MEDARO MINING CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the six months ended March 31, 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Company for the six months ended March 31, 2021 have been prepared by and are the responsibility of the Company's management, and have not been reviewed by the Company's auditors.

MEDARO MINING CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
March 31, 2021 and September 30, 2020
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

		March 31, 2021		September 30, 2020
ASSETS				
Current				
Cash	$	881,926	$	783,012
Accounts receivable		4,002		983
Prepaid expense		-		8,000
¤		885,928		791,995
Exploration and evaluation asset (Note 5)		40,000		-
	$	925,928	$	791,995
LIABILITIES				
Current				
Accounts payable and accrued liabilities	$	24,010	$	11,625
SHAREHOLDERS' EQUITY				
Share capital (Note 6)		1,102,548		754,998
Share subscriptions received		-		114,550
Deficit		(200,630)		(89,178)
		901,918		780,370
	$	925,928	$	791,995

Going concern (Note 2)
Commitments (Notes 5 and 6)
Subsequent event (Note 10)

APPROVED ON BEHALF OF THE BOARD:

"Faizaan Lalani" Director *"Charles Hugh Maddin"* Director

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

MEDARO MINING CORP.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the three and six months ended March 31, 2021
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	For the three months ended March 31, 2021	**For the six months ended March 31, 2021**
Administrative expenses		
Consulting fees (Note 7)	$ 7,500	$ 31,667
Exploration expenditures	-	15,000
Filing fees	11,000	30,365
Office and general	406	1,222
Professional fees	15,178	33,198
Net loss and comprehensive loss for the period	$ (34,084)	$ (111,452)
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding	24,999,961	24,999,961

MEDARO MINING CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the six months ended March 31, 2021 and for the period ended September 30, 2020
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Number of Shares	Capital Stock	Special Warrants	Share Subscriptions Received	Deficit	Total Shareholders' Equity
Balance, June 19, 2020	1	$ -	$ -	$ -	$ -	$ -
Share issuances						
Private placement (Note 6)	4,500,000	90,000	-	-	-	90,000
Private placement (Note 6)	12,000,000	240,000	-	-	-	240,000
Private placement (Note 6)	8,499,960	424,998	-	-	-	424,998
Share subscriptions received	-	-	-	114,550	-	114,550
Net loss for the period	-	-	-	-	(89,178)	(89,178)
Balance, September 30, 2020	24,999,961	754,998	-	114,550	(89,178)	780,370
Issuance of Special Warrants (Note 6)	-	-	347,550	(114,550)	-	233,000
Conversion of Special Warrants (Note 6)	3,475,500	347,550	(347,550)	-	-	-
Net loss for the period	-	-	-	-	(111,452)	(111,452)
Balance, March 31, 2021	28,475,461	$ 1,102,548	$ -	$ -	$ (200,630)	$ 901,918

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

MEDARO MINING CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
For the three and six months ended March 31 2021
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	For the three months ended March 31, 2021	For the six months ended March 31, 2021
Operating Activities		
Net loss for the period	$ (34,084)	$ (111,452)
Changes in non-cash working capital items related to operations:		
Accounts receivable	(869)	(3,019)
Prepaid expenses	-	8,000
Accounts payable and accrued liabilities	2,615	12,385
Cash used in operating activities	(32,338)	(94,086)
Investing Activity		
Exploration and evaluation asset	-	(40,000)
Cash used in investing activity	-	(40,000)
Financing Activity		
Shares issued for cash	-	233,000
Cash provided by financing activity	-	233,000
Change in cash during the period	(32,338)	98,914
Cash, beginning of period	914,264	783,012
Cash, end of the period	$ 881,926	$ 881,926
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period:		
Interest	$ -	$ -
Income taxes	$ -	$ -

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a mineral property exploration company whose common shares trade on the Canadian Securities Exchange ("CSE"). On March 24, 2021, the Company received a receipt from the British Columbia Securities Commission for its long-form prospectus dated March 24, 2021, was listed on April 6, 2021 and commenced trading on the CSE on April 7, 2021 under the trading symbol "MEDA".

The Company has an option agreement to earn an interest in a mineral property located in the Thunder Bay Mining District, Northwestern Ontario (Note 5) and has not yet determined whether this property contains reserves that are economically recoverable. The recoverability of amounts from the property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property option agreement and to complete the development of the property and upon future profitable production or proceeds for the sale thereof.

The Company was incorporated on June 19, 2020 in British Columbia. The registered and records office and head office of the Company is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 1T2.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting.

The condensed interim financial statements were authorized for issue by the Board of Directors on May 27, 2021.

(b) Basis of Measurement

The condensed interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Going Concern

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 assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At March 31, 2021 the Company has not achieved profitable operations, has accumulated losses of $200,630 (September 30, 2020 – $89,178) since inception and expects to incur further losses in the development of its business.

2. BASIS OF PREPARATION – (cont'd)

(c) Going Concern – (cont'd)

There was a global pandemic outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

3. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at September 30, 2020.

<u>Accounting standards and amendments</u>

The following new standards and amendments are not yet effective and have not been applied in preparing these financial statements. The Company does not expect the adoption of this standard to have a significant impact on the financial statements.

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

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2023.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS – (cont'd)

Critical judgments in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

Exploration and Evaluation Asset and Impairment

The application of the Company's accounting policy for exploration and evaluation assets and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

Going Concern

The assessment of the Company's ability to continue as a going concern requires significant judgement. See Note 2(c).

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title or interest therein. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

5. EXPLORATION AND EVALUATION ASSETS

By a mineral property option agreement dated September 11, 2020 (the "Effective Date"), the Company may acquire up to a 100% interest in the Superb Lake Property. This property consists of 8 mining claims and is located in the Thunder Bay Mining District, Northwestern Ontario. As consideration, the Company will pay cash of $165,000, issue 750,000 common shares of the Company and incur $370,000 in exploration expenditures as follows:

a) Cash payment of $40,000 within seven days of signing on the Effective Date; (paid)
b) Cash payment of $50,000 within one year of the date on which the Company's shares become listed on the CSE (April 6, 2021) (the "Listing Date") ;
c) Cash payment of $75,000 within two years of the Effective Date;
d) Incur a minimum of $120,000 in exploration expenditures within the first year from the Effective Date;
e) Incur a minimum of $250,000 in additional exploration expenditures within the two years from the Effective Date;
f) Issuance of 250,000 common shares of the Company within one year of April 6, 2021 (Listing Date); and
g) Issuance of 500,000 common shares of the Company within two years of April 6, 2021 (Listing Date).

5. EXPLORATION AND EVALUATION ASSETS - (cont'd)

Should the Company acquire 100% of the property, the optionor will retain a 3% net smelter return royalty ("NSR Royalty"). The Company may request a right to purchase from the optionor 1% NSR Royalty for $1,000,000 thereby reducing the NSR Royalty held to 2%.

6. SHARE CAPITAL

(a) Authorized

Unlimited common shares with no par value.

(b) Issued

For the six months ended March 31, 2021:

On November 13, 2020, the Company issued an aggregate of 3,475,500 special warrants (each, a "Special Warrant") at a price of $0.10 per Special Warrant and received gross proceeds of $347,550 of which $114,550 was included in share subscriptions received at September 30, 2020. Each Special Warrant entitles the holder to acquire, without further payment, one unit (a "Unit"). Each Unit will be comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of $0.20 for two years from the date the Company's shares commence trading on the CSE. Each Special Warrant will automatically convert at 5:00 p.m. (Vancouver time) on the date that is the earlier of: (a) the third business day after the date on which a receipt for a final prospectus to qualify for distribution the Units is received by the Company from the British Columbia Securities Commission; and (b) one year from the issuance date. On March 31, 2021, 3,475,500 special warrants were converted into 3,475,500 units. Each unit is comprised of one common share of the Company and one warrant, exercisable into one common share of the Company at an exercise price of $0.20 expiring on March 31, 2023.

For the period ended September 30, 2020:

On June 19, 2020, the Company issued 1 common share for total proceeds of $0.005.

On July 17, 2020, the Company issued 4,500,000 common shares at $0.005 per share for total proceeds of $22,500 and recognized a share-based payment of $0.015 per share for a total of $67,500. The 4,500,000 common shares will be held in escrow for two years from the date the Company's shares commence trading on the CSE.

On July 24, 2020, the Company issued 12,000,000 common shares at $0.02 per share for total proceeds of $240,000.

On August 27, 2020, the Company issued 8,499,960 common shares at $0.05 per share for total proceeds of $424,998.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL – (cont'd)

(c) Share Purchase Warrants

The changes in share purchase warrants were as follows:

	March 31, 2021	Weighted Average Exercise Price	September 30, 2020	Weighted Average Exercise Price
Balance, beginning of period	-	$-	-	$-
Issued	3,475,500	0.20	-	-
Exercised	-	-	-	-
Balance, end of period	3,475,500	$0.20	-	$-

As at March 31, 2021, the Company had 3,475,500 share purchase warrants outstanding and expiring on March 31, 2023:

Subsequent to March 31, 2021, the Company issued 129,500 common shares pursuant to the exercise of share purchase warrants for total proceeds of $25,900.

(d) Escrow Shares

Pursuant to the subscription agreements pursuant to which such shares were issued by the Company, the 4,500,000 common shares issued on July 17, 2020 will be pooled for twelve (12) months from the Listing Date. In addition, pursuant to an escrow agreement to be entered into between the Company and the holders of such shares, such shares will be placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date.

7. RELATED PARTY TRANSACTIONS AND BALANCES

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

	For the three months ended March 31, 2021	For the six months ended March 31, 2021
Consulting fees		
Leonard De Melt, former director	$ -	$ 5,833
Ireton Consulting Inc. a company controlled by Mark Ireton, director	-	5,000
	-	10,833
	$ -	$ 10,833

8. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of resource properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject to. Capital of the Company comprises of cash and cash equivalents and shareholders' equity.

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.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the period.

9. FINANCIAL INSTRUMENTS AND RISKS

The company is exposed through its operations to the following financial risks:

- Liquidity risk
- Market risk
- Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at March 31, 2021, the Company had a working capital of $861,918 (September 30, 2020 – $780,370).

9. FINANCIAL INSTRUMENTS AND RISKS – (cont'd)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Interest rate risk

The Company is not exposed to significant interest rate risk.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Credit Risk

Financial instruments that potentially expose the Company to credit risk is cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Fair Values

The Company's financial instruments include cash and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of secondary market and the significant cost of obtaining external appraisals. The fair value of these financial instruments approximates their carrying value under the effective interest method.

9. FINANCIAL INSTRUMENTS AND RISKS – (cont'd)

Fair Value Hierarchy

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

10. SUBSEQUENT EVENTS

On April 13, 2021, the Company entered into a property option agreement to acquire 100% undivided interest in the CYR South lithium property located in the James Bay area of Quebec. The CYR south lithium property consists of 52 mineral claims for a total of 2,748 hectares. As consideration, the Company agreed to pay the optionor (i) $30,000 cash (paid), (ii) issued 250,000 common shares, and (iii) incur aggregate expenditures of $250,000 during the first twelve months after the effective date. Upon exercise of the Option, the Company shall grant the Optionor a Royalty of 3% of all Net Smelter Returns ("NSR") with the right to purchase 1% of the NSR for $1,000,000.

On May 6, 2021, the Company entered into a Letter of Intent ("LOI") with Dr. James G. Blencoe, PhD of Tennessee, for the formation of a joint venture to develop and commercialize a new, low-cost process for extracting lithium from spodumene concentrate. The LOI sets out the parties' intention to enter into a definitive agreement respecting formation and operation of the Joint Venture (the "Definitive Agreement"). Execution and closing of the Definitive Agreement will be conditional on satisfactory due diligence, customary conditions precedent and the initial capitalization of the Joint Venture by the Company. Pursuant to the Definitive Agreement, Dr. Blencoe will contribute his and his related companies' intellectual property, personnel, laboratory facilities, and services and the Company will fund all research and development costs. The Company will have the right to acquire up to a 100% ownership interest in the Joint Venture upon achievement of certain funding milestones and share issuance.

On May 25, 2021, the Company completed a private placement (the "Private Placement") of 7,319,779 units (each, a "Unit") at a price of $0.44 per Unit, for gross proceeds of CDN $3,220,703.36. Each Unit will consist of one common share and one-half common share purchase warrant, with each whole warrant being exercisable at a price of $0.55 for a period of twelve (12) months from issuance.

The Company intends to use the proceeds from the Private Placement for acquisitions, marketing, and working capital.

The Company paid finders' fees of CDN $180,306 and issued finders' warrants of 409,787 to eligible parties who introduced subscribers to the Private Placement. All securities issued in connection with the Private Placement will be subject to a four-month and one-day statutory hold in accordance with applicable securities laws.