Golden Harp Resources Inc.

Condensed Interim Financial Statements

Six Months Ended December 31, 2020

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

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

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

Golden Harp Resources Inc.
Condensed Interim Statements of Financial Position
(Unaudited – Expressed in Canadian dollars)

	Note	December 31, 2020	June 30, 2020
ASSETS			
Current assets			
Cash		$ 226,650	$ 284,636
Receivables	3	10,735	20,449
		237,385	305,085
Non-current assets			
Exploration and evaluation assets	4	1,193,028	1,180,412
TOTAL ASSETS		**$ 1,430,413**	**$ 1,485,497**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	5, 9	$ 113,902	$ 105,155
TOTAL LIABILITIES		**113,902**	**105,155**
SHAREHOLDERS' EQUITY			
Share capital	7	8,796,739	8,796,739
Reserves	8	907,301	907,301
Deficit		(8,387,529)	(8,323,698)
TOTAL EQUITY		**1,316,511**	**1,380,342**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 1,430,413**	**$ 1,485,497**

GOING CONCERN ASSESSMENT (Note 1)

Approved on Behalf of the Board:

/s/ "Kyle Takeuchi"
Kyle Takeuchi, Director

/s/ "Shaun Maskerine"
Shaun Maskerine, Director

Golden Harp Resources Inc.

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited – Expressed in Canadian dollars)

	Note	Six Months Ended December 31, 2020	Six Months Ended December 31, 2019
Expenses			
Office and general		$ 7,558	$ 7,998
Professional fees		2,600	2,600
Salaries, management, consulting and directors fees	9	13,500	13,500
Transfer agent and filing fees		623	4,352
Net and comprehensive loss for the period		**$ (24,281)**	**$ (28,450)**
Loss per share – basic and diluted		**$ (0.00)**	**$ (0.00)**
Weighted average number of common shares outstanding – basic and diluted		**29,967,486**	**23,917,486**

	Note	Three Months Ended December 31, 2020	Three Months Ended December 31, 2019	Six Months Ended December 31, 2020	Six Months Ended December 31, 2019
Expenses					
Office and general		$ 8,968	$ 8,876	$ 16,526	$ 16,874
Professional fees		12,156	4,228	14,756	6,828
Salaries, management, consulting and directors fees	9	13,500	13,500	27,000	27,000
Transfer agent and filing fees		4,926	7,218	5,549	11,570
Net and comprehensive loss for the period		**$ (39,550)**	**$ (33,822)**	**$ (63,831)**	**$ (62,272)**
Loss per share – basic and diluted		**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**
Weighted average number of common shares outstanding – basic and diluted		**29,967,486**	**24,030,529**	**29,967,486**	**23,974,008**

Golden Harp Resources Inc.
Condensed Interim Statements of Changes in Equity
(Unaudited – Expressed in Canadian dollars)

		Share capital				
	Note	Number of shares	Amount	Stock option reserve	Deficit	Total
Balance at June 30, 2019		**23,917,486**	**$ 8,031,239**	**$ 907,301**	**$ (8,189,114)**	**$ 749,426**
Shares issued for exploration and evaluation assets	4, 7	5,750,000	747,500	-	-	747,500
Warrants exercised	7	300,000	18,000	-	-	18,000
Net loss for the period		-	-	-	(134,584)	(134,584)
Balance at June 30, 2020		**29,967,486**	**8,796,739**	**907,301**	**(8,323,698)**	**1,380,342**
Net loss for the period		-	-	-	(63,831)	(63,831)
Balance at December 31, 2020		**29,967,486**	**$ 8,796,739**	**$ 907,301**	**$ (8,387,529)**	**$ 1,316,511**

Golden Harp Resources Inc.
Condensed Interim Statements of Cash Flows
(Unaudited – Expressed in Canadian dollars)

	Six Months Ended	
	December 31, 2020	**December 31, 2019**
Operating activities		
Net loss for the period	$ (63,831)	$ (62,272)
Changes in non-cash working capital items:		
Receivables	9,714	13,082
Prepaid expenses	-	1,250
Trade payables and accrued liabilities	8,747	25,458
Net cash flows used in operating activities	**(45,370)**	**(22,482)**
Investing activities		
Expenditures on exploration and evaluation assets	(12,616)	(24,121)
Net cash flows used in investing activities	**(12,616)**	**(24,121)**
Financing activities		
Shares issued for cash	-	18,000
Net cash flows from financing activities	**-**	**18,000**
Increase (decrease) in cash	(57,986)	(28,603)
Cash, beginning	284,636	341,876
Cash, ending	**$ 226,650**	**$ 313,273**

Supplemental cash flow information (Note 11)

See accompanying notes to the condensed interim financial statements

1. Nature and continuance of operations

Golden Harp Resources Inc. (the "Company") was incorporated on May 3, 2006, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties throughout Canada. The Company's shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol "GHR.V".

The head office, principal address and records office of the Company are located at 595 Burrard Street, Suite 3123, Vancouver, British Columbia, Canada, V7X 1J1. The Company's registered address is 650 West Georgia Street, Suite 1350, Vancouver, British Columbia, Canada, V6B 4N9.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at December 31, 2020, the Company had not advanced its exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful results from its exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and companies controlled by directors and or private placement of common shares.

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. 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 and the impact on the financial results and conditions of the Company and its operations in future periods.

2. Basis of presentation

The condensed interim financial statements were authorized for issue on February 9, 2021 by the directors of the Company.

Statement of compliance

The condensed interim financial statements of the Company 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 condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting ("IAS 34")

These condensed interim financial statements do not include all of the information required for full annual financial statements and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this condensed interim financial report be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2020. The effects of the adoption of new and amended IFRS pronouncements have been disclosed in Note 3 of these condensed interim financial statements.

2. Basis of presentation (continued)

Statement of compliance (continued)

The accounting policies and methods of application applied by the Company in these condensed interim financial statements are the same as those applied in the Company's most recent annual financial statements for the year ended June 30, 2020, except for those policies which have changed as a result of the adoption of new and amended IFRS pronouncements effective January 1, 2020.

Basis of presentation

The condensed interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The condensed interim financial statements are presented in Canadian dollars unless otherwise noted.

3. Receivables

	December 31, 2020	June 30, 2020
GST recoverable	$ 4,041	$ 2,892
Loans	6,694	17,557
	$ 10,735	$ 20,449

4. Exploration and evaluation assets

Copper Hill Property, Ontario, Canada	Balance December 31, 2020	2021 Expenditures	Balance June 30, 2020	2020 Expenditures	Balance June 30, 2019
Property acquisition costs	$ 4,029,894	$ 10,000	$ 4,019,894	$ 747,500	$ 3,272,394
Exploration and evaluation costs					
Accommodation and meals	83,161	-	83,161	-	83,161
Assay and soil sampling	174,741	-	174,741	5,819	168,922
Diamond drilling	587,986	-	587,986	1,043	586,943
Geochemical	32,661	-	32,661	-	32,661
Geological wages and miscellaneous	214,343	-	214,343	3,833	210,510
Line cutting	74,192	-	74,192	-	74,192
Miscellaneous	80,205	2,616	77,589	2,339	75,250
Supervision	19,250	-	19,250	-	19,250
Surveys	322,509	-	322,509	-	322,509
Travel & Transport	28,106	-	28,106	-	28,106
Wages	38,024	-	38,024	-	38,024
	1,655,178	2,616	1,652,562	13,034	1,639,528
Other					
Option payments received	(913,000)	-	(913,000)	-	(913,000)
Write-down due to impairment	(3,579,044)	-	(3,579,044)	-	(3,579,044)
Total	$ 1,193,028	$ 12,616	$ 1,180,412	$ 760,534	$ 419,878

The Copper Hill Project is made up of two claim blocks, the Block A and the Main Block. Certain of the mineral claims are subject to net smelter return royalties ("NSR") varying from 1% to 3%. The Company is entitled to purchase all or part of the NSR's depending on the agreements. During the year ended June 30, 2020, the Company entered into a property purchase agreement to acquire an additional 19% interest in Block A claims by issuing 5,750,000 common shares at a fair value of $747,500 to a related party shareholder (Note 8). The Company has a 49% interest in the Block A claims and a 100% interest in the Main Block claims.

On November 3, 2020, the Company purchased a 1% net smelter royalty on mining claims located in the MacMurchy Township in Ontario for $10,000.

(Unaudited – Expressed in Canadian dollars)

5. Trade payables and accrued liabilities

		December 31, 2020		June 30, 2020
Trade payables (Note 10)	$	108,702	$	80,755
Accrued liabilities		5,200		24,400
	$	113,902	$	105,155

6. Restoration and environmental obligations

The Company did not provide for any possible restoration and environmental obligations as management believes that no liability exists.

It is not currently possible to estimate the impact on operating results, if any, of future legislative or regulatory developments on restoration and environmental obligations.

7. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

There were no share capital transactions during the six months ended December 31, 2020.

During the year ended June 30, 2020, the following share capital transactions occurred:

On January 23, 2020, the Company completed the acquisition of an additional 19% interest in the Block A Property and issued 5,750,000 common shares to a related party shareholder valued at $747,500 (Note 5).

300,000 common shares were issued at $0.06 per share on the exercise of warrants for proceeds of $18,000. There was no value of the warrants transferred from the reserves to share capital upon the exercise of the warrants.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the six months ended December 31, 2020 was based on the loss attributable to common shareholders of $63,831 (2019 – $62,272) and the weighted average number of common shares outstanding of 29,967,486 (2019 – 23,974,008).

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, in 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. The exercise price of the options granted will be no less than 85% of the fair market value per share of common shares on the option grant date. Such options will be exercisable for a period of up to 10 years from the date of grant.

There were no options issued nor outstanding during the six months ended December 31, 2020 and year ended June 30, 2020.

Warrants

The Company has issued share purchase warrants (“warrants”) as a component of units issued in past private placements. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated to share capital based on the fair value of the common shares and any residual value is allocated to the warrants.

(Unaudited – Expressed in Canadian dollars)

7. Share capital (continued)

Warrants (continued)

The following table summarizes warrants activity for the six months ended December 31, 2020 and year ended June 30, 2020:

	Number of Warrants		Weighted Average Exercise Price
Balance, June 30, 2019	10,000,000	$	0.06
Exercised	(300,000)		0.06
Expired	(9,700,000)		0.06
Balance, June 30, 2020 and December 31, 2020	-	$	-

8. Reserves

Stock option reserve

The stock option reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

9. Related party transactions

Key management personnel compensation

	Six Months Ended			
		December 31, 2020		December 31, 2019
Consulting fee - paid to an officer and director of the Company	$	15,000	$	15,000
Management fee - paid to an officer and director of the Company		12,000		12,000
	$	27,000	$	27,000

Related party balances

Included in trade payables and accrued liabilities at December 31, 2020 is $63,000 (June 30, 2020 – $47,250) owing to the Chief Executive Officer and director of the Company for accrued consulting fees and $45,675 (June 30, 2020 – $33,075) owing to the Chief Financial Officer and director of the Company for accrued management fees (Note 6).

Due from a shareholder, was $6,694 (June 30, 2020 - $17,557) for exploration expenditures paid in full by the Company as part of the joint venture on the Copper Hill Property to which 51%-70% of expenditures are attributed to the shareholder (Note 4).

10. Segmented information

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of exploration and evaluation assets.

Geographic segments

At December 31, 2020 and June 30, 2020 all of the Company's assets are located in Canada.

11. Supplemental Cash Flow Information

The Company incurred the following non-cash investing and financing transactions:

During the year ended June 30, 2020, the Company issued 5,750,000 common shares related to the acquisition of an additional 19% interest in Block A Property valued at $747,500 (Notes 4, 7).