



Condensed Interim Consolidated Financial Statements

For the three and six months ended April 30, 2021

(unaudited)

(presented in Canadian dollars)

Notice of non-review of condensed interim financial statements

In accordance with National Instrument 51-102 Continuous Disclosure Obligations of the Canadian Securities Administrators, notice is given that the condensed interim consolidated financial statements for the six month period ended April 30, 2021 have not been reviewed by the Company's auditors.

Fox River Resources Corporation
Condensed Interim Consolidated Statements of Financial Position
(unaudited)

As at	Apr. 30, 2021	Oct. 31, 2020
Assets		
Current assets		
Cash and cash equivalents (note 3a)	\$ 2,653,940	\$ 592,666
Sales tax receivable	12,069	5,200
Prepaid expenses	4,306	7,011
Marketable securities (note 8)	51,136	39,104
	2,721,451	643,981
Non-current assets		
Restricted cash (note 3a)	20,000	5,000
Total assets	\$ 2,741,451	\$ 648,981
Liabilities		
Accounts payable and accrued liabilities	\$ 19,445	\$ 29,748
	19,445	29,748
Shareholders' equity		
Share capital (note 4)	3,452,442	1,271,643
Share based payment reserve (note 5)	283,283	125,580
Warrant reserve (note 6)	166,600	-
Deficit	(1,180,319)	(777,990)
	2,722,006	619,233
Total liabilities and shareholders' equity	\$ 2,741,451	\$ 648,981

Reporting entity (note 1)
Commitments and contingencies (note 11)
Events after the reporting period (note 14)

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

Fox River Resources Corporation
Condensed Interim Consolidated Statements of Operations and Comprehensive Income (Loss)
(unaudited)

	Three months ended Apr. 30, 2021	Three months ended Apr. 30, 2020	Six months ended Apr. 30, 2021	Six months ended Apr. 30, 2020
Expenses				
Exploration & evaluation expenditures (note 9)	\$ 35,637	\$ 11,780	\$ 60,713	\$ 64,664
Consulting fees (note 10)	29,000	25,500	54,500	51,000
Administration	26,889	11,095	37,596	26,906
Shareholder information	18,009	13,853	24,019	17,527
Professional fees	5,788	2,024	6,008	2,024
Share based payments (note 5 & 10)	232,333	-	232,333	-
(Loss) from operations	(347,656)	(64,252)	(415,169)	(162,121)
Interest income	388	1,688	808	6,237
Gain (loss) on change in fair value of marketable securities (note 8)	6,016	(6,016)	12,032	1,504
Net loss and comprehensive loss	\$ (341,252)	\$ (68,580)	\$ (402,329)	\$ (154,380)
Basic and fully diluted loss per share (note 7)	\$ (0.008)	\$ (0.002)	\$ (0.009)	\$ (0.004)

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

Fox River Resources Corporation
Condensed Interim Consolidated Statements of Cash Flows
(unaudited)

For the six months ended,	Apr. 30, 2021	Apr. 30, 2020
Cash flows from operating activities		
Net loss	\$ (402,329)	\$ (154,380)
Unrealized (gain) loss on marketable securities (note 8)	(12,032)	(1,504)
Share based payments (note 5)	232,333	-
Changes in non-cash working capital items		
Accounts receivable	(6,869)	(2,114)
Prepaid expenses	2,705	(5,855)
Accounts payable and accrued liabilities	(10,303)	(3,440)
	(196,495)	(167,293)
Cash flows from financing activities		
Proceeds on issuance of common shares (note 4)	2,200,000	-
Share issue costs (note 4)	(12,231)	-
Exercise of share options (note 5)	85,000	-
	2,272,769	-
Cash flows from investing activities		
Restricted cash	(15,000)	-
	(15,000)	-
Net change in cash and cash equivalents	2,061,274	(167,293)
Cash and cash equivalents, beginning of period	592,666	867,400
Cash and cash equivalents, end of period	\$ 2,653,940	\$ 700,107
Supplemental cash flow information		
Interest received	\$ 808	\$ 6,237

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

Fox River Resources Corporation
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(unaudited)

	Number of shares	Share capital	Share based payment reserve	Warrant reserve	Deficit	Total
Balance, October 31, 2019	41,278,527	\$ 1,271,643	\$ 125,580	\$ -	\$ (506,830)	\$ 890,393
Net loss and comprehensive loss for the period	-	-	-	-	(154,380)	(154,380)
Balance, April 30, 2020	41,278,527	\$ 1,271,643	\$ 125,580	\$ -	\$ (661,210)	\$ 736,013
Net loss and comprehensive loss for the period	-	-	-	-	(116,780)	(116,780)
Balance, October 31, 2020	41,278,527	\$ 1,271,643	\$ 125,580	\$ -	\$ (777,990)	\$ 619,233
Private placements (note 4)	8,800,000	2,200,000	-	-	-	2,200,000
Cost of issue of private placements - cash	-	(12,231)	-	-	-	(12,231)
Cost of issue of private placements - shares & warrants	516,000	(166,600)	-	166,600	-	-
Issuance of shares upon exercise of share options	1,700,000	159,630	(74,630)	-	-	85,000
Share based payments (note 5)	-	-	232,333	-	-	232,333
Net loss and comprehensive loss for the period	-	-	-	-	(402,329)	(402,329)
Balance, April 30, 2021	52,294,527	\$ 3,452,442	\$ 283,283	\$ 166,600	\$ (1,180,319)	\$ 2,722,006

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

Fox River Resources Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and six months ended April 30, 2021
(unaudited)

1. REPORTING ENTITY

Fox River Resources Corporation ("Fox River" or the "Company") was incorporated pursuant to the Canada Business Corporations Act under the name "9508309 Canada Inc." on November 12, 2015. Articles of amendment were subsequently filed on December 7, 2015 to change the name of the Company to "Fox River Resources Corporation". The registered office of the Company is located at 350 Bay Street, Suite 700, Toronto, Ontario M5H 2S6. The Company has one wholly-owned subsidiary: Baltic Resources Inc. ("Baltic").

The Company's business plan includes acquiring, exploring, evaluating and developing mineral and natural resources properties such as its wholly-owned Martison Phosphate Project.

In March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy, capital markets and the Company's financial position cannot be reasonably estimated at this time. The Company is monitoring developments and will adapt its business plans accordingly. The actual and threatened spread of COVID-19 globally could adversely impact the Company's ability to carry out its plans and raise capital. To date, the Company's operations have been minimally impacted and the Company continues to be able to plan and carry out activities.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") on the basis of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Accordingly, they do not include all of the information required for full annual financial statements as required by IFRS. These condensed interim consolidated financial statements are presented in Canadian dollars and should be read in conjunction with the Company's audited consolidated financial statements for the year ended October 31, 2020.

These condensed interim consolidated financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business, and on a historical cost basis except for the revaluation of certain financial instruments. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The Board of Directors approved the condensed interim consolidated financial statements and authorized their issuance on June 18, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial framework and accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those as disclosed in the most recently completed audited consolidated financial statements for the year ended October 31, 2020.

Fox River Resources Corporation
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Cash and cash equivalents

Cash and cash equivalents include money market instruments and Guaranteed Investment Certificates ("GICs") which are readily convertible into cash or have maturities at the date of purchase of less than ninety days.

	April 30, 2021	October 31, 2020
Cash	\$ 714,904	\$ 54,378
Money market instruments & GICs	1,939,036	538,288
Cash and cash equivalents	\$ 2,653,940	\$ 592,666

Restricted cash consists of GIC collateral of \$20,000 for a corporate credit card.

(b) Changes in accounting policies

The Company did not adopt any new accounting policies during the period ended April 30, 2021.

(c) Critical accounting estimates and significant judgements

The preparation of these financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. The financial statements include judgements and estimates which, by their nature, are uncertain, and actual outcomes could differ. The impacts of such judgements and estimates are pervasive throughout the 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 also in future periods when the revision affects both current and future periods. The preparation of these financial statements required the following critical accounting estimates and significant judgements:

- (i) The fair value of stock options issued is subject to the limitations of the Black Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in input assumptions can materially affect the fair value estimate.
- (ii) The preparation of the financial statements requires management to make judgments regarding the going concern of the Company.

4. SHARE CAPITAL

The authorized share capital consists of an unlimited number of common shares with no par value and an unlimited number of non-voting special shares. As at April 30, 2021, the Company had 52,294,527 common shares issued and outstanding.

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4. SHARE CAPITAL (continued)

On April 9, 2021, the Company closed a non-brokered private placement of 8,800,000 common shares at a price of \$0.25 per share for gross proceeds of \$2,200,000. In connection with the private placement, the Company paid finders fees to arm's length finders in connection with subscriptions from subscribers introduced by them, totaling \$3,000 in cash, 516,000 common shares of the Company, and 704,000 finders warrants exercisable at \$0.30 for two years from closing, which were valued at \$166,600. The Company also incurred legal fees of \$7,262, and filing and other fees of \$1,969.

	Number of Shares	Consideration
Balance, October 31, 2019 and 2020	41,278,527	\$ 1,271,643
Issuance of common shares by private placement, net of costs	9,316,000	2,021,169
Shares issued upon exercise of share options	1,700,000	159,630
Balance, April 30, 2021	52,294,527	\$ 3,452,442

5. SHARE BASED PAYMENTS

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of five years with vesting requirements at the discretion of the Board of Directors.

On April 26, 2021, the Company granted 2,100,000 share options to directors and officers of the Company exercisable at \$0.41 per share for a period of five years from the date of issuance. One-third of the options vest immediately, one-third vest on April 26, 2022, and one-third vest on April 26, 2023. The value ascribed to the 2,100,000 share options granted was estimated at \$697,000 using the Black-Scholes model for option pricing. The assumptions used to determine the value were: share price - \$0.41; expected dividend yield - 0%; weighted expected volatility - 115.88%; risk-free interest rate - 0.94% and an expected life of 5 years.

During the six months ended April 30, 2021, a total of 1,700,000 share options were exercised for gross proceeds of \$85,000 in exchange for the issuance of 1,700,000 common shares of the Company. The following table reflects the continuity of share options for the year ended October 31, 2020 and six months ended April 30, 2021.

	Options	Exercise price
Balance, October 31, 2019	2,700,000	\$ 0.05
Granted	-	-
Expired	(500,000)	0.05
Balance, October 31, 2020	2,200,000	0.05
Granted	2,100,000	0.41
Exercised	(1,700,000)	0.05
Balance, April 30, 2021	2,600,000	\$ 0.34

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5. SHARE BASED PAYMENTS (continued)

As at April 30, 2021, the following share options were outstanding and exercisable:

Expiry date	Outstanding	Exercisable	Exercise price
August 19, 2024	500,000	500,000	\$ 0.07
April 26, 2026	2,100,000	700,000	0.41
Options outstanding and exercisable	2,600,000	1,200,000	\$ 0.34

6. WARRANTS

The table below reflects the continuity of warrants for the year ended October 31, 2020 and six months ended April 30, 2021:

	Number of Warrants	Allocated Value
Balance, October 31, 2019 and 2020	-	\$ -
Issued	704,000	166,600
Balance, April 30, 2021	704,000	\$ 166,600

The exercise price and expiry date of the warrants outstanding as at April 30, 2021 are as follows:

Expiry date	Type	Number	Exercise price
April 9, 2023	Broker Warrants	704,000	\$ 0.30

7. INCOME (LOSS) PER SHARE

The following table sets forth the computation of basic and diluted income (loss) per share:

	Three months ended Apr. 30, 2021	Three months ended Apr. 30, 2020	Six months ended Apr. 30, 2021	Six months ended Apr. 30, 2020
Net income (loss)	\$ (341,252)	\$ (68,580)	\$ (402,329)	\$ (154,380)
Weighted-average common shares outstanding:				
Basic	44,145,224	41,278,527	42,688,118	41,278,527
Diluted	44,145,224	41,278,527	42,688,118	41,278,527
Basic income (loss) per common share	\$ (0.008)	\$ (0.002)	\$ (0.009)	\$ (0.004)
Diluted income (loss) per common share	\$ (0.008)	\$ (0.002)	\$ (0.009)	\$ (0.004)

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8. MARKETABLE SECURITIES

The Company did not buy or sell any marketable securities during the year ended October 31, 2020 or six months ended April 30, 2021. The Company held the following marketable securities as at April 30, 2021:

Company	Security	Cost
Chibougamau Independent Mines Inc.	300,800 common shares	\$ 40,126

Fair Value Oct. 31, 2019	Acquisition (Disposition)	Unrealized Gain / (Loss)	Fair Value Oct. 31, 2020	Acquisition (Disposition)	Unrealized Gain / (Loss)	Fair Value Apr. 30, 2021
\$ 28,576	\$ -	\$ 10,528	\$ 39,104	\$ -	\$ 12,032	\$ 51,136

9. EXPLORATION AND EVALUATION EXPENDITURES

The Company owns a 100% interest in the Martison Phosphate Project (the "Project"), which is located about 70 kilometers northeast of the town of Hearst, Ontario. The Project mining leases and claims cover a contiguous area of approximately 8,256 ha. The Company's interest in the Project is subject to a net sales returns ("NSR") royalty of 1% for all phosphate concentrate sold, a royalty of \$0.40 per tonne of phosphate concentrate produced subject to escalation based on phosphoric acid prices, and a NSR royalty of 2% for all non-phosphate-related products sold. The Company has a one-time right to acquire the 1% NSR royalty prior to commencement of commercial production for \$3,000,000.

The following table sets forth the items under exploration and evaluation expenditures:

	Three months ended Apr. 30, 2021	Three months ended Apr. 30, 2020	Six months ended Apr. 30, 2021	Six months ended Apr. 30, 2020
Leases and property taxes	\$ 12,575	\$ 420	\$ 13,847	\$ 3,139
Storage and rent	5,400	10,260	10,800	17,203
Technical and consulting	17,662	1,100	36,066	36,232
Travel and transportation	-	-	-	8,091
Exploration and evaluation expenditures	\$ 35,637	\$ 11,780	\$ 60,713	\$ 64,665

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10. RELATED PARTY TRANSACTIONS

(a) Director and executive compensation

Director and executive compensation for the three and six months ended April 30, 2020 and 2021 consisted of the following:

	Three months ended Apr. 30, 2021	Three months ended Apr. 30, 2020	Six months ended Apr 30, 2021	Six months ended Apr. 30, 2020
Cash compensation	\$ 29,000	\$ 25,500	\$ 54,500	\$ 51,000
Fair value of share options	232,333	-	232,333	-
Total	\$ 261,333	\$ 25,500	\$ 286,833	\$ 51,000

The following share options were granted to directors and officers during the six months ended April 30, 2021.

Expiry date	Number of options	Exercise price	Stock Price at grant	Risk-free interest rate	Expected life	Volatility factor	Fair value
Apr. 26, 2026	2,100,000	\$ 0.41	\$ 0.41	0.94%	5.0	115.88%	\$ 0.33

(b) Director and executive transactions

The aggregate value of transactions and outstanding balances relating to entities over which directors and executive management have control or significant influence were as follows:

	Note	Transaction value		Balance outstanding	
		6 mo. ended Apr. 30, 2021	6 mo. ended Apr. 30, 2020	Apr. 30, 2021	Apr. 30, 2020
Consulting fees	(i)	\$ 54,500	\$ 51,000	\$ -	\$ -
Total		\$ 54,500	\$ 51,000	\$ -	\$ -

- (i) Effective April 1, 2021, the Company pays consulting fees of \$7,000 per month to Stephen Case, the Chief Executive Officer and a Director, and \$5,000 per month to Fraser Laschinger, the Chief Financial Officer.

11. COMMITMENTS AND CONTINGENCIES

(a) Mining leases

The Company has three 21-year mining leases with the Province of Ontario which grant the Company surface and mining rights to the Project. One of the mining leases commenced on August 1, 2002 and the remaining two on May 1, 2011. The aggregate annual payment for the three leases is estimated to be approximately \$13,000.

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12. CAPITAL MANAGEMENT

The Company's capital structure consists of shareholder's equity, which amounted to \$2,722,006 on April 30, 2021. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. Neither the Company nor its subsidiary is subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period ended April 30, 2021.

13. FINANCIAL RISK FACTORS

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

(a) Credit risk

The Company's cash balance of \$ 714,904 is held by a Schedule I Canadian Chartered Bank. The Company's cash equivalents balance of \$1,939,036 primarily consists of investment savings accounts and/or guaranteed investment certificates issued by Schedule I Canadian Chartered Banks. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments is remote.

(b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to fund its liabilities as they become due. All of the Company's financial liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. As at April 30, 2021, the Company had cash and cash equivalents of \$2,653,940 to settle current liabilities of \$ 19,445 .

(c) Interest rate risk

The Company has cash balances and no interest-bearing debt. Interest rate risk is remote.

(d) Market price risk

The Company is indirectly exposed to price risk with respect to the price of phosphate products. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

(e) Marketable securities price risk

The Company is exposed to equity securities price risk because of the marketable securities held by the Company. The Company's marketable securities are not part of its core operations, and accordingly, gains and losses from these investments are not representative of the Company's performance. As at April 30, 2021, the impact of a 10% increase or decrease in the share prices of the marketable securities would have resulted in an increase or decrease of \$ 5,114 that would have been included in net loss and comprehensive loss.

Fox River Resources Corporation
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(unaudited)

14. EVENTS AFTER THE REPORTING PERIOD

Effective May 15, 2021, the Company engaged Harbor Access LLC ("Harbor") to assist the Company with investor relations activities in Canada and the United States of America. Harbor will receive a cash fee of \$6,250 per month for an initial six month period.