

Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars)

BRIXTON METALS CORPORATION
(An Exploration Stage Company)

Three and Six months ended March 31, 2021 and 2020

Unaudited – prepared by management

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Financial Position
(Unaudited – expressed in Canadian dollars)

	March 31 2021	September 30, 2020
Assets		
Current assets:		
Cash	\$ 7,616,969	\$ 5,233,148
Receivables (Note 5)	712,589	806,406
Prepaid expenses (Note 6)	220,509	244,016
	8,550,067	6,283,570
Restricted cash (Note 7)	537,364	495,364
Equipment (Note 8)	195,774	241,551
Exploration and evaluation assets (Note 9)	8,335,569	7,210,840
Total Assets	\$ 17,618,774	\$ 14,231,325
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 22,888	\$ 326,702
Due to related parties (Note 10)	15,750	160,825
Lease liabilities (Note 11)	46,372	43,189
Flow-through share premium liability (Note 12(b))	653,279	18,232
	738,289	548,948
Lease liabilities - non-current (Note 11)	21,189	45,273
Reclamation obligation (Note 9)	176,075	176,075
Total Liabilities	935,553	770,296
Shareholders' equity:		
Share capital (Note 12(b))	54,548,247	47,893,291
Reserves (Note 12(d))	9,270,900	8,336,289
Deficit	(47,135,926)	(42,768,551)
	16,683,221	13,461,029
Total Liabilities and Shareholders' Equity	\$ 17,618,774	\$ 14,231,325

Nature of operations and going concern (Note 1)

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

Approved on behalf of the Board:

“Cale Moodie” _____ Director

“Gary Thompson” _____ Director

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited – expressed in Canadian dollars)

	Three months ended		Six months ended	
	Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020
Expenses:				
Amortization (Note 8)	\$ 22,888	\$ 22,985	\$ 45,777	\$ 40,029
Conference and exhibition	15,973	47,177	25,649	72,967
Directors' fees (Note 10)	15,500	15,000	29,000	28,500
Exploration and evaluation expenditures (Note 9)	1,605,297	297,071	3,038,293	1,394,527
Insurance	7,103	6,307	14,206	12,613
Interest and bank charges	1,029	15,226	2,787	16,340
Investor relations	88,037	82,664	197,502	216,955
Listing and filing fees	49,981	12,619	53,667	28,656
Management fees (Note 10)	97,600	101,981	159,616	199,106
Office and sundry	35,223	19,690	83,618	40,097
Professional services (Note 10)	62,661	38,807	109,317	86,162
Rent	8,831	12,850	17,661	31,954
Salaries and employee benefits (Note 10)	94,383	30,598	172,442	67,426
Share-based payments (Note 10, 12(d))	909,707	-	909,707	-
Travel and meals	765	5,584	2,159	11,433
	(3,014,978)	(708,559)	(4,861,401)	(2,246,765)
Gain on sale of equipment	-	-	-	-
Interest income	13,425	16,404	22,499	32,988
Lease accretion (Note 11)	(1,763)	(1,383)	(3,786)	(1,383)
Reduction of flow-through premium liability (Note 12(b))	396,936	41,545	475,313	55,794
	408,598	56,566	494,026	87,399
Loss and comprehensive loss for the period	\$ (2,606,380)	\$ (651,993)	\$ (4,367,375)	\$ (2,159,366)
Loss per share - basic and diluted	\$ (0.01)	\$ (0.00)	\$ (0.02)	\$ (0.02)
Weighted average number of shares outstanding	197,811,224	144,529,715	191,350,700	141,187,639

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

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Unaudited – expressed in Canadian dollars, except share amounts)

	Number of shares	Share capital	Share-based payments reserve	Deficit	Total equity
September 30, 2019	134,808,491	\$ 39,541,846	\$ 7,782,579	\$ (35,310,214)	\$ 12,014,211
Common shares issued for mineral properties	515,000	89,300	-	-	89,300
Common shares issued for cash	350,000	70,000	-	-	70,000
Flow through shares issued for cash	8,914,183	2,139,404	-	-	2,139,404
Flow through premium liability	-	(356,567)	-	-	(356,567)
Warrants exercised	7,700	1,991	(836)	-	1,155
Share issuance costs	-	(260,362)	55,254	-	(205,108)
Loss for the period	-	-	-	(2,159,366)	(2,159,366)
March 31, 2020	144,595,374	41,225,612	7,836,997	(37,469,580)	11,593,029
Common shares issued for mineral properties	2,438,317	902,177	-	-	902,177
Common shares issued for cash	12,689,000	3,172,250	-	-	3,172,250
Flow through shares issued for cash	8,319,400	2,329,432	-	-	2,329,432
Flow through premium liability	-	(249,582)	-	-	(249,582)
Share-based payments	-	-	440,930	-	440,930
Stock options exercised	640,000	199,386	(95,386)	-	104,000
Warrants exercised	3,072,756	847,294	(87,749)	-	759,545
Share issuance costs	-	(533,278)	241,497	-	(291,781)
Loss for the period	-	-	-	(5,298,971)	(5,298,971)
September 30, 2020	171,754,847	47,893,291	8,336,289	(42,768,551)	13,461,029
Common shares issued for mineral properties	1,200,000	420,000	-	-	420,000
Common shares issued for cash	8,510,638	2,000,000	-	-	2,000,000
Flow through shares issued for cash	13,792,002	4,965,121	-	-	4,965,121
Flow through premium liability	-	(1,110,360)	-	-	(1,110,360)
Share-based payments	-	-	909,707	-	909,707
Stock options exercised	140,000	37,818	(16,818)	-	21,000
Warrants exercised	2,413,737	642,393	(29,716)	-	612,677
Share issuance costs	-	(300,016)	71,438	-	(228,578)
Loss for the period	-	-	-	(4,367,375)	(4,367,375)
March 31, 2021	197,811,224	\$ 54,548,247	\$ 9,270,900	\$ (47,135,926)	\$ 16,683,221

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

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Cash Flows
(Unaudited – expressed in Canadian dollars)

	Six months ended	
	Mar 31, 2021	Mar 31, 2020
Cash flows used in operating activities:		
Loss for the period	\$ (4,367,375)	\$ (2,159,366)
Items not affecting cash:		
Amortization	45,777	40,029
Recognition of flow-through premium liability	(475,313)	(55,794)
Lease accretion	3,786	1,383
Share-based payments	909,707	-
	(3,883,418)	(2,173,748)
Changes in non-cash working capital:		
Receivables	93,817	185,760
Prepaid expenses	23,507	28,751
Accounts payable and accrued liabilities	(303,814)	(778,090)
Due to related parties	(145,075)	(170,453)
	(4,214,983)	(2,907,780)
Cash flows used in investing activities:		
Mineral property acquisition costs	(1,339,729)	(36,419)
Purchase of equipment	-	(45,710)
Option payments received	635,000	-
Reclamation bonds posted as restricted cash	(42,000)	-
	(746,729)	(82,129)
Cash flows from financing activities:		
Shares issued for cash	6,965,121	2,209,404
Stock options exercised	21,000	-
Warrants exercised	612,677	1,155
Payments towards lease liabilities	(24,687)	(6,543)
Share issuance costs	(228,578)	(205,108)
	7,345,533	1,998,908
Change in cash	2,383,821	(991,001)
Cash, beginning of the period	5,233,148	5,842,871
Cash, end of the period	\$ 7,616,969	\$ 4,851,870
Supplemental non-cash financing information:		
Shares issued for mineral properties	\$ 420,000	\$ 89,300
Finders warrants issued	\$ 71,438	\$ 55,254
Equipment in accounts payable - opening	\$ -	\$ 45,710
Flow-through premium liability on issuance of flow-through shares	\$ 1,110,360	\$ 356,567
Amounts transferred to share capital on exercise of options	\$ 16,818	\$ 172,414
Amounts transferred to share capital on exercise of warrants	\$ 29,716	\$ 836

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

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

1. Nature of operations and going concern:

Brixton Metals Corporation (“Brixton” or the “Company”) was incorporated under the Business Corporations Act of British Columbia on September 28, 2009. The Company is an exploration stage company and engages principally in the acquisition, exploration, and evaluation of mineral properties. The Company’s head office address is Suite 551 – 409 Granville Street, Vancouver, BC, V6C 1T2, Canada. The Company is listed on the TSX Venture Exchange (“TSX-V”) and trades under the symbol BBB.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business.

The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or achieve operating profitability and generate positive cash flows. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company will be required to curtail operations, exploration, and evaluation activities.

During the period ended March 31, 2021, the Company completed financings and estimates it has sufficient funds to operate for the ensuing 12 months.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

These condensed consolidated interim financial statements do not reflect adjustments, which could be material to the carrying values of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

2. Significant accounting policies:

(a) Statement of compliance:

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounts Standards (“IAS”) 34, “Interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

2. Significant accounting policies (continued):

(a) Statement of compliance (continued):

Unless otherwise stated, amounts are expressed in Canadian dollars.

These condensed consolidated interim financial statements were authorized for issuance by the Board on May 31, 2021.

(b) Basis of consolidation:

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiary Brixton USA Corporation (“Brixton USA”). The financial statements of Brixton USA are included in the condensed consolidated interim financial statements from the date on which control was transferred to the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All significant intercompany accounts and transactions have been eliminated on consolidation.

(c) Critical accounting judgments and estimates:

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. The most significant accounts that require estimates as the basis for determining the stated amounts include: impairment of exploration and evaluation assets; provision for environmental rehabilitation; inputs used in the valuation of share-based payments and accrual of refundable tax credits.

Share-based payments:

The Company uses the fair value-based method of accounting for stock options granted to employees and others as well as agent options issued on common share issuances. Under this method, the fair value of the stock options at the date of the grant, as determined using the Black-Scholes option pricing model, is recognized to expense over the vesting period. The fair value of agent options at the date of issuance, as determined using the Black-Scholes model, is recognized as share issuance costs, with the offsetting credit to share-based payments reserve. If the stock options or agent options are exercised, the proceeds are credited to share capital and the fair value of the options or agent options exercised is reclassified from share-based payments reserve to share capital.

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

2. Significant accounting policies (continued):

(c) Critical accounting judgments and estimates (continued):

Estimates (continued)

Exploration and evaluation assets:

The Company capitalizes mining property acquisition costs which are to be amortized when production is attained or the balance thereof written off should the property be disproven through exploration or abandoned. The carrying value of the Company's mineral property is reviewed by management at least annually, or whenever events or circumstances indicate that its carrying value may not be recovered. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at fair value less costs to sell.

Environmental rehabilitation obligation:

The Company recognizes statutory, contractual or other legal obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset.

Accrual of refundable mining tax credits

The provincial government of BC provides for a refundable tax on net qualified mining exploration expenditures incurred in BC. The credit is calculated as 20% of qualified mining exploration expenses. Management has estimated and accrued the likely refundable amount arising from expenditures incurred.

Judgments

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements are as follows:

Lease term of contracts with renewal options:

The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew, including the consideration of all relevant factors that create an economic incentive to exercise the renewal option.

Going concern:

Significant judgments are made in the Company's assessment of its ability to continue as a going concern as described in Note 1.

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

3. Significant accounting policies:

The accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the preparation of the audited consolidated financial statements for the year ended September 30, 2020.

4. Capital management:

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and to bring its mineral properties to commercial production.

The Company depends on external financing to fund its activities. The capital structure of the Company currently consists of common shares, stock options and share purchase warrants. 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, being mineral properties. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, or sell assets to fund operations. Management reviews its capital management strategy on a regular basis. The Company is not subject to externally imposed capital requirements.

The Company invests all capital that is surplus to its immediate operational needs in short-term, liquid and highly-rated financial instruments, such as cash and other short-term demand guaranteed deposits, all held with major financial institutions.

5. Receivables:

	Mar 31, 2021	Sept 30, 2020
Amounts due from Government of Canada pursuant to GST input tax credits	\$ 138,433	\$ 232,250
Amounts due from Government of BC pursuant to BC Mining Exploration tax credit	573,644	573,644
Other	512	512
Total	\$ 712,589	\$ 806,406

6. Prepaid expenses:

	Mar 31, 2021	Sept 30, 2020
Prepaid insurance	\$ 10,547	\$ 24,753
Prepaid expenses and advances to related parties (Note 10)	35,464	33,764
Other prepaid expenses	174,498	185,499
Total	\$ 220,509	\$ 244,016

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(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

7. Restricted cash:

At March 31, 2021, the Company had a total of \$537,364 (September 30, 2020 - \$495,364) in bonds, comprising \$378,051 (September 30, 2020 - \$336,051) held with the Government of British Columbia for potential reclamation costs on its Thorn and Yellowjacket (Atlin) projects in British Columbia and \$159,313 (September 30, 2020 - \$159,313) held with the State of Montana for potential reclamation costs on its Hog Heaven project in Montana, USA. These bonds are refundable at such time the Company completes the required exploration activities and receives approval from the regulating authorities.

8. Equipment:

	Building	Mining equipment	Computer equipment	Vehicles	Right-of-Use Asset	Total
Cost						
Balance, September 30, 2019	\$ 198,315	\$ 8,850	\$ 23,723	\$ 57,675	\$ -	288,563
Additions	-	-	5,146	-	125,441	130,587
Disposals	-	(8,850)	-	-	-	(8,850)
Balance, September 30, 2020 and March 31, 2021	\$ 198,315	\$ -	\$ 28,869	\$ 57,675	\$ 125,441	\$ 410,300
Accumulated Amortization						
Balance, September 30, 2019	\$ -	\$ 2,656	\$ 20,476	\$ 38,201	\$ -	\$ 61,333
Amortization expense	59,495	1,084	1,103	5,842	43,632	111,156
Disposals	-	(3,740)	-	-	-	(3,740)
Balance, September 30, 2020	\$ 59,495	\$ -	\$ 21,579	\$ 44,043	\$ 43,632	\$ 168,749
Amortization expense	20,823	-	1,094	2,045	21,815	45,777
Balance, March 31, 2021	\$ 80,318	\$ -	\$ 22,673	\$ 46,088	\$ 65,447	\$ 214,526
Net Book Value						
Balance, September 30, 2020	\$ 138,820	\$ -	\$ 7,290	\$ 13,632	\$ 81,809	\$ 241,551
Balance, March 31, 2021	\$ 117,997	\$ -	\$ 6,196	\$ 11,587	\$ 59,994	\$ 195,774

9. Exploration and evaluation assets:

Balance consists of:

	March 31, 2021	September 30, 2020
Thorn, BC, Canada	\$ 4,720,308	\$ 4,330,592
Langis, Ontario, Canada	474,171	466,251
Atlin, BC, Canada	1,308,853	1,308,853
Hog Heaven, Montana, USA	1,832,237	1,105,144
Total	\$ 8,335,569	\$ 7,210,840

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

9. Exploration and evaluation assets (continued):

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many exploration and evaluation assets. The Company has investigated title to its exploration and evaluation assets and to the best of its knowledge title to the assets is in good standing.

(a) Thorn, BC, Canada:

On February 26, 2013, the Company completed the acquisition of a 100% interest in the Thorn mineral property, located in the Sutlahine River area in northwestern British Columbia, for consideration of \$1,500,000 cash and the issuance of 7,000,000 common shares (valued at \$1,260,000). The property is subject to underlying net smelter returns royalties (“NSR”) ranging from nil to 3.5% with certain NSR buy-down rights. In addition to the royalties the Company must satisfy underlying obligations to an underlying agreement in respect of the property which requires the Company to issue 250,000 shares or make a one-time cash payment of \$1,000,000 upon commercial production.

During the year ended September 30, 2020, the Company issued 350,000 common shares, valued at \$61,250, to acquire 100% title on certain claims as part of the project.

Trapper Project

On August 27, 2020, the Company entered into a purchase agreement to acquire a 100% interest in the Trapper Project for consideration of 2,324,393 common shares (issued with a fair value of \$860,025) and \$100,000 in cash (paid). In connection with the transaction, the Company has also entered into agreements to terminate NSR’s and other economic interests held by third parties by paying \$65,000 and issuing 113,924 common shares at a value of \$42,152.

Metla Project

On August 24, 2020, the Company entered into a purchase agreement to acquire a 100% interest in the Metla mineral claim group for consideration of 1,200,000 common Brixton shares (issued during the period ended March 31, 2021 with a fair value of \$420,000) and \$42,000 in cash. The Metla claims will be subject to a 1.0% NSR.

Taku River Tlingit First Nations Agreement

On July 19, 2013, the Company entered into an exploration agreement with the Taku River Tlingit First Nation (“TRTFN”) under which TRTFN will consent to exploration activities and support the development of the Thorn project. In exchange, the Company shall pay an annual community contribution fee of 1.25% based on the Company’s annual exploration budget and provide opportunities for local employment, training and contracting related to the project.

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

9. Exploration and evaluation assets (continued):

(a) Thorn, BC, Canada (continued):

As at March 31, 2021, the Company has recognized a reclamation obligation of \$29,000 (September 30, 2020 - \$29,000). The undiscounted amount of estimated cash flows was estimated at \$52,000. The liability was estimated using an expected life of 26 years and a net risk-free discount rate of 1.1%.

(b) Langis, Ontario, Canada:

On February 2, 2016, the Company acquired a 100% interest in the Langis silver mine located in the Cobalt silver mining camp of Northeastern Ontario for consideration of 3,242,500 common shares (valued at \$226,975) and a cash payment of \$55,000. The Company also paid a finder's fee of \$6,887 and 106,351 common shares valued at \$9,572. The property is subject to underlying NSR ranging from nil to 2.0% of net smelter returns with certain NSR buy-down rights.

On April 13, 2016, the Company acquired additional mineral rights related to the Langis property in exchange for consideration of \$5,000 and 250,000 common shares (valued at \$107,500). The property is subject to 2% NSR with certain NSR buy-down rights.

On April 19, 2016, the Company acquired a 100% interest in the past-producing Hudson Bay silver mine in the Cobalt silver mining camp of Ontario through the issuance of 27,300 common shares (valued at \$27,300) and a cash payment of \$1,000.

On July 7, 2016, the Company entered into an agreement with a vendor whereby the Company acquired additional mining rights in the Langis property through the issuance of 10,000 common shares (valued at \$8,300) and a cash payment of \$3,000. The property is subject to 2% NSR with certain NSR buy-down rights.

During fiscal 2017, the Company completed an agreement with Agnico Eagle Mines Ltd. ("Agnico Eagle") and acquired a 100% interest over certain additional property adjacent to the Langis property for consideration of cash paid of \$200,000. Agnico Eagle retains a 2% NSR, of which the Company may purchase 1% for \$500,000.

On June 7, 2017, the Company entered into an agreement to sell a 100% interest in certain of the Company's non-core mineral claims located in the Cobalt silver mining camp in Ontario for consideration of \$325,000 cash (received). The Company paid a \$16,250 finder's fee in connection with this transaction.

As at March 31, 2021, the Company has recognized a reclamation obligation of \$30,007 (September 30, 2020 - \$30,007). The undiscounted amount of estimated cash flows was estimated at \$56,000. The liability was estimated using an expected life of 27 years and a net risk-free discount rate of 1.1%.

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Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

9. Exploration and evaluation assets (continued):

(b) Langis, Ontario, Canada (continued):

Timiskaming First Nations Agreement

On May 2, 2016, the Company entered into an exploration agreement with Timiskaming First Nation (“TFN”), under which TFN will consent to exploration activities and support the development of the Company’s Langis project and other cobalt lands, in exchange for the Company paying an annual community contribution of 1.25% based on the Company’s annual exploration budget and providing opportunities for local employment, training and contracting related to the project.

(c) Atlin, BC, Canada:

On January 25, 2017, the Company entered into an option agreement to acquire a 100% interest in the Eagle property located in Atlin, British Columbia, for consideration of \$65,000 (\$40,000 paid) and the issuance of 115,000 common shares (total 75,000 shares issued valued at \$22,800), payable over a three year period. The vendors will retain a 2% NSR, of which the Company may purchase 1% for \$500,000.

On March 14, 2017, the Company entered into an agreement and acquired a 100% interest in additional mineral claims located in Atlin, British Columbia, by paying \$13,000 and issuing 20,000 common shares (valued at \$10,600). The property is subject to an NSR ranging from 0.2% to 0.5% with certain NSR buy-down rights.

During fiscal 2018, the Company entered into a series of separate asset purchase and sale agreements to acquire a 100% interest in certain mineral claims including the McKee, Otter, Yellowjacket and Spruce group of properties located in the Atlin mining district in British Columbia. In consideration, the Company paid \$70,000 and issued 5,060,000 common shares, valued at \$1,082,000. As part of the acquisition, the Company acquired equipment valued at \$69,825. The properties are subject to an NSR ranging from 1% to 1.5% with certain NSR buy-down rights.

During fiscal 2018, the Company also acquired a total of \$172,051 in bonds held with the Government of British Columbia in connection with potential reclamation costs on the Yellowjacket property, which have been recorded as restricted cash at September 30, 2021 and March 31, 2021.

During fiscal 2019, the Company entered into an asset purchase and sale agreement to acquire a 100% interest in certain mineral claims in the Atlin mining district in British Columbia. In consideration, the Company paid \$3,500 (paid) and issued 40,000 common shares (valued at \$6,350).

On January 7, 2020, the Company amended an agreement with respect to their Eagle property on the Atlin project, wherein the third-year payments of \$25,000 cash and 40,000 common shares were amended to a total of 165,000 common shares. On January 15, 2020, the Company issued the 165,000 common shares, with a fair value of \$28,050, resulting in the Company fulfilling all the requirements under the agreement and receiving 100% title on these claims.

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(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

9. Exploration and evaluation assets (continued):

(c) Atlin, BC, Canada (continued):

As at March 31, 2021, the Company has recognized a reclamation obligation of \$80,983 (September 30, 2020 - \$80,983). The undiscounted amount of estimated cash flows was estimated at \$89,553. The liability was estimated using an expected life of 8 years and a net risk-free rate of 0.5%.

(d) Hog Heaven, Montana, USA:

On June 21, 2017, the Company acquired a 100% interest in the Hog Heaven project in Montana, USA, through the issuance of 2,687,091 common shares (valued at \$994,224). The property is subject to a 3.0% NSR. During the period ended March 31, 2021, the Company paid USD \$1,000,000 (CAD \$1,321,420) to acquire 1.5% of the 3.0% NSR.

As at March 31, 2021, the Company has recognized a reclamation obligation of \$36,085 (September 30, 2020 - \$36,085). The undiscounted amount of estimated cash flows was estimated at \$67,000. The liability was estimated using an expected life of 27 years and a net risk-free discount rate of 1.1%.

During the year ended September 30, 2018, the Company paid a total of \$159,313 in bonds held with the State of Montana in connection with potential reclamation costs on the Hog Heaven property, which have been recorded as restricted cash at September 30, 2020 and March 31, 2021.

Earn-in Agreement

On October 26, 2020, the Company entered into an agreement with respect to a US\$44,500,000 earn-in and joint venture (“Heads of Agreement”) on its wholly owned Hog Heaven Project with High Power Exploration Inc. (“HPX”).

HPX has the right to earn a 51% interest in the Hog Heaven Project by making a total of US\$4,500,000 in cash payments and incurring US\$15,000,000 in exploration expenditures. Further, HPX may earn an additional 24% interest (for a total of a 75% interest) in the Hog Heaven Project by incurring an additional US\$25,000,000 in exploration expenditures, as follows:

- Stage 1 Cash Payments: A cash payment of US\$500,000 (received CAD 635,000 during the period ended March 31, 2021) will be paid by HPX on signing a definitive earn-in agreement, and further cash payments of US\$500,000 are due in each of following four years, and payments of US\$1,000,000 are due in each of the fifth and six years (for a total of US\$4,500,000 in cash payments);
- Stage 1 Earn-In: HPX shall fund aggregate expenditures of US\$15,000,000 (“Stage 1 Earn-In Expenditures”) to earn a 51% interest in Brixton USA Corporation (the “Joint Venture Company”), with no less than US\$3,000,000 of the Stage 1 Earn-In Expenditures being incurred by the second anniversary date of the Heads of Agreement;

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

9. Exploration and evaluation assets (continued):

(d) Hog Heaven, Montana, USA (continued):

- Stage 2 Earn-In: HPX has the right to increase its interest in the Joint Venture Company to 75% by funding an additional US\$25,000,000 in expenditures ("Stage 2 Earn-In Expenditures"), as follows: by incurring minimum expenditures of US\$10,000,000 by the ninth anniversary date and incurring an additional US\$15,000,000 in expenditures before the eleventh anniversary date;
- Operator: HPX shall control and direct all exploration, development and other related activities during the earn-in periods at the Hog Heaven Project; and

From the date the Stage 2 Earn-In is complete until the date that the Joint Venture Company makes a decision to commence the development and construction of an operating mine at the Hog Heaven Project, each of Brixton and HPX shall fund the activities and operations of the Joint Venture Company pro rata as to their percentage interest in the Joint Venture Company, except that, if requested by Brixton, HPX shall fund Brixton's pro rata portion of the costs of the activities and operations of the Joint Venture Company but Brixton's pro rata portion of the costs shall accrue in a notional account with interest calculated at the annual rate equal to the US Federal Reserve Secured Overnight Financing Rate + 7% ("Brixton Deferred and Accrued Costs").

At the date a construction decision is made, the Brixton Deferred and Accrued Costs shall become due and payable, and owing to HPX, and shall be paid within twelve (12) months of the date a construction decision is made, failing which Brixton shall be subject to dilution pursuant to a standard dilution calculation. If a party's interest in the Joint Venture Company is diluted below ten (10%) percent, then the shares of the Joint Venture Company held by such party shall be cancelled and its shareholding interest converted into a 2.0% NSR.

HPX is not obligated to make or fund any expenditures under the Heads of Agreement and may cease making payments at any time. If HPX completes the Stage 1 Earn-In but elects not to proceed with the Stage 2 Earn-In, HPX will transfer to the Company a 2% interest in the Joint Venture Company, such that the interests are 49% HPX and 51% Brixton, and the Company shall retain a right of first offer to purchase all of HPX's interest. The transactions contemplated by the Heads of Agreement were formalized into a definitive earn-in agreement on March 2, 2021.

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

9. Exploration and evaluation assets (continued):

During the six months ended March 31, 2021, the Company incurred the following exploration expenditures:

	Thorn Property BC, Canada	Langis Property ON, Canada	Atlin Property BC, Canada	Hog Heaven Property Montana, USA	General Exploration	Total
Six months ended March 31, 2021						
Analysis	\$ 197,266	\$ 234,190	\$ 2,593	\$ 3,974	\$ -	\$ 438,023
Camp and general	144,326	185,126	21,924	26,109	-	377,485
Community relations	35,375	32,434	-	-	-	67,809
Drilling	113,356	1,275,952	-	-	-	1,389,308
Field supplies and rentals	188,966	44,265	-	-	-	233,231
Field transportation	103,581	9,049	-	-	-	112,630
Finders fees	-	-	-	50,000	-	50,000
Geological consulting	179,782	156,757	413	15,647	-	352,599
Geophysics and metallurgy	-	-	7,350	-	-	7,350
Maps, orthos, and reports	21	-	-	-	-	21
Permitting	9,837	-	-	-	-	9,837
Total for the period	\$ 972,510	\$ 1,937,773	\$ 32,280	\$ 95,730	\$ -	\$ 3,038,293
Six months ended March 31, 2020						
Analysis	\$ 184,167	\$ 1,750	\$ 6,569	\$ 1,428	\$ -	\$ 193,914
Camp and general	141,213	41,826	24,181	-	-	207,220
Community relations	66,001	-	-	-	-	66,001
Drilling	220,562	78,803	-	-	-	299,365
Field supplies and rentals	128,873	11,056	3,198	-	-	143,127
Field transportation	315,949	5,090	-	-	-	321,039
Geological consulting	162,889	22,499	2,200	2,645	-	190,233
Geophysics and metallurgy	(26,560)	-	-	-	-	(26,560)
Maps, orthos, and reports	20	66	-	-	-	86
Permitting	-	-	-	102	-	102
Total for the period	\$ 1,193,114	\$ 161,090	\$ 36,148	\$ 4,175	\$ -	\$ 1,394,527

10. Related party transactions:

During the six months ended March 31, 2021, the Company paid or accrued the following amounts to key management personnel or companies controlled by them:

	March 31, 2021	March 31, 2020
Management fees, salaries and professional services	\$ 197,794	\$ 264,753
Director fees	29,000	27,000
Share-based payments	519,833	-
Total	\$ 746,626	\$ 291,753

Key management is defined as directors and officers of the Company.

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

10. Related party transactions (continued):

As at March 31, 2021, the Company had \$15,750 (September 30, 2020 - \$160,825) due to directors, officers, and companies with a director in common. Amounts due to related parties are non-interest bearing, with no fixed terms of repayments. During the six months ended March 31, 2021, a spouse of a director received \$48,715 (2020 - \$24,796) for administrative services (included in salaries and employee benefits) and \$51,983 (2020 - \$nil) for share-based compensation. Amounts prepaid to directors and officers are disclosed in Note 6.

11. Lease liabilities:

The Company entered into an office lease agreement during 2017. The lease term had an expiration of August 14, 2020 with an option to renew the lease for additional periods. During the year ended September 30, 2020, the Company extended the lease to August 14, 2022 for total undiscounted payments from the date of adoption of \$142,033. Using an annual discount rate of 10%, the Company recognized additions to lease liabilities and right-of-use assets of \$125,441.

The following is a reconciliation of the changes in the lease liabilities:

	March 31, 2021	September 30, 2020
Opening balance	\$ 88,462	\$ -
Additions	-	125,441
Lease accretion	3,786	10,500
Payments	(24,687)	(47,479)
Lease liabilities	67,561	88,462
Lease liabilities, current portion	(46,372)	(43,189)
	\$ 21,189	\$ 45,273

12. Share capital:

(a) Authorized share capital:

Unlimited common shares without par value.

(b) Issued and outstanding common shares:

(i) Share issuances:

2021 Transactions

On October 5, 2020, the Company issued 1,200,000 shares valued at \$420,000 on the acquisition of a 100% interest in the Metla mineral claim group (Note 9(a)).

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

12. Share capital (continued):

(b) Issued and outstanding common shares (continued):

(i) Share issuances (continued):

During the period ended March 31, 2021, 2,413,737 warrants were exercised for gross proceeds of \$612,677 and 140,000 stock options were exercised for gross proceeds of \$21,000. The Company reclassified \$29,716 and \$16,818 from share-based payments reserve to share capital in relation to the fair value of the warrants and stock options exercised respectively.

2020 Transactions

On January 10, 2020, the Company issued 350,000 shares valued at \$61,250 for 100% interest on certain claims on the Thorn project (Note 9(a)).

On January 15, 2020, the Company issued 165,000 common shares valued at \$28,050 with respect to an amendment on its Eagle property (Note 9(c)).

On September 8, 2020, the Company issued an aggregate of 2,438,317 common shares valued at \$902,177 with respect to the acquisition of the Trapper Project and its NSRs (Note 9(a)).

During the year ended September 30, 2020, 3,080,456 warrants were exercised for gross proceeds of \$760,700 and 640,000 stock options were exercised for gross proceeds of \$104,000. The Company reclassified \$88,585 and \$95,386 from share-based payments reserve to share capital in relation to the fair value of the warrants and stock options exercised respectively.

Private placements

On November 3, 2020, the Company closed a private placement by issuing 8,510,638 common share units at a price of \$0.235 for gross proceeds of \$2,000,000. Each unit is comprised of one common share of the Company and one common share purchase warrant entitling the holder thereof to acquire one common share of the Company at a price of \$0.35 for a period of 36 months from the date of closing of the placement.

On November 19, 2020, the Company closed a non-brokered private placement of flow-through common shares for gross proceeds of \$4,461,121, by issuing 12,392,002 flow-through shares at a price of \$0.36 each. In connection with the offering, the Company paid finders' fees of \$137,421 and issued an aggregate of 381,724 finder's warrants valued at \$59,657. Each finder's warrant is exercisable for one common share of the Company at an exercise price of \$0.36 for a period of 24 months from the date of closing. In addition to finders' fees, the Company incurred additional closing costs of \$11,499 in connection with the offering. The Company recognized a flow-through premium liability of \$991,360, of which \$457,081 was recognized as a recovery on flow-through premium liability during the period ended March 31, 2021.

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

12. Share capital (continued):

(b) Issued and outstanding common shares (continued):

(i) Share issuances (continued):

On December 18, 2020, the Company closed a non-brokered private placement of flow-through common shares for gross proceeds of \$504,000, by issuing 1,400,000 flow-through shares at a price of \$0.36 each. In connection with the offering, the Company paid finders' fees of \$30,240 and issued an aggregate of 84,000 finder's warrants valued at \$11,792. Each finder's warrant is exercisable for one common share of the Company at an exercise price of \$0.36 for a period of 24 months from the date of closing. In addition to finders' fees, the Company incurred additional closing costs of \$49,418 in connection with the offering. The Company recognized a flow-through premium liability of \$119,000, of which \$nil was recognized as a recovery on flow-through premium liability during the period ended March 31, 2021.

On August 12, 2020, the Company closed a non-brokered private placement of units and flow-through common shares of the Company for gross proceeds of \$5,501,682, by issuing 12,689,000 units at a price of \$0.25 each and 8,319,400 flow-through shares at a price of \$0.28 each. Each unit is comprised of one common share and one common share purchase warrant, entitling the holder to acquire one additional common share at a price of \$0.35 for a period of 36 months from the date of closing. In connection with the offering the Company paid finders' fees of \$204,686 and issued an aggregate of 770,364 finder's warrants valued at \$241,496. Each finder's warrant is exercisable for one common share of the Company at an exercise price of \$0.25 for a period of 24 months from the date of closing. In addition to finders' fees, the Company incurred additional closing costs of \$81,741 in connection with the offering. The Company recognized a flow-through premium liability of \$249,582, of which \$231,350 was recognized as a recovery on flow-through premium liability during the year ended September 30, 2020. The remaining \$18,232 was recognized as a recovery on flow-through premium liability during the period ended March 31, 2021.

On November 27, 2019, the Company completed a non-brokered private placement of total gross proceeds of \$1,697,080. The Company issued 100,000 common shares at a price of \$0.20 per share for gross proceeds of \$20,000 and issued 6,987,833 flow-through shares at a price of \$0.24 per flow-through share for gross proceeds of \$1,677,080. The Company closed a second tranche on December 12, 2019 for gross proceeds of \$512,324, consisting of 1,926,350 flow-through shares at \$0.24 per share and 250,000 common shares at \$0.20 per share. In connection with the private placement, the Company paid finders' fees of \$131,278 and issued an aggregate of 522,877 finders' warrants valued at \$55,255, each finders' warrant exercisable at a price of \$0.24 per share for a period of two years. In addition to finders' fees, the Company incurred additional closing costs of \$79,185. The Company recognized a flow-through premium liability of \$356,567, of which the full amount was recognized as a recovery on flow-through premium liability during the year ended September 30, 2020.

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

12. Share capital (continued):

(c) Warrants:

As at March 31, 2021, the following warrants were outstanding:

Expiry date	Weighted average exercise price	Number of warrants	Weighted average remaining contractual life in years
18-Dec-21	\$ 0.15	57,925	0.72
9-Aug-21	\$ 0.25	18,740,952	0.36
9-Aug-22	\$ 0.25	1,919,462	1.36
27-Nov-21	\$ 0.24	305,533	0.66
12-Dec-21	\$ 0.24	125,086	0.70
12-Aug-23	\$ 0.35	12,689,000	2.37
12-Aug-22	\$ 0.25	770,364	1.37
3-Nov-23	\$ 0.35	8,510,638	2.59
19-Nov-22	\$ 0.36	381,724	1.64
18-Dec-22	\$ 0.36	84,000	1.72
	\$ 0.30	43,584,684	1.46

	Number of warrants		Weighted average exercise price
Balance, September 30, 2019	31,066,291	\$	0.27
Granted during the period	13,982,241		0.34
Exercised during the period	(3,080,456)		0.25
Expired during the period	(953,520)		0.32
Balance, September 30, 2020	41,014,556	\$	0.30
Granted during the period	8,976,362		0.35
Exercised during the period	(2,413,737)		0.25
Expired during the period	(3,992,497)		0.40
Balance, March 31, 2021	43,584,684	\$	0.30

The fair values of the finders' warrants are estimated using the Black-Scholes option pricing model. The weighted average fair value per finders' warrant granted during the six months ended March 31, 2021 was \$0.15 (2020 - \$0.11). The following weighted average assumptions used in the calculation of fair value are as follows:

	March 31, 2021	March 31, 2020
Risk-free interest rate	0.26%	1.64%
Expected volatility	111.88%	106.48%
Expected life of options	2.00 years	2.00 years
Expected dividend yield	Nil	Nil
Forfeiture rate	Nil	Nil

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

12. Share capital (continued):

(d) Share-based payments:

The Board of Directors of the Company has approved a stock plan (the “Plan”), whereby the number of shares issuable under the Plan is limited to 10% of the issued and outstanding shares of the Company. The exercise price of each option shall not be less than the discounted market price of the Company’s shares as calculated on the date of grant. An option’s maximum term is ten years and shall vest as determined by the Board of Directors. Options granted to investor relations consultants shall vest in stages over 12 months with no more than one-quarter of options vesting in any three-month period.

The following tables reflects the continuity of stock options for the six months ended March 31, 2021 and the year ended September 30, 2020:

Number outstanding Sept 30, 2020	Granted	Exercised	Cancelled	Number outstanding Mar 31, 2021	Weighted average exercise price per share	Expiry date	Weighted average remaining contractual life in years
35,000	-	-	-	35,000	\$ 0.14	April 7, 2025	4.02
2,500,000	-	-	550,000	1,950,000	\$ 0.70	September 12, 2026	5.45
1,175,000	-	-	200,000	975,000	\$ 0.50	April 3, 2027	6.01
175,000	-	-	50,000	125,000	\$ 0.50	June 21, 2027	6.23
1,875,000	-	-	300,000	1,575,000	\$ 0.30	January 8, 2028	6.78
100,000	-	-	-	100,000	\$ 0.21	August 1, 2028	7.34
1,704,000	-	140,000	-	1,564,000	\$ 0.15	December 17, 2028	7.72
3,900,000	-	-	400,000	3,500,000	\$ 0.30	August 27, 2029	8.41
2,250,000	-	-	-	2,250,000	\$ 0.17	May 5, 2030	9.10
-	3,500,000	-	-	3,500,000	\$ 0.26	February 3, 2031	9.85
13,714,000	3,500,000	140,000	1,500,000	15,574,000	\$ 0.32		8.05
			(Exercisable)	15,574,000	\$ 0.32		

Number outstanding Sept 30, 2019	Granted	Exercised*	Cancelled	Number outstanding Sept 30, 2020	Weighted average exercise price per share	Expiry date	Weighted average remaining contractual life in years
35,000	-	-	-	35,000	\$ 0.14	April 7, 2025	4.52
2,600,000	-	-	100,000	2,500,000	\$ 0.70	September 12, 2026	5.95
1,325,000	-	-	150,000	1,175,000	\$ 0.50	April 3, 2027	6.51
175,000	-	-	-	175,000	\$ 0.50	June 21, 2027	6.73
2,000,000	-	-	125,000	1,875,000	\$ 0.30	January 8, 2028	7.28
100,000	-	-	-	100,000	\$ 0.21	August 1, 2028	7.84
2,184,000	-	240,000	240,000	1,704,000	\$ 0.15	December 17, 2028	8.22
4,300,000	-	-	400,000	3,900,000	\$ 0.30	August 27, 2029	8.91
-	2,650,000	400,000	-	2,250,000	\$ 0.17	June 5, 2030	9.68
12,719,000	2,650,000	240,000	1,015,000	13,714,000	\$ 0.35		7.94
			(Exercisable)	13,714,000	\$ 0.35		

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

12. Share capital (continued):

(d) Share-based payments (continued):

During the period ended March 31, 2021, the Company granted 3,500,000 (2020 – nil) stock options with a fair value of \$909,707 (2020 - \$nil) or \$0.26 (2020 - \$nil) per option. The fair value of stock options granted used to calculate compensation expense for both employees and non-employees is estimated using the Black-Scholes option pricing model. The Company recorded \$909,707 (2020 - \$nil) as share-based payments.

The following weighted-average assumptions were used as inputs to the Black-Scholes model:

	March 31, 2021	March 31, 2020
Risk-free interest rate	0.94%	N/A
Expected volatility	145.02%	N/A
Expected life of options	10 years	N/A
Expected dividend yield	0.00%	N/A

(e) Shares reserved for issuance (fully diluted):

	Number of shares
Issued and outstanding at March 31, 2021	197,811,224
Reserved for warrants (Note 12(c))	43,584,684
Reserved for options (Note 12(d))	15,574,000
Shares reserved for issuance (fully diluted) at March 31, 2021	256,969,908

13. Segmented information:

As at March 31, 2021 the Company currently operates in one segment being the acquisition and exploration and evaluation of resource assets located in British Columbia and Ontario, Canada, and Montana, USA, as described in Note 9.

14. Financial instruments and risk management:

Financial instruments

The Company's cash is classified at amortized cost. The carrying values of receivables and accounts payable and accrued liabilities, and due to related parties approximate their fair values due to their short terms to maturity.

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

14. Financial instruments and risk management:

Financial risk factors

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

(a) Credit risk:

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's receivables consist of amounts due from a Canadian government agency, and cash and restricted cash are held with a large and stable Canadian chartered bank. Management believes that credit risk related to these amounts is nominal.

(b) Liquidity risk:

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its liabilities as they fall due. As of March 31, 2021, the Company had cash of \$7,616,969 to settle current liabilities of \$738,289. The Company has sufficient cash to settle current liabilities.

(c) Market risk:

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(i) Interest rate risk:

The Company has cash balances and no interest-bearing debt. The Company's current policy is to keep larger cash balances invested in investment-grade short-term demand deposit certificates issued by its banking institutions. The Company is nominally exposed to interest rate risk.

(ii) Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. As at March 31, 2021, the Company had nominal cash on hand and payables denominated in US dollars.

BRIXTON METALS CORPORATION

(An Exploration Stage Company)

Notes to Condensed Consolidated Interim Financial Statements
Six months ended March 31, 2021 and 2020
(Unaudited – expressed in Canadian dollars)

14. Financial instruments and risk management (continued):

Financial risk factors (continued)

(c) Market risk (continued):

(iii) Price risk:

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.