069)
Payments	(15,435)
Balance, December 31, 2020	3,674
Finance cost	185
Payments	(3,859)
Balance, June 30, 2021	-
Less: Current	-
Non-current	\$ -

The lease liabilities were discounted at a discount rate of 12% as at January 1, 2019.

13. RELATED PARTY TRANSACTIONS

During the three and six months ended June 30, 2021, the Company entered into the following transactions with related parties:

- The Company incurred management fees of \$24,000 and \$48,000 (2020 - \$24,000 \$48,000) to a company controlled by the President of the Company.
- The Company incurred interest expense of \$210 and \$237 (2020 - \$135 and \$310) on a short-term loan payable to a company controlled by the President of the Company.
- The Company incurred professional fees of \$4,084 and \$5,084 (2020 - \$4,096 and \$5,096) to a company controlled by the CFO of the Company.
- The Company incurred interest expense of \$727 and \$1,456 (2020 - \$799 and \$1,631) on a promissory note payable to a company controlled by a director of the Company (Note 14).
- The Company incurred interest expense of \$38 and \$75 (2020 - \$47 and \$94) on a promissory note payable to a company controlled by a director of the Company (Note 14).

Amounts due to related parties are as follows:

	June 30, 2021	December 31, 2020
<u>Due to related parties:</u>		
President and companies controlled by the President for management fees, expenses and accumulated interest	\$ 463,733	\$ 405,571
President and companies controlled by the President for expenses ¹	16,825	1,266
Director and companies controlled by a director for expenses	4,469	4,642
	\$ 485,027	\$ 411,479
<u>Promissory notes payable (Note 14):</u>		
Director and companies controlled by a director for principal ^{1 and 2}	\$ 38,335	\$ 39,329
Director and companies controlled by a director for principal ³	14,370	13,270
Director and companies controlled by a director for interest ²	83,239	85,183
	\$ 135,944	\$ 137,782

¹ These amounts are subject to 8% interest per annum, unsecured and have no fixed terms of repayment.

² Refer to Notes 14(a) and (f)

³ Refer to Note 14(e)

GOLDEX RESOURCES CORPORATION**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021

(Unaudited - Expressed in Canadian dollars)

14. PROMISSORY NOTES

(a) During the year ended December 31, 2016, the Company received advances under a promissory note from a company controlled by a director in the amount of US\$19,950. The note is unsecured, bears interest at a rate of 8% per annum, and has no fixed terms of repayment. During the year ended December 31, 2017, the Company received additional advances amounting to US\$9,455. During the three and six months ended June 30, 2021, the Company recorded interest expense of \$727 and \$1,456 (2020 - \$799 and \$1,631). As at June 30, 2021, principal and interest of \$50,425 (December 31, 2020 - \$50,315) was due on the note.

(b) During the year ended December 31, 2016, the Company issued a promissory note totalling US\$15,000 to a third party. During the year ended December 31, 2017, the Company received additional advances amounting to US\$22,500. The note is payable on demand and bears interest at a rate of 8% per annum. During the year ended December 31, 2019, the Company received further advances of US\$25,000. During the three and six months ended June 30, 2021, the Company recorded interest expense of \$1,545 and \$3,095 (2020 - \$1,699 and \$3,467). As at June 30, 2021, principal and interest of \$100,058 (December 31, 2020 - \$99,630) was due on the note.

(c) During the year ended December 31, 2016 the Company issued a promissory note totalling US\$2,005 to a third party. The note is payable on demand and is non-interest bearing. During the year ended December 31, 2017, the Company received additional advances from the third party in the amount of US\$135,321. During the year ended December 31, 2018, the Company received additional advances of US\$11,874. As at June 30, 2021, principal of \$184,918 (December 31, 2020 - \$189,961) was due on the note.

(d) During the year ended December 31, 2017, the Company issued a promissory note totalling \$125,000 to a third party. The note is payable on demand and bears interest at a rate of 8% per annum. During the year ended December 31, 2018, the Company received additional \$93,045 advances. During the three and six months ended June 30, 2021, the Company recorded interest expense of \$4,349 and \$8,650 (2020 - \$4,349 and \$8,698). As at June 30, 2021, principal and interest of \$281,582 (December 31, 2020 - \$272,932) was due on the note.

(e) During the year ended December 31, 2017, the Company issued a promissory note totalling Q520,000 (Guatemalan Quetzales) to a related party. The note is payable on demand and bears no interest. As at June 30, 2021, principal of \$83,239 (December 31, 2020 - \$85,183) was due on the note.

(f) During the year ended December 31, 2018, the Company issued a promissory note totalling \$1,418 to a related party. The note is payable on demand and bears interest at a rate of 8% per annum. During the year ended December 31, 2019, the Company received further advances of \$473 on the loan. During the three and six months ended June 30, 2021, the Company recorded interest expense of \$38 and \$75 (2020 - \$47 and \$94). As at June 30, 2021, principal and interest of \$2,281 (December 31, 2020 - \$2,206) was due on the note.

	Promissory Notes
Balance, December 31, 2019	\$ 682,271
Accrued interest	27,532
Effect of foreign exchange	(9,576)
Balance, December 31, 2020	700,227
Accrued interest	13,276
Effect of foreign exchange	(11,000)
Balance, June 30, 2021	\$ 702,503

GOLDEX RESOURCES CORPORATION**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021
(Unaudited - Expressed in Canadian dollars)****15. CONVERTIBLE NOTES**

On April 15, 2016, the Company issued \$1,345,000 in convertible units. Each convertible unit consisting of one convertible secured note and one transferable detachable warrant. Each noteholder has the right to convert the principal amount of the convertible secured note into common shares of the Company for a period of five years after the date of issuance at a conversion price of \$0.10 per common share. The warrants are exercisable at \$0.10 per common share for five years from the date of issuance. The convertible secured notes have an interest rate of 8% per annum and have a maturity date of five years from closing. The conversion price of interest will be determined by the market price of the Company's common shares at the time of settlement.

The Company classified the notes into debt and equity components based on the residual method. The debt component of \$1,028,141 was calculated as the present value of the required interest and principal payment that would have been applicable to non-convertible debt using a market rate of 15% per annum. An amount of \$158,429 representing the estimated value of the right of conversion was included in shareholders' equity as the equity component of convertible notes, and included in warrant reserves.

On May 29, 2017, convertible units in the amount of \$220,000 were converted at \$0.10 per unit into 2,200,000 shares. On October 29, 2017, convertible units in the amount of \$454,000 were converted at \$0.10 per unit into 4,540,000 shares. On December 12, 2018, convertible units in the amount of \$20,000 were converted at \$0.10 per unit into 200,000 shares. On May 14, 2020, convertible units in the amount of \$20,000 were converted at \$0.10 per unit into 200,000 shares. On July 20, 2020, convertible units in the amount of \$21,000 were converted at \$0.10 per unit into 210,000 shares.

During the three and six months ended June 30, 2021, the Company recorded interest expense of \$12,167 and \$24,199 (2020 - \$12,739 and \$25,687) on the notes. An additional \$1,794 and \$11,883 (2020 - \$8,061 and \$17,503) interest expense was recorded and accreted back to the carrying value of the notes.

During the period ended June 30, 2021, the Company issued 3,326,500 common shares valued at \$266,120 to settled accrued interest of \$332,650, resulting in gain on settlement of debt of \$66,530.

During the period ended June 30, 2021, the convertible debentures matured on April 16, 2021 and the Company reclassified equity component related to the matured debt totalling \$71,853 to deficit.

During the period ended June 30, 2021, the Company entered into amendment agreements with the debenture holders to extend the repayment date of convertible debenture principal and accrued interest to June 30, 2022.

	Convertible Notes
Balance, December 31, 2019	\$ 600,346
Accretion	33,942
Conversion, net of fair value of equity portion reallocated from reserve account of \$4,829	(36,171)
Balance, December 31, 2020	598,117
Accretion	11,883
Balance, June 30, 2021	\$ 610,000

16. CAPITAL STOCK

Authorized:

Unlimited common shares without par value.

100,000,000 preferred shares without par value (none issued).

GOLDEX RESOURCES CORPORATION**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021

(Unaudited - Expressed in Canadian dollars)

16. CAPITAL STOCK (continued)

Issued:

On April 16, 2021, the Company issued 3,326,500 common shares valued at \$266,120 to settled accrued interest of \$332,650, resulting in gain on settlement of debt of \$66,530.

On March 4, 2021, the Company issued 500,000 shares upon exercise of 500,000 warrants at \$0.07 each for cash proceeds amount of \$35,000.

On July 27, 2020, the Company issued 500,000 shares upon exercise of 500,000 warrants at \$0.10 for cash proceeds amount of \$50,000. \$4,123, the value of the exercised warrants was transferred from reserves to capital stock.

On July 20, 2020, the Company issued 210,000 shares upon conversion of convertible notes in the amount of \$21,000. (Note 15)

On May 14, 2020, the Company issued 200,000 shares upon conversion of convertible notes in the amount of \$20,000. (Note 15)

On April 9, 2020, the Company completed a private placement comprised of 1,000,000 units at a price of \$0.05 per unit for gross proceeds of \$50,000. Each unit consists of one common share of the Company and one transferable common share purchase warrant. Each warrant will entitle the holder thereof to purchase one share at a price of \$0.07 for a period five years expiring April 9, 2025. The full amount of the proceeds was attributed to the shares under the residual method, hence the value of the warrants was estimated at nil. The Company incurred share issuance costs of \$1,000.

Stock options

On August 9, 2011, the Company's shareholders approved the adoption of a new incentive Stock Option Plan (the "New Plan") to allow the Company to grant options to directors, officers, employees and consultants. Options are to be exercisable over periods of up to 5 years as determined by the Board of Directors of the Company. Options are required to have an exercise price no less than the market price prevailing on the day that the option is granted, less any applicable discount permitted under the rules and policies of the TSX-V. The New Plan provides that the number of common shares which may be issued pursuant to options granted under the New Plan, together with all of the Company's other previously established or proposed share compensation plans, may not exceed 10% of the total number of issued and outstanding common shares of the Company. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis. The Board of Directors may prescribe, at the time of grant of a particular option, vesting provisions as they may deem appropriate and are in compliance with TSX-V Policies.

The following share options were outstanding and exercisable at June 30, 2021:

Exercise Price Per Share (\$)	Expiry Date	Number of Options	Weighted Average Life Remaining (in Years)
0.50	November 1, 2022	780,000	1.34
0.55	November 1, 2022	150,000	1.34

Options transactions and the number of options outstanding are summarized as follows:

	Period ended June 30, 2021		Year ended December 31, 2020	
	Number of Options	Weighted Average Exercise Price per Share (\$)	Number of Options	Weighted Average Exercise Price per Share (\$)
Balance - beginning of period	930,000	0.51	930,000	0.51
Expired / cancelled during the period	-	-	-	-
Balance - end of period	930,000	0.51	930,000	0.51

GOLDEX RESOURCES CORPORATION
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021
(Unaudited - Expressed in Canadian dollars)

16. CAPITAL STOCK (continued)

Warrants

The following warrants were outstanding at June 30, 2021:

Exercise Price Per Share (\$)	Expiry Date	Number of Warrants	Weighted Average Life Remaining (in Years)
0.07	April 9, 2025	500,000	3.78

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Period ended June 30, 2021		Year ended December 31, 2020	
	Number of Warrants	Weighted Average Exercise Price per Share (\$)	Number of Warrants	Weighted Average Exercise Price per Share (\$)
Balance - beginning of period	14,850,000	0.10	14,350,000	0.10
Granted in the period	-	-	1,000,000	0.07
Expired in the period	(13,850,000)	0.10	-	-
Exercised in the period	(500,000)	0.07	(500,000)	0.10
Balance – end of period	500,000	0.07	14,850,000	0.10

17. RESERVES

Reserves consist of the Company's share-based payment reserve, and warrants reserve. The share-based payment reserve records items recognized as stock-based compensation until such time that the stock option or other equity instrument are exercised, at which time the corresponding amount will be transferred to share capital. The warrants reserve is comprised of the the estimated value of the private placement warrants issued by the Company.

18. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Six months ended June 30,	
	2021	2020
Exploration expenditures included in accounts payable	\$ 104,122	\$ 104,692

19. RISK MANAGEMENT

Management of Industry Risk

The Company is engaged in mineral exploration and manages related industry risk issues directly. The Company's mineral exploration activities expose it to potential environmental liability risk. The Company operates in the mineral exploration industry which is subject to environmental laws and regulations specific to countries in which exploration is conducted. Due to the diversity of these regulations compliance at all times cannot be assured. It is management's policy to review environmental compliance and exposure on an ongoing basis. The Company follows industry standards and specific project environmental requirements. The Company records liability for site restoration in the period of determination. The Company is currently in the exploration stage on its property interests and has not determined whether significant site recovery costs will be required. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

19. RISK MANAGEMENT(continued)

Management of Financial Risk

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

The Company's financial instruments are exposed to certain financial risks, which include credit risk, liquidity risk, and market risk. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation causing the other party to incur a financial loss. The Company is exposed to credit risk in respect to its cash accounts in the event that its counterparties do not meet their obligations. The risk in cash accounts is managed through the use of major financial institutions which have high credit quality as determined by the rating agencies. The Company's other exposure risk is on its accounts receivable. The risk is minimal as receivables consist primarily of refundable government goods and services taxes.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they became due. To manage liquidity risk, the Company reviews additional sources of capital and replacement debt structures to continue its operations and discharge its commitments as they become due. As at June 30, 2021, the Company had a cash balance of \$503 to settle current liabilities of \$2,328,290. All of the Company's financial liabilities are subject to normal trade terms. Liquidity risk is assessed as high.

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 commodity price risk.

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. Current exploration activities occur in Guatemala. Therefore the Company is subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. Currently the Company does not use any hedging or derivative instruments to reduce its exposure to foreign currency risk. The Company does not maintain significant cash or cash equivalents or other monetary assets or liabilities in these foreign countries.

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 has no debt at floating rates and are therefore not exposed to interest rate risk.

Commodity price risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices, particularly gold. As the Company has not yet developed commercial mineral interests, it is not exposed to commodity price risk.

GOLDEX RESOURCES CORPORATION**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS****FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021****(Unaudited - Expressed in Canadian dollars)**

20. CAPITAL MANAGEMENT

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 development of its exploration and evaluation assets and to maintain a flexible capital structure for its projects for the benefit of its stakeholders, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. The Company includes the components of shareholders' equity in its management of 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 adjust the amount of cash.

There were no changes in the Company's approach to capital management during the period ended June 30, 2021.