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**AUSTIN RESOURCES LTD.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL**  
**STATEMENTS**  
**THREE AND NINE MONTHS ENDED**  
**SEPTEMBER 30, 2021**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

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**Notice To Reader**

The accompanying unaudited condensed interim consolidated financial statements of Austin Resources Ltd. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

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**Austin Resources Ltd.****Condensed Interim Consolidated Statements of Financial Position****(Expressed in Canadian Dollars)****(Unaudited)**

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	<b>As at September 30, 2021</b>	<b>As at December 31, 2020</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 17,496	\$ 24,138
Amounts receivable	1,410	1,268
<b>Total assets</b>	<b>\$ 18,906</b>	<b>\$ 25,406</b>
<b>EQUITY (DEFICIENCY) AND LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 10)	\$ 38,911	\$ 17,799
Related party loan (note 6)	227,962	183,863
<b>Total liabilities</b>	<b>266,873</b>	<b>201,662</b>
<b>Deficiency</b>		
Issued capital (note 7)	6,144,075	6,144,075
Deficit	(6,392,042)	(6,320,331)
<b>Total deficiency</b>	<b>(247,967)</b>	<b>(176,256)</b>
<b>Total deficiency and liabilities</b>	<b>\$ 18,906</b>	<b>\$ 25,406</b>

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

Nature of operations and going concern (note 1)

Commitments and contingencies (note 12)

**Approved on behalf of the Board:**

"Weimin Fu", Director

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"Dong Zheng", Director

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## Austin Resources Ltd.

### Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Expressed in Canadian Dollars) (Unaudited)

	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
<b>Operating expenses</b>				
Consulting and management fees (note 10(a))	\$ -	\$ 5,000	\$ -	\$ 15,279
Professional fees (note 10(b))	12,192	19,503	37,942	69,238
Office expense	-	-	-	275
Interest expense (note 6)	4,984	4,285	14,099	9,578
Shareholder communication and filing fees	1,966	(665)	19,443	14,406
Bank charges	152	311	438	1,317
<b>Loss for the period before other items</b>	<b>(19,294)</b>	<b>(28,434)</b>	<b>(71,922)</b>	<b>(110,093)</b>
Gain on disposition of Minera Azul (note 4)	-	-	-	42,498
Foreign exchange (loss)	(99)	(22)	211	(2,136)
<b>Net loss and comprehensive loss for continuing operation for the period</b>	<b>(19,393)</b>	<b>\$ (28,456)</b>	<b>(71,711)</b>	<b>(69,731)</b>
<b>Net loss and comprehensive loss for discontinued operation for the period (note 4)</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>(46,601)</b>
<b>Total net loss and comprehensive loss for the period</b>	<b>\$ (19,393)</b>	<b>\$ (28,456)</b>	<b>\$ (71,711)</b>	<b>\$ (116,332)</b>
<b>Basic and diluted net loss per share (note 11)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding - basic and diluted</b>	<b>21,346,618</b>	<b>21,346,618</b>	<b>21,346,618</b>	<b>21,346,618</b>

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

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**Austin Resources Ltd.****Condensed Interim Consolidated Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

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	<b>Nine months ended September 30, 2021</b>	<b>Nine months ended September 30, 2020</b>
<b>Operating activities</b>		
Net loss for the period	\$ (71,711)	\$ (116,332)
Adjustments for:		
Accrued interest expense	14,099	9,578
Gain on disposition of Minera Azul	-	(42,498)
Unrealized foreign exchange	-	28,752
Changes in non-cash working capital items:		
Amounts receivable	(142)	-
Accounts payable and accrued liabilities	21,112	41,128
<b>Net cash used in operating activities</b>	<b>(36,642)</b>	<b>(79,372)</b>
<b>Financing activities</b>		
Proceeds received from related party loan	30,000	35,036
<b>Net cash provided by financing activities</b>	<b>30,000</b>	<b>35,036</b>
<b>Net change in cash and cash equivalents</b>	<b>(6,642)</b>	<b>(44,336)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>24,138</b>	<b>82,614</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 17,496</b>	<b>\$ 38,278</b>
<b>Supplemental information</b>		
Conversion of accounts payable into related party loan	\$ 34,964	\$ -

Cash flows from discontinued operations (note 4)

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

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**Austin Resources Ltd.****Condensed Interim Consolidated Statements of Changes in Equity (Deficiency)****(Expressed in Canadian Dollars)****(Unaudited)**

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	<b>Number of shares</b>	<b>Issued capital</b>	<b>Deficit</b>	<b>Total</b>
<b>Balance, December 31, 2019</b>	<b>21,346,618</b>	<b>\$ 6,144,075</b>	<b>\$ (6,187,643)</b>	<b>\$ (43,568)</b>
Net loss and comprehensive loss for the period	-	-	(116,332)	(116,332)
<b>Balance, September 30, 2020</b>	<b>21,346,618</b>	<b>\$ 6,144,075</b>	<b>\$ (6,303,975)</b>	<b>\$ (159,900)</b>
<b>Balance, December 31, 2020</b>	<b>21,346,618</b>	<b>\$ 6,144,075</b>	<b>\$ (6,320,331)</b>	<b>\$ (176,256)</b>
Net loss and comprehensive loss for the period	-	-	(71,711)	(71,711)
<b>Balance, September 30, 2021</b>	<b>21,346,618</b>	<b>\$ 6,144,075</b>	<b>\$ (6,392,042)</b>	<b>\$ (247,967)</b>

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

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# Austin Resources Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

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### 1. Nature of operations and going concern

Austin Resources Ltd. (individually, or collectively with its subsidiary, as applicable, "Austin Resources", or the "Company") completed the sale of all of its properties in Chile during the year ended December 31, 2020 and as a result of the transaction, the Company did not maintain the requirements for a TSX Venture Tier 2 company and its listing was transferred to the NEX board of the TSX Venture Exchange (the "NEX"). While the Company currently holds no mineral properties, it retains its classification as a 'Mineral Exploration/Development' company.

The Company's head office and principal address in Canada is The Canadian Venture Building, 82 Richmond St East, Suite 204, Toronto, Ontario, M5C 1P1.

On February 27, 2020, the Company transferred all of its interest in the mineral exploration properties in Chile held by Minera Azul Venturas Limitada ("Minera Azul"), the Company's wholly owned Chilean subsidiary. The Company retained a 1% net smelter royalty on its interest transferred with 50% of such royalty retained being able to be acquired for US\$63,166. As a result of the completion of the agreement with Bluerock Resources SPA, Minera Azul will no longer have any assets. On May 14, 2020, the Company wound up operations in Chile and disposed of its interest in Minera Azul (note 4).

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from the carrying values as shown. As at September 30, 2021, the Company had not yet achieved profitable operations, had accumulated losses of \$6,392,042 (December 31, 2020 - accumulated losses of \$6,320,331) since inception, had working capital deficiency of \$247,967 (December 31, 2020 - working capital deficiency of \$176,256) and expects to incur further losses in the search for a new business, all of which constitutes a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. There is no assurance that these funds will be available on terms acceptable to the Company or at all. These unaudited condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

Since December 31, 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 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 condition of the Company in future periods.

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## **Austin Resources Ltd.**

### **Notes to Condensed Interim Consolidated Financial Statements**

**Three and Nine months Ended September 30, 2021**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

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## **2. Significant accounting policies**

### **Statement of compliance**

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of November 24, 2021, the date the Board of Directors approved the statements.

The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2020. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2021 could result in restatement of these unaudited condensed interim consolidated financial statements.

### **New accounting standard not yet adopted**

#### Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2022. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

## **3. Exploration and evaluation properties and expenditures**

On February 27, 2020, the Company received approval from its shareholders and the TSX Venture Exchange for the transfer of all of its interest in the mineral exploration properties in Chile held by Minera Azul (see note 4).

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## Austin Resources Ltd.

### Notes to Condensed Interim Consolidated Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

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#### 4. Discontinued operation

Subsequent to the transfer of all of its interest in the mineral exploration properties in Chile held by Minera Azul, on May 14, 2020, the Company disposed of its interest in Minera Azul for \$39,037, resulting in a gain on disposition of \$42,498.

Pursuant to IFRS 5, Non-Current Assets Held for Sale and Discontinued Operations, the consolidated financial statements of the Company have been reclassified to reflect discontinued operation of Minera Azul. Accordingly, net loss of discontinued operation have been segregated in the consolidated statements of loss and comprehensive loss.

The following tables present summarized financial information related to discontinued operations in Minera Azul:

Consolidated statements of loss and comprehensive loss of discontinued operations for the years ended December 31, 2020 and 2019:

	<b>Three months ended September 30, 2021</b>	Three months ended September 30, 2020	<b>Nine months ended September 30, 2021</b>	Nine months ended September 30, 2020
Exploration and evaluation expenditures	\$ -	\$ -	\$ -	\$ (13,483)
Professional fees	-	-	-	22,320
Office expenses	-	-	-	41
Bank charges	-	-	-	509
Depreciation	-	-	-	44
<b>(Income) before other items</b>	-	-	-	9,431
Foreign exchange loss	-	-	-	37,170
<b>Net loss and comprehensive loss</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 46,601</b>

Statements of cash flows of the discontinued operation for the nine months ended September 30, 2021 and 2020:

<b>Nine months ended September 30, 2021,</b>	<b>2021</b>	2020
Cash used in operating activities for discontinued operation	\$ -	\$ (45,461)
Cash provided by financing activities for discontinued operation from continuing operations	-	38,076
Net cash flows provided by operating activities for discontinued operation	\$ -	\$ (7,385)
Cash and cash equivalents, beginning of the year for discontinued operation	-	7,385
Cash and cash equivalents, end of the year for discontinued operation	\$ -	\$ -

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## Austin Resources Ltd.

### Notes to Condensed Interim Consolidated Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

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#### 5. Equipment

	Cost	Accumulated depreciation	Net book value
Balance, December 31, 2019	\$ 8,768	\$ (8,697)	\$ 71
Depreciation	-	(44)	(44)
Transferred on sale of Minera Azul (note 4)	(8,768)	8,741	(27)
Balance, September 30, 2020, December 31, 2020 and September 30, 2021,	\$ -	\$ -	\$ -

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The Company's equipment was located in Chile.

#### 6. Related party loan

On May 26, 2016, the Company entered into a loan agreement with Guilin International Company Limited ("Guilin"), a major shareholder of the Company, in the amount of \$500,000 at an interest rate of 10% per annum. During the year ended December 31, 2019, the Company repaid the related party loan in full in the amount of \$663,424 including accrued interest of \$163,424. As at September 30, 2021, the Company owes \$nil (December 31, 2020 - \$183,863) including accrued interest.

During the year ended December 31, 2019, the Company entered into a loan agreement with a shareholder of the Company in the amount of \$100,000 at an interest rate of 10% per annum. During the year ended December 31, 2020, the Company incurred an additional loan from the shareholder in the amount of \$70,000 which is comprised of \$35,036 cash proceeds and \$34,964 converted from accounts payable settled by the shareholder. During the three months ended March 31, 2020, the Company incurred an additional loan from the shareholder in the amount of \$20,000. During the three and nine months ended September 30, 2021, the Company accrued interest expense of \$4,737 and \$9,115, respectively (three and nine months ended September 30, 2020 - \$4,285 and \$9,578S, respectively). As at September 30, 2021, the Company owes \$227,962 (December 31, 2020 - \$183,863) including accrued interest.

#### 7. Share capital

##### a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares without par value.

##### b) Common shares issued

	Number of common shares	Amount
Balance, December 31, 2019. September 30, 2020, December 31, 2020 and September 30, 2021	21,346,618	\$ 6,144,075

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## Austin Resources Ltd.

### Notes to Condensed Interim Consolidated Financial Statements

Three and Nine months Ended September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

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#### 8. Warrants

The Company had no warrants outstanding as at September 30, 2021 and December 31, 2020.

#### 9. Stock options

The Company has adopted a stock option plan (the "Plan"), to be administered by the Directors of the Company. Under the Plan, the Company may grant options to directors, officers, employees and consultants to purchase shares of the Company. The Plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital. The plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases. Options granted under the Plan will be for a term not to exceed five years. The plan provides that it is solely within the discretion of the Board to determine who should receive stock options, in what amounts, and determine vesting terms. The exercise price for any stock option shall not be lower than the market price of the underlying common shares at the time of grant.

Each stock option converts into one common share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. The Company settles stock options exercised through the issuance of common shares from treasury.

The Company had no stock options outstanding as at September 30, 2021 and December 31, 2020.

#### 10. Related party transactions

##### (a) Compensation of key management personnel of the Company

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of the Board of Directors, corporate officers, including the Chief Executive Officer and the Chief Financial Officer, as well the Country Manager.

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	<b>Three months ended September 30, 2021</b>	Three months ended September 30, 2020	<b>Nine months ended September 30, 2021</b>	Nine months ended September 30, 2020
Salaries and benefits	\$ -	\$ -	\$ -	\$ 10,279

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##### (b) Transactions with related parties

The Chief Financial Officer is an employee of Marrelli Support Services Inc. ("MSSI"), a firm providing accounting services. During the three and nine months ended September 30, 2021, the Company incurred \$6,377 and \$25,497, respectively (three and nine months ended September 30, 2020 - \$6,404 and \$25,522, respectively) for accounting services (included in professional fees) rendered by MSSI. As at September 30, 2021, MSSI was owed \$1,784 (December 31, 2020 - \$1,784) and this amount was included in accounts payable and accrued liabilities. The amount is unsecured, non-interest bearing and due on demand.

Refer to note 6.

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## **Austin Resources Ltd.**

### **Notes to Condensed Interim Consolidated Financial Statements**

**Three and Nine months Ended September 30, 2021**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

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#### **11. Loss per share**

For the three and nine months ended September 30, 2021, basic and diluted loss per share has been calculated based on the loss attributable to common shareholders of \$19,393 and \$71,711, respectively (three and nine months ended September 30, 2020 - \$28,456 and \$116,332, respectively) and the weighted average number of common shares outstanding of 21,346,618 (three and nine months ended September 30, 2020 - 21,346,618).

#### **12. Commitments and contingencies**

The Company's activities were subject to various laws and regulations. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.