Hanna Capital Corp.
(formerly, Nitinat Minerals Corporation)

Condensed Interim Consolidated Financial Statements

(Unaudited)

For the Three and Six Months Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

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Hanna Capital Corp. (formerly, Nitinat Minerals Corporation)

Notice to Reader Issued by Management

Under National Instrument 51-102, Part 4, Subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice to this effect.

The accompanying unaudited condensed interim consolidated financial statements have been prepared and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements.

February 26, 2021

Hanna Capital Corp.
(formerly, Nitinat Minerals Corporation)

Unaudited Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at	**December 31, 2020 $**	June 30, 2020 $
ASSETS		
Current		
Cash	**206,834**	89,087
Sales tax receivable	**89,955**	79,879
	296,789	168,966
Reclamation bond	**5,000**	5,000
Notes receivable *(Note 3)*	**1**	1
Due from related party *(Note 8)*	**57,497**	38,997
Exploration and evaluation assets *(Note 4)*	**1,037,634**	1,037,634
Total assets	**1,396,921**	1,250,598
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**283,081**	692,110
Loan payable *(Note 9)*	**-**	324,551
Total liabilities	**283,081**	1,016,661
SHAREHOLDERS' EQUITY		
Share capital (*Note 5)*	**9,802,913**	8,641,245
Reserves	**1,530,115**	1,530,115
Subscriptions received in advance	**-**	140,243
Accumulated deficit	**(10,219,188)**	(10,077,666)
Total shareholders' equity	**1,113,840**	233,937
Total liabilities and shareholders' equity	**1,396,921**	1,250,598

Nature of operations and going concern (*Note 1*)
Related party transactions (*Note 8*)
Commitments (*Note 12*)

Approved on behalf of the Board:

"Victor Cantore", Director	*"Herbert Brugh", Director*
(signed)	(signed)

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

Hanna Capital Corp.
(formerly, Nitinat Minerals Corporation)

Unaudited Condensed Interim Consolidated Statements of Operations and Comprehensive Loss
For the Three and Six Months Ended December 31, 2020 and 2019
(Expressed in Canadian Dollars)

	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				
Accounting and audit fees	**2,500**	10,638	**9,200**	17,138
Legal fees	**16,111**	544	**16,111**	725
Interest and penalties	**-**	5,858	**-**	5,858
Office and miscellaneous	**48,399**	35,141	**113,803**	75,715
Rent	**1,204**	5,635	**2,408**	11,635
	68,214	57,816	**141,522**	111,071
Net loss and comprehensive loss	**(68,214)**	(57,816)	**(141,522)**	(111,071)
Loss per share - basic and diluted	**(0.001)**	(0.002)	**(0.003)**	(0.003)
Weighted average number of outstanding common shares - basic and diluted	**53,855,235**	33,032,853	**44,482,180**	33,032,853

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

Hanna Capital Corp.
(formerly, Nitinat Minerals Corporation)

Unaudited Condensed Interim Consolidated Statements of Changes in Equity (Deficiency)
(Expressed in Canadian Dollars)

	Number of Common Shares	Share Capital	Subscription received in advance	Reserve	Accumulated Deficit	Total
	#	$	$	$	$	$
Balance, June 30, 2019	**33,032,853**	**8,641,245**	**-**	**1,530,115**	**(9,779,382)**	**391,978**
Net loss for the period	-	-	-	-	(111,071)	(111,071)
Balance, December 31, 2019	**33,032,853**	**8,641,245**	**-**	**1,530,115**	**(9,890,453)**	**280,907**
Balance, June 30, 2020	**33,032,853**	**8,641,245**	**140,243**	**1,530,115**	**(10,077,666)**	**233,937**
Shares issued for debt conversion	13,239,964	661,668	-	-	-	661,668
Shares issued for private placement	10,000,000	500,000	(140,243)	-	-	359,757
Net loss for the period	-	-		-	(141,522)	(141,522)
Balance, December 31, 2020	**56,272,817**	**9,802,913**	**-**	**1,530,115**	**(10,219,188)**	**1,113,840**

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

Hanna Capital Corp.
(formerly, Nitinat Minerals Corporation)

Unaudited Condensed Interim Consolidated Statements of Cash Flows
For the Six Months Ended December 31, 2020 and 2019
(Expressed in Canadian Dollars)

	2020	2019
	$	$
Operating activities		
Net loss for the period	**(141,522)**	(111,071)
Changes in non-cash working capital items:		
Sales tax receivable	**(10,076)**	(12,721)
Accounts payable and accrued liabilities	**(71,912)**	(59,643)
Cash used in operating activities	**(223,510)**	(183,435)
Investing activities		
Expenditures on exploration and evaluation assets	**-**	(13,885)
Net cash used in investing activites	**-**	(13,885)
Financing activities		
Proceeds from private placement	**359,757**	224,602
Repayment of due to related party	**(18,500)**	(14,369)
Proceeds from financing activities	**341,257**	210,233
Net increase in cash	**117,747**	12,913
Cash, beginning of period	**89,087**	353
Cash, end of period	**206,834**	13,266

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Hanna Capital Corp. (formerly, Nitinat Minerals Corporation) (the "Company" or "Corporation") was incorporated under the laws of the State of Nevada on June 1, 2004 under the name of "Assal Metallo, Inc.". On June 20, 2007, the Company was continued under the laws of the Province of Alberta and on July 19, 2007, it was continued under the laws of the Province of Ontario, at which time the name was changed to Nitinat Minerals Corporation pursuant to Articles of Continuance dated June 22, 2007. On October 17, 2019, the Company changed its name to Hanna Capital Corp. The primary office of the Company is located at 1800-130 King Street West, Toronto, ON, M5X 1E3. The Company's shares are traded on the TSX Venture Exchange ("TSX-V") under the stock symbol HCC.

These condensed interim consolidated financial statements were prepared on a going concern basis of presentation, which assumes that the Company will continue operations for the foreseeable future and be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. The Company has not earned significant revenue and as at December 31, 2020 had an accumulated deficit of $10,219,188 (June 30, 2020 - $10,077,666). The Company's ability to continue as a going concern is dependent upon its ability to obtain additional financing and or achieve profitable operations in the future. These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

The Company's financing efforts to date, while substantial, are not sufficient in and of themselves to enable the Company to fund all aspects of its operations. Management will pursue funding initiatives if, as and when required to meet the Company's requirements on an ongoing basis. Nevertheless, there is no assurance that these initiatives will be successful or sufficient.

As at December 31, 2020, the Company had a working capital surplus of $13,708 (June 30, 2020 – deficiency of $847,695). As the Company is in the exploration and evaluation stage, the Company has not identified a known body of commercial grade mineral on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body, to finance its exploration and evaluation costs and to resolve any environmental, regulatory or other constraints, which may hinder the successful exploration and evaluation of the property. The Company has financed its activities through the issuance of equity securities and debt financing. The Company expects to use similar financing techniques in the future and is pursuing such additional sources of financing as estimated to be required to sufficiently support its operations until such time that its operations become self-sustaining. To date, the Company has not earned any revenues. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

Since November 30, 2019, 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 physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown currently. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods. The outbreak was declared a pandemic by World Health Organization and the actual and threatened spread of COVID-19 globally could adversely impact company's ability to carry out its plans and raise capital.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The Company's condensed interim consolidated financial statements have been prepared in conformity with *IAS 34 – Interim Financial Reporting* and do not include all the information required for full annual consolidated financial statements in accordance with IFRS and should be read in conjunction with the audited consolidated financial statements for the year ended June 30, 2020. These condensed interim consolidated financial statements of the Company and its subsidiaries were prepared using accounting policies consistent with IFRS as issued by the IASB and interpretations of the IFRS Interpretations Committee ("IFRIC").

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on February 26, 2021.

(b) Basis of Presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except where otherwise disclosed. Historical cost is based on the fair value of the consideration given in exchange for assets. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Functional and Presentation Currency

These consolidated financial statements are presented in Canadian dollars ("$"). The functional currency of the Company, as determined by management, is in Canadian dollars.

2. BASIS OF PREPARATION (continued)

(d) Use of Estimates and Judgements

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements. Actual results could differ from these estimates.

Critical Judgements

The preparation of these condensed interim consolidated financial statements requires management to make judgements regarding the going concern of the Company, as previously discussed in Note 1, as well as determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiaries has been determined to be the Canadian dollar.

Key Sources of Estimation Uncertainty

The measurement and valuation of certain financial instruments such as share purchase warrants or other derivatives, calculation of reserves, determination of fair market value, market rates of interest, etc. requires the use of judgement and estimates. The Company will disclose the use of estimates, will be consistent in its use of estimates whenever possible, and will disclose any changes in estimates that have a material effect on measured values.

(e) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiary, Taman Petroleum Corporation ("Taman") which is inactive. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Subsidiaries are those entities which the Company controls by having the power to govern the financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases.

(Expressed in Canadian Dollars)

3. NOTE RECEIVABLE

During the year ended June 30, 2013, the Company acquired 100% of the issued and outstanding shares of Taman Petroleum Corporation ("Taman"). Taman has an 8% interest in a Russian private company, Techniton LLC ("Techniton"). Techniton has a 100% interest in the South Temryuk Oil & Gas Exploration-Exploitation Licence located in the mature Azov-Kuban petroleum region of southwest Russia. During the year ended June 30, 2013, the Company wrote- down its investment in Techniton to $nil.

During the year ended June 30, 2014, the Company loaned Techniton $300,000 for development purposes (the "Note Receivable). As at June 30, 2014, the Note Receivable was deemed impaired and the Company wrote-down the Note Receivable from Techniton to $1 based on uncertainty of collection.

As at December 31, 2020, the Note Receivable amounted to $1 (June 30, 2020 - $1).

4. EXPLORATION AND EVALUATION ASSETS

Title to mineral property of interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all of its mineral property interests and, to the best of its knowledge, title to all of its interests are in good standing. The mineral property interests in which the Company has committed to earn an interest in are located in Canada.

	Jasper Property	Carscallen Property	Total
	$	$	$
Balance, June 30, 2019	**723,106**	**488,300**	**1,211,406**
Data analysis	19,228	-	19,228
Survey and assessment	-	5,000	5,000
Write-off	-	(198,000)	(198,000)
Balance, June 30, 2020 and December 31, 2020	**742,334**	**295,300**	**1,037,634**

Carscallen Property, Ontario

In October 2016, the Company signed an assignment agreement (the "Agreement") with Silk Energy Limited ("Silk") formerly Inspiration Mining Corp, a company related by a common director, to acquire a 100% interest in certain mining claims west of the City of Timmins known as the Carscallen Property (the "Property"). Pursuant to the terms and conditions of the Agreement, the Company will earn the 100% interest by:

- Cash payment of $40,000 on execution of this agreement (paid);
- Share payment of 2,200,000 common shares of the Company (issued with a value of $193,500);
- Cash payment of $20,000 on October 19, 2017 (paid); and
- Cash payment of $40,000 on October 19, 2018 (paid).

4. EXPLORATION AND EVALUATION ASSETS (continued)

The acquisition of the Property is subject to underlying conditions:

- In the event that the Company is able to obtain an intersection of at least 3 grams of gold per ton over one meter, the Company will be required to issue an additional 2,400,000 common shares to Silk;

- In the event that the Company is able to establish a commercial mine of at least a 250,000 ton ore body having a minimum grade of 2 grams of gold per ton, the Company will be required to issue an additional 2,400,000 common shares to Silk;

- Upon the payment of the option payments of October 19, 2017 and 2018, the Company will have an undivided 100% interest in the Property subject to a 2% net smelter royalty (“NSR”) in favour of the original optionors. The Company shall have the right to purchase 1% of the 2% NSR royalty for an aggregate cash payment of $1,000,000. In addition, the Company also assumes the obligation from Silk whereby the Company will grant a 1% NSR in favour of the individual who assigned the original option agreement to Inspiration. Under the assignment agreement between Silk and this individual, this 1% NSR can be purchased for $2,000,000; and

During the year ended June 30, 2018, the Company entered into an option agreement with two arm’s length parties to acquire an 100% interest in claims adjacent to the Property.

Pursuant to the terms of the agreement, the Company is required to pay the following as considerations:

- Cash payment of $65,000 on or before January 10, 2020 ($15,000 paid); and
- Share payment of 1,000,000 common shares of the Company on or before January 10, 2020 (400,000 shares issued of $160,000).

The remaining cash payment and the issuance of common shares for the Carscallen property have not been made.

Jasper Property, British Columbia

Pursuant to a purchase agreement dated December 1, 2007, the Company purchased the Jasper Property from Silk in exchange for 1,336,790 special warrants ("Silk Special Warrants") valued at $2,063,208. On November 2, 2009, 1,336,790 Silk Special Warrants were converted automatically without further consideration into 1,336,790 common shares of the Company. The Jasper Property is located on west-central Vancouver Island, British Columbia. In May 2010, a director of Silk became a director of the Company.

During the year ended June 30, 2014, the Company recorded an impairment charge of $1,872,334 on the Jasper Property due to the Company's decision to discontinue work on certain claims.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL

(a) Authorized and issued share capital

The authorized share capital consists of an unlimited number of common shares, without par value and an unlimited number of preferred shares, without par value. All issued shares are fully paid.

During the six months ended December 31, 2020, the Company:

i) issued an aggregate of 12,079,964 units (the "Settlement Units") to the arm's length parties in exchange for the cancellation of an aggregate of $603,998 in debt owning to the arm's length parties and 1,160,000 common shares (the "Settlement Shares") to non-arm's length parties in exchange for the cancellation of $58,000 in debt owing to the parties. The Settlement Units and Settlement Shares were issued at a price of $0.05. Each Settlement Unit is comprised of one (1) common share and one (1) common share purchase warrant ("Settlement Warrant"). Each Settlement Warrant entitles the holder thereof to acquire one (1) common share of the Company at an exercise price of $0.08 per share until September 15, 2022.

ii) On October 23, 2020, the Company issued an aggregate of 10,000,000 units (the "Units") of the Company at a price of $0.05 per Unit for gross proceeds of $500,000 (the "Offering"). Each Unit is comprised of one common share and one common share purchase warrant (the "Warrant"). Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.08 per share until October 23, 2022. In connection with the Offering, the Company paid finders' fees of $900 in cash and issued 18,000 broker warrants (the "Broker Warrants"). Each Broker Warrant entitles the holder thereof to acquire one (1) common share of the Company at an exercise price of $0.05 per share until October 23, 2022.

6. WARRANTS

	Number of Warrants	Weighted Exercise Price
Balance, June 30, 2020	5,240,428	0.07
Granted	12,079,964	0.08
Granted	10,000,000	0.08
Granted	18,000	0.05
Granted	-	-
Balance, December 31, 2020	27,338,392	$ 0.08

(Expressed in Canadian Dollars)

6. WARRANTS (continued)

The following are the warrants outstanding as at December 31, 2020:

Number of Warrants	Exercise Price ($)	Remaining Contractual Life (years)	Expiry Date
4,832,100	0.07	1.99	28-Dec-22
408,328	0.05	1.99	28-Dec-22
12,079,964	0.08	1.71	15-Sep-22
10,000,000	0.08	1.81	23-Oct-22
18,000	0.05	1.81	23-Oct-22

7. STOCK OPTIONS

The Company has an incentive stock option plan in place with the TSX Venture Exchange ("TSXV"), under which it is authorized to grant options to executive officers, directors, employees and consultants. The Company has implemented a fixed plan, whereby it may not exceed a total of 7,930,000 options under the plan. The exercise price of the options is fixed by the Board of Directors of the Company at the time of grant, subject to all applicable regulatory requirements. The options can be granted for a maximum term of five years and vest as determined by the Board of Directors.

8. RELATED PARTY TRANSACTIONS

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and nonexecutive) of the Company. The below noted transactions are approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

	December 31, 2020	December 31, 2019
	$	$
Adrea Capital Corporation ("Adrea") (i)	**30,000**	30,000
Herb Brugh (ii)	**10,000**	-
Victor Cantore (iii)	**20,000**	-
John Gould (iv)	**10,000**	-
	70,000	30,000

8. RELATED PARTY TRANSACTIONS (continued)

i) D. Randall Miller, key management personnel, controls Adrea. During the three and six months ended December 31, 2020, the Company paid or accrued Adrea $15,000 and $30,000, respectively (2019 - $15,000 and $30,000, respectively), in management fees. Management fees are included in office and miscellaneous. As at December 31, 2020, this company was owed $47,103 (June 30, 2020 - $9,727) which is included in accounts payable and accrued liabilities.

ii) During the three and six months ended December 31, 2020, the Company expensed $5,000 and $10,000, respectively (2019 - $5,000 and $10,000, respectively) to Herb Brugh for Chief Executive Officer fees and for administration fees. Administrative fees are included in office and miscellaneous. As at December 31, 2020, this company owed $10,000 (June 30, 2020, the company owed Herb Brugh $215,328) which is included in accounts payable and accrued liabilities.

iii) During the three and six months ended December 31, 2020, the Company expensed $10,000 and $20,000, respectively (2019 - $10,000 and $20,000, respectively) to Victor Cantore, a director of the Company, for consulting fees. Consulting fees are included in office and miscellaneous. Included in the December 31, 2020 accounts payable and accrued liabilities is $77,000 due to Victor Cantore (June 30, 2020 - $57,000).

iv) During the three and six months ended December 31, 2020, the Company expensed $5,000 and $10,000, respectively (2019 - $5,000 and $10,000, respectively) to John Gould, a director of the Company, for management fees. Management fees are included in office and miscellaneous. Included in the December 31, 2020 accounts payable and accrued liabilities is $10,000 due to John Gould (June 30, 2020 - $nil)

v) As at December 31, 2020, Vern Bock, a former director of the company, owed the company $nil (June 30, 2020, the company owed Vern Bock $38,002).

vi) As at December 31, 2020, Company owed Silk $15,521 (June 30, 2020 – $15,521) which is included in due from related party and the amount is unsecured, non-interest bearing and due on demand.

vii) As at December 31, 2020, Martina Minerals Corp., a company related by way of a common director, owed the Company $73,018 (June 30, 2020 - $54,518) which is included in due from related party and the amount is unsecured, non-interest bearing and due on demand.

Balances due to related parties are unsecured, non-interest bearing (unless otherwise stated), and have no fixed terms of repayment.

9. LOAN PAYABLE

As at December 31, 2020, the Company owed JB Consolidated Estates Ltd. $nil (June 30, 2020 - $324,551). The loan payable is unsecured, non-interesting bearing and due on demand.

10. FINANCIAL INSTRUMENTS AND RISK FACTORS

The Company's management oversees the management of these risks. The Company's management is supported by the Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk appetite.

Financial risk management

The Company's financial risk management policies are established to identify and analyse the risks faced by the Company, to set acceptable risk tolerance limits and controls, and to monitor risks and adherence to limits. The financial risk management policies and systems are reviewed regularly to ensure they remain consistent with the objectives and risk tolerance acceptable to the Company and current market trends and conditions. The Company, through its training and management standards and procedures, aims to upload a disciplined and constructive control environment in which all employees understand their roles and obligation

Measurement and classification of financial instruments

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 date.

The Company's financial instruments are cash, accounts payable and notes payable. The fair value of the Company's accounts payable and notes payable approximate carrying value, due to their short terms to maturity. The Company's cash is measured at fair value under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. The Company is exposed to credit risk, currency risk, liquidity risk and interest rate risk.

Risk management policies

The Company, through its financial assets and liabilities, is exposed to various risks. The Company has established policies and procedures to manage these risks, with the objective of minimizing any adverse effect that changes in these variables could have on these condensed interim consolidated financial statements. The following analysis provides a measurement of risks as at December 31, 2020:

10. FINANCIAL INSTRUMENTS AND RISK FACTORS (continued)

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 contractual obligations. The Company is not exposed to any significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due within one year. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. As at December 31, 2020, there is substantial doubt about the Company's ability to continue as a going concern primarily due to its history of losses. Liquidity risk continues to be a key concern in the development of future operations.

Market risk

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rates on all of the Company's existing debt are fixed, and therefore it is not currently subject to any significant cash flow interest rate risk.

(ii) Foreign currency risk

The Company is exposed to foreign currency risk from fluctuations in foreign exchange rates and the degree of volatility in these rates due to the timing of their accounts payable balances. The risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. As at December 31, 2020, the Company did not use derivative instruments to hedge its exposure to foreign currency risk.

(i) Price risk

The Company's operations do not involve the direct input or output of any commodities and therefore it is not subject to any significant commodity price risk. In addition, the Company does not have any equity investments in other listed public companies, and therefore it is not subject to any significant stock market price risk.

11. CAPITAL MANAGEMENT

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, to meet its capital expenditures for its continued operations, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk.

The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, or acquire or dispose of assets. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There have been no changes to the Company's capital management approach during the six months ended December 31, 2020. The Company considers its cash and cash equivalents as capital.

12. COMMITMENTS

Aside from monthly fees payable to the board of directors and officers, the Company did not have any long-term commitments as at December 31, 2020.

13. COMPARATIVE AMOUNTS

Certain comparative figures have been reclassified to conform to the condensed interim consolidated financial statement presentation adopted for the current period. Such reclassifications did not have an impact on previously reported net and comprehensive loss.