

**GOTHAM RESOURCE CORP.**  
(A Capital Pool Company)

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**For the Six Months Ended September 30, 2021**

**Expressed in Canadian Dollars**

**(Unaudited – prepared by management)**

**Notice to Reader**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the 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 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 condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**Gotham Resource Corp.**

Condensed Interim Statements of Financial Position as at September 30, 2021,  
(Expressed in Canadian Dollars) - Unaudited

	Note	September 30, 2021	March 31, 2021
<b>Assets</b>			
Current assets:			
Cash		\$ 1,043,767	\$ 725,000
Deferred financing costs		7,334	7,334
		<u>1,051,101</u>	<u>732,334</u>
<b>Liabilities and Shareholders' Equity</b>			
Current liabilities:			
Accounts payable and accrued liabilities		\$ 51,790	\$ 48,790
		<u>51,790</u>	<u>48,790</u>
Shareholders' equity:			
Share capital	3	1,035,542	714,584
Share-based payments reserve	3	140,105	127,091
Deficit		(176,336)	(158,131)
		<u>999,311</u>	<u>683,544</u>
		<u>\$ 1,051,101</u>	<u>\$ 732,334</u>

**Nature and continuance of operations** (Note 1)

**Subsequent event** (Note 6)

**Approved and authorized by the Board on November 26, 2021.**

“James Paterson”

Director

“Jay Sujir”

Director

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

**Gotham Resource Corp.**Condensed Interim Statement of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars) - Unaudited

	For the three months ended September 30, 2021	For the six months ended September 30, 2021
<b>EXPENSES</b>		
Consulting fees	3,000	3,000
Filing fees	809	15,205
<b>Net loss and comprehensive loss for the period</b>	<b>(3,809)</b>	<b>(18,205)</b>
<b>Basic and diluted loss per common share</b>	<b>(0.00)</b>	<b>(0.00)</b>
<b>Weighted average number of common shares outstanding, basic and diluted</b>	<b>14,206,522</b>	<b>13,233,607</b>

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

**Gotham Resource Corp.**Condensed Interim Statement of Changes in Shareholders' Equity for the Six Months Ended September 30, 2021  
(Expressed in Canadian Dollars) - Unaudited

	<u>Share Capital</u>				
	Shares	Amount	Reserves	Deficit	Total
Founder's share issued	1	1	-	-	1
Repurchase of founder's share	(1)	(1)	-	-	(1)
Shares issued for private placements	12,250,000	725,000	-	-	725,000
Share-based compensation	-	-	127,091	-	127,091
Share issue costs – cash	-	(10,416)	-	-	(217,370)
Loss for the period	-	-	-	(158,131)	(158,131)
<b>Balance, March 31, 2021</b>	<b>12,250,000</b>	<b>\$ 714,584</b>	<b>\$ 127,091</b>	<b>\$ (158,131)</b>	<b>\$ 683,544</b>
Shares issued for private placements	4,000,000	400,000	-	-	400,000
Share issue costs – cash	-	(66,028)	-	-	(66,028)
Finders warrants	-	(13,014)	13,014	-	-
Loss for the period	-	-	-	(18,205)	(18,205)
<b>Balance, September 30, 2021</b>	<b>16,250,000</b>	<b>\$ 1,035,542</b>	<b>\$ 140,105</b>	<b>\$ (176,336)</b>	<b>\$999,311</b>

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

**Gotham Resource Corp.**

Condensed Interim Statement of Changes in Cash Flows for the Six Months Ended September 30, 2021  
(Expressed in Canadian Dollars) - Unaudited

September 30,  
2021

**OPERATING ACTIVITIES**

Net loss for the period	(18,205)
Items not involving cash:	
Share-based compensation	-
Changes in non-cash working capital items:	
Accounts payable and accrued liabilities	3,000
Cash used in operating activities	<u>(15,205)</u>

**FINANCING ACTIVITIES**

Proceeds from private placements, net of issuance costs	333,972
Cash provided by financing activities	<u>333,972</u>

<b>Change in cash for the period</b>	318,767
<b>Cash, beginning of period</b>	<u>725,000</u>
<b>Cash, end of period</b>	<u>1,043,767</u>

**Cash paid for:**

Taxes	\$Nil
Interest	\$Nil

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**Gotham Resource Corp.**  
**Notes to the Condensed Interim Financial Statements**  
**For the Six Months Ended September 30, 2021**  
(Expressed in Canadian Dollars)

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Gotham Resource Corp. (the "Corporation") was incorporated under the British Columbia *Business Corporations Act* on October 8, 2020 and is, effective August 16, 2021, a Capital Pool Company as defined in the Policy 2.4 of the TSX Venture Exchange (the "Exchange") Corporate Finance Manual (the "Manual") (Note 6). The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Corporation has not commenced commercial operations and has no assets other than cash. Given the nature of the activities, no separate segmented information is reported. The Corporation's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Exchange Policy 2.4.

The head office and the registered head office of the Corporation is located at Suite 2500, 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1B3.

On November 26, 2021, the Board of Directors approved the financial statements for the period ended September 30, 2021.

The global outbreak of COVID-19 (coronavirus) has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Corporation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

**2. SIGNIFICANT ACCOUNTING POLICIES**

a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using accounting policies consistent with IFRS. Certain disclosures required by IFRS have been condensed or omitted in the following note disclosures as they are disclosed or have been disclosed on an annual basis only. Accordingly, these condensed interim financial statements should be read in conjunction with the audited financial statements for the period from incorporation on October 8, 2020 to March 31, 2021, which have been prepared in accordance with IFRS. The accounting policies applied by the Corporation in these condensed interim financial statements are the same as those applied in the Company's annual financial statements, unless otherwise stated.

b) Basis for measurement

These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The functional and presentation currency of the Corporation is the Canadian dollar.

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c) Critical accounting judgements and estimates

Judgements, estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The significant judgments, estimates and assumptions made by management in applying the Corporation's accounting policies were the same as those that applied to the Corporation's audited financial statements for the period from incorporation on October 8, 2020 to March 31, 2021.

### **3. SHARE CAPITAL**

a) Authorized share capital: Unlimited number of common shares, without par value.

Issued share capital:

#### **For the Six Months Ended September 30, 2021**

During the period ended September 30, 2021, Gotham completed its initial public offering of common shares of the Corporation (the "Offering") on August 16, 2021. The Corporation issued 4,000,000 common shares at a price of \$0.10 per Common Share (the "Offering Price") for total gross proceeds of \$400,000. In connection with the Offering, Gotham incurred \$66,028 in share issuance costs and granted warrants to the agent to purchase up to an aggregate of 320,000 common shares at a price of \$0.10 per common share until August 16, 2023. The fair value of the finders' warrants as at issuance date was \$13,404.

#### **For the period from incorporation on October 8, 2020 to March 31, 2021**

As at March 31, 2021, there were 12,250,000 common shares issued and outstanding.

#### **Escrowed Shares**

During the period ended March 31, 2021, the Corporation issued 10,000,000 common shares at \$0.05 per share for gross proceeds of \$500,000 and 2,250,000 common shares at \$0.10 per share for gross proceeds of \$225,000.

All common shares of the Corporation acquired in the secondary market prior to the completion of a Qualifying Transaction by non-arm's length parties, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be subject to escrow.

12,250,000 issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange.

#### **Options**

Options may be granted for a maximum term of ten years from the date of the grant. They are nontransferable and are exercisable as determined by the Directors when the option is granted.

Any shares issued upon exercise of the options prior to the Corporation entering into a Qualifying Transaction will be subject to escrow restrictions.

The stock option plan is subject to regulatory approval.

1,625,000 stock options were granted during the period ended March 31, 2021 (Note 5). The fair value of the options granted was determined to be \$127,091 using the Black-Scholes option pricing model under the following assumptions: risk-free rate – 1.55%, expected life – 10 years, expected volatility – 75% and expected dividends - \$nil.

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Details of the stock options are as follows:

	Number of options	Weighted Average Exercise Price
Outstanding as at October 8, 2020 (incorporation)	-	\$ -
Issued	1,625,000	\$ 0.10
Outstanding as at March 31, 2021 and September 30, 2021	1,625,000	\$ 0.10

As at September 30, 2021, the outstanding stock options were as follows:

Number of Options	Exercise Price	Expiry Date
1,625,000	\$0.10	August 18, 2031

The change in warrants issued are as follows:

	Number of warrants	Weighted average exercise price
Balance, March 31, 2021	-	\$ -
Granted	320,000	0.10
<b>Balance, September 30, 2021</b>	<b>320,000</b>	<b>\$ 0.10</b>

As of September 30, 2021, the outstanding warrants are as follows:

Outstanding	Exercise Price	Expiry Date
320,000	\$0.10	August 16, 2023

The fair value of finders' warrants was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	Six Months Ended September 30, 2021	Year ended March 31, 2021
Average risk-free interest rate	0.43%	n/a
Expected dividend yield	0%	n/a
Expected stock price volatility *	75%	n/a
Average expected option life in years	2.0	n/a
Average fair value per warrant issued	\$0.04	n/a

\* Volatility for CPCs in the range of 75% - 150% is considered reasonable.

#### 4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

##### Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of share capital and

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accumulated deficit, in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Exchange Policy 2.4.

*Risk Disclosures and Fair Values*

The Corporation's financial instruments, consisting of cash and accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

**5. RELATED PARTY TRANSACTIONS**

During the period ended September 30, 2021, the Corporation incurred filing fees of \$15,205 for services provided by a law firm whose partner is a director at the Corporation. As at September 30, 2021, \$25,850 (March 31, 2021, \$25,850) is included in accounts payable for these services. The Corporation also issued 1,625,000 stock options with a fair value of \$127,091 to directors of the Corporation during the period ended March 31, 2021 (Note 3).

There was no other transaction with related parties and no remuneration was paid to key personnel during the period ended September 30, 2021.