

VANTEX RESOURCES LTD.
UNAUDITED INTERIM FINANCIAL STATEMENTS
SIX MONTHS ENDED APRIL 30, 2021 AND 2020

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VANTEX RESOURCES LTD.

(The "Company")

INTERIM FINANCIAL STATEMENTS

Six Months Ended April 30, 2021 and 2020

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The management of Vantex Resources Ltd. is responsible for the preparation of the accompanying unaudited interim financial statements. The unaudited interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of interim financial statements and are in accordance with IAS 34 Interim Financial Reporting.

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

June 28, 2021

VANTEX RESOURCES LTD.

Interim statements of financial position

As at April 30, 2021 and October 31, 2020

(Expressed in Canadian dollars)

	April 30, 2021 (unaudited)	October 31, 2020 (audited)
ASSETS		
Current		
Cash and cash equivalents (Notes 8 and 11)	\$ 1,227,180	\$ 17,744
Taxes receivable (Note 9)	3,944	7,598
Due from related party	3,936	3,936
Prepaid expenses and deposits (Note 10)	5,134	9,163
Current assets	<u>1,240,194</u>	<u>38,441</u>
Non-current		
Investments (Notes 8 and 11)	500	975,000
Exploration and evaluation assets (Note 12)	315,929	815,292
Non-current assets	<u>316,429</u>	<u>1,790,292</u>
Total assets	<u>\$ 1,556,623</u>	<u>\$ 1,828,733</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Notes 14 and 15)	\$ 297,971	\$ 346,376
Loan payable (Note 16)	10,771	10,615
Current liabilities	<u>308,742</u>	<u>356,991</u>
Total liabilities	<u>308,742</u>	<u>356,991</u>
EQUITY		
Share capital (Note 17a)	19,951,710	19,801,710
Contributed surplus	4,946,018	4,946,018
Deficit	(23,649,847)	(23,275,986)
Total equity	<u>1,247,881</u>	<u>1,471,742</u>
Total liabilities and equity	<u>\$ 1,556,623</u>	<u>\$ 1,828,733</u>

Notes to financial statements are an integral part of the interim financial statements.

Anthony Jackson (s)
Director

Quinn Field-Dyte (s)
Director

VANTEX RESOURCES LTD.

Interim statements of changes in equity

For the six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

	Share capital	Contributed surplus	Deficit	Total equity
	\$	\$	\$	\$
Balance - November 1, 2020	19,801,710	4,946,018	(23,275,986)	1,471,742
Private placement (Note 17a)	150,000	-	-	150,000
Comprehensive loss for the period	-	-	(373,861)	(373,861)
Balance - April 30, 2021	<u>19,951,710</u>	<u>4,946,018</u>	<u>(23,649,847)</u>	<u>1,247,881</u>
 Balance - November 1, 2019	 19,766,710	 4,946,018	 (20,394,859)	 4,317,869
Private placement (Note 17a)	35,000	-	-	35,000
Comprehensive loss for the period	-	-	(75,117)	(75,117)
Balance - April 30, 2020	<u>19,801,710</u>	<u>4,946,018</u>	<u>(20,469,976)</u>	<u>4,277,752</u>

Notes to financial statements are an integral part of the interim financial statements.

VANTEX RESOURCES LTD.

Interim statements of loss and comprehensive loss

For the three and six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

	Three months ended April 30,		Six months ended April 30,	
	2021	2020	2021	2020
OPERATING EXPENSES				
Communications and advertising	\$ -	\$ -	\$ -	\$ 50
Consulting and professional fees (Note 14)	53,288	29,929	92,065	59,179
Flow-through share penalties	-	100	-	100
Insurance	1,981	1,842	4,029	3,685
Listing fees and rights	9,398	6,167	10,133	6,342
Rent and office expenses	24,747	3	40,827	544
Registration and information to shareholders	2,637	792	5,148	5,317
Travelling expenses and entertainment	3,592	-	3,592	-
OPERATING LOSS	(95,643)	(38,833)	(155,794)	(75,217)
OTHER ITEMS				
Loss on investment disposal (Note 11)	(384,719)	-	(413,067)	-
Unrealized gain on investment (Note 11)	200,360	-	195,000	-
	(184,359)	-	(218,067)	-
LOSS BEFORE TAXES	(280,002)	(38,833)	(373,861)	(75,217)
Income taxes and deferred taxes	-	100	-	100
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	\$ (280,002)	\$ (38,733)	\$ (373,861)	\$ (75,117)
LOSS PER SHARE, BASIC AND DILUTED (Note 19)	\$ (0.06)	\$ (0.01)	\$ (0.09)	\$ (0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	4,517,117	3,809,252	4,157,318	3,608,252

Notes to financial statements are an integral part of the interim financial statements.

VANTEX RESOURCES LTD.

Interim statements of cash flows

For the three and six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

	Three months ended April 30,		Six months ended April 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net loss for the period	(280,002)	(38,733)	(373,861)	(75,117)
Non-cash items of net loss for the period:				
Interest expense on loan payable	76	-	156	-
Loss on investment disposal	384,719	-	413,067	-
Unrealized gain on investment	(200,360)	-	(195,000)	-
	<u>(95,567)</u>	<u>(38,733)</u>	<u>(155,638)</u>	<u>(75,117)</u>
Changes in non-cash working capital items:				
Taxes receivable	4,070	(4,695)	3,654	(7,929)
Prepaid expenses and deposits	11,613	1,842	4,029	3,685
Accounts payable and accrued liabilities	<u>52,419</u>	<u>40,993</u>	<u>(48,405)</u>	<u>81,173</u>
	<u>68,102</u>	<u>38,140</u>	<u>(40,722)</u>	<u>76,929</u>
Net cash provided by (used in) operating activities	<u>(27,465)</u>	<u>(593)</u>	<u>(196,360)</u>	<u>1,812</u>
INVESTMENT ACTIVITIES				
Acquisition of investment	(500)	-	(500)	-
Proceeds from sale of investment	592,036	-	756,933	-
Proceeds on settlement of option agreement	250,000	-	500,000	-
Exploration expenses	(2,701)	(30,400)	(2,701)	(36,344)
Exploration tax credits	-	-	2,064	900
Net cash provided by (used in) investment activities	<u>838,835</u>	<u>(30,400)</u>	<u>1,255,796</u>	<u>(35,444)</u>
FINANCING ACTIVITY				
Proceeds from issuance of common shares	150,000	35,000	150,000	35,000
Net cash provided by financing activity	<u>150,000</u>	<u>35,000</u>	<u>150,000</u>	<u>35,000</u>
Net increase in cash and cash equivalents	<u>961,370</u>	<u>4,007</u>	<u>1,209,436</u>	<u>1,368</u>
Cash and cash equivalents at the beginning of the period	<u>265,810</u>	<u>647</u>	<u>17,744</u>	<u>3,286</u>
Cash and cash equivalents at the end of the period (Note 8)	<u>1,227,180</u>	<u>4,654</u>	<u>1,227,180</u>	<u>4,654</u>

Notes to financial statements are an integral part of the interim financial statements.

VANTEX RESOURCES LTD.

Notes to interim financial statements

For the six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

The Company was incorporated under the Company Act of British Columbia and obtained a certificate of continuance under the Canada Business Corporations Act. On February 23, 2004, a modification certificate was issued, modifying the name Vantex Oil, Gas and Minerals Ltd. by Vantex Resources Ltd. The Company's activities include the acquisition, exploration and development of mining properties. The Company has not yet determined whether these properties contain ore reserves that are economically recoverable. Its shares are trading on TSX Venture Stock Exchange ("TSX-V") on symbol VAX.

The address of registered office and its principal place of business is 400 - 837 West Hastings Street, Vancouver, BC V6C 3N6.

2. GOING CONCERN

These interim financial statements have been prepared on a going concern basis which presumes the realization of assets and discharge of liabilities in the normal course of business.

Given that the Company has not yet found a mining property which contains ore reserves that are economically recoverable, the Company did not generate income and cash flow from its operations until now. As at April 30, 2021, the Company has a deficit of \$23,649,847 (October 31, 2020 - \$23,275,986).

In March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact of the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, the Company anticipate this outbreak might increase the difficulty in capital raising which may negatively impact the Company's business and financial condition.

The Company's ability to continue as a going concern is dependent upon raising additional funds. In spite of the obtaining of funds in the past, there is no guarantee of success for the future. These conditions raise significant doubt regarding the Company's ability to continue as a going concern.

The carrying amounts of assets, liabilities, revenues and expenses presented in the financial statements and the balance sheet classification have not been adjusted as would be required, if the going concern assumption was not appropriate.

3. STATEMENT OF COMPLIANCE

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These interim financial statements comply with International Accounting Standards (IAS) 34 "Interim Financial Reporting".

These interim financial statements were approved and authorized for issuance by the Board of Directors on June 28, 2021.

4. BASIS OF MEASUREMENT

The interim financial statements have been prepared on a historical cost basis. The interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

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 judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 6.

The accounting policies set out in Note 5 have been applied consistently by the Company to all periods presented.

VANTEX RESOURCES LTD.

Notes to interim financial statements

For the six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a) Exploration and Evaluation Assets****i. Pre-license expenditures**

Pre-license expenditures are costs incurred before the legal rights to explore a specific area have been obtained. These costs are expensed in the period in which they are incurred as exploration and evaluation expense.

ii. Exploration and evaluation expenditures

Once the legal right to explore has been acquired, costs directly associated with the exploration project are capitalized as either tangible or intangible exploration and evaluation assets ("E&E") according to the nature of the asset acquired. Such E&E costs may include undeveloped land acquisition, geological, geophysical and seismic, exploratory drilling and completion, testing, decommissioning and directly attributable internal costs. E&E costs are not depleted and are carried forward until technical feasibility and commercial viability of extracting a mineral resource is considered to be determined. The technical feasibility and commercial viability of a mineral resource is considered to be established when proved and or probable mineral reserves are determined to exist. All such carried costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the exploratory activity. When this is no longer the case, impairment costs are charged to exploration and evaluation expense. Upon determination of mineral reserves, E&E assets attributed to those reserves are first tested for impairment and then reclassified to development and production assets within property, plant and equipment, net of any impairment. Expired land costs are also expensed to exploration and evaluation expense as they occur.

The Company has not established any NI 43-101 compliant proven or probable reserves on any of its mining properties which have been determined to be economically viable.

iii. Impairment

Exploration and evaluation assets are assessed for impairment when indicators and circumstances suggest that the carrying amount may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Industry-specific indicators for an impairment review arise typically when one of the following circumstances applies:

- Substantive expenditure or further exploration and evaluation activities is neither budgeted nor planned;
- Title to the asset is compromised, has expired or is expected to expire;
- Adverse changes in the taxation, regulatory or political environment;
- Adverse changes in variables in commodity prices and markets making the project unviable; and
- Variations in the exchange rate for the currency of operation.

VANTEX RESOURCES LTD.

Notes to interim financial statements

For the six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***a) Exploration and Evaluation Assets** *(continued)***iii. Impairment** *(continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

b) Restoration, Rehabilitation, and Environmental Obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arise from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss. The Company has no restoration, rehabilitation and environmental obligations as at April 30, 2021.

c) Cash and Cash Equivalents

Cash in the statement of financial position is comprised of cash held at major financial institutions and short-term investments which are readily convertible into a known amount of cash. The Company's cash is invested in business accounts which are available on demand by the Company.

Fund to be spent on exploration under tax restrictions through flow-through investments are excluded from cash and cash equivalents and are presented separately in current assets. Cash for exploration represents unspent funds from flow-through investments.

d) Income Taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the balance sheet liability method, providing for unused tax loss carry-forwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

VANTEX RESOURCES LTD.

Notes to interim financial statements

For the six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***e) Share Capital***Share capital and warrants*

Common shares and warrants are classified in equity. Issue costs that are directly attributable to the issuance of shares and warrants are recognized in equity as a deduction from the issue proceeds during the period when these transactions occur.

Proceeds from unit placements are allocated between shares and warrants issued using the relative fair value method. Proceeds are charged in proportion to the fair value of shares based on the stock prices at the time of issue and the fair value of the warrants determined using the Black-Scholes model.

The fair value attributed to the warrant is recorded as warrant equity. If the warrant is exercised, the value attributed to the warrant is transferred to share capital. If the warrant expires unexercised, the value is reclassified to contributed surplus within equity.

Flow-through placements

The Company finances some exploration expenditures through the issuance of flow-through shares. Under the provisions of tax legislation relating to flow-through shares, the Company is required to renounce tax deductions for expenses related to exploration activities to the benefit of the investors.

Issuance of flow-through shares represents in substance a compound financial instrument. The liabilities compound represents the sale of the right to tax deductions to the investors. The proceeds received from flow-through placements are allocated between share capital and the deferred gain on flow-through placement, using the residual method. The shares are valued at the fair value of existing shares at the time of issuance and the residual proceeds is allocated to liability as a deferred gain which is reversed to net income when eligible expenditures have been made or when the liabilities are not met.

The Company recognizes a deferred tax liability for flow-through shares and a deferred tax expense, at the moment the eligible expenditures are made.

Contributed surplus

Contributed surplus includes, among other things, charges related to stock options expenses until the exercise of these options.

f) Share-Based Payments

Options and warrants granted are accounted for using the fair value method. Under this method, the fair value of stock options and warrants granted are measured at estimated fair value at the grant date and recognized over the vesting period. Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus on options granted is transferred to share capital.

The Company uses the Black-Scholes option pricing model to determine the fair value of these incentives taking into consideration terms and conditions upon which the options were granted. At each financial reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

g) Profit (Loss) Per Share

The Company presents basic and diluted profit (loss) per share data for its common shares, calculated by dividing the profit (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

VANTEX RESOURCES LTD.

Notes to interim financial statements

For the six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***h) Tax Credits and Refundable Fees**

The Company is entitled to refundable credits on duties from a loss under the Act respecting duties on mining. These refundable credits on loss are applicable on or against eligible exploration expenses incurred in the Province of Quebec. In addition, the Company is entitled to refundable tax credits on eligible expenses incurred by mining companies. The refundable tax credits and loans repayable on loss of rights have been charged against the costs incurred under IAS 20, when the Company is reasonably certain that they will be received. Tax credits recorded by the Company should be subject to review and approval by the tax authorities, and it is possible that this amount differs from the amount recorded.

i) Impairment of Assets

For purposes of impairment testing, if an asset does not generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets, it is grouped with other assets to create a cash-generating unit (CGU), which corresponds to the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. CGUs relate to the Company's brand assets and are allocated on the basis of the three geographic segments that are subject to internal monitoring.

If the recoverable amount of a CGU exceeds its carrying amount, the unit is regarded as not impaired. If the carrying amount of the unit exceeds its recoverable amount, the Company allocates the impairment loss to the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Value in use is determined on the basis of profit or loss projections over the useful life of the asset or CGU using management's forecast tools (for the 3 first years) and an estimate over the subsequent years based on long-term market trends for the asset or CGU involved. The calculation takes into account net cash flows to be received on disposal of the asset or CGU at the end of its useful life based on the growth and profitability profile of each asset or CGU.

An impairment loss recognized in prior periods for an asset or a CGU is reversed when there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount, without exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior periods.

j) Option Agreement on Mining Properties

Options on interests in mining properties acquired by the Company are recorded at the value of disbursed cash consideration, including any economic benefit transferred, but excluding future spending commitment. Since the commitment of future expenditures does not meet the definition of a liability, it is not recognized. Expenditures are recorded only when they are incurred by the Company.

When the Company sells its interests in mineral properties, it uses the book value of the property before the sale of the option as part of the carrying value of the property and credits any monetary consideration received and the fair value of other financial assets against the carrying value of this property. Any surplus is recorded in net income.

k) Provisions, Contingent Liabilities and Contingent Assets

A present obligation arises from the presence of legal or constructive commitment that has resulted from past events, such as legal disputes, liabilities related to decommissioning, restoration and similar liabilities or onerous contracts. The evaluation of provisions corresponds to the estimated expenditures required to settle the present obligation, based on the most reliable evidence available at the date of presentation of financial information, including risks and uncertainties relating to the obligation. When there is a large number of similar obligations, the likelihood that an outflow of resources will be required to settle these obligations is determined by considering the class of obligations as a whole. Provisions are discounted when the time value of money is significant. Any reimbursement that the Company can be virtually certain to collect from a third party to the obligation is recognized as a separate asset. However, this asset should not exceed the amount of the related provision. Provisions are reviewed at each reporting date for financial information and adjusted to reflect current best estimates at that date. When a possible outflow of resources of economic benefits as a result from present obligations is considered either improbable or a

VANTEX RESOURCES LTD.

Notes to interim financial statements

For the six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**k) Provisions, Contingent Liabilities and Contingent Assets (continued)**

low probability is determined, no liability is recorded unless it was assumed in the course of a business combination. In a business combination, contingent liabilities related to a present obligation is recognized in the allocation of the purchase price of the assets acquired and liabilities are assumed as part of the business combination. They are subsequently measured at the highest amount of a comparable provision, as described above, and the amount initially recognized, net of depreciation.

Entries that are probable economic benefits to the Company that do not yet meet the recognition criteria of an asset are treated as contingent assets. The Company's operations are governed by laws and government regulations concerning environmental protection. The environmental consequences are difficult to identify, whether the amounts are based on timing or outcome. The Company currently operates in accordance with the laws and regulations currently in force. Any payment that may result from the restoration of mining properties, if any, will be recorded in cost of mining properties when it will be possible to make a reasonable estimate.

l) Government Grants

Grants from governments are recognized as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants that become receivable as compensation for expenses incurred shall be recognized in profit and loss of the period in which it becomes receivable and presented under "Other income". The junior mining exploration assistance programs are designed to assist the Company to conduct advanced mining exploration.

m) Financial InstrumentsClassification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

Financial assets/liabilities	Classification IFRS 9
Cash and cash equivalents	Amortized cost
Investments	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Loan payable	Amortized cost

Measurement*Financial assets at FVTOCI*

Elected investments in equity investments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive loss.

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

VANTEX RESOURCES LTD.

Notes to interim financial statements

For the six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***m) Financial Instruments** *(continued)*Measurement *(continued)**Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transactions costs expensed in the statements of loss. Realized and unrealized gains or losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss in the period in which they arise.

Impairment of financial assets at amortized cost

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset's credit risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition*Financial assets*

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss and comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of loss.

n) Revenue Recognition

Interest income is recognized on an accrual basis. They are recognized based on the number of days the investment is held during the year.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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 comprehensive 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.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

VANTEX RESOURCES LTD.

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For the six months ended April 30, 2021 and 2020

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6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)*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.

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and assumptions in many cases ((Note 5 a) iii.).

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset or the cash-generating unit must be estimated.

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either future exploitation or sale of the property when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development and the renewal of permits. Estimates and assumptions may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures is unlikely, the amounts capitalized are written-off in profit or loss in the period in which the new information becomes available.

Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Going concern

The Company is a going concern and will continue in operation for the foreseeable future and at least one year. The factors considered by management are disclosed in Note 2.

Fair value

All financial instruments are required to be recognized at fair value on initial recognition. Subsequent measurement of these instruments is at amortized cost or at fair value depending on their classification.

Fair value is the amount of consideration that would be agreed upon in an arm's-length transaction, between knowledgeable, willing parties who are under no compulsion to act. This is a point-in-time measurement that may be changed in subsequent reporting periods due to market conditions or other factors.

Fair value of a financial instrument is determined by reference to quoted prices in the most advantageous active market to which the Company has immediate access. In the absence of an active market, fair value is determined on the basis of internal or external valuation models, including discounted cash flow models. Fair value determined using these valuation models, requires the use of assumptions concerning the amount and timing of estimated future cash flows, as well as the number of variables. In determining these assumptions, external readily observable market inputs are considered, as applicable, otherwise the Company uses the best possible estimate.

Deferred tax

When the Company anticipates an amount of tax to pay in the future according to its estimates, a liability is recognized.

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6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)*Deferred tax (continued)*

The evaluation of the probability of future taxable income involves judgment. A deferred tax asset is recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences and the deferred unused tax credits and unused tax losses can be utilized.

Provisions and contingent liabilities

Judgments are made as to whether a past event has led to a liability that should be recognized in the financial statements or disclosed as a contingent liability. Quantifying any such liability often involves judgments and estimations. These judgments are based on a number of factors including the nature of the claims or dispute, the legal process and potential amount payable, legal advice received, previous experience and the probability of a loss being realized. Several of these factors are sources of estimation and uncertainty.

As at April 30, 2021, the contingencies of the Company concerning environmental impacts and flow-through shares are disclosed in Note 22.

7. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS**New and revised standards that are effective**

The retrospective application of the following amendments had no impact on the Company's profit or loss or financial position.

IFRS 16 - Leases

IFRS 16 was issued in January 2016. It will result in almost all leases being recognized on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term and low-value leases.

The accounting for lessors did not significantly change.

The standard will affect primarily the accounting for the Company's operating leases. The Company has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Company's profit and classification of cash flows. Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under IFRS 16.

IFRIC 23 - Tax Treatment Uncertainty

In June 2017, the IASB issued IFRIC 23, Uncertainty relating to tax treatment, prepared by the IFRS Interpretations Committee to clarify the accounting for uncertainties over income tax treatments.

The interpretation applies to the determination of taxable income (tax loss), tax values, unused tax losses, unused tax credits and tax rates when there is doubt as to income tax treatments to be used in accordance with IAS 12.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

Other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

IAS 1 - Presentation of Financial Statements

This standard has been revised to incorporate amendments issued by the International Accounting Standards Board (IASB) in January 2020. The amendments clarify the criterion for classifying a liability as non-current relating to the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

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7. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS
(continued)**Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company (continued)****Annual Improvements to IFRS Standards 2018-2020**

The standard IFRS 9 *Financial Instrument* have been revised to incorporate amendments issued by the IASB in May 2020. The amendment clarifies the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.

8. CASH AND CASH EQUIVALENTS

	April 30, 2021	October 31, 2020
	\$	\$
Cash	474,758	17,744
Investment - cash (Note 11)	752,422	-
	<u>1,227,180</u>	<u>17,744</u>

9. TAXES RECEIVABLE

	April 30, 2021	October 31, 2020
	\$	\$
Taxes Receivable	3,944	7,598

10. PREPAID EXPENSES AND DEPOSITS

	April 30, 2021	October 31, 2020
	\$	\$
MRN Security Deposit	5,000	5,000
Insurance	134	4,163
	<u>5,134</u>	<u>9,163</u>

11. INVESTMENTS

	Number of Shares	Cost \$	Fair Value \$
Common shares of Fokus Mining Corporation ("Fokus")			
Balance, October 31, 2020	3,000,000	1,170,000	975,000
Sold shares	(3,000,000)	(1,170,000)	(1,170,000)
	-	-	(195,000)
Unrealized gain on change in fair value	-	-	195,000
Balance, April 30, 2021	-	-	-
Common shares of Millennial Silver Corp ("Millennial")			
Balance, October 31, 2020	-	-	-
Acquisition	1,000	500	500
Balance, April 30, 2021	1,000	500	500
Balance, October 31, 2021	3,000,000	1,170,000	975,000
Balance, April 30, 2021	1,000	500	500

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11. INVESTMENTS (continued)

On September 2, 2020, the Company closed the option agreement entered on July 15, 2020, with Fokus Mining Corporation (formerly Fieldex Exploration Inc.) ("Fokus"), pursuant to the agreement Fokus acquired a 100% interest in the Galloway project for cash consideration of \$1,000,000 and issuance of 3,000,000 shares with a fair value of \$1,170,000 (Note 12). The Company held 6.25% of Fokus issued shares.

During the six months ended April 30, 2021, the Company fully sold 3,000,000 shares of Fokus for a total net proceeds of \$752,922 and recognized a loss on sale of investment of \$413,067 (Note 8). At April 30, 2021, the market value of the Fokus investment increased and an unrealized gain of \$195,000 (2020 - \$Nil) was recognized in profit or loss.

On February 11, 2021, the Company acquired 1,000 shares of Millennial Silver Corp ("Millennial") for a cost of \$500.

12. EXPLORATION AND EVALUATION ASSETS

The mining properties are all located in Quebec.

Mining properties

	Mining claims	Royalties	Held	Cost October 31, 2020	Option Agreement	Cost April 30, 2021
		%	%	\$	\$	\$
Hurd (a)	9	1.6	90	540,684	(383,291)	157,393
Perron (a)	14	*	100	59,418	-	59,418
Renault Bay (b)	6	2	100	33,825	-	33,825
Cléricky (e)	26	**	100	15,635	-	15,635
Total	55			649,562	(383,291)	266,271

*Royalty for this property is \$1 per ounce of gold.

**Royalty of 1% NSR per ten mining titles

Exploration expenses

	Cost October 31, 2020	Exploration expenses	Exploration credit	Option agreement	Cost April 30, 2021
	\$	\$	\$	\$	\$
Hurd (a)	116,072	2,701	(2,064)	(116,709)	-
Cléricky (e)	46,958	-	-	-	46,958
Lac Bousquet: (d) Bloc Normar	2,700	-	-	-	2,700
	165,730	2,701	(2,064)	(116,709)	49,658

The mining properties are all located in Quebec.

Mining properties

	Mining claims	Royalties	Held	Cost October 31, 2019	Acquisition	Impairment	Cost October 31, 2020
		%	%	\$	\$	\$	\$
Hurd (a)	9	1.6	90	540,684	-	-	540,684
Perron (a)	14	*	100	59,418	-	-	59,418
Renault Bay (b)	6	2	100	33,825	-	-	33,825
Cléricky (e)	26	**	100	15,635	-	-	15,635
Total	55			649,562	-	-	649,562

*Royalty for this property is \$1 per ounce of gold.

**Royalty of 1% NSR per ten mining titles

VANTEX RESOURCES LTD.

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12. EXPLORATION AND EVALUATION ASSETS (continued)**Exploration expenses**

	Cost October 31, 2019	Exploration expenses	Disposal	Impairment	Exploration credit	Option agreement	Cost October 31, 2020
	\$	\$	\$	\$	\$	\$	\$
Hurd (a)	4,777,264	20,137	-	(3,237,690)	(23,639)	(1,420,000)	116,072
Perron (a)	15,527	825	-	(12,854)	(3,498)	-	-
Sandborn (a)	-	360	-	(360)	-	-	-
Cadillac Rang III (a)	-	1,305	-	(1,305)	-	-	-
Renault Bay (b)	16,762	-	-	(13,964)	(2,798)	-	-
Cléricky (e)	22,505	30,400	-	-	(5,947)	-	46,958
Lac Bousquet: (d)							
Bloc Normar	-	2,700	-	-	-	-	2,700
	4,832,058	55,727	-	(3,266,173)	(35,882)	(1,420,000)	165,730

The mining properties are all located in Quebec.

Summary

	April 30, 2021	October 31, 2020
	\$	\$
Total of mining properties	266,271	649,562
Total of exploration expenses	49,658	165,730
Total of exploration and evaluation assets	315,929	815,292

a) Galloway Project

As part of the Galloway project, the Company has signed in 2009 commitments related to option agreements for the acquisition of the mining properties Hurd, Ogima Nord, Sandborn, Perron, Francoeur and Cadillac Rang III, all situated in the Dasserat Township. Having made the last required payments and shares issuances to the sellers in February 2011, the Company now owns a 100% interest in the Sandborn, Perron, Francoeur and Cadillac Rang III properties and a 90% interest in the Hurd and Ogima Nord properties. These interests were acquired in return of payments totaling \$282,500 and the issuance of 484,680 common shares since 2009.

In January 2013, the Company proceeded with the repurchase of a 20% portion of the 2% royalty relating to the Hurd Property for a payment of \$50,000.

The number of mining titles constituting the Perron Property decreased following an agreement with the Québec Government. As a result, the Company transferred 7 mining claims to the Ministère de l'Énergie et des Ressources naturelles for which the latter increased the surface of five other claims included in this Property.

In March 2016, the Company signed an amended option agreement with Vanstar Mining Resources Inc. ("Vanstar") concerning certain mining blocks of the Galloway project located in the Rouyn-Noranda area, Abitibi. Under this agreement, the Company grants Vanstar the option to acquire a 50% interest in the Perron, Renault Bay and part of the Hurd blocks over a period of five years in return of the following work commitments: \$100,000 for each of the first two years, \$300,000 for the third year, \$500,000 for the fourth year and \$1,000,000 for the fifth year. Vanstar will acquire a 2.5% interest for each tranche of \$100,000 invested. In the original agreement, Vanstar had to invest \$400,000 each year in works.

On September 13, 2016, the Company has entered into an agreement to terminate its existing option agreement with Vanstar Mining Resources Inc. pursuant to which Vanstar acquired the right to purchase up to a 50% interest in certain mining claims, specifically in the Perron, Renault Bay and Hurd blocks (PRH gold project), situated in Dasserat Township, Abitibi, and referred to as the Galloway Property, located in the Rouyn-Noranda area of Quebec, Canada. According to final agreement on January 9, 2017, the Company agreed to a cash payment of \$50,000, the issuance of 50,000 shares at a value of \$50,000 and a royalty of 0.5% NSR on those claims. Also, the Company has subscribed for 1,428,571 shares by way of private placement from Vanstar at unit share price of \$0.07.

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12. EXPLORATION AND EVALUATION ASSETS *(continued)***a) Galloway Project** *(continued)*

In October 2018, the Company still holds the mining rights of the property Ogima Nord, Sandborn, Francoeur and Cadillac Rang III, but the management has determined that an impairment loss of 100% should be recorded.

In December 2019, the Company renewed the mining rights of the property in Perron, Sandborn, and Cadillac Rang III, capitalized as exploration expenses.

On September 2, 2020, the Company closed the option agreement entered on July 15, 2020, with Fokus Mining Corporation (formerly Fieldex Exploration Inc.) ("Fokus"), pursuant to the agreement Fokus acquired a 100% interest in the Galloway project for cash consideration of \$1,000,000 and issuance of 3,000,000 shares as follows:

- Cash payment of \$250,000 upon approval of the agreement by the TSX-V (received);
- Additional cash payment of \$750,000 payable in three tranches of \$250,000 each over period of nine months from the effective date (\$500,000 received); and
- Issue 3,000,000 common shares of Fokus within 10 days of the effective date (received).

Pursuant to the agreement, the Company will also be entitled to be paid by Fokus \$500,000 in cash upon the first declaration of a minimum 500,000 ounces of gold in qualifying 43-101 indicated mineral resources and an additional \$500,000 in cash upon the first declaration of a minimum one million ounces of gold in qualifying 43-101 indicated mineral resources.

Subsequent to the six months ended April 30, 2021, the Company received the fourth and final payment pursuant to the above option agreement (Note 23).

During the year ended October 31, 2020, the Company recognized an impairment loss of \$3,252,209 (2019 - \$Nil) on profit or loss.

b) Renault Bay Property

In December 2009, the Company has acquired the Renault Bay mining property from Teck Resources Inc. in exchange for the issuance of 3,000 common shares at \$6.00 and 3,000 warrants with an exercise price of \$8.00, valid for 2 years. The 10 claims are situated in the Dasserat Township, nearby the Galloway project properties.

This Property is subject to the same agreement, inherent to the Galloway project, in March and September 2016, January 2017 and July 2020 (see above).

During the year ended October 31, 2020, the Company recognized an impairment loss of \$13,964 (2019 - \$Nil) on profit or loss.

c) Lac Fortune Property

An agreement was concluded in November 2012 with Corporation Minière Golden Share where the Company acquired 100% of the Lac Fortune Property composed of 17 claims for a payment of \$100,000 and the issuance of 20,000 common shares at a price of \$7.00 per share. The vendor reserved a royalty of 1% NSR on the Property.

In October 2020, the Company still holds the mining rights of the property, but the management has determined in October 2018 that an impairment loss of 100% should be recorded.

d) Lac Bousquet Property

On March 8, 2021, the Company entered into an option agreement with Bullion Gold Resources Corp. ("Bullion") to acquire up to 100% of the Bousquet property located on the historical Cadillac break. The property consists of two claim blocks totalling 70 claims covering 1,515.55 hectares. The Bousquet property is in the Abitibi region of the province of Quebec, about 30 kilometres west of Rouyn-Noranda.

Under the terms of the agreement, the Company may earn a 100% interest in 78 claims forming the property by satisfying the following conditions, subject to TSX Venture Exchange approval:

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12. EXPLORATION AND EVALUATION ASSETS *(continued)*

d) Lac Bousquet Property *(continued)*

Paying the Company a total of \$150,000 as follows:

- \$30,000 upon the TSX Venture Exchange approval;
- A further \$30,000 on or before the three-month anniversary of the effective date;
- A further \$30,000 on or before the six-month anniversary of the effective date;
- A further \$30,000 on or before the nine-month anniversary of the effective date;
- A final \$30,000 on or before the 12-month anniversary of the effective date;

Alloting and issuing to the Company, as fully paid and non-assessable, a total of 1,250,000 shares as follows:

- 500,000 upon the effective date;
- A further 375,000 on or before the six-month anniversary of the effective date;
- A further 375,000 on or before the six-month anniversary of the effective date;

The Company owns a 100% interest in the 52 claims of the Blackfly block and owns a 60% interest in the Normar block (18 claims), the other 40% belongs to Nyrstar NV from Switzerland. There are various royalty obligations on the mining claims.

Bloc Normar

An agreement was concluded in November 2014 with Atlanta Gold Inc., pursuant to which the Company has acquired an interest of 60% in a block of 27 mineral claims in consideration of the issuance of 49,100 common shares. The vendor retains a royalty (NSR) of 1% of these mining claims situated in Bousquet Township, Abitibi.

In October 2020, the Company still holds the mining rights of the property, but the management has determined in October 2018 that an impairment loss of 100% should be recorded.

In December 2019, the Company renewed the mining rights of these claims, capitalized as exploration expenses.

Bloc Black Fly

An agreement was concluded in November 2014 with Atlanta Gold Inc., whereby the Company acquired 100% of a group of 13 cells in consideration of the issuance of 25,000 common shares. The vendor retains a royalty (NSR) of 1% of the mining rights.

An agreement was concluded in November 2014, with Globex Mining Enterprises Inc., pursuant to which the Company acquired 100% of a group of eight cells included in Block Black Fly, in return for the issuance of 6,000 common shares. The vendor retains a royalty (GMR) of 0.5%.

An agreement was concluded in January 2015 with Hecla Québec Inc., pursuant to which the Company has transferred to Hecla the royalty it held in the Heva Property, following the sale of its 75% interest in it to Mines Aurizon Ltée in 2008. In return, Vantex obtained a 100% interest in a group of 27 mineral claims situated in the Bousquet Township and received a payment of \$75,000 in addition.

In October 2020, the Company still holds the mining rights of the property, but the management has determined in October 2018 that an impairment loss of 100% should be recorded.

e) Cléricy Property

During the year 2015, the Company acquired by map designation 16 mining titles situated in the Cléricy Township.

In February 2016, the Company acquired a 100% in 10 mining cells in consideration of 30,000 common shares at a value of \$15,000 and a 1% net smelter return royalty to the vendor. These mining cells are located in the Cléricy Township, bordering the Property held by the Company to the east.

In February 2020, the Company renewed the mining rights of these claims, capitalized as exploration expenses.

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13. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company's capital management objectives are:

- To ensure the Company's ability to continue as a going concern;
- To increase the value of the assets of the business; and
- To provide an adequate return to the shareholders of the Company.

These objectives will be achieved by identifying the right exploration projects, adding value to these projects and ultimately taking them through to production, sale and cash flow, either with partners or by the Company's own means.

The Company monitors capital on the basis of the carrying amount of equity. Capital for the reporting periods under review is summarized in Note 17 and in the statement of changes in equity.

The Company is not exposed to any externally imposed capital requirements except when the Company issues flow-through shares for which an amount should be used for exploration work. See all details in Note 5e.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments within the changes in economic conditions and the risk characteristic of the underlying assets. In order to maintain or adjust the capital structure, the Company might issue new shares, or sell assets to reduce debt.

14. RELATED PARTY TRANSACTIONS AND BALANCES

The following transactions occurred between related parties:

	2021	2020
	\$	\$
Operating expense:		
Consulting and professional fees paid to officers and company owned by an officer	64,000	60,000
	64,000	60,000

During the year ended October 31, 2017, the Company contracted a loan payable to a director of \$150,000 at 15% interests, which has been reimbursed. An interest amount of \$6,500 is payable as at April 30, 2021 and October 31, 2020.

The accounts payable include \$52,500 (October 31, 2020 - \$141,500) owing to a company owned by an officer and \$6,027 (October 31, 2020 - \$Nil) owing to a current director of the Company.

All of the above transactions have been in the normal course of operations and have been recorded at their exchange amounts which are the amounts agreed upon by the transacting parties. The amounts due to and due from related parties are unsecured and non-interest bearing.

15. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	April 30, 2021	October 31, 2020
	\$	\$
Vendors, accrued liabilities, other payable and part XII.6 taxes	297,971	346,376

16. LOAN PAYABLE

During the year ended October 31, 2020, the Company received a loan of \$10,500 from a non-related party. The loan bears 3% interest per annum, unsecured and due on demand. During the six months ended April 30, 2021, the Company accrued \$156 (2020 - \$Nil) in interest. As at April 30, 2021, the balance outstanding including accrued interest was \$10,771 (October 31, 2020 - \$10,615).

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17. SHARE CAPITAL**a) Authorized Share Capital**

Unlimited number of voting and participating common shares, without par value.

Issued:

	April 30, 2021		October 31, 2020	
	Number of shares	Amount \$	Number of shares	Amount \$
Balance at the beginning of the period	3,809,252	19,801,710	3,342,585	19,766,710
Shares issued:				
Private placement	1,000,000	150,000	466,667	35,000
Balance at the end of the period	4,809,252	19,951,710	3,809,252	19,801,710

On January 17, 2020, the Company closed a non-brokered private placement of 466,667 flow-through shares at a price of \$0.075 per share for gross proceeds of \$35,000. The Company recognized a flow-through liability of \$Nil for the issuance of these shares using the residual value method.

On February 26, 2021, the Company closed the non-brokered private placement consisting of 100,000 flow-through shares and 900,000 non-flow-through shares at a price of \$0.15 per share for gross proceeds of \$150,000. The Company recognized a flow-through liability of \$Nil for the issuance of these shares using the residual value method.

b) Warrants

There were no outstanding warrants as at April 30, 2021 and October 31, 2020.

Warrants issued to brokers:

There were no outstanding warrants issued to brokers as of April 30, 2021 and October 31, 2020.

c) Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, at its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant.

There were no outstanding stock options as at April 30, 2021 and October 31, 2020.

d) Flow-through shares issued

During the year ended October 31, 2020, the Company issued 466,667 flow-through shares at a price of \$0.075 per share for gross proceeds of \$35,000. The Company recognized a flow-through liability of \$Nil for the issuance of these shares using the residual value method.

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation.

As a result of not filing the forms on time with Canada Revenue Agency, the Company recognized an expense of \$100 for late filing penalties during the year ended October 31, 2020.

On February 26, 2021, the Company issued 100,000 flow-through shares at a price of \$0.15 per share for gross proceeds of \$15,000. The Company recognized a flow-through liability of \$Nil for the issuance of these shares using the residual value method.

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18. MANAGEMENT REMUNERATION

	2021	2020
	\$	\$
Consulting and professional fees for officers	64,000	60,000

No salaries or fees are paid to directors. The services provided by officers at the Company are remunerated as fees. No expense regarding employee benefits is incurred by the Company as pension plan or group insurance.

19. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the period divided by the weighted average number of shares in circulation during the period. In calculating the diluted earnings per share, dilutive potential ordinary shares such as warrants and share options have not been included as they would have the effect of decreasing the loss per share. Decreasing the loss per share would be anti-dilutive. Details of warrants and share options issued that could potentially dilute earnings per share in the future are given in Note 17.

The calculation of basic and diluted loss per share for the six months ended April 30, 2021 and 2020 was based on the loss attributable to common shareholders of \$373,861 (2020 - \$75,117) and the weighted average number of common shares outstanding of 4,157,318 (2020 - 3,609,252).

20. COMMITMENTS**a) Royalties**

Royalties will be paid in the event that commercial exploitation on certain properties begin. These royalties range from 0.50% to 2.00% as of April 30, 2021 and are described in Note 12.

b) Perron Mining Property

In the event of a positive feasibility study on the Perron Property, Vantex will pay \$100,000 to the vendor.

In the event of a production launch of the Perron Property, Vantex will pay \$500,000 to the vendor at the beginning of the construction work of the future mine and thereafter \$1 for each ounce of gold produced annually. During the year ended October 31, 2020, the Company entered into an option agreement on Perron Property with Fokus and the transaction was completed subsequent to the six months ended April 30 2021. See details in Notes 12 and 23.

c) Rent Commitment

In November 2020, the Company entered into a 12-month lease agreement involving a monthly rent of \$5,000 totaling \$60,000.

21. FINANCIAL INSTRUMENTS

The Company is exposed to varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions.

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 manages liquidity risk through the management of its capital structure and financial leverage as described in Note 13.

VANTEX RESOURCES LTD.

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For the six months ended April 30, 2021 and 2020

(Expressed in Canadian dollars - unaudited)

21. FINANCIAL INSTRUMENTS (continued)*Liquidity Risk (continued)*

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company have no investments in any asset-backed deposits.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the Company's significant commitments and corresponding maturities:

April 30, 2021	<1 year	1-3 years	Total
Accounts payable and accrued liabilities	\$ 286,470	\$ -	\$ 286,470
Loan payable	\$ 10,771	\$ -	\$ 10,771
October 31, 2020	<1 year	1-3 years	Total
Accounts payable and accrued liabilities	\$ 334,875	\$ -	\$ 334,875
Loan payable	\$ 10,615	\$ -	\$ 10,615

Foreign Exchange Risk

The Company currently does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

Interest Rate Risk

The Company is not exposed to significant interest rate risk.

Commodity Price Risk

The future profitability of the Company is directly related to the market price of gold. Fluctuations in the gold price could create volatility in the future cash flows, the future reported amounts for sales and production costs. The Company is exposed to commodity price risks.

Fair Value Measurements

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

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

The fair value of cash and cash equivalent and investments are determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. As at April 30, 2021, the Company believes that the carrying values of accounts payable and loan payable approximates its fair value because of their nature and relatively short maturity dates or durations.

Market Risk

The Company is exposed to risks from changes in interest rates and market prices that affect its financial liabilities financial assets and future transactions. The Company is exposed to market risk with respect to metal prices and fluctuations of the market in relation to its investment in public companies.

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22. CONTINGENCIES

The Company is partially financed through the issuance of flow-through shares, and according to tax rules regarding this type of financing, the Company is engaged to realize mining exploration work. These tax rules also set deadlines for carrying out the exploration work no later than the first of the following dates:

- Two years following the flow-through placements; and
- One year after the Company has renounced the tax deductions relating to the exploration work.

The Company's operations are governed by governmental laws and regulations regarding environmental protection. Environmental consequences are hardly identifiable. According to management, the Company is in conformity with the laws and regulations. Restoration costs will be accounted in net income of the year following a reasonable estimate of monetary impacts.

23. SUBSEQUENT EVENT

On June 4, 2021, the Company received the fourth and final cash payment of \$250,000 from Fokus Mining Corp. pursuant to the previously announced option agreement. Fokus Mining Corp. now owns 100% interest in the Galloway Project.