



CONDENSED INTERIM FINANCIAL STATEMENTS

(Stated in Canadian dollars)

October 31, 2020

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited interim financial statements have been prepared by management.

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

Gespeg Resources Ltd.
Statements of Financial Position

As at,	October 31, 2020	April 30, 2020
ASSETS		
Current assets		
Cash	\$ 356,446	\$ 123,804
Reclamation deposit	-	21,600
Other receivables and prepaid expenses	121,791	4,568
	478,237	149,972
Non-current assets		
Field Equipment	3,500	-
Exploration and evaluation assets (Note 3)	327,000	122,912
Total assets	\$ 808,737	\$ 272,884
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	\$ 149,240	\$ 380,044
Total liabilities	149,240	380,044
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share capital (Note 4)	11,710,623	11,397,794
Contributed surplus (Note 4)	2,294,984	1,448,738
Deficit	(13,346,110)	(12,953,692)
	659,497	(107,160)
Total liabilities and shareholders' equity (deficiency)	\$ 808,737	\$ 272,884

Description of business and going concern (Note 1)
Events after the reporting period (Note 9)

Approved and authorized on behalf of the Board of Directors on December 4, 2020:

"Sylvain Laberge"

"Andrew Davidson"

The accompanying notes are an integral part of these financial statements

Gespeg Resources Ltd.
Statements of Loss and Comprehensive Loss

For the three and six months ended October 31,	For the three months ended October 31		For the six months ended October 31	
	2020	2019	2020	2019
Operating Expenses				
General and administration	\$ 49,121	\$ 7,961	\$ 58,419	\$ 13,372
Management fees (Note 6)	22,500	22,500	45,000	45,000
Professional fees	19,574	12,814	38,351	22,286
Share-based compensation (Note 4)	-	-	242,200	-
Transfer agent and filing fees	2,695	5,212	8,448	7,932
	93,890	48,487	392,418	88,590
Loss from operating expenses	(93,890)	(48,487)	(392,418)	(88,590)
Gain on disposal of exploration and evaluation asset	-	-	-	-
Other income on settlement of flow-through premium liability (Note 4)	-	-	-	-
	\$ (93,890)	\$ (48,487)	\$ (392,418)	\$ (88,590)
Net loss and comprehensive loss	\$ (93,890)	\$ (48,487)	\$ (392,418)	\$ (88,590)
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding	32,580,811	17,225,473	32,516,330	17,225,473

The accompanying notes are an integral part of these financial statements

Gespeg Resources Ltd.
Statements of Changes in Shareholders' Equity (Deficiency)

	Number of Common Shares		Share Capital		Contributed Surplus		Deficit		Shareholders' Equity (Deficiency)
Balance, May 1, 2019	17,207,986	\$	11,120,393	\$	1,350,193	\$	(12,755,851)	\$	(285,265)
Shares issued for mineral property	1,600,000		80,000		-		-		80,000
Net loss	-		-		-		(88,590)		(88,590)
Balance, October 31, 2019	18,807,986	\$	11,200,393	\$	1,350,193	\$	(12,844,441)	\$	(293,855)

	Number of Common Shares		Share Capital		Contributed Surplus		Deficit		Shareholders' Equity (Deficiency)
Balance, May 1, 2020	25,276,986	\$	11,397,794	\$	1,448,738	\$	(12,953,692)	\$	(107,160)
Private placements - units	-		468,000		532,000		-		1,000,000
Share issue costs	-		(95,125)		-		-		(95,125)
Broker warrants issued	-		(72,046)		72,046		-		-
Shares issued for mineral property	200,000		12,000		-		-		12,000
Share-based compensation - warrant extension	-		-		86,200		-		86,200
Share-based compensation	-		-		156,000		-		156,000
Net loss	-		-		-		(392,418)		(392,418)
Balance, October 31, 2020	25,476,986	\$	11,710,623	\$	2,294,984	\$	(13,346,110)	\$	659,497

The accompanying notes are an integral part of these financial statements

Gespeg Resources Ltd.
Statements of Cash Flows

For the six months ended October 31,	2020	2019
Cash flows used in Operating Activities		
Net loss for the period	\$ (392,418)	\$ (88,590)
Items not affecting cash:		
Stock based compensation	242,200	-
Net changes in non-cash working capital items:		
Increase in accounts payable and accrued liabilities	(117,224)	13,761
Decrease (increase) in other receivables and prepaid expenses	(273,590)	65,286
Cash flows used in Operating Activities	(541,032)	(9,543)
Cash flows used in Investing Activities		
Exploration and evaluation assets	(149,301)	(4,697)
Reclamation deposit refund	21,600	-
Purchase exploration equipment	(3,500)	-
Cash flows used in Investing Activities	(131,201)	(4,697)
Cash flows provided by Financing Activities		
Issuance of common shares units	1,000,000	-
Share issue costs, net of tax	(95,125)	-
Cash flows provided by Financing Activities	904,875	-
Net change in cash during the period	232,642	(14,240)
Cash, beginning of period	123,804	34,137
Cash, end of period	\$ 356,446	\$ 19,897
Non-cash transactions		
Shares issued for exploration and evaluation assets	\$ 12,000	\$ 80,000
Fair value of warrants issued in private placements	\$ 532,000	\$ -
Fair value of broker warrants issued in private placements	\$ 72,046	\$ -

The accompanying notes are an integral part of these financial statements

Gespeg Resources Ltd.
Notes to the Financial Statements
October 31, 2020

1. Description of business and going concern

Gespeg Resources Ltd. (the “Corporation”) was incorporated under the laws of British Columbia, Canada on May 31, 2006 and is listed on the TSX Venture Exchange (“TSX-V”). The principal business of the Corporation is the identification, exploration and development of mineral properties.

The address of the Corporation’s corporate office and principal place of business is Suite 602 – 224 4th Avenue South, Saskatoon, Saskatchewan S7K 5M5. These financial statements were approved by the Corporation’s board of directors on September 11, 2020.

Effective January 7, 2020, the Corporation consolidated its share capital on the basis of 1 new share for 5 old shares. All common share, per share, warrant, broker warrant and weighted average price amounts are restated in these financial statements to reflect this consolidation.

Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operation. 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. The use of these principles may not be appropriate.

To date, the Corporation has not earned significant revenue and is considered to be in the exploration and evaluation stage.

The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Corporation’s assets. Mineral exploration and development is highly speculative and involves inherent risks. Realization of the Corporation’s investment in these assets is dependent upon the renewed legal ownership of the claims and whether an economically viable operation can be established.

In addition, it has not yet been determined whether the Corporation’s properties contain ore reserves that are economically recoverable. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

As at October 31, 2020, the Corporation’s current cash resources are insufficient to cover the expected expenditures in fiscal 2021. The Corporation’s ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurances that management will be successful in securing adequate financing.

The Corporation reported net losses in the first six months of fiscal 2021 and fiscal 2020 of \$392,418 and \$197,841 respectively, has an accumulated deficit of \$13,346,110 (2020 - \$12,953,692) and a working capital of \$328,997 (2020 - \$230,072 working capital deficiency). These circumstances and the need for continued financing to further successful exploration may cast significant doubt as to the Corporation’s ability to continue as a going concern.

In 2020, there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had material adverse effect on the global economy and, specifically, the regional economies in which the Corporation operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Corporation’s shares, the value of its portfolio and its ability to raise new capital. These factors, amongst others, could have a significant impact on the Corporation’s operations.

These financial statements do not include any adjustments to the carrying values of assets and liabilities that might be necessary, if the Corporation is unable to continue as a going concern. Such adjustments could be material.

Gespeg Resources Ltd.
Notes to the Financial Statements
October 31, 2020

1. Description of business and going concern (continued)

Going concern (Continued)

The significant accounting policies used in the preparation of these condensed interim financial statements are set out below. These policies have been consistently applied to all the periods presented.

2. Significant accounting policies

Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain information and disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the IASB, has been omitted or condensed.

The same accounting policies and methods of computation were followed in the preparation of these condensed interim financial statements as were followed in the preparation and described in Note 2 of the annual audited financial statements as at and for the year ended April 30, 2020. Accordingly, these condensed interim financial statements for the three and six month periods ended October 31, 2020 and 2019 should be read together with the annual financial statements as at and for the year ended April 30, 2020.

Basis of preparation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value and are prepared and presented in Canadian dollars, which is the Corporation’s functional currency. In addition, these financial statements are based on the accrual method of accounting, with the exception of cash flow information.

New and amended IFRS pronouncements

Certain new accounting standards and interpretations have been published that are mandatory for the April 30, 2021 reporting period. These standards have been assessed to not have a significant impact on the Corporation’s financial statements:

(a) IFRS 16, Leases

The new standard on leases sets out the principles for the recognition, measurement and disclosure of leases. IFRS 16 provides revised guidance on identifying a lease and for separating lease and non-lease components of a contract. IFRS 16 introduces a single accounting model for all lessees and requires a lessee to recognize right-of-use assets and lease liabilities for leases with terms of more than 12-months, unless the underlying asset is of low value. Under IFRS 16, lessor accounting for operating and finance leases remains substantially unchanged.

3. Exploration and evaluation assets

Exploration and evaluation asset expenditures by nature are detailed as follows:

Period ended October 31,	2020	2019
Geology, technical reports, data compilation and maps	\$ 188,970	\$ -
Property acquisition and rent	15,118	84,697
Resource tax credit refund	-	-
	\$ 204,088	\$ 84,697

Gespeg Resources Ltd.
Notes to the Financial Statements
October 31, 2020

3. Exploration and evaluation assets (continued)

The Corporation considers property acquisition costs as tangible costs and all other exploration and evaluation expenditures are intangible.

Exploration and evaluation assets by properties are detailed as follows:

	Balance as at May 1, 2019		Additions	Impairment/ Disposals	Balance as at April 30, 2020	
Vortex	\$	9,435	\$	2,480	\$	11,915
Davidson		-		22,500		22,500
Native Copper		-		79,365		79,365
Lac Arsenault		4,757		4,375		9,132
	\$	14,192	\$	108,720	\$	122,912

	Balance as at May 1, 2020		Additions	Impairment/ Disposals	Balance as at October 31, 2020	
Vortex	\$	11,915	\$	-	\$	11,915
Davidson		22,500		23,030		45,530
Native Copper		79,365		12,965		92,330
Lac Arsenault		9,132		168,093		177,225
	\$	122,912	\$	204,088	\$	327,000

Vortex

The Vortex project is a copper molybdenum exploration opportunity in the Gaspé region of Quebec and is the site of the former Gaspé Copper mine and smelter. The project encompasses 80 sq. km of land and is comprised of three main claim groups:

4. Exploration and evaluation assets (continued)

- a) The Sullipek deposit, situated on the western edge of the project area;
- b) The Sullipek East property, a skarn/porphyry copper opportunity; and
- c) The Madeleine des Vercheres claim group.

On July 23, 2013, the Corporation and ASPM Inc. (the “Vendor”) executed a term extension on the Madelaine des Vercheres claim group. Under the terms of the extension, the Corporation was required to make a one-time payment of \$30,000 to the Vendor (paid).

Also, considered a part of the Vortex is the In-between project, a copper molybdenum exploration opportunity in the Gaspé region of Quebec. It covers lands between Vortex to the west and Murdochville to the east.

Davidson

The Davidson project is situated in the Chibougamau Region and is part of a 50/50% Joint Venture with J.A MacLeod Exploration. The project is grassroots and mainly for base metal exploration (Copper, Zinc, Cobalt).

Native Copper

The Native Copper Project, situated west of the Municipality of Chandler, is composed of 4 sectors Native Copper South, North-West, North-East and Central and has five (5) known indicators: Ruisseau Bleu, T.Nelson 1 and 2, Riviere St-Jean South, Route 102 S-W and Jean-Baptiste Beaudin.

Lac Arsenault

During the year ended April 30, 2019 the Corporation entered into an agreement to acquire 15 mining claims in the southern part of the Gaspé Peninsula, Quebec in exchange for 100,000 common shares of the Corporation (issued at a fair value of \$3,500).

Net smelter royalty

As part of the acquisition of the Vortex claims, the Corporation entered into an agreement with 49 North Resources Inc. to grant a 2% net smelter return “NSR” royalty from the sale of all copper-molybdenum lands portion of the property, excluding the Port Daniel property. The Corporation may, at any time reduce the NSR from 2% to 0.5%, by making a cash payment of \$1,000,000 to 49 North Resources Inc.

4. Common shares and contributed surplus

The Corporation is authorized to issue an unlimited number of common shares without par value.

Common shares issued

On October 29, 2019, the Corporation issued 1,600,000 common shares pursuant to a property purchase agreement. The shares were valued at \$80,000, in total.

On December 31, 2019, the Corporation completed a financing of 1,830,000 non-flow through units at an issue price of \$0.05 per unit for gross proceeds of \$91,500. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one-half of one common share purchase warrant with an exercise price of \$0.10 and a term of 24 months. \$27,100 was attributed to the warrant component.

On December 31, 2019, the Corporation completed a financing of 2,730,000 flow through units at an issue price of \$0.05 per unit for gross proceeds of \$136,500. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one-half of one common share purchase warrant with an exercise price of \$0.10 and a term of 24 months. In connection with the December financings, the Corporation issued 115,000 broker warrants (valued at \$7,245) and paid cash share issue costs totaling \$17,207. \$40,000 was attributed to the warrant component.

On February 5, 2020, the Corporation completed a financing of 1,909,000 non-flow through units at an issue price of \$0.05 per unit for gross proceeds of \$95,450. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one-half of one common share purchase warrant with an exercise price of \$0.10 and a term of 24 months. The Corporation paid cash share issue costs totaling \$10,297. \$24,200 was attributed to the warrant component.

On June 29, 2020, the Corporation issued 200,000 common shares pursuant to a property purchase agreement. The shares were valued at \$12,000, in total.

On August 27, 2020, the Corporation completed a financing of 20,000,000 non-flow through units at an issue price of \$0.05 per unit for gross proceeds of \$1,000,000. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one common share purchase warrant with an exercise price of \$0.075 and a term of 36 months. The Corporation paid cash share issue costs totaling \$95,125 and issued 973,600 broker compensation warrants. \$604,046 was attributed to the warrant components.

Stock option plan

The directors of the Corporation have adopted, and the shareholders have approved a stock option plan (the "2013 Option Plan"), pursuant to which the directors may from time to time grant options for up to 10% of its issued and outstanding shares. The purpose of the Option Plan is to attract, retain and motivate directors, employees and consultants of the Corporation and to advance the interests of the Corporation by providing such persons with the opportunity, through stock options, to acquire an equity interest in the Corporation. All stock options granted to officers and directors vest immediately upon issuance; whereas stock options granted to consultants have vesting terms defined at the discretion of the Corporation's board of directors.

Gespeg Resources Ltd.
Notes to the Financial Statements
October 31, 2020

4. Common shares and contributed surplus (continued)

Stock option plan (continued)

A summary of the outstanding and exercisable stock options is as follows:

	October 31, 2020		April 30, 2020	
	Options	Price	Options	Price
Outstanding and exercisable, beginning of period	-	\$ -	-	\$ -
Options granted	2,000,000	0.08	-	-
Outstanding and exercisable, end of period	2,000,000	\$ 0.08	-	\$ -

During the period ended October 31, 2020, the Board of Directors of the Corporation approved the grant of 2,000,000 stock options pursuant to the Corporation's 2013 Option Plan. 1,300,000 of the options were granted to certain directors and officers, with the balance granted to consultants of the Corporation. The options are exercisable at \$0.08 per share, vest immediately and, if not exercised, expire July 27, 2025, subject to earlier expiration in accordance with the 2013 Option Plan and applicable policies of the TSX-V.

Using the Black-Scholes option pricing model, the value of the stock options was estimated to be \$156,000, which was recorded as share-based compensation expense with a corresponding increase in contributed surplus. Assumptions used in the pricing model for the year are as follows: risk-free interest rate of 0.42%, expected life of options 5 years, annualized volatility 208.64% and dividend rate of nil.

Warrants

A summary of the outstanding warrants is as follows:

	October 31, 2020		April 30, 2020	
	Warrants	Weighted Average Exercise Price	Warrants	Weighted Average Exercise Price
Outstanding, beginning of period	5,246,167	\$ 0.18	2,011,667	\$ 0.31
Warrants granted	20,000,000	0.075	3,234,500	0.10
Outstanding, end of period	25,246,167	\$ 0.10	5,246,167	\$ 0.18

On May 13, 2020, the Corporation received TSX-V approval to extend the expiry date of 1,365,000 and 573,333 warrants expiring on May 31, 2020 and June 14, 2020, respectively by 1 year and modify the exercise price from \$0.30 to \$0.16. The Corporation used the Black-Scholes option pricing model to fair value the warrant extension (recorded as share-based compensation expense), which was estimated to be \$60,700 and 25,500, respectively. Assumptions used in the Black-Scholes option pricing model were as follows: dividend yield 0%, expected volatility of 271.89%, and a risk free rate of 0.26%.

Gespeg Resources Ltd.
Notes to the Financial Statements
October 31, 2020

4. Common shares and contributed surplus (continued)

Broker warrants

A summary of the outstanding broker warrants is as follows:

	October 31, 2020		April 30, 2020	
	Warrants	Price	Warrants	Price
Outstanding, beginning of period	147,000	\$ 0.14	32,000	\$ 0.30
Broker warrants granted	973,600	0.075	115,000	0.10
Broker warrants expired	(32,000)	0.30	-	-
Outstanding, end of period	1,088,600	\$ 0.08	147,000	\$ 0.14

On May 31, 2018, the Corporation issued 32,000 broker warrants as part of a financing completed. Each broker warrant entitles the holder to purchase one common share of the Corporation at a price of \$0.30 for a period of 24 months and vest immediately. The fair value of these warrants was estimated at \$3,200 using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility of 162.85%, and a risk free interest rate of 1.87%. These warrants expired on May 31, 2020 unexercised.

On December 31, 2019, the Corporation issued 115,000 broker warrants as part of a financing completed. Each broker warrant entitles the holder to purchase one common share of the Corporation at a price of \$0.10 for a period of 24 months and vest immediately. The fair value of these warrants was estimated at \$7,245 using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility of 210.25%, and a risk free interest rate of 1.71%. These warrants expire on December 31, 2021.

On August 27, 2020, the Corporation issued 973,600 broker warrants as part of a financing completed. Each broker warrant entitles the holder to purchase one common share of the Corporation at a price of \$0.075 for a period of 36 months and vest immediately. The fair value of these warrants was estimated at \$72,046 using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility of 202.151%, and a risk free interest rate of 0.26%. These warrants expire on August 27, 2023.

Gespeg Resources Ltd.
Notes to the Financial Statements
October 31, 2020

4. Common shares and contributed surplus (continued)

Contributed surplus

The fair values of broker warrants have been valued using the Black-Scholes option pricing model. The fair value on the grant of these securities is added to contributed surplus. Upon exercise, the corresponding amount of contributed surplus related to the security is removed from contributed surplus and added to share capital.

A summary of the contributed surplus activity is as follows:

	October 31, 2020	April 30, 2020
Balance, beginning of period	\$ 1,448,738	\$ 1,350,193
Private placements - warrants	532,000	91,300
Private placements - broker warrants	72,046	7,245
Share-based compensation - warrant extension	86,200	-
Share-based compensation	156,000	-
Balance, end of period	\$ 2,294,984	\$ 1,448,738

5. Income taxes

The significant components of the Corporation's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

	2020	Expiry Date Range	2019	Expiry Date Range
Share issue costs	\$ 39,000	2041 to 2044	\$ 30,000	2040 to 2043
Exploration and evaluation assets	\$ 3,938,000	No expiry date	\$ 3,941,000	No expiry date
Non-capital losses available for future periods	\$ 3,635,000	2027 to 2040	\$ 3,422,000	2027 to 2039

Tax attributes are subject to review, and potential adjustment, by tax authorities.

6. Related party transactions

Compensation of key executive personnel

For the six months ended October 31,	2020		2019	
Consulting fees to officers	\$	45,000	\$	45,000
Share-based compensation for directors and officers		101,400		-
	\$	146,400	\$	45,000

Consulting fees paid or accrued to directors and officers or companies controlled by directors and officers are recorded as management fees.

During the period ended October 31, 2020, \$45,000 (2019 - \$45,000) was recorded for consulting services provided by a companies controlled by directors and officers of the Corporation. As at October 31, 2020 the Corporation owed \$57,248 (April 30, 2020 - \$106,586) related to such services, which is included in accounts payable and accrued liabilities.

7. Capital management

The Corporation's objectives when managing capital are:

- (a) to allow the Corporation to respond to changes in economic and/or marketplace conditions by maintaining the Corporation's ability to continue its exploration programs;
- (b) to provide sustained growth and value by increasing equity; and
- (c) to maintain a flexible capital structure which optimizes the cost of capital at acceptable levels of risk.

The Corporation manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its underlying assets. The Corporation maintains or adjusts its capital level to enable it to meet its objectives by:

- (a) raising capital through equity financings; and
- (b) borrowing funds in the form of advances from related parties.

The Corporation is not subject to any capital requirements imposed by a regulator. There were no changes in the Corporation's approach to capital management during the current year. The Corporation's management is responsible for the management of capital and monitors the Corporation's use of various forms of leverage on a daily basis.

8. 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 data.

The fair value of the Corporation's other receivables and accounts payable and accrued liabilities approximate their carrying values. The Corporation's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Corporation's risk exposures and the impact on the Corporation's financial instruments are summarized below:

Credit Risk

The Corporation's credit risk is primarily attributable to cash. The Corporation has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote.

8. Financial instruments (continued)

Liquidity Risk

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2020, the Corporation had a cash balance of \$356,446 to settle accounts payable and accrued liabilities of \$149,240.

The Corporation has historically relied on equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital and debt to finance its activities. There can be no assurance the Corporation will be able to obtain the required financing in the future on acceptable terms.

Interest rate risk

The Corporation is not exposed to risk in the event of interest rate fluctuations. The Corporation has not entered into any interest rate swaps or other financial arrangements that mitigate the exposure to interest rate fluctuations.