

**AMV CAPITAL CORPORATION.**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED OCTOBER 31, 2021**  
**AND OCTOBER 31, 2020**  
**(UNAUDITED)**

### **Notice of No Auditor Review of Interim Financial Statements**

The accompanying unaudited financial statements have been prepared by management and approved by the Audit Committee.

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

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**AMV CAPITAL CORPORATION****CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**(Expressed in Canadian Dollars)

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	October 31, 2021 (Unaudited)	April 30, 2021 (Audited)
<b>ASSETS</b>		
Current		
Cash	\$ 100,712	\$ 95,600
Amounts recoverable	1,757	808
	102,469	96,408
Exploration and evaluation assets (Note 5)	218,265	246,148
	\$ 320,734	\$ 342,556
<b>LIABILITIES</b>		
Current		
Accounts payable	\$ 17,339	\$ 5,250
	17,339	5,250
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 6)	553,645	553,645
Contributed surplus	210,071	210,071
Deficit	(460,321)	(426,410)
	303,395	337,306
	\$ 320,734	\$ 342,556

NATURE OF CONTINUANCE OF  
OPERATIONS (Note 1)Approved and authorized for issue on behalf  
of the board on November 26, 2021:

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*"Jerry Minni"* Director

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*"Sean Wang"* Director

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**AMV CAPITAL CORPORATION****CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars)

UNAUDITED

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	<b>Three months ended October 31, <u>2021</u></b>	<b>Three months, ended October 31, <u>2020</u></b>	<b>Six months ended October 31, <u>2021</u></b>	<b>Six months, ended October 31, <u>2020</u></b>
<b>EXPENSES</b>				
Office and miscellaneous	\$ 45	\$ 88	\$ 85	\$ 131
Professional fees	17,254	5,000	24,261	34,061
Transfer agent and filing fees	3,416	204	5,784	6,728
Travel and promotion	3,781	–	3,781	–
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<b>NET LOSS AND COMPREHENSIVE LOSS OF THE PERIOD</b>	<b>\$ 24,496</b>	<b>\$ 5,292</b>	<b>\$ 33,911</b>	<b>\$ 40,920</b>
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<b>LOSS PER SHARE (basic and diluted)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<hr/>				
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARE OUTSTANDING</b>	<b>12,500,001</b>	<b>12,500,001</b>	<b>12,500,001</b>	<b>12,500,001</b>
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The accompanying notes are an integral part of these condensed interim financial statements

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**AMV CAPITAL CORPORATION****CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

(Expressed in Canadian Dollars)

UNAUDITED

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	Number of Shares	Amount \$	Contributed Surplus \$	Deficit \$	Total \$
Balances, April 30, 2021	12,500,001	553,645	210,071	(426,410)	337,306
Comprehensive loss for the period	–	–	–	(33,911)	(33,911)
Balance, October 31, 2021	12,500,001	553,645	210,071	(460,321)	303,395
Balances, April 30, 2020	12,500,001	553,645	210,071	(360,420)	403,296
Comprehensive loss for the period	–	–	–	(40,920)	(40,920)
Balance, October 31, 2020	12,500,001	553,645	210,071	(401,340)	362,376

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

**AMV CAPITAL CORPORATION****CONDENSED INTERIM STATEMENTS OF CASH FLOWS**

(Expressed in Canadian Dollars)

UNAUDITED

	Three months ended October 31, <u>2021</u>	Three months, ended October 31, <u>2020</u>	Six months ended October 31, <u>2021</u>	Six months, ended October 31, <u>2020</u>
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	\$ (24,496)	\$ (5,292)	\$ (33,911)	\$ (40,920)
Items not involving cash:				
Stock - based payments	—	—	—	—
	(24,496)	(5,292)	(33,911)	(40,920)
Changes in non-cash working capital balances:				
Other receivable	(898)	(264)	(949)	1,320
Accounts payable and accrued liabilities	8,578	(9,921)	12,089	(23,802)
Cash used in operating activities	(16,816)	(15,477)	(22,771)	(63,402)
INVESTING ACTIVITIES				
Mineral property tax credit	27,883	—	27,883	—
Cash used in investing activities	27,883	—	27,883	—
FINANCING ACTIVITIES				
Shares issued for cash	—	—	—	—
Cash used in financing activities	—	—	—	—
INCREASE IN CASH DURING THE PERIOD	11,067	(15,477)	5,112	(63,402)
CASH, BEGINNING OF PERIOD	89,645	136,632	95,600	184,557
CASH, END OF PERIOD	\$ 100,712	\$ 121,155	\$ 100,712	\$ 121,155
SUPPLEMENTAL DISCLOSURES				
Interest paid	\$ —	\$ —	\$ —	\$ —
Income taxes paid	\$ —	\$ —	\$ —	\$ —
Shares issued for evaluation and exploration costs	\$ —	—	—	\$ —

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

1. NATURE OF OPERATIONS

AMV Capital Corporation (the "Company") was formed on January 31, 2019 by way of an amalgamation (the "Amalgamation") pursuant to the *Business Corporations Act* (British Columbia) between AMV Capital Corporation and Pontiac Resources Corp. ("Pontiac"). The address of the Company's corporate office and its principal place of business is 200-551 Howe Street, Vancouver, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at October 31, 2021, the Company holds an interest in an early stage mineral exploration property and the Company had not yet determined whether the Company's mineral property asset contains a deposit of minerals that is economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had deficit of \$460,321 as at October 31, 2021, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give affect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared in accordance with IAS 34 Interim Financial Reporting ("IAS34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended April 30, 2021.

The financial statements are prepared in accordance with accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretation of the International Financial Reporting Interpretation Committee ("IFRIC").

The financial statements were authorized for issue by the Board of Directors on November 26, 2021.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and estimates of amounts reported in the Company's April 30, 2021 annual financial statements.

4. ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

5. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	Exploration Costs	Total
	\$	\$	\$
Balance, April 30, 2019	30,000	115,237	145,237
Additions*	-	100,911	100,911
Balance, April 30, 2020 and 2021	30,000	216,148	246,148
Mining tax credit	-	(27,883)	(27,883)
Balance, October 31, 2021	30,000	188,265	218,265

\* *Exploration costs include labour costs of \$26,350, data processing costs of \$3,823, survey costs of \$28,650, project preparation costs of \$2,941, administration costs of \$2,941 and meals, accommodation and fuel costs of \$36,206.*

**Sage Property**

Pursuant to an option agreement dated November 30, 2017 and amended February 28, 2019 (the "Agreement"), the Company has earned a 100% interest in the 3 mineral claims known as the Sage Property located in British Columbia, Canada. The Company earned its interest by paying \$30,000.

6. SHARE CAPITAL

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

b) Escrow shares:

As at October 31, 2021, there were 2,950,875 common shares were held in escrow.

c) Issued and outstanding as at October 31, 2021: 12,500,001 common shares.

During the year ended April 30, 2021 and the period ended October 31, 2021 The Company had no share capital transactions.

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6. SHARE CAPITAL (continued)

d) Stock options

On June 5, 2019 the Company adopted a Stock Option Plan (the "Plan") for directors, officers and employees, consultants of the Company. The Company may grant options to individuals, options are exercisable over periods of up to five years, as determined by the Board of Directors of the Company, to buy shares of the Company at the fair market value on the date the option is granted. The Plan is fixed and reserves a maximum of 2,400,000 common shares which may be issuable under the Plan. The Plan cannot exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

On June 5, 2019 the Company granted 850,000 stock options to certain directors and officers of the Company at an exercise price of \$0.10 for a period of five years from the date of listing of the Company's shares. The remaining expected life as at October 31, 2021 is 2.75 years.

A continuity of the options outstanding as at October 31, 2021 is as follows:

	Number	Weighted average exercise price \$
Balance, April 30, 2020	850,000	0.10
Issued	-	-
Balance, April 30, 2021 and October 31, 2021	850,000	0.10

The inputs used in the Black-Scholes calculation for the 2020 stock options are as follows:

	2020
Share price	\$0.10
Risk-free dividend rate	1.31%
Expected life of options	5
Dividend rate	0.00%
Annualized volatility	115%

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6. SHARE CAPITAL (continued)

e) Warrants

A Summary of the Company's share purchase warrants are as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding and exercisable, April 30, 2020	340,000	\$0.10
Granted	–	–
Outstanding and exercisable, April 30, 2021 and October 31, 2021	340,000	\$0.10

On December 10, 2019, the Company issued 340,000 agent warrants related to the IPO. The agent warrants are exercisable at \$0.10 per share and two year from the date of issue. The weighted average remaining contractual life of the warrants is 0.11 years.

The following assumptions were used for the Black-Scholes valuation of warrants issued:

	2020
Share price	\$0.10
Risk – free interest rate	1.70%
Expected life of warrants	2 years
Dividend rate	0%
Annualized volatility	115%

The fair value per agent's warrant issued is \$0.10.

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The following amounts are due to related parties and have been included in accounts payable and accrued liabilities:

	October 31, 2021	April 30, 2021
	\$	\$
Accounts payable and accrued liabilities	6,004	5,250

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7. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

The amounts are due to a law firm in which a director is a partner and to a company controlled by the Chief Financial Officer of the Company for professional fees. The amounts are non-interest bearing, unsecured and are due upon demand.

The Company had the following related party transactions for the three month period ended:

	<b>Period ended October 31, 2021</b>	<b>Period ended October 31, 2020</b>
	\$	\$
Professional fees	13,751	19,661

Key management includes directors and key officers of the Company, including the President, CEO and Chief Financial Officer. Management fees were provided by a company owned or controlled by the CEO.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. 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 or dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at October 31, 2021 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	\$	\$	\$	\$
Cash	100,712	-	-	100,712

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at October 31, 2021 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.