SAINT JEAN CARBON INC.

Condensed Interim Financial Statements

(Unaudited – presented in Canadian Dollars)

for the period ending January 31, 2021

Notice of No Auditor Review

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a), the accompanying unaudited interim financial statements have been prepared by and are the responsibility of the Company's management. The Company's independent auditors have not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

MANAGEMENT'S REPORT TO THE SHAREHOLDERS

The accompanying unaudited interim financial statements have been prepared by management and approved by the Board of Directors of the Company. Management is responsible for the information and representations contained in these unaudited interim financial statements and the accompanying Management's Discussion and Analysis. The unaudited interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

To assist management in discharging these responsibilities, the Company maintains a system of procedures and internal controls which are designed to provide reasonable assurance that its assets are safeguarded, that transactions are executed in accordance with management's authorization, and that the financial records form a reliable base for preparation of accurate and timely financial information.

The Company's external auditors are appointed by the shareholders. They independently perform the necessary tests of accounting records and procedures to enable them to report their opinion as to the fairness of the financial statements and their conformity with IFRS.

The Board of Directors ensures that management fulfills its responsibilities for financial reporting and internal control. The Board of Directors exercises this responsibility through an Audit Committee. The Audit Committee has reviewed and discussed the unaudited interim financial statements, including the notes thereto, with management and the external auditors. The unaudited interim financial statements have been approved by the Board of Directors on the recommendation of the Audit Committee.

"William Pfaffenberger"
William Pfaffenberger
Chief Executive Officer

"David Madill"
David Madill
Chief Financial Officer

SAINT JEAN CARBON INC.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

		As at January 31, 2021		As at October 31, 2020
ASSETS				
Current				
Cash	$	55,882	$	29,441
Accounts receivable (Note 4)		18,928		17,790
Prepaid expenses		17,804		21,067
		92,614		68,298
Restricted cash (Note 13)		41,000		41,000
Equipment (Note 5)		347,323		375,759
Mineral exploration and evaluation assets (Note 6)		839,582		839,582
Right-of-use assets (Note 7)		33,126		43,845
Other assets		1,062		1,042
	$	1,354,707	$	1,369,526
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 8)	$	1,197,339	$	1,544,327
Notes payable (Note 10)		334,410		139,521
Current portion of lease liabilities (Note 7)		13,441		21,065
Interest payable		6,100		1,734
Other liabilities (Note 9)		85,000		147,500
		1,636,290		1,854,147
Lease liabilities (Note 7)		20,023		23,437
		1,656,313		1,877,584
SHAREHOLDERS' EQUITY				
Share capital (Note 11)		21,373,809		21,190,744
Contributed surplus		2,087,345		1,805,054
Deficit		(23,762,760)		(23,503,856)
		(301,606)		(508,058)
	$	1,354,707	$	1,369,526

Going concern (Note 2(a))
Contingency (Note 18)
Subsequent Event (Note 19)

See accompanying notes

On behalf of the Board of Directors:

"William Pfaffenberger"
CEO, Director

"David Madill"
CFO, Director

SAINT JEAN CARBON INC.

STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

(Unaudited)

		Period ended January 31, 2021		Period ended January 31, 2020
Processing revenue	$	70,000	$	48,783
		70,000		48,783
Direct costs		11,166		10,000
		58,834		38,783
Expenses				
Stock-based compensation		282,291		-
Professional fees		84,083		36,478
Management fees		74,026		59,627
Bad debts		30,973		-
Amortization		29,012		35,796
Bank and loan interest		21,752		1,175
Office and general		12,051		8,546
Loss on disposal of assets		9,144		-
Regulatory and filing fees		3,795		80
Investor relations		2,800		-
Interest on lease liabilities		429		2,266
Mill operating expense		-		36,855
Automotive		-		3,287
Travel and promotion		-		1,424
Gain on foreign exchange		(5,111)		-
Expense recovery		(227,507)		-
		317,738		185,534
Loss and comprehensive loss		(258,904)		(146,751)
Loss per share - basic and diluted (Note 11(b))	$	(0.003)	$	(0.002)
Weighted average number of shares outstanding - basic and diluted		77,607,627		75,892,532

See accompanying notes

SAINT JEAN CARBON INC.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars)

(Unaudited)

	Number of shares		Share Capital		Contributed Surplus		Deficit		Total
Balance at November 1, 2019	**75,892,532**		**21,011,573**		**1,805,054**		**(19,436,691)**		**3,379,936**
Loss and comprehensive loss	-		-		-		(146,751)		(146,751)
	75,892,532	**$**	**21,011,573**	**$**	**1,805,054**	**$**	**(19,583,442)**	**$**	**3,233,185**
Impact of adoption of IFRS 16	-		-		-		(8,116)		(8,116)
Balance at January 31, 2020	**75,892,532**	**$**	**21,011,573**	**$**	**1,805,054**	**$**	**(19,591,558)**	**$**	**3,225,069**
Balance at November 1, 2020	**83,797,532**	**$**	**21,190,744**	**$**	**1,805,054**	**$**	**(23,503,856)**		**(508,058)**
Issuance of shares for non-cash items	3,615,000		128,250		-		-		128,250
Shares issued due to exercise of warrants	1,398,750		69,937		-		-		69,937
Stock-based compensation	-		-		282,291		-		282,291
Share issuance costs	-		(15,122)		-		-		(15,122)
Loss and comprehensive loss	-		-		-		(258,904)		(258,904)
Balance, January 31, 2021	**88,811,282**	**$**	**21,373,809**	**$**	**2,087,345**	**$**	**(23,762,760)**	**$**	**(301,606)**

See accompanying notes

SAINT JEAN CARBON INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

	Period ended January 31, 2021	Period ended January 31, 2020
Cash flows from (used in) operating activities		
Loss and comprehensive loss	$ (258,904)	$ (146,751)
Items not involving cash:		
Amortization	29,012	35,796
Stock-based compensation	282,291	-
Interest on lease liabilities	429	2,266
Loan bonus	5,750	-
Loss on disposal of assets	9,144	
Unrealized gain on foreign exchange	(5,111)	-
	62,611	(108,689)
Changes in non-cash working capital items:		
Accounts receivable	(1,138)	8,561
Prepaid expenses	3,263	4,222
Accounts payable and accrued liabilities	(224,490)	98,087
Interest payable	4,366	1,084
Other liabilities	(62,500)	-
	(217,888)	3,265
Cash flow from (used in) financing activities		
Exercise of warrants	69,937	-
Share issuance costs	(15,122)	-
Proceeds of notes payable	200,000	-
Decrease of lease liability obligation	(11,466)	(11,662)
	243,349	(11,662)
Cash flows used in investing activities		
Proceeds from sale of capital assets	1,000	-
Acquisition of other assets	(20)	-
	980	-
Increase (decrease) in cash	26,441	(8,397)
Cash, beginning of year	29,441	7,723
Cash, end of year	$ 55,882	$ (674)

See accompanying notes

1. CORPORATE INFORMATION AND NATURE OF OPERATIONS

Saint Jean Carbon Inc. (formerly Torch River Resources Ltd.) incorporated provincially in Alberta, and extra provincially Saskatchewan, Manitoba, Quebec and British Columbia has shares listed on the TSX Venture Exchange.

The Company is in the process of exploring its mineral properties and has not determined whether these properties contain ore reserves which are economically recoverable. The company also generates incidental revenue by processing raw materials through its mill.

To date, the Company has not earned significant revenues and is considered to be in the exploration stage.

2. BASIS OF PRESENTATION AND GOING CONCERN

Statement of compliance

These unaudited interim financial statements were approved by the Board of Directors on March 26, 2021.

The unaudited interim financial statements were prepared using the same accounting policies and methods as those used in the Corporation's financial statements for the year ended October 31, 2020. The unaudited interim financial statements are in compliance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information and disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), has been omitted or condensed. The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounts that require significant judgments, estimates and assumptions as the basis for determining the stated amounts are consistent with those applied and disclosed in the Corporation's financial statements for the year ended October 31, 2020.

These unaudited interim financial statements should be read in conjunction with the Corporation's financial statements for the year ended October 31, 2020 which were prepared in accordance with IFRS.

a) Going concern

These unaudited interim financial statements have been prepared on a going-concern basis which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business for the foreseeable future. Accordingly, it does not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than normal course of business and at amounts which may differ from those shown in the unaudited interim financial statements.

2. BASIS OF PRESENTATION AND GOING CONCERN (continued)

As at January 31, 2021, the Company has incurred a loss from operations of $258,904, has a working capital deficit of $1,543,676, negative cash flow from operations of $217,888 and an accumulated deficit of $23,762,760. The Company's ability to continue as a going concern is contingent on its ability to obtain additional equity financing.

This condition, along with other matters as set forth in the above paragraph, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

b) Measurement basis

These unaudited interim financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policy set out in *Note 14.* The Company's presentation and functional currency is Canadian dollars.

3. 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. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income 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 judgments in applying accounting policies that have the most significant risk to cause material adjustment to the carrying amounts of assets and liabilities recognized in these unaudited interim financial statements within the next financial year are discussed below:

Impairment of non-financial assets
Exploration and evaluation assets and equipment assets are assessed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment requires estimates and assumptions such as discount rates, exchange rates, commodity prices, future capital requirements and future operating performance.

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.

(Unaudited - Expressed in Canadian Dollars)

4. ACCOUNTS RECEIVABLE

	Jan. 31, 2021	Oct. 31, 2020
Trade receivables	$ -	$ -
GST receivable	18,928	17,790
	$ 18,928	**$ 17,790**

5. EQUIPMENT

Cost	Mill equipment	Leasehold improvements	Furniture, fixtures and office equipment	Total
At November 1, 2019	**$ 629,991**	**$ 49,866**	**$ 15,184**	**$ 695,041**
Additions	-	-	-	-
At October 31, 2020	**$ 629,991**	**$ 49,866**	**$ 15,184**	**$ 695,041**
Disposals	-	(49,866)	(9,518)	(59,384)
At January 31, 2021	**$ 629,991**	**$ -**	**$ 5,666**	**$ 635,657**

Accumulated amortization	Mill equipment	Leasehold improvements	Furniture, fixtures and office equipment	Total
At November 1, 2019	**$ 176,028**	**$ 28,388**	**$ 6,215**	**$ 210,631**
Amortization	90,793	15,960	1,898	108,651
At October 31, 2020	**$ 266,821**	**$ 44,348**	**$ 8,113**	**$ 319,282**
Disposals	-	(44,348)	(4,893)	(49,241)
Amortization	18,159	-	134	18,293
At January 31, 2021	**$ 284,980**	**$ -**	**$ 3,354**	**$ 288,334**

Net book value	Mill equipment	Leasehold improvements	Furniture, fixtures and office equipment	Total
At October 31, 2020	**$ 363,170**	**$ 5,518**	**$ 7,071**	**$ 375,759**
At January 31, 2021	**$ 345,011**	**$ -**	**$ 2,312**	**$ 347,323**

(Unaudited - Expressed in Canadian Dollars)

6. MINERAL EXPLORATION AND EVALUATION ASSETS

The Company has acquired certain mineral properties and rights. Mineral exploration and evaluation assets include property acquisition costs and deferred exploration costs.

Property acquisition costs:

	Red Bird (a)	Mount Copeland (b)	Total
At October 31, 2020	**$ 140,000**	**$ 221,186**	**$ 361,186**
Additions	-	-	-
At January 31, 2021	**$ 140,000**	**$ 221,186**	**$ 361,186**

Deferred exploration costs:

	Red Bird (a)	Mount Copeland (b)	Total
At October 31, 2020	**$ 16,681**	**$ 461,715**	**$ 478,396**
Additions	-	-	-
At January 31, 2021	**$ 16,681**	**$ 461,715**	**$ 478,396**

Total costs:

	Red Bird (a)	Mount Copeland (b)	Total
At October 31, 2020	**$ 156,681**	**$ 682,901**	**$ 839,582**
Additions	-	-	-
At January 31, 2021	**$ 156,681**	**$ 682,901**	**$ 839,582**

a) Red Bird

The Red Bird molybdenum property consists of three mineral claims situated in the Skeena Mining Division of west central British Columbia. The Company has acquired a 25% undivided interest in the property.

b) Mount Copeland

The Mount Copeland molybdenum property is situated in British Columbia. The Company has acquired a 100% interest in the Mount Copeland property.

(Unaudited - Expressed in Canadian Dollars)

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

For the period ended January 31, 2021, the Company recognized non-cash amortization expense in the amount of $10,719 (increase in costs) and recognized non-cash interest expense in the amount of $429 (increase in costs).

a) Right-of-use assets

Cost	
November 1, 2020	$ 181,742
Additions during the year	-
January 31, 2021	**$ 181,742**

Accumulated amortization	
November 1, 2020	$ 137,897
Amortization	10,719
January 31, 2021	**$ 148,616**

Net book value	
October 31, 2020	$ 43,845
January 31, 2021	$ 33,126

b) Lease liabilities

Balance, beginning of the period	$ 44,502
Additions during the period	-
Lease finance expense	429
Repayments during the period	(11,467)
Balance, January 31, 2021	**$ 33,464**

Current	$ 13,441
Long-term	20,023
Total discounted lease liabilities	**$ 33,464**

The Company is committed to lease payments as follows:

2021	$ 10,934
2022	14,579
2023	9,719
	$ 35,232

The Company has applied the practical expedient to all rent concessions that meet the conditions under IFRS 16. Included in expense recovery is $1,562 of rent concessions that meet the conditions of the practical expedient.

(Unaudited - Expressed in Canadian Dollars)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2020
Trade payables	$ 887,339	$ 992,507
Trade payables – related parties	310,000	551,820
	$ 1,197,339	**$ 1,544,327**

Included in accounts payable are amounts due to related parties relating to management fees incurred as follows:

Amounts due to	Nature of relationship	2020	2020
Private corporation	Company controlled by the former CEO, no longer related	$ -	$ 241,820
Unincorporated business	Key Management personnel	84,000	84,000
Private corporation	Key Management personnel	226,000	226,000
		$ 310,000	**$ 551,820**

9. OTHER LIABILITIES

In a prior year, Canada Revenue Agency ("CRA") commenced an audit of the Company's tax filings related to flow-through shares. In the prior year, CRA accepted, in part, the Company's original filing. The Company has recorded a provision of $85,000 in the prior year related to the indemnification of flow through shares to investors.

10. NOTES PAYABLE

	Jan. 31, 2021	Oct. 31, 2020
Unsecured promissory notes payable to a senior officer and director of the Company, due upon demand, bearing interest at 10% per annum.	$ 13,000	$ 13,000
Unsecured promissory notes payable to a senior officer and director of the Company, due between December 1, 2021 and January 5, 2022, and bear interest at 12% per annum.	100,000	-
Unsecured loan payable of $95,000 USD, non-interest bearing with no fixed terms of repayment.	121,410	126,521
Unsecured promissory note payable, due November 14, 2021, bearing interest at 12% per annum.	100,000	-
	$ 334,410	**$ 139,521**

Subsequent to the end of the period, on February 22, 2021, the Company entered into promissory note agreement with the President for a total amount of $150,000. The note is unsecured, due February 22, 2022, and bears interest at 12% per annum.

11. SHARE CAPITAL

a) Authorized:

The authorized share capital of the Company is:

An unlimited number of voting common shares without par value.
An unlimited number of non-voting first preferred shares.
An unlimited number of non-voting second preferred shares.

b) Issued and outstanding:

See the Statement of Changes in Shareholders' Equity. The number of the shares outstanding presented in the statements of changes in shareholders' equity refers only to voting common shares. Diluted loss per share did not include the effect of 7,560,000 options (260,000 – October 31, 2020) and 18,459,000 warrants (24,755,750 – October 31, 2020) as they are anti-dilutive.

c) Share issuances:

On December 23, 2020 the Company received a subscription for a private placement of 3,500,000 shares at a price of $0.035 per unit for gross proceeds of $122,500.

On January 4, 2021 the Company issued a loan bonus to lenders of 115,000 common shares in the capital of the Company at a deemed price of $0.05 per share for an aggregate amount of $5,750.

On January 18, 2021 the Company issued 1,398,750 common shares in the capital of the Company due to exercise of warrants at an exercise price of $0.05 per share for gross proceeds of $69,937.

Subsequent to the end of the period, on February 17, 2021 the Company issued 980,000 common shares in the capital of the Company due to exercise of warrants at an exercise price of $0.05 per share for gross proceeds of $49,000.

Subsequent to the end of the period, on March 18, 2021 the Company issued 400,000 common shares in the capital of the Company due to exercise of warrants at an exercise price of $0.05 per share for gross proceeds of $20,000.

d) Stock options

The Company has established a stock-based compensation plan pursuant to which options to purchase common shares may be granted to certain officers, directors, and contractors of the Company as well as persons providing ongoing services to the Company. Exercise price of options equals at least the market price of the Company's stock on the date of grant. Stock options are exercisable on the day of grant and are for a two or five-year term in accordance with TSX Venture Exchange policy.

(Unaudited - Expressed in Canadian Dollars)

11. SHARE CAPITAL (continued)

A summary of the status of the Company's incentive stock option plan as at January 31, 2021 and October 31, 2020 is as follows:

	Number of options	Weighted Average Exercise Price
Balance October 31, 2019	1,055,172	$0.20
Granted	-	-
Expired	(795,172)	$0.20
Exercised	-	-
Balance October 31, 2020	**260,000**	**$0.20**
Granted	7,300,000	$0.05
Expired	-	-
Exercised	-	-
Balance January 31, 2021	**7,560,000**	**$0.06**

Options Granted

On December 14, 2020, the Company issued 7,300,000 options to directors, officers and consultants of the Company with an exercise price of $0.05. The options expire on December 14, 2025.

A summary of options granted as at January 31, 2021 is as follows:

Number of Shares Under Option	Exercise Price	Expiry Date
150,000	$0.20	April 5, 2021
35,000	$0.20	November 8, 2021
75,000	$0.20	January 13, 2022
7,300,000	$0.05	December 14, 2025
7,560,000		

The Black-Scholes option valuation model was used to estimate the fair value of the options with the following assumptions.

	Dividend Yield	Volatility	Risk free interest rate	Expected life	Grant date value (per option)
Options granted November 9, 2016	0%	133.05%	0.82%	5 years	$0.04
Options granted December 12, 2016	0%	137.29%	0.92%	3 years	$0.07
Options granted January 13, 2017	0%	137.99%	1.14%	5 years	$0.06
Options granted December 14, 2020	0%	193.45%	0.99%	5 years	$0.04

(Unaudited - Expressed in Canadian Dollars)

11. SHARE CAPITAL (continued)

e) Share purchase warrants

A summary of outstanding warrants as at January 31, 2021 and October 31, 2020 is as follows:

	Number of Warrants	**Weighted Average Exercise Price**
Balance, October 31, 2019	16,850,750	$0.14
Granted	7,905,000	$0.05
Expired	-	-
Exercised	-	-
Balance October 31, 2020	**24,755,750**	**$0.11**
Granted	-	-
Expired	(3,918,000)	$0.22
Exercised	(2,378,750)	$0.05
Balance January 31, 2021	**18,459,000**	**$0.10**

A summary of warrants granted as at January 31, 2021 is as follows:

Number of Warrants	Exercise Price	Expiry Date
2,002,750	$0.20	February 8, 2021
1,705,000	$0.22	May 17, 2021
1,162,500	$0.22	May 29, 2021
2,400,000	$0.075	June 28, 2021
1,100,000	$0.075	July 18, 2021
1,898,750	$0.05	April 18, 2022
285,000	$0.05	June 10, 2022
7,905,000	$0.05	October 9, 2023
18,459,000		

12. RELATED PARTY TRANSACTIONS

	Three months ended January 31,	
Management and consulting fees	**2021**	**2020**
Partnership of which the former CFO is a partner	$ -	$ 9,628
Company controlled by the former President	-	30,000
Company controlled by a director and senior officer	30,000	30,000

(Unaudited - Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS (continued)

Key management personnel include the board of directors, chief executive officer, chief financial officer and chief technology officer. Key management personnel compensation comprised:

Key management compensation

	Three months ended January 31, 2021	2020
Management and consulting fees	$ 30,000	$ 59,628
Stock-based compensation	172,081	-
Cost of goods sold	-	10,000
	$ 202,081	$ 69,628

13. RESTRICTED CASH

Term deposits of $36,000 have been pledged as security to the Scotia Bank for their irrevocable letter of credit in favor of the Province of British Columbia, Ministry of Energy and Mines. A term deposit of $5,000 has been pledged as security to the Scotia Bank to secure the Company credit card.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The disclosures in the notes to these unaudited interim financial statements describe how the categories of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognized.

Financial instruments recognized at fair value on the statements of financial position must classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The fair value hierarchy levels are as follows:

- Level 1: Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques based on inputs that are other than Level 1 quoted prices that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).
- Level 3: Valuation techniques with unobservable market inputs (involves assumptions and estimates by management).

As at January 31, 2021, the classification of the financial instruments, as well as their carrying values and fair values, with comparative figures for October 31, 2020 are shown in the table below:

(Unaudited - Expressed in Canadian Dollars)

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

	January 31, 2021		October 31, 2020	
	Fair value	Carrying value	Fair value	Carrying value
Financial assets				
Cash	55,882	55,882	29,441	29,441
Accounts receivable *(1)*	-	-	-	-
Financial liabilities				
Accounts payable and accrued liabilities	1,197,339	1,197,339	1,544,327	1,544,327
Notes payable	334,410	334,410	139,521	139,521
Interest payable	6,100	6,100	1,734	1,734
Other liabilities	85,000	85,000	147,500	147,500

(1) Excluding taxes receivable

Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's maximum exposure to credit risk as at January 31, 2021 under its financial instruments is summarized as follows:

	January 31, 2021	October 31, 2020
Accounts and other receivables -		
Currently due	-	-
Past due by 90 days or less, not impaired	-	-
Past due by greater than 90 days, not impaired	-	-
	-	-
Cash	55,882	29,441
	55,882	29,441

All of the Company's cash is held with major financial institutions in Canada, and management believes the exposure to credit risk with such institutions is not significant. The Company considers the risk of material loss to be significantly mitigated due to the financial strength of the major financial institutions where cash is held. As at January 31, 2021 and October 31, 2020, no material provision has been recorded in respect of impaired receivables. The Company's maximum exposure to credit risk as at January 31, 2021, is the carrying value of its financial assets.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements as well as the growth and development of its mineral property interests. The Company coordinates this planning and budgeting process with its financing activities through the capital management process described in *Note 15*, in normal circumstances. Due to the lack of liquidity, management has increased its focus on liquidity risk given the impact of the current economic climate on the availability of finance. Further information regarding liquidity risk is set out in *Note 2 (a)*.

The following table summarizes the contractual maturities of the Company's financial liabilities at January 31, 2021:

	Contractual cash flows	**Less than one year**
Accounts payable and accrued liabilities	$ 1,197,339	$ 1,197,339
Notes payable	334,410	334,410
Interest payable	6,100	6,100
Other liabilities	85,000	85,000
	$ 1,622,849	$ 1,622,849

Market risk

The significant market risks to which the Company is exposed include commodity price risk, interest rate risk and currency risk.

- Commodity price risk
  The Company's ability to raise capital to fund exploration or development activities is subject to risk associated with fluctuations in the market prices of graphite, molybdenum, copper and gold and the outlook for these metals, as the Company's ability to raise capital is affected by the commodity that the Company is exploring for on its mineral property interests. The Company does not have any hedging or other derivative contracts respecting its operations.

- Interest rate risk
  The Company has no significant exposure at January 31, 2021, to interest rate risk through its financial instruments.

- Currency risk
  The Company has no significant exposure at January 31, 2021 to currency risk as all cash and cash equivalents are held in Canadian funds.

(Unaudited - Expressed in Canadian Dollars)

15. MANAGEMENT OF CAPITAL

The Company's objective in managing capital is to maintain adequate levels of funding to safeguard its ability to continue as a going concern in order to pursue the development of its mineral property interests.

The Company considers the items included in shareholders' equity to be capital. The Company relies on equity financing in order to fund future exploration and development and makes adjustments to the Company's capital structure based on financing needs, as well as in response to economic conditions and the risk characteristics of the underlying assets.

Management makes adjustments to its capital structure through share issuances and the acquisition or disposition of assets.

As the Company is in the exploration stage it endeavors to manage its capital structure in a manner that provides sufficient funding for operational activities through funds primarily secured through equity capital obtained in private placements. There can be no assurances that the Company will be able to continue raising capital in this manner.

The Company facilitates the management of capital though the preparation of annual expenditure budgets and cash forecasts that are updated as necessary. The Company does not have any externally imposed capital requirements.

The Company's managed capital is as follows:

	January 31, 2021	October 31, 2020
Share capital	21,373,809	21,190,744
Contributed surplus	2,087,345	1,805,054
Deficit	(23,762,760)	(23,503,856)
	(301,606)	(508,058)

16. NOVEL CORONAVIRUS ("COVID-19")

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19" was declared a global pandemic by the World Health Organization on March 11, 2020. Governments worldwide enacted emergency measures to combat the spread of the virus. These measures, which include public health measures requiring periodic closures of non-essential businesses, requesting the public to stay home as much as possible, the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions.

(Unaudited - Expressed in Canadian Dollars)

17. NOVEL CORONAVIRUS ("COVID-19") (continued)

The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments.

18. SEGMENTED INFORMATION

The Company has two operating segments. These two operating segments have been differentiated based on the type of services provided and equipment requirements. The mineral exploration and development segment focuses on the acquisition and exploration of property interests that are considered potential sites of economic mineralization. The research and development segment focuses on the scientific study and technology applications for graphite and graphene. All of the Company's operations are in Canada. The following tables provide financial results by segment:

Period ended January 31, 2021	**Mineral exploration and development**	**Research and development**	**Total**
	$	**$**	**$**
Revenue	-	70,000	70,000
Amortization and impairment of equipment	1,898	27,114	29,012
Total expenses	87,256	241,649	328,905
Capital expenditures	-	-	-
Total assets at January 31, 2021	957,641	397,066	1,354,707

Year ended October 31, 2020	**Mineral exploration and development**	**Research and development**	**Total**
	$	**$**	**$**
Revenue	-	17,166	17,166
Amortization and impairment of equipment	3,069,979	160,788	3,230,767
Total expenses	3,810,418	268,175	4,078,593
Capital expenditures	-	-	-
Total assets at October 31, 2020	939,203	430,323	1,369,526

19. CONTINGENCY

The Company has been named as a defendant in a statement of claim filed on January 5, 2021 in the Province of Ontario. The plaintiff is seeking $814,820 for unpaid compensation, and $1,000,000 for wrongful termination and damages. The unaudited interim financial statements include a provision for unpaid compensation of $241,820. Management has filed a statement of defense and counterclaim. The counterclaim against the plaintiff and other non-arm's length parties seeks damages up to $3 million, plus further amounts which will be particularized prior to trial. As the outcome of this lawsuit and any liability to the Company cannot be reasonably determined at this time, no additional provisions have been made in the unaudited interim financial statements.

20. SUBSEQUENT EVENT

On March 16, 2021, the Company announced that it has signed a definitive Share Exchange Agreement (the "Agreement") dated March 15, 2021 with 2 arm's length vendors to purchase all of the issued and outstanding shares of Solid Ultrabattery Inc. ("SUB"), a private Ontario company involved in the research and development of solid state batteries (the "Acquisition"). The Company intends to fund the purchase of all of the issued and outstanding shares of SUB by issuing 22 million common shares in the capital of the Company (the "Common Shares") at a price of $0.06 per Common Share, which is within the allowable discount permitted by the Policies of the TSX Venture Exchange ("TSXV"), for a deemed aggregate purchase price of CAD $1,320,000. The proposed arm's length Acquisition remains subject to the approval of the TSXV.