STRIA LITHIUM INC.

Condensed Consolidated Interim Financial Statements

For the three months ended December 31, 2020

(Expressed in Canadian dollars)
(Unaudited)

Condensed Consolidated Interim Financial Statements

NOTICE TO READER

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

The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements.

Stria Lithium Inc.
Unaudited Interim Condensed Consolidated Statements of Financial Position
(in Canadian dollars)

As at		**December 31, 2020**	September 30, 2020
ASSETS		**$**	$
Current assets			
Cash		**32,945**	194,130
Sales tax recoverable		**125,735**	107,921
Tax credits and credit on duties receivable		**251,875**	251,875
Prepaid expenses		**-**	1,300
		410,555	555,226
Mineral exploration properties	Note 6		
Exploration and evaluation assets	Note 6	**352,475**	352,475
		1,868,766	1,868,091
		2,631,797	2,775,792
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**1,084,229**	1,086,992
Amounts due to related parties	Note 11	**518,423**	518,442
		1,602,652	1,605,434
Non-Current liabilities			
Long term liability		**10,000**	10,000
		1,612,652	1,615,434
SHAREHOLDERS' EQUITY			
Share capital	Note 8	**3,648,682**	3,648,682
Warrants	Note 9	**120,877**	192,052
Contributed surplus		**612,599**	541,424
Deficit		**(3,363,014)**	(3,221,800)
		1,019,145	**1,160,358**
		2,631,797	2,775,792

Going concern (Note 2)

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

On behalf of the Board

(signed) "Robin Dow" (signed) "Jeffrey York"

Robin Dow, Director Jeffrey York, Director

Stria Lithium Inc.

Consolidated Statements of Comprehensive Income (Loss)

For the years ended December 31

(in Canadian dollars)

		Three months ended December 31,	
		2020	2019
Expenses			
Travel and promotion		**-**	2,276
Professional fees		**132,775**	19,278
Filing fees		**1,300**	16,019
Insurance		**3,375**	9,543
Agent fees		**1,855**	3,975
Rent Expense		**1,200**	3,600
Supplies Expense		**660**	875
Other expenses		**51**	578
Re-assessed government tax credits		**-**	-
		(141,215)	(56,144)
Other income			
Other Income related to flow-through shares	Note 7	**-**	180,798
Interest and other income		**-**	**-**
Net Income (loss) and total comprehensive income (loss)		**(141,215)**	124,654
Basic and diluted income (loss) per common share		**(0.002)**	0.002
Basic and diluted weighted average number of common shares outstanding		**72,460,369**	**72,460,369**

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

Stria Lithium Inc.

Condensed Consolidated Interim Statements of Changes in Equity (unaudited)

(in Canadian dollars)

	Share capital		Warrants	Contributed Surplus	Deficit	Total
	Number of shares	$	$	$	$	$
Balance, October 1, 2018	**62,460,369**	**3,430,733**	**248,436**	**373,245**	**(3,000,714)**	**1,051,700**
Shares issued for cash	10,000,000	500,000	-	-	-	500,000
Flow through share premium	-	(180,798)	-	-	-	(180,798)
Warrant issued	-	(69,202)	71,175	-	-	1,973
Expiry of warrants	-	-	(57,378)	57,378	-	-
Share issuance costs	-	(32,051)	-	-	-	(32,051)
Stock-based compensation	-	-	-	40,620	-	40,620
Net Income (loss) and total comprehensive Income (loss)	-	-	-	-	(240,581)	(240,581)
Balance, September 30, 2019	**72,460,369**	**3,648,682**	**262,233**	**471,243**	**(3,241,295)**	**1,140,863**
Expiry of warrants	-	-	(70,181)	70,181	-	-
Net Income (loss) and total comprehensive Income (loss)	-	-	-	-	19,495	19,495
Balance, September 30, 2020	**72,460,369**	**3,648,682**	**192,052**	**541,424**	**(3,221,800)**	**1,160,358**
Expiry of warrants			(71,175)	71,175		
Net Income (loss) and total comprehensive Income (loss)	-	-	-	-	(141,215)	(141,215)
Balance, December 31, 2020	**72,460,369**	**3,648,682**	**120,877**	**612,599**	**(3,363,014)**	**1,019,144**

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

Stria Lithium Inc.
Condensed Consolidated Interim Statements of Cash Flow
(unaudited)
(in Canadian dollars)

	For the three months ended Dec 31,	
	2020	2019
OPERATING ACTIVITIES		
Net Income (Loss)	**(141,215)**	124,654
Adjustment for:		
Deferred premium on flow-through shares	**-**	(180,798)
Interest on long term debt	**-**	586
Changes in working capital items	**(19,296)**	731,754
Cash flows from (used in) operating activities	**(160,511)**	676,196
INVESTING ACTIVITIES		
Exploration and evaluation costs	**(675)**	(702,558)
Cash flows used in investing activities	**(675)**	(702,558)
FINANCING ACTIVITIES		
Amounts repaid to related Parties	**-**	13,914
Amounts received from related parties as Loans	**-**	15,000
Cashflows from financing activities	**-**	28,914
Increase (decrease) in cash	**(161,187)**	2,552
Cash, beginning of the period	**194,130**	533
Cash, end of the period	**32,944**	3,085

Supplemental information

Changes in working capital items consist of the following:		
Sales tax recoverable	**(17,814)**	(1,781)
Amounts due to related parties	**(19)**	
Prepaid expenses	**1,300**	7,964
Accounts payable and accrued liabilities	**(2,763)**	725,571
	(19,296)	731,754

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

1. NATURE OF OPERATIONS

Stria Lithium Inc. (the "Company" or "Stria") was incorporated on May 24, 2011 under the Canada Business Corporations Act. The Company's shares are listed on the TSX Venture Exchange under the symbol SRA. The head office of the Company is located at 945 Princess Street, Box # 118, Kingston, Ontario.

The Company is engaged in the acquisition, exploration and development of mineral properties in Quebec, Canada, as well as the development of processes to purify and recover lithium metal directly from ore and from brine liquids.

2. GOING CONCERN ASSUMPTION

These consolidated financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS"). The going concern basis of presentation assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company is in the exploration stage and has not earned revenue from operations. During the three months period ended December 31, 2020, the Company earned a net loss of $141,215, and had negative cash flows from operations of $160,511. In addition, the Company has a working capital deficiency of $1,192,097 and a deficit of $3,363,014.

The above factors indicate material uncertainties, which may cast significant doubt about the Company's ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

The Company's ability to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business in fiscal year 2021, meet its corporate administrative expenses and continue its exploration and research activities, is dependent upon management's ability to obtain additional financing, through various means including but not limited to equity financing and loans from related and unrelated parties. No assurance can be given that any such additional financing will be available or that it can be obtained on terms favourable to the Company.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying amount of assets and liabilities, the reported expenses, and the statement of financial position classifications used.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

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

These consolidated financial statements were authorized for issue by the Board of Directors on March 1, 2021.

b) Judgments, estimates and assumptions

When preparing the consolidated financial statements, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the consolidated financial statements.

Recognition of deferred income tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, Management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See Note 2 for more information.

Tax credits and mining duties

The Company is eligible to claim certain credits on eligible exploration expenditures; determining the eligibility of the amounts and the credit to be received requires management's judgement.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of mineral exploration properties and exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and exploration and evaluation assets requires management's judgment, among others, regarding the following: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

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

(In Canadian dollars)

Share based payments

The estimation of stock-based compensation and warrants requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the estimated life of stock options and warrants granted and the time of exercise of those stock options and warrants. The valuation model used by the Company is the Black-Scholes model.

The Company allocates values to share capital and to warrants on the residual basis when the two are issued together as a unit. As this allocation is based upon the share price at the time of issuance and the stock is thinly-traded, the actual value of the components may differ from this allocation.

4. Amounts Receivable

	December 31 2020	September 30, 2020
Sales tax receivable	**125,735**	107,921

5. FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND CAPITAL MANAGEMENT

Financial instruments

The Company's financial instruments at December 31, 2020 consist of cash, accounts payable and accrued liabilities, amounts due to related parties and long-term liability. The fair value of these financial instruments approximates their carrying value due to their short-term nature except for the long-term portion of amounts due to related parties where the fair value approximates its carrying value due to being subject to market rate interest.

Carrying amounts of financial assets and liabilities

Financial assets	**December 31 2020**	September 30, 2020
Measured at amortized cost		
Cash	**32,945**	194,130
Financial liabilities		
Measured at amortized cost		
Accounts payable and accrued liabilities	**1,084,229**	1,086,992
Amounts due to related parties	**518,423**	518,442
Long-term liability	**10,000**	10,000

(In Canadian dollars)

Risk management

The Company examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's only significant financial asset exposed to credit risk is cash and maximum exposure is equal to the carrying value of this asset. The Company's cash is held at a Canadian chartered bank. It is Management's opinion that the Company is not exposed to significant credit risk. There has been no change to Management's assessment of credit risk compared with the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business as well as any anticipated transactions. The Company has a working capital deficiency of $1,192,097 at December 31, 2020, including $32,945 in cash and current liabilities totalling $1,602,652 due within the next 12 months. There has been no change to Management's assessment of liquidity risk compared with the prior year.

	LIABILITIES			
	Within 1 year	**1 to 3 years**	**4 to 5 years**	**Total**
December 31, 2020	1,602,652	10,000	-	1,612,652
September 30, 2020	1,605,434	10,000	-	1,615,434

Capital management

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders as well as ensuring that all flow-through monies obtained are utilized in exploration activities and spent by the required deadline. In the management of capital, the Company includes the components of shareholders' equity and loans from related parties. As long as the Company s in the exploration stage of its mining properties, it is not the intention of the Company to contract additional debt obligations to finance its work programs. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. When financing conditions are not optimal, the Company may enter into option agreements or find other solutions to continue its activities or may slow its activities until conditions improve. While the Company is not subject to any external capital requirements, neither regulatory nor contractual, funds from flow-through financing to be spent on the Company's exploration properties are restricted for this use. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

(In Canadian dollars)

6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS

	December 31, 2020		September 30, 2020	
	Mineral exploration properties	**Exploration and evaluation assets**	Mineral exploration properties	Exploration and evaluation assets
	$	**$**	$	$
Pontax-Lithium	**352,475**	**1,868,766**	352,475	1,868,091
Total	**352,475**	**1,868,766**	352,475	1,868,091

a) Pontax-Lithium

On December 6, 2013, the Company acquired a 100% interest in the Pontax-Lithium property from Khalkos Exploration Inc. ("Khalkos") in consideration for a cash payment of $100,000 and the issuance of 833,333 common shares. The property was recorded at a value of $350,000 upon initial recognition, based on the fair value of the property received and consideration paid. The Pontax-Lithium property is comprised of a group of 68 contiguous mining claims located in the James Bay Territory of Northern Quebec. Other acquisition costs of $2,475 have been included in the cost of the property.

There was no change to mineral exploration properties between October 1, 2018 to December 31, 2020.

The following table reflects changes to mineral exploration properties and exploration and evaluation assets between October 1, 2018 to December 31, 2020:

	Three months ended December 31, 2020	Three months Ended September 30, 2020
	$	$
Balance, beginning and end of period	**1,868,091**	1,067,858
Balance, beginning of period		
Additions		
Drilling	**226**	700,000
Geochemical Survey	**150**	-
Property maintenance	**300**	2,557
	676	707,928
Tax credits and duties		
Balance, end of period	**1,868,767**	1,770,416

(In Canadian dollars)

7. FLOW-THROUGH AND TAX EXPENSE

The Company is permitted, under Canadian income tax legislation, to renounce flow-through related resources expenditures to investors in advance of the Company incurring all of the expenditures. In accordance with this legislation, the Company has twelve months following the effective date of renunciation to incur the remaining expenditures. The Company begins incurring interest charges for unspent funds after two months following renunciation.

In November and December 2017, the Company completed flow-through private placements for gross proceeds of $477,500. In February 2018, the related tax deductions were renounced to investors with an effective date of December 31, 2017. The Company incurred all the required flow through expenditures by the December 31, 2018 deadline and incurred an amount of $1,769 for Part XII.6 tax and deemed expenses in Quebec, which is calculated on the monthly balance of unspent flow through funds.

On December 12, 2018, the Company closed a flow-through private placement (Note 8) for gross proceeds of $150,000. The proceeds from the financing were allocated between share capital ($75,000), warrants ($19,875) and a deferred liability ($55,125) using the residual method. The liability component represents the Company's obligation to pass on the tax deductions to investors.

On December 27, 2018, the Company closed a flow-through private placement (Note 8) for gross proceeds of $350,000. The proceeds from the financing were allocated between share capital ($175,000), warrants ($49,327) and a deferred liability ($125,673) using the residual method. The liability component represents the Company's obligation to pass on the tax deductions to investors.

With respect to the December 2018 private placements described above, further to the renunciation of the tax deductions to investors in February 2019, the Company incurred all the required flow through expenditures by the December 31, 2019 deadline and incurred an amount of $8,333 for Part XII.6 tax and deemed expenses in Quebec, which is calculated on the monthly balance of unspent flow through funds.

8. SHARE CAPITAL

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

Issued and fully paid

Common shares

	Number of Shares	$
Balance, September 30, 2018	**62,460,369**	**3,430,733**
Shares issued for cash	10,000,000	500,000
Warrants	-	(69,202)
Flow through share premium	-	(180,798)
Share issuance costs	-	(32,051)
Balance, September 30, 2020 and December 31, 2020	**72,460,369**	**3,648,682**

(1) On December 12, 2018, the Company completed a flow-through private placement for gross proceeds of $150,000. The private placement was comprised of 3,000,000 flow-through units at a price of $0.05

(In Canadian dollars)

per unit. Each flow-through unit consists of one flow-through common share and one common share purchase warrant. Each full warrant entitles the holder to purchase one additional common share of the Company at a price of $0.055 until December 12, 2020. The proceeds from the financing ($150,000) were allocated to share capital ($75,000), warrants ($19,875) and after which $55,125 residual was allocated to the flow-through liability. The fair value of the shares was determined based on the trading price of the Company's shares on the TSX Venture Exchange ("TSX-V"). The fair value of the warrants issued as a part of the private placement have been recorded at a value of $19,875 based on the Black-Scholes option pricing model, using the following assumptions: stock price of $0.025, risk-free interest rate of 2.05%, expected life of warrants of 2 years, annualized volatility of 86.25% and dividend rate of 0%. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry commensurate with the expected life of the warrants. Other share issuance costs total $1,218 and were presented as a reduction of share capital. The entire amount of the proceeds was raised from directors of the Company.

(2) On December 27, 2018, the Company completed a flow-through private placement for gross proceeds of $350,000. The private placement was comprised of 7,000,000 flow-through units at a price of $0.05 per unit. Each flow-through unit consists of one flow-through common share and one common share purchase warrant. Each full warrant entitles the holder to purchase one additional common share of the Company at a price of $0.055 until December 27, 2020. In connection with the financing, the Company paid cash finders' fees of $14,000 and issued, as additional consideration, 280,000 non-transferable broker warrants, each broker warrant entitling the holder to acquire one common share of the Company at a price of $0.055 until December 27, 2020. The proceeds from the financing ($350,000) were allocated to share capital ($175,000), warrants ($49,327) and after which $125,673 residual was allocated to the flow-through liability. The fair value of the shares was determined based on the trading price of the Company's shares on the TSX-V. The fair value of the warrants issued as a part of the private placement and commissions have been recorded at a value of $49,327 and $1,973 respectively. This is based on the Black-Scholes option pricing model, using the following assumptions: stock price of $0.025, risk-free interest rate of 1.90%, expected life of warrants of 2 years, annualized volatility of 89.37% and dividend rate of 0%. The risk-free interest rate is based on the yield of a Government of Canada benchmark bond in effect at the time of grant with an expiry commensurate with the expected life of the warrants. Other share issuance costs total $4,044 and were presented as a reduction of share capital. $175,000 of the proceeds raised were from directors of the Company.

9. WARRANTS

Outstanding warrants entitle the holders thereof to subscribe to an equivalent number of common shares.

The following table reflects the continuity of warrants:

	Number of Warrant	Weighted average exercise price
Balance, September 30, 2019	49,173,000	0.06
Issued	0	0
Expired	(7,205,000)	0.06
Balance, September 30, 2020	41,968,000	0.06
Issued	-	-
Expired	(10,280,000)	0.06
Balance, December 31, 2020	31,688,000	0.05

(In Canadian dollars)

As at December 31, 2020, the following warrants were issued and outstanding:

Number of Warrants	Issue date fair value $	Exercise price $	Expiry date
7,100,000	-	0.050	April 13, 2021
8,880,000	-	0.050	January 27, 2022
640,000	32,307	0.050	January 27, 2022
6,150,000	61,500	0.050	November 9, 2021
3,400,000	-	0.050	December 9, 2021
168,000	6,520	0.050	December 8, 2021
5,000,000	-	0.050	January 22, 2022
350,000	20,550	0.070	January 22, 2021
31,688,000	120,877	0.032	

As at September 30, 2020, the following warrants were issued and outstanding:

Number of Warrants	Issue date fair value $	Exercise price $	Expiry date
7,100,000	-	0.050	April 13, 2021
8,880,000	-	0.050	January 27, 2022
640,000	32,307	0.050	January 27, 2022
6,150,000	61,500	0.050	November 9, 2021
3,400,000	-	0.050	December 9, 2021
168,000	6,520	0.050	December 8, 2021
5,000,000	-	0.050	January 22, 2022
350,000	20,550	0.070	January 22, 2021
3,000,000	19,875	0.070	December 12, 2020
280,000	1,973	0.055	December 27, 2020
7,000,000	49,327	0.055	December 27, 2020
41,968,000	192,052	0.046	

10.STOCK OPTIONS

On May 21, 2019, the Company adopted an incentive stock option plan in accordance with the policies of the TSX Venture Exchange (the “Stock Option Plan”) which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares, which are exercisable for a period to be determined by the Board at the time the option is granted. Vesting of options is made at the discretion of the Board of Directors at the time the options are granted.

(In Canadian dollars)

The following table reflects the continuity of stock options:

	Number outstanding	Weighted average outstanding exercise price
		$
Balance, September 30, 2018	4,478,451	0.07
Expired	(50,000)	0.05
Granted (1)	2,500,000	0.05
Balance, September 30, 2019	6,928,451	0.06
Expired	(70,000)	0.05
Balance, September 30, 2020 and December 31, 2020	6,858,451	0.06

(1) On April 10, 2019, 2,500,000 stock options were granted to a Directors, Officers, employees and consultants at an exercise price of $0.05 per share, expiring on April 9, 2024.

As at December 31, 2020, the following stock options were outstanding and exercisable:

	OUTSTANDING			EXERCISABLE	
Exercise prices	Number outstanding	Weighted average remaining contractual life (in years)	Weighted average outstanding exercise price $	Number vested	Weighted average vested exercise price $
$ 0.06	3,120,000	1.28	0.06	3,120,000	0.06
$ 0.10	1,028,451	1.11	0.10	1,028,451	0.10
$ 0.05	2,710,000	3.05	0.05	2,710,000	0.05
	6,858,451	1.95	0.06	6,858,451	0.06

(In Canadian dollars)

As at September 30, 2020, the following stock options were outstanding and exercisable:

		OUTSTANDING			EXERCISABLE	
			Weighted average	Weighted average		Weighted average
Exercise prices		Number outstanding	remaining contractual life (in years)	outstanding exercise price $	Number vested	vested exercise price $
$	0.06	3,120,000	1.53	0.06	3,120,000	0.06
$	0.10	1,028,451	1.36	0.10	1,028,451	0.10
$	0.05	2,710,000	3.30	0.05	2,710,000	0.05
		6,858,451	2.21	0.06	6,858,451	0.06

11. RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere in these financial statements are as follows:

Unless otherwise stated, none of these transactions incorporated special terms and conditions and no guarantees were given or received.

Focus Graphite Inc.

As at December 31, 2020, $5,000 ($5,000 – September 30 2020) is included in amount due to related parties owing to Focus Graphite Inc., which shares common management. Amount owing in unsecured, bears no interest and due on demand.

Grafoid Inc.

During the three months ended December 31, 2020, the company was charged $42,380 (September 30, 2020 - $5,050) by Grafoid Inc., which shares common management, for consulting fees.

MuAnalysis.

During the year ended December 30, 2020, the company was charged $1,200 (September 30 2020 - $3,600) by MuAnalysis, which shares common management, for rent expenses. As at September 30, 2020, $6,312 is included in amount due to related parties (September 30, 2019 - $4,956).

Loan from Officer

As at December 31, 2020, included in amounts due to related parties is an amount of $1,055 due to a former Officer of the Company ($1,055 - September 30, 2020). The amount due at December 31, 2020 is composed of a balance owing for $1,055 of unpaid interest. The loan agreement was entered into between the Company and the Officer on December 22, 2017 from converting an outstanding balance of consulting fees of $33,995 as at December 1, 2017 due to the Officer. The loan was repaid on May 27, 2020. The loan bears interest at a rate of 10% per annum and one time 2% setup fee due on the inception of the loan agreement and is secured by all assets of the Company. During the three months ended December 31, 2020, the company has been charged $Nil in interest charges ($1,642 - September 30, 2020).

(In Canadian dollars)

Loan from 9174893 Canada Inc.

As at December 31, 2020, included in amounts due to related parties is an amount of $5,500 due to 9174893 Canada Inc. ($5,500 - September 30, 2020). The amount includes 10% finance fee. The company has made repayment of $Nil during the year ended December 31, 2020 (September 30, 2020 - $15,000).

Loan from JJJY Holdings

Company received $500,000 loan from a director for general operations on May 25, 2020 subject to 10% set up fee.

Key management compensation

As at December 31, 2020, $Nil is included in amount due to related parties for unpaid consulting fees incurred to date (September 30, 2020 - $Nil).

The costs noted above include an allocation of compensation paid to key management personnel.

12. Supplemental Cash Flow Information

Changes in working capital items consist of the following:

Sales tax recoverable	**(17,814)**	1,781
Amounts due to related parties	**(19)**	-
Prepaid expenses	**1,300**	7,964
Accounts payable and accrued liabilities	**(2,763)**	725,571
	(19,296)	731,754

13 UNCERTAINTY DUE TO COVID-19

The duration and full financial effect of the COVID-19 pandemic is unknown at this time, as are the measures taken by governments, companies and others to attempt to reduce the spread of COVID-19. Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 may materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty.

In the current environment, the assumptions and judgements made by the Company are subject to greater variability than normal, which could in the future significantly affect judgments, estimates and assumptions (Note 3) made by management as they relate to potential impact of the COVID-19 and could lead to a material adjustment to the carrying value of the assets or liabilities affected.

The impact of current uncertainty on judgments, estimates and assumptions extends, but is not limited to, the Company's valuation of its mineral exploration properties and evaluations assets, including the assessment for impairment and impairment reversal, and going concern as the volatility of commodity processes has created uncertainty in the markets and could potentially impact the Company’s ability to raise sufficient funds. Actual results may differ materially from these estimates.