



ADEX MINING INC.
UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2021 AND 2020

Management's Responsibility for Consolidated Financial Statements

The accompanying unaudited condensed consolidated interim financial statements of Adex Mining Inc. (the "Company" or "Adex") are the responsibility of management and the Board of Directors.

The unaudited condensed consolidated interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed consolidated interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions, which were not complete at the balance sheet date. In the opinion of management, the unaudited condensed consolidated interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Management has established processes which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed consolidated interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated 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 financial statements.

DATED this 26th day of November 2021

ADEX MINING INC.

Per: (signed) "Linda Lam Kwan"

Name: Linda Lam Kwan

Title: Chief Executive Officer

Per: (signed) "Volodymyr Ivanov"

Name: Volodymyr Ivanov

Title: Chief Financial Officer

Adex Mining Inc.

Unaudited Condensed Interim Consolidated Statements of Financial Position (Expressed in Canadian Dollars)

As at (In Canadian dollars)	September 30 2021 \$	December 31 2020 \$
Assets		
Current		
Cash	76,051	38,752
HST and other receivables	12,481	22,958
Prepaid expenses	49,514	25,450
	138,046	87,160
Non-current		
Funds held by Province of New Brunswick (note 3)	1,065,095	1,064,793
Advances	9,758	9,757
Tailings impoundment facility (note 4)	601,336	630,910
Property, plant and equipment, net (note 5)	886	5,395
Total Assets	1,815,121	1,798,015
Liabilities		
Current		
Accounts payable and accruals (note 9)	141,878	220,405
Non-Current		
Accrued Interest (note 9)	825,754	643,122
Loans payable (note 9)	3,610,669	3,092,545
Total Liabilities	4,578,302	3,956,072
Shareholders' deficit (note 6)		
Share capital	55,889,583	55,889,583
Contributed surplus	2,879,322	2,879,322
Deficit	(61,532,086)	(60,926,962)
	(2,763,181)	(2,158,057)
Total liabilities and shareholders' equity/(deficit)	1,815,121	1,798,015

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

Nature of operations and going concern - note 1

Commitments and contingencies - note 9

Subsequent event - note 12

Approved on behalf of the board:

(signed) "Norm Betts"
Director

(signed) "Linda Lam Kwan"
Director

Adex Mining Inc.

Unaudited Condensed Interim Consolidated Statements of Loss and Comprehensive Loss Three and nine months ended (Expressed in Canadian Dollars)

(In Canadian dollars)	For the three months ended		For the nine months ended	
	September 30		September 30	
	2021	2020	2021	2020
	\$	\$	\$	\$
Expenses and other income				
Administrative and general (notes 7 and 8)	78,143	48,752	192,105	164,061
Mineral property expenses	65,191	66,361	239,952	222,253
Finance cost (note 8)	72,888	58,231	187,384	187,965
Unrealized foreign exchange (gain)/loss (note 9)	96,004	(63,537)	16,028	71,009
Interest on cash at bank	(7)	(163)	(606)	(163)
Government assistance	(8,511)	-	(29,739)	-
Total expenses and other income	303,707	109,643	605,124	645,126
Loss before income taxes	303,707	109,643	605,124	645,126
Income taxes	-	-	-	-
Net loss and comprehensive loss	303,707	109,643	605,124	645,126
Weighted average number of shares outstanding	677,211,441	677,211,441	677,211,441	677,211,441
Basic and diluted loss per share	0.00	0.00	0.00	0.00

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

Adex Mining Inc.

Unaudited Condensed Interim Consolidated Statements of Cash Flows For the nine months ended (Expressed in Canadian Dollars)

<i>For the nine months ended</i> (In Canadian dollars)	September 30	
	2021 \$	2020 \$
Operating activities		
Net loss for the period	(605,124)	(645,125)
Items not affecting cash:		
Depreciation of Tailings impoundment facility (note 4)	29,574	29,574
Depreciation of property, plant and equipment (note 5)	4,508	4,508
Government Assistance	(29,739)	-
Interest expense	187,384	-
Unrealized foreign exchange (gain)/loss (note 9)	15,380	71,009
	(398,015)	(540,034)
Change in non-cash working capital		
HST and other receivables	10,477	15,115
Prepaid expenses and advances	(24,064)	(20,258)
Accounts payable and accruals	(78,527)	127,300
Cash used in operating activities	(490,130)	(417,877)
Investing activities		
Increase in funds held by Province of New Brunswick	(302)	(9,700)
Additions to mineral properties	-	-
Cash used in investing activities	(302)	(9,700)
Financing activities		
Loan proceeds	527,731	446,012
Cash from financing activities	527,731	446,012
Change in cash	37,299	18,435
Cash, beginning of the period	38,752	10,505
Cash, end of the period	76,051	28,940

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

Adex Mining Inc.

Unaudited Condensed Consolidated Interim Statements of Changes in Shareholders' Deficit For the nine months ended September 30, 2021 and 2020 (Expressed in Canadian Dollars)

(In Canadian dollars)	Contributed			Total
	Share capital	Surplus	Deficit	
	\$	\$	\$	\$
Balance, January 1, 2020	55,889,583	2,879,322	(60,203,507)	(1,434,602)
Net loss and comprehensive loss	-	-	(645,126)	(645,126)
Balance, September 30, 2020	55,889,583	2,879,322	(60,848,633)	(2,079,728)
Balance, January 1, 2021	55,889,583	2,879,322	(60,926,962)	(2,158,057)
Net loss and comprehensive loss	-	-	(605,124)	(605,124)
Balance, September 30, 2021	55,889,583	2,879,322	(61,532,086)	(2,763,181)

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

Adex Mining Inc.

Notes to Unaudited Condensed Interim Consolidated Financial Statements
Three and nine months ended September 30, 2021, and 2020
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Adex Mining Inc. (the “Company”) holds 100% of the subsurface mineral rights encompassing the Mount Pleasant mine area of New Brunswick, Canada (the “Property” or “Mount Pleasant”) where the Company is developing a potential polymetallic mine focusing on tin, indium, zinc, molybdenum and tungsten. Within the mineral rights area the Company owns the land, plus the buildings, machinery and equipment on site which comprise the dormant Mount Pleasant mine. The Company is incorporated and domiciled in Canada and is a reporting issuer with its common shares publicly traded on the TSX-Venture Exchange under the stock symbol “ADE”. On October 18, 2019, the Company was transferred from the Tier 1 category to the Tier 2 category as it does not meet the TSX-V’s Tier 1 Continued Listing Requirements. The classification of the Company to a Tier 2 issuer does not result in any change to the Company’s CUSIP or trading symbol.

The principal head office of the Company is located at Suite 850, 36 Toronto Street, Toronto, Ontario, Canada M5C 2C5. The Company’s controlling shareholder is Great Harvest Canadian Investment Company Limited (“Great Harvest”), who holds 81.88% of the Company’s common shares. The ultimate controlling shareholder is Yorkrich Corporation Limited.

The Company has interests in resource properties which it is in the process of exploring and developing and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of expenditures on resource properties is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of the resource properties, and upon future profitable production or proceeds from the disposition thereof.

These interim consolidated financial statements of the Company have been prepared using accounting policies applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they fall due for the foreseeable future. For the nine months ended September 30, 2021, cash used in operations by the Company was \$490,130 and the Company carried an accumulated deficit of \$61,532,086. Furthermore, the Company has not generated revenue from operations.

These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern. In view of these circumstances, the Company requires financing to complete its planned exploration and evaluation program on the Mount Pleasant Property and will continue to explore financing alternatives to raise capital.

On March 4, 2019, Great Harvest agreed to advance or otherwise make available to the Company a loan in the principal of up to US\$600,000. The Company was allowed to borrow the loan in one or more instalments at any time and from time to time within one year by issuing a Drawdown Notice. The loan bears interest at the rate of 8% per annum and under the original terms of the loan, the Company was required to repay the total amount of instalments advanced under the loan in full on March 5, 2020. During the period from March 5, 2019, to September 30, 2021, the Company borrowed US\$600,000 of this loan.

On April 27, 2020, Great Harvest agreed to advance or otherwise make available to the Company a loan in the principal of up to US\$600,000. On April 26, 2021, the loan agreement was amended to enable the Company to borrow under the loan in one or more instalments at any time and from time to time prior to March 31, 2022. The loan bears interest at the rate of 8% per annum and the Company shall repay the total amount of instalments advanced under the loan in full on March 31, 2022. During the period from April 27, 2020, to September 30, 2021, the Company borrowed US\$600,000 of this loan.

Adex Mining Inc.

Notes to Unaudited Condensed Interim Consolidated Financial Statements
Three and nine months ended September 30, 2021, and 2020
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN (Continued)

On April 27, 2020, Great Harvest extended the repayment terms of all loans outstanding and the interest thereon (Note 9) to March 31, 2022.

During the year ended December 31, 2020 and the nine months ended September 30, 2021, there was a global outbreak of COVID-19, which has had a significant impact on businesses through the restrictions put in place by the Canadian federal, 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 Company 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. There is significant uncertainty as to the likely effects of this outbreak which may, among other things, impact our ability to raise further financing. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments or quantify the impact this pandemic may have on the financial results and condition of the Company in future periods.

There is also significant uncertainty as to the likely effects of the COVID-19 outbreak which may, among other things, impact the Company's ability to raise further financing (Note 12). The Company will continue to pursue opportunities to raise additional capital through equity markets and/or related party loans to fund its exploration and operating activities; however, there is no assurance of the success or sufficiency of these initiatives. The Company's ability to continue as a going concern is dependent upon it securing the necessary working capital and exploration requirements and eventually to generate positive cash flows either from operations or additional financing.

These interim consolidated financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the going concern assumption was deemed inappropriate. These adjustments could be material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), including International Accounting Standards ("IAS") 34, Interim Financial Reporting. These interim condensed consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2020, which have been prepared in accordance with IFRS and IFRIC as issued by the IASB in effect as of December 31, 2020.

The accounting policies and methods of computation remain the same as presented in the audited annual consolidated financial statements for the year ended December 31, 2020.

There are no new IFRS and/or IFRIC pronouncements issued that are effective for the first time for this interim period that would be expected to have a material impact on the Company.

Adex Mining Inc.

Notes to Unaudited Condensed Interim Consolidated Financial Statements
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3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the interim consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the interim consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the balance sheet date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Impairment of long-lived assets

Judgement is required to determine whether there are any indicators that the Company's long-lived assets may be impaired and whether there are any indicators that previously recognized impairments may require reversal or partial reversal. When there are indications that an asset may be impaired or that a reversal of a previously taken impairment may be required, the Company is required to estimate the asset's recoverable amount. The recoverable amount is the greater of value in use and fair value less costs of disposal. The Company has determined that there are no indicators of impairment or indicators of the reversal of a previously recognized impairment for the Company's long-lived assets during the nine months ended September 30, 2021.

Provision for environmental rehabilitation

Part of the land on which the Mount Pleasant property is located includes a dormant mine. The Company is obliged to comply with an environmental reclamation plan and will be required to incur costs associated with certain required decommissioning and restoration activities when the Property enters closure. Management has determined that it is not currently able to reliably estimate the amount of these obligations and hence has not recognized a provision as at September 30, 2021 due to the uncertainties related to the amounts and expected timing of any future cash flows associated with these obligations because the company is still in the exploration and evaluation phase of the project. When management determines that a reliable estimate can be made, the Company will be required to estimate and recognize a provision for its closure obligations and such a provision is expected to be material. The Company's closure obligation is currently secured by a form of lien titled "collateral mortgage" to the Province of New Brunswick for \$2 million on the land on which the mine site and primary buildings are located. The collateral mortgage was originally entered into by the previous owner of the Property in 1993.

The Company's Mount Pleasant property is governed by an Approval to Operate, which was originally granted by the New Brunswick Ministry of Environment ("the Department") in November 2007 and was valid until September 2012. The approval to operate was renewed as of October 1, 2012, updated on July 16, 2014 and was valid until September 30, 2017. The approval to operate was renewed as of October 1, 2017 and is valid until September 30, 2022. Under the terms of the Approval to Operate, the Company has been granted permission by the Ministry of Environment to operate the Property, Tailings Impoundment Facility and Mine Water Treatment Plant on a "Care and Maintenance" basis. Under the Approval to Operate, the Company is also permitted to carry out exploration activities and metallurgical test work on its Mount Pleasant property.

Adex Mining Inc.

Notes to Unaudited Condensed Interim Consolidated Financial Statements
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3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

The Company is required under the Approval to Operate to monitor the water quality at its Tailings Impoundment Facility on a monthly basis, and to provide the Ministry of Environment with monthly water quality monitoring reports and the results of water sampling and testing, and in perpetuity, to treat the water run-off. As the Company's activities currently do not affect the nature and amount of this run-off, and as the Property remains in care and maintenance rather than closure, the Company treats these costs as period expenses and has made no provision for this on-going activity. In addition to these monthly, and certain annual monitoring and reporting requirements, the Company is required to:

- Construct a new sludge disposal cell anytime before the Company resumes operation at the Mine site.
- Submit a preliminary results report for an Environmental Effect Monitoring (EEM) study for the watershed to the relevant authorities by December 31, 2021 and submit the final EEM study report by April 30, 2022.

During the year ended December 31, 2020, the Company submitted an EEM study design plan, which was approved by the relevant authorities. During the year ended December 31, 2019, the Company submitted to the relevant authorities a report detailing the potential impacts to the environment of the exposed tailings contained in the tailings impoundment area. The impact study was carried out and the work was completed for both air and water studies and was submitted to the Government of New Brunswick for approval.

When the Company's Mount Pleasant property is no longer in the exploration and evaluation phase, a provision for water quality monitoring costs will be calculated and recognized. Failure to meet or to agree with the relevant authorities on extensions to the deadlines for these activities could result in consequences to the Company's Approval to Operate.

The Company previously held reclamation bonds, which consisted of Province of New Brunswick, 8.5% bonds. The bonds were pledged as security under environmental regulations with the Province of New Brunswick to ensure adequate funding is available for perpetuity to treat the acid water run-off from the abandoned Mount Pleasant mine workings. The bonds were held for the benefit of the Company, and interest was paid bi-annually into a cash-on-deposit account, and was disbursed at the discretion of the Ministry of Finance of the Province of New Brunswick. Since the maturity date of the bonds (June 28, 2013), the funds have been held on account with the Province of New Brunswick and will be redeployed as per the requirements of the Department of Environment. As at September 30, 2021, \$1,065,095 was held in a cash-on-deposit account of the Province of New Brunswick (\$1,064,793 - at December 31, 2020).

The Company may face a review of its posted security by the Ministry of Environment when the Company advances to feasibility studies on its mineral deposits or commences the dewatering of the past-producing underground tungsten mine located on the Mount Pleasant property. Dewatering activities may also trigger a provincial Environmental Impact Assessment ("EIA") and may require the Company to upgrade its current Mine Water Treatment Plant. Under the previous Approval to Operate, the Company was required to register a project under the EIA Regulation for the dewatering/reopening of the mine or for the construction of a new or upgraded mine water treatment plant by July 31, 2015, later extended to March 31, 2016. On April 4, 2016, the Company was able to obtain a further extension of 60 days subject to continuing consultations with the provincial Ministry of Environment relating to the submission of the EIA. The current EIA has expired; however, as the Company has put the Property on a care and maintenance basis, the Company is not pursuing the EIA registration. The Company continues providing monthly water quality monitoring reports and continues to monitor the developments in order to ascertain any changes that may be required with respect to the existing security, or any obligations that may arise under an EIA.

Adex Mining Inc.

Notes to Unaudited Condensed Interim Consolidated Financial Statements
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4. TAILINGS IMPOUNDMENT FACILITY

Mount Pleasant Property, New Brunswick	Tailings impoundment facility upgrade \$	Total \$
Balance, January 1, 2020	670,342	670,342
Additions	-	-
Depreciation for the year	(39,432)	(39,432)
Balance, December 31, 2020	630,910	630,910
Additions	-	-
Depreciation for the period	(29,574)	(29,574)
Balance, September 30, 2021	601,336	601,336

For the nine months ended September 30, 2021, the amount of amortization charged to mineral property expenses for the Tailings Impoundment Facility was \$29,574 (\$39,432 for the year ended December 31, 2020).

5. PROPERTY PLANT AND EQUIPMENT

Cost	Equipment and Facility refurbishments \$	Total \$
Balance as at January 1, 2020	142,503	142,503
Additions	-	-
Balance as at December 31, 2020	142,503	142,503
Additions	-	-
Balance as at September 30, 2021	142,503	142,503

Accumulated depreciation	Equipment and Facility refurbishments \$	Total \$
Balance as at January 1, 2020	131,097	131,097
Depreciation for the year	6,011	6,011
Balance as at December 31, 2020	137,108	137,108
Depreciation for the period	4,509	4,509
Balance as at September 30, 2021	141,617	141,617

Carrying amounts	Equipment and Facility refurbishments \$	Total \$
As at January 1, 2020	11,406	11,406
As at December 31, 2020	5,395	5,395
As at September 30, 2021	886	886

For the nine months ended September 30, 2021, the amount of amortization charged to mineral property expenses was \$4,509 (\$6,011 for the year ended December 31, 2020).

Adex Mining Inc.

Notes to Unaudited Condensed Interim Consolidated Financial Statements
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SHAREHOLDERS' DEFICIT

Share Capital

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preference shares. As at September 30, 2021, the Company had 677,211,441 common shares, of no par value, issued and outstanding.

	Number of shares	Amount \$
December 31, 2020 and September 30, 2021	677,211,441	55,889,583

On October 19, 2010, the Company completed a private placement (the "Private Placement") transaction with Great Harvest of 40,000,000 units (the "Units") at a price of \$0.12 per unit, with each Unit consisting of one common share of Adex and one common share purchase warrant (a "Series A Warrant"), raising gross proceeds of \$4.8 million. On May 17, 2011, 40,000,000 Series A warrants were exercised, providing gross proceeds of \$7,200,000.

Other transactions contemplated in the Private Placement agreement with Great Harvest include requiring Great Harvest, subject to (i) the results of the definitive feasibility study ("DFS") being satisfactory to Great Harvest and (ii) the then capital requirements of the Company as determined at the relevant time by the board of directors of the Company, to provide or arrange for the provision to the Company of loan facilities (the "Facilities") in an aggregate amount of up to \$50,000,000 to be used for the commercial development of the Property, on such terms and conditions as may be agreed upon between the Company and the relevant financier(s). If an aggregate minimum of \$10 million of the Facilities are made available to be drawn down by the Company within 180 days of the delivery to Great Harvest of the report of the results of the Feasibility Study, Great Harvest will have the right (the "Share Purchase Right") to purchase, within 40 days of the Facilities being available to be drawn down by the Company, 1.2 common shares for each dollar of the facilities made available to be drawn down by the Company within one year of the completion of the Feasibility Study. The exercise price per common share pursuant to the Share Purchase Right will be equal to the volume weighted average trading price of the common shares on the TSX Venture Exchange (the "TSXV") for the five trading days ending the day immediately prior to the Facilities being available to be drawn down by the Company less the maximum discount there from permitted by the TSXV. The maximum number of common shares issuable pursuant to the Share Purchase Right is 60,000,000. The issuance of common shares pursuant to the exercise of the Share Purchase Right will be subject to further approval of the TSXV to be obtained following the Share Purchase Right becoming exercisable.

Contributed Surplus

	Amount \$
December 31, 2020 and September 30, 2021	2,879,322

Adex Mining Inc.

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6. SHAREHOLDERS' DEFICIT (CONTINUED)

Stock options

On April 26, 2007, the shareholders approved a rolling stock option plan (the "Stock Option Plan") for the Company. The Stock Option Plan has been re-approved annually.

The Stock Option Plan allows the Company to issue options to a maximum of 10% of the issued and outstanding common shares of the Company. Options will be exercisable over periods of up to ten years as determined by the Board. Options are required to have an exercise price of no less than the closing market price of the common shares of the Company on the last trading day immediately preceding the date of the grant of the stock option less any discounts from the market price allowed by the TSXV.

The following summary sets out the activity in outstanding common share stock options for the nine months ended September 30, 2021:

	Options #	Weighted- average exercise price \$
Outstanding, December 31, 2020	-	-
Outstanding, September 30, 2021	-	-
Options exercisable at September 30, 2021	-	-

7. ADMINISTRATIVE AND GENERAL EXPENSES

The following table illustrates spending activity related to administrative and general expenses for the nine months ended September 30, 2021:

	For the nine months ended September 30	
	2021	2020
	\$	\$
Wages, benefits and consulting (note 9)	27,644	28,350
Professional fees (legal & audit)	39,808	35,642
Directors fees (note 9)	59,926	58,138
Office rent	2,998	2,651
Shareholder communications & promotion	947	5,638
Office costs	23,945	5,625
Regulatory and filing fees	15,457	8,632
Insurance	21,379	19,384
	192,105	164,061

Adex Mining Inc.

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8. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel remuneration comprises the Company's President and Chief Executive Officer and Chief Financial Officer.

From September 30, 2017, the Company has not been charged by its certain Directors and the Chief Executive Officer (representatives of Great Harvest) for certain director's fees and for the Chief Executive Officer's compensation. Accordingly, the Company has not recognized expenses for these costs.

For the nine months ended September 30, 2021 the Company incurred related party expenses of \$27,644 (28,350 during the nine months ended September 30, 2020). These expenses related to the payment of wages, benefits and consulting fees to the Company's Chief Financial Officer.

During the nine months ended September 30, 2021, the Company incurred directors' fees of \$59,926 (\$58,138 during the nine months ended September 30, 2021). These amounts were expensed in the period incurred as administrative and general expenses.

Great Harvest, the Company's largest shareholder with 81.88% of the Company's common shares, is controlled by two of the Company's directors, one of whom also acts as the President and Chief Executive Officer. During the nine months ended September 30, 2021, the Company incurred expenses of \$Nil (nine months ended September 30, 2020-\$Nil) from Great Harvest for travel, administrative and project expenses.

All trade balances due to related parties, except for loans from Great Harvest, bear no interest and have no fixed terms of repayment.

On July 8, 2016, Great Harvest Canadian Investment Company Limited ("Great Harvest"), the controlling shareholder of the Company, and the Company entered into a loan agreement whereby Great Harvest extended a loan to the Company in the amount of US\$1,000,000. The loan could be advanced in one or more instalments. The first instalment of US\$200,000 was received on July 29, 2016; the second instalment of US\$200,000 was received on October 11, 2016; the third instalment of US\$200,000 was received on February 27, 2017; the fourth instalment of US\$150,000 was received on May 17, 2017; the fifth instalment of US\$100,000 was received on September 5, 2017 and the ninth instalment was received on November 14, 2017. The loan is unsecured and bears interest at the rate of 8% per annum. On December 31, 2017, the repayment of this loan together with accrued interest was extended to December 31, 2018. On April 26, 2019, Great Harvest, the controlling shareholder approved an extension for the repayment of this loan together with the accrued interest to December 31, 2020.

On January 18, 2018, Great Harvest Canadian Investment Company Limited ("Great Harvest"), the controlling shareholder of the Company, and the Company entered into a loan agreement whereby Great Harvest agreed to provide a new loan to the Company in the amount of up to US\$600,000. The loan could be advanced in one or more instalments. The first instalment of US\$150,000 was received on January 26, 2018; the second instalment of US\$150,000 was received on March 28, 2018, the third instalment of US\$100,000 was received on May 30, 2018, the fourth instalment of US\$100,000 was received on August 16, 2018, and the fifth instalment of US\$100,000 was received on December 3, 2018. The loan is unsecured and bears interest at the rate of 8% per annum. The loan and interest became due and payable on January 19, 2019. On April 26, 2019, Great Harvest, the controlling shareholder approved an extension for the repayment of this loan together with the accrued interest to December 31, 2020.

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8. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL REMUNERATION (CONTINUED)

On March 4, 2019, Great Harvest agreed to advance or otherwise make available to the Company a loan in the principal of up to US\$600,000. The Company is allowed to borrow the loan in one or more instalments at any time and from time to time within one year by issuing a Drawdown Notice. The loan bears interest at the rate of 8% per annum and the Company shall repay the total amount of instalments advanced under the loan in full on March 5, 2020. The first instalment of US\$150,000 was received on March 12, 2019; the second instalment of US\$100,000 was received on May 21, 2019, the third instalment of US\$50,000 was received on August 28, 2019; the fourth instalment of US\$50,000 was received on November 21, 2019, and the fifth instalment of US\$50,000 was received on December 10, 2019; the ninth instalment of US\$50,000 was received on January 11, 2020; the seventh instalment of US\$50,000 was received on February 27, 2020; the eighth instalment of US\$50,000 was received on April 1, 2020; and the ninth instalment of US\$50,000 was received on April 23, 2020.

On April 27, 2020, Great Harvest extended the repayment terms of the loans outstanding and the interest thereon (Note 9) to March 31, 2022.

On April 27, 2020, Great Harvest agreed to advance or otherwise make available to the Company a loan in the principal of up to US\$600,000. The Company is allowed to borrow the loan in one or more instalments at any time and from time to time within one year by issuing a Drawdown Notice. The loan bears interest at the rate of 8% per annum and the Company shall repay the total amount of instalments advanced under the loan in full on March 31, 2022. The first instalment of US\$75,000 was received on July 10, 2020; the second instalment of US\$50,000 was received on October 28, 2020, the third instalment of US\$50,000 was received on December 4, 2020; the fourth instalment of US\$50,000 was received on February 10, 2021, and the fifth and six instalments of US\$75,000 were received on March 4, 2021 and April 23, 2021 respectively; the seven instalment of US\$125,000 was received on July 26, 2021; the final installment of US\$125,000 was received on September 24, 2021

As at September 30, 2021, the Company had accrued \$825,754 (\$643,122 - at Dec 31, 2020) for interest on the outstanding loans. The interest payable was included in accrued liabilities as presented in note 9.

On April 27, 2020, Great Harvest extended the repayment terms of the loans outstanding as at December 31, 2019 and the interest thereon (Note 9) to March 31, 2022.

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9. ACCOUNTS PAYABLE, LOAN, ACCRUALS AND COMMITMENTS

As at	30-Sep 2021 \$	31-Dec 2020 \$
Current:		
Accounts payable	37,305	131,918
Accrued liabilities	104,573	88,487
	141,878	220,405
Non-Current:		
Accrued Interest	825,754	643,122
Canada Emergency Business Account (CEBA) loan:		
Opening balance	68,695	80,000
Government Assistance	(29,739)	(14,948)
Interest expense	4,233	3,643
Ending balance	43,189	68,695
Great Harvest Loan:		
Opening balance	3,023,850	2,597,600
Loan proceeds	527,731	493,191
Foreign exchange (gain)	15,899	(66,941)
Ending balance	3,567,480	3,023,850
Total	4,578,301	3,956,072

Accrued interest in the amount of \$825,754 relates to the Great Harvest Loan. Foreign exchange loss on the accrued interest in the amount of \$15,899 has been recognized in the Statement of Loss and Comprehensive Loss.

As at September 30, 2021, the Company has four loans payable to Great Harvest in the amounts of US\$1,000,000, US\$600,000, US\$600,000, and US\$375,000 that are required to be repaid together with accrued interest on or before March 31, 2022.

On April 24, 2020, the Company received an aggregate of \$80,000 in the form of CEBA loans. The loans are interest free if fully repaid on or before December 31, 2022. The CEBA loans were initially recognized at fair value, applying a market rate of interest, and are subsequently measured at amortized cost. The difference between the initial fair value (\$65,052) and the aggregate amount received has been recognized as government assistance. During the nine months ended September 30, 2021, the Company recognized interest expense of \$4,233 in respect of the CEBA loans. If the CEBA loans cannot be repaid by December 31, 2022, they will be converted into 3-year term loans, with an interest rate of 5% per annum. If 75% of the loans are repaid on or before December 31, 2022, then the remaining 25% of the loans will be forgiven.

Commitments

Contractual obligations related to short term leases amount to \$2,739. Furthermore, there are no capital and/or purchase commitments as of September 30, 2021.

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10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial assets and liabilities

The Company's financial instruments included funds held by the Province of New Brunswick, accounts payable and accruals and loan payable.

The fair values of the Company's financial instruments are not materially different from their carrying value.

Risks arising from financial instruments and risk management

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.

The Company uses various methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks.

(a) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk is minimal. A change in interest rates would have minimal effect on the value of, and/or the proceeds from, the Company's funds held by the Province of New Brunswick.

(ii) Sensitivity analysis

IFRS requires disclosure of a sensitivity analysis that is intended to illustrate the sensitivity of the Company's financial position, performance and fair value of cash flows associated with the Company's financial instruments to changes in market variables. The sensitivity analysis discloses the possibility of an effect on the reported loss at September 30, 2021 assuming that a reasonably possible change in the relevant risk variable has occurred at September 30, 2021 and has been applied to the risk exposures in existence at that date to show the effects of reasonably possible changes. The reasonably possible changes in market variables used in the sensitivity analysis were determined based on implied volatilities (where available) or historical data.

The Company holds investments in cash and funds held by the Province of New Brunswick which are subject to variable interest rates. Any changes in interest rates will not give rise to significant changes to the net loss.

At September 30, 2021, a change in the value of tungsten, molybdenum, tin, indium or zinc would not change the recognized value of any of the Company's financial instruments.

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10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to outstanding receivables. The Company endeavours to mitigate credit risk by holding its cash and cash equivalents with major commercial banks with strong credit ratings. The carrying amounts of financial assets recorded in the unaudited condensed consolidated interim financial statements represent the Company's maximum exposure to credit risk.

The Company maintains a cash balance on deposit with the Province of New Brunswick (see Note 3) and does not consider this as a significant credit risk.

(c) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient funds to meet liabilities as they come due and to execute on its business plan. The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows. At September 30, 2021, the Company had a cash balance of \$76,051 (December 31, 2020 – \$38,752).

The Company has forecasted cash flows for its 2021 fiscal year. The forecast is based on management's best estimates of operating conditions in the context of current economic conditions and today's capital market climate. The Company is currently focused on exploring and developing its Mount Pleasant Property and has not generated revenue or cash flow from this project. The Company's sole source of funding to this point has been the issuance of equity and related party debt securities. The Company has limited financial resources and no current source of recurring revenue and continues to rely on the issuance of shares or other sources of financing to generate the funds required to complete the re-development, commissioning and commencement of production of the Mount Pleasant property and corporate expenditures.

Additional funding would be required to complete the construction, commissioning or operations of the Mount Pleasant property and there is no assurance that such additional funding will be available to the Company. Should such funding be required, failure to obtain funding could result in delay or indefinite postponement of the development of the Mount Pleasant property.

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. For receivables and payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

(e) Commodity price risk

The feasibility of mineral exploration is significantly affected by changes in the market price of the minerals expected to be produced. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control. The level of interest rates, the rate of inflation, world supply of minerals and stability of exchange rates can all cause significant fluctuations in mineral prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments.

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10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

(f) Exchange rate risk

The Company is exposed to foreign currency risk as it has loans payable denominated in US dollars. As a result, fluctuations in the rate of exchange between US and Canadian dollars can have an effect on the Company's reported results. The Company has not utilized any financial instruments or cash management policies to mitigate the risks arising from changes in foreign currency rates. The Canadian dollar equivalent of the Company's net liability value denominated in US dollars as at September 30, 2021 was \$3,567,480. Accordingly, a 10% increase or decrease in the exchange rate between US and Canadian dollars would impact net loss by approximately \$356,748.

11. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to maintain adequate levels of funding to support evaluation and development projects, to expand regional exploration activities within the Property and to maintain corporate and administrative functions.

At September 30, 2021, the Company's capital consists of the shareholders' deficit in the amount of \$2,763,181 (December 31, 2020 - \$2,158,057).

The Company manages its capital structure in a manner that provides sufficient funding for project evaluation and development and operational activities. Funds are primarily secured through the issue and sale of common shares. There can be no assurances that the Company will be able to continue to provide adequate funds in this manner.

The Company maintains minimal surplus capital and therefore does not have significant non-cash investments. All working capital for immediate needs is invested in liquid and highly rated financial instruments, such as money market funds with major Canadian financial institutions. At September 30, 2021, the Company had cash of \$76,051 (at December 31, 2020 the balance of cash was \$38,752).

12. SUBSEQUENT EVENTS

Subsequent to September 30, 2021, the Company received one instalment totaling US\$45,000 as drawdown from the outstanding Great Harvest loan.