Century Global Commodities Corporation

Condensed Consolidated Interim Financial Statements
(Unaudited)
June 30, 2021
(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The accompanying condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. An interim review has not been carried out by the Company's independent auditor.

Century Global Commodities Corporation
Condensed Consolidated Interim Statement of Financial Position
(Unaudited)
As of June 30, 2021

(Expressed in Canadian Dollars, unless otherwise stated)

	Notes	June 30, 2021 $	March 31, 2021 $
Assets			
Current assets			
Cash and cash equivalents		12,560,923	5,514,809
Short term bank deposits		130,102	6,119,903
Marketable securities	7	1,484,156	1,609,750
Trade and other receivables	8, 21	1,566,983	1,805,016
Lease receivable		-	37,525
Sales taxes and other taxes recoverable		101,960	98,134
Prepayments and deposits		751,713	220,620
Inventories	9	2,048,831	1,626,063
		18,644,668	17,031,820
Non-current assets			
Exploration and evaluation assets	10	7,280,812	7,039,721
Property, plant and equipment	11	75,379	81,189
Investment property	12	944,464	951,068
Right-of-use assets		279,497	125,204
Deferred tax assets		57,929	58,642
Investment in other equity instruments	7	74,452	75,297
		8,712,533	8,331,121
Total assets		27,357,201	25,362,941

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

Century Global Commodities Corporation
Condensed Consolidated Interim Statement of Financial Position
(Unaudited)
As of June 30, 2021

(Expressed in Canadian Dollars, unless otherwise stated)

	Notes	June 30, 2021 $	March 31, 2021 $
Liabilities			
Current liabilities			
Trade and other payables	13	2,367,409	1,596,204
Lease liabilities		191,527	143,686
Sales taxes and other taxes payable		869,909	812,182
		3,428,845	2,552,072
Non-current liabilities			
Lease liabilities		107,924	9,014
Total liabilities		3,536,769	2,561,086
Shareholders' equity			
Share capital	14	117,057,236	117,057,236
Contributed surplus		4,422,523	3,104,778
Deficit		(99,748,185)	(99,016,263)
Other components of equity		1,326,110	1,445,454
Equity attributable to owners of the Company		23,057,684	22,591,205
Non-controlling interests		762,748	210,650
Total equity		23,820,432	22,801,855
Total equity and liabilities		27,357,201	25,362,941

Approved by the Board of Directors

/s/ "Sandy Chim" Director
Date: August 12, 2021

/s/ "Kit Ying (Karen) Lee" Director
Date: August 12, 2021

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

Century Global Commodities Corporation
Condensed Consolidated Interim Statement of Profit or Loss
(Unaudited)
For the three months ended June 30, 2021

(Expressed in Canadian Dollars, unless otherwise stated)

		Three months ended June 30,	
		2021	**2020**
	Notes	**$**	**$**
Revenue	6, 16	1,921,518	2,481,033
Cost of sales		(1,481,447)	(1,916,823)
Gross profit		440,071	564,210
Other income	17	84,141	127,853
Selling expenses		(147,153)	(105,914)
Administrative expenses	18	(1,193,098)	(1,095,233)
Project maintenance costs		(10,947)	(7,446)
Share-based compensation expenses	15	(26,267)	(1,071)
Gain/(loss) on foreign exchange		24,146	(20,893)
Gain on disposal of a subsidiary	20	-	1,554,576
Exchange loss on the dissolution of a subsidiary in other currencies		-	(174,509)
Interest expense		(1,478)	(4,718)
Share of profit of a joint venture		-	5,806
Net profit/(loss) for the period		(830,585)	842,661
Attributable to:			
Owners of the Company		(791,286)	577,066
Non-controlling interests		(39,299)	265,595
		(830,585)	842,661
Net profit/(loss) per share attributable to owners of the Company – Basic and diluted	19	(0.01)	0.01
Weighted average number of shares outstanding		98,504,571	98,504,571

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

Century Global Commodities Corporation
Condensed Consolidated Interim Statement of Comprehensive Income
(Unaudited)
For the three months ended June 30, 2021

(Expressed in Canadian Dollars, unless otherwise stated)

	Three months ended June 30, 2021 $	2020 $
Net profit/(loss) for the period	(830,585)	842,661
Other comprehensive income/(loss)		
Exchange loss on translation of operations in other currencies	(76,564)	(78,605)
Changes in fair value of investment in equity instruments at FVTOCI	(9,683)	534,108
Other comprehensive income/(loss) for the period	(86,247)	455,503
Total comprehensive income/(loss) for the period	(916,832)	1,298,164
Attributable to:		
Owners of the Company	(877,533)	1,032,569
Non-controlling interests	(39,299)	265,595
	(916,832)	1,298,164

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

Century Global Commodities Corporation

Condensed Consolidated Interim Statement of Changes in Equity

(Unaudited)

For the three months ended June 30, 2021

(Expressed in Canadian Dollars, unless otherwise stated)

	Attributable to owners of the Company							
	Share capital $	**Contributed surplus $**	**Deficit $**	**Share-based compensation reserve $**	**Investment fair value reserve $**	**Foreign currency translation reserve $**	**Non-controlling interests $**	**Total $**
Balance – April 1, 2021	117,057,236	3,104,778	(99,016,263)	2,063,786	477,786	(1,096,118)	210,650	22,801,855
Net loss for the period	-	-	(791,286)	-	-	-	(39,299)	(830,585)
Other comprehensive loss for the period	-	-	-	-	(9,683)	(76,564)	-	(86,247)
Total comprehensive loss for the period	-	-	(791,286)	-	(9,683)	(76,564)	(39,299)	(916,832)
		-						
Contribution by non-controlling interests	-	1,317,745	-	-	-	-	591,397	1,909,142
Disposal of marketable securities	-	-	59,364	-	(59,364)	-	-	-
Equity-settled share-based compensation arrangements (note 15)	-	-	-	26,267	-	-	-	26,267
Balance – June 30, 2021	117,057,236	4,422,523	(99,748,185)	2,090,053	408,739	(1,172,682)	762,748	23,820,432

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

Century Global Commodities Corporation
Condensed Consolidated Interim Statement of Changes in Equity
(Unaudited)
For the three months ended June 30, 2021

(Expressed in Canadian Dollars, unless otherwise stated)

	Attributable to owners of the Company							
	Share capital $	**Contributed surplus $**	**Deficit $**	**Share-based compensation reserve $**	**Investment fair value reserve $**	**Foreign currency translation reserve $**	**Non-controlling interests $**	**Total $**
Balance – April 1, 2020	117,057,236	3,326,663	(97,709,723)	1,619,001	(54,214)	(828,141)	607,038	24,017,860
Net profit for the period	-	-	577,066	-	-	-	265,595	842,661
Other comprehensive income/(loss) for the period	-	-	-	-	534,108	(78,605)	-	455,503
Total comprehensive income/(loss) for the period	-	-	577,066	-	534,108	(78,605)	265,595	1,298,164
Disposal of marketable securities	-	-	58,293	-	(58,293)	-	-	-
Disposal of a subsidiary (note 20)	-	(256,629)	230,082	(23,746)	-	-	(872,633)	(922,926)
Dissolution of a subsidiary in other currencies	-	-	-	-	-	174,509	-	174,509
Equity-settled share-based compensation arrangements (note 15)	-	-	-	1,071	-	-	-	1,071
Balance – June 30, 2020	117,057,236	3,070,034	(96,844,282)	1,596,326	421,601	(732,237)	-	24,568,678

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

Century Global Commodities Corporation
Condensed Consolidated Interim Statement of Cash Flows
(Unaudited)
For the three months ended June 30, 2021

(Expressed in Canadian Dollars, unless otherwise stated)

		Three months ended June 30,	
		2021	2020
Cash generated by/(used in)	**Notes**	**$**	**$**
Operating activities			
Net profit/(loss) for the period		(830,585)	842,661
Adjustments for			
Bank and other interest income		(15,587)	(7,213)
Gain/(loss) on foreign exchange		(24,146)	20,893
Depreciation	11, 12	15,303	19,806
Amortization of right-of-use assets		53,507	57,345
Share-based compensation arrangements	15	26,267	1,071
Inventories written off		4,427	-
Gain on disposal of a subsidiary	20	-	(1,554,576)
Exchange reserve written off on the dissolution of a subsidiary in other currencies		-	174,509
Share of profit of a joint venture		-	(5,806)
Changes in working capital items			
Increase in trade and other receivables		238,033	811,221
Decrease/(increase) in sales taxes and other taxes recoverable		(3,826)	16,012
Increase in prepayments and deposits		(531,093)	(214,115)
Decrease/(increase) in inventories		(427,195)	652,102
Increase/(decrease) in trade and other payables		771,205	(514,460)
Increase in sales taxes and other taxes payable		57,727	-
Net cash generated by/(used in) operating activities		(665,963)	299,450
Investing activities			
Bank and other interest received		15,587	7,213
Short term bank deposits returned/(invested)		5,989,801	(358)
Marketable securities purchased		(19,985)	-
Proceeds from sale of marketable securities		133,481	133,452
Exploration and evaluation assets		(239,607)	(754)
Purchases of property, plant and equipment		(2,121)	(1,203)
Disposal of a subsidiary	20	-	(1,792,821)
Proceeds from finance lease arrangements		37,525	18,252
Net cash from/(used in) investing activities		5,914,681	(1,636,219)
Financing activities			
Subscriptions received for JDI's private placement financing	21	1,909,142	-
Principal payments of lease liabilities		(62,493)	(63,220)
Net cash generated by/(used in) financing activities		1,846,649	(63,220)
Net change in cash and cash equivalents		7,095,367	(1,399,989)

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

Century Global Commodities Corporation
Condensed Consolidated Interim Statement of Cash Flows
(Unaudited)
For the three months ended June 30, 2021

(Expressed in Canadian Dollars, unless otherwise stated)

	Three months ended June 30, 2021 $	2020 $
Net change in cash and cash equivalents	7,095,367	(1,399,989)
Cash and cash equivalents – Beginning of period	5,514,809	4,994,547
Effect of foreign exchange rate changes, net	(49,253)	(79,074)
Cash and cash equivalents – End of period	12,560,923	3,515,484
Analysis of cash and cash equivalents		
Cash in bank and on hand	6,760,923	3,515,484
Short term bank deposits with original maturity of three months or less	5,800,000	-
Cash and cash equivalents – End of period	12,560,923	3,515,484

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

1. Nature of operations

Century Global Commodities Corporation (the "Company") is a limited liability company incorporated in Canada. In February 2016, the Company completed the continuation of its jurisdiction of incorporation from Canada to the Cayman Islands ("Continuation"). Its registered address is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Company's shares are traded on the Toronto Stock Exchange ("TSX").

The Company is a diversified company and primarily engages in exploration and mining activities with assets in the Provinces of Newfoundland and Labrador, and Québec, Canada. It also has operations in the distribution of food in Hong Kong.

These condensed consolidated interim financial statements were approved by the Board of Directors for issue on August 12, 2021.

2. Basis of preparation

The condensed consolidated interim financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The condensed consolidated interim financial statements should be read in conjunction with the Group's audited consolidated annual financial statements for the year ended March 31, 2021 filed on SEDAR at www.sedar.com on June 29, 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

3. Significant accounting policies

The significant accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those disclosed in note 3 of the audited consolidated annual financial statements for the year ended March 31, 2021, except for the adoption of new and amended standards that became applicable to the Group in the current interim period, as described in note 4 below.

Basis of measurement

The condensed consolidated interim financial statements have been prepared under the historical cost convention. These condensed consolidated interim financial statements are presented in the Canadian Dollar, which is the Group's presentation currency.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognized in profit or loss. Contingent consideration that is classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the Group’s previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any noncontrolling interests in the acquiree and the fair value of the Group’s previously held equity interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

4. Changes in accounting policies

Several amendments and interpretations apply for the first time in the current reporting period, but do not have an impact on the interim condensed consolidated financial statements of the Group.

On April 1, 2021, the Group applied Amendment to IFRS 16: *Covid-19-Related Rent Concessions beyond 30 June 2021* in its condensed consolidated interim financial statements. This amendment is effective for annual periods beginning on or after April 1, 2021 with earlier application permitted, including in financial statements not yet authorised for issue at March 31, 2021. The amendment is to be applied retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment.

A lessee that had elected to apply the practical expedient in accordance with the amendment issued in May 2020 must apply the extended practical expedient in accordance with the amendment issued in March 2021. A lessee who had previously elected not to apply the practical expedient to eligible rent concessions is not permitted to elect to apply the extended practical expedient.

5. Critical accounting estimates and judgments

The Group makes estimates and assumptions concerning the future that are believed to be reasonable under the circumstances. Estimates and judgments are continuously evaluated and are based on management’s experience and other factors, including expectations about future events. The critical accounting estimates and judgments applied in these condensed consolidated interim financial statements are consistent with those disclosed in note 6 of the audited consolidated annual financial statements for the year ended March 31, 2021.

(Expressed in Canadian Dollars, unless otherwise stated)

6. Segment information

The Group's operating segments are as follows:

(i) the mining segment, which engages in the exploration and development of mineral projects in Canada and the investment in global mining securities;

(ii) the food segment, which engages in the distribution of food and the provision of food service in Hong Kong; and

(iii) the corporate segment, which mainly represents the Group's corporate and managerial functions.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the condensed consolidated interim financial statements. In measuring segment performance, segment assets and segment liabilities, management applied certain judgments and assumptions to determine the appropriate allocation of certain centrally incurred costs, jointly used or shared assets and liabilities for individual segment. However, the Group's financing activities (including cash and cash equivalents, short term bank deposits and bank interest income) are managed on a Group basis and are presented under the corporate segment.

The following tables present information for the Group's operating segments for the three months ended June 30, 2021 and 2020, respectively.

For the three months ended June 30, 2021	**Mining**	**Food**	**Corporate**	**Total**
	$	**$**	**$**	**$**
Segment revenue				
Revenue from contracts with external customers:				
Distribution of food	-	1,921,518	-	1,921,518
Segment profit or loss				
Gross profit	-	440,071	-	440,071
Income and gains:				
Interest income	370	-	15,217	15,587
Other income or gains	28,745	31,405	8,404	68,554
	29,115	31,405	23,621	84,141
Expenses:				
Selling expenses	-	147,153	-	147,153
Salaries, pension and directors' fees	226,788	333,426	132,812	693,026
Consulting and professional fees	169,463	2,577	66,108	238,148
Corporate promotion and listing fees	7,717	-	11,752	19,469
Other administrative expenses	153,630	64,507	24,318	242,455
Project maintenance costs	10,947	-	-	10,947
Share-based compensation expenses	26,267	-	-	26,267
Loss/(gain) on foreign exchange	387	3,716	(28,249)	(24,146)
Interest expense	1,153	-	325	1,478
	596,352	551,379	207,066	1,354,797
Net loss for the period	(567,237)	(79,903)	(183,445)	(830,585)

(Expressed in Canadian Dollars, unless otherwise stated)

For the three months ended June 30, 2020	**Mining** $	**Food** $	**Corporate** $	**Total** $
Segment revenue				
Revenue from contracts with external customers:				
Distribution of food	-	2,481,033	-	2,481,033
Segment profit or loss				
Gross profit	-	564,210	-	564,210
Income and gains:				
Interest income	1,974	-	5,239	7,213
Other income or gains	17,081	76,099	27,460	120,640
	19,055	76,099	32,699	127,853
Expenses:				
Selling expenses	-	105,914	-	105,914
Salaries, pension and directors' fees	276,274	265,403	207,989	749,666
Consulting and professional fees	48,255	967	136,711	185,933
Corporate promotion and listing fees	2,069	-	5,698	7,767
Other administrative expenses	45,545	61,328	44,994	151,867
Project maintenance costs	7,446	-	-	7,446
Share-based compensation expenses	429	392	250	1,071
Loss/(gain) on foreign exchange	61,153	4,201	(44,461)	20,893
Interest expense	2,213	-	2,505	4,718
Gain on disposal of a subsidiary	(1,554,576)	-	-	(1,554,576)
Exchange loss on the dissolution of a subsidiary in other currencies	-	-	174,509	174,509
Share of profit of a joint venture	(5,806)	-	-	(5,806)
	(1,116,998)	438,205	528,195	(150,598)
Net profit/(loss) for the period	1,136,053	202,104	(495,496)	842,661

The following table presents assets and liabilities information for the Group's operating segments as at June 30 2021 and March 31, 2021, respectively:

	Mining $	**Food** $	**Corporate** $	**Total** $
Total assets				
June 30, 2021	9,019,255	4,004,496	14,333,450	27,357,201
March 31, 2021	9,003,193	3,305,654	13,054,094	25,362,941
Total liabilities				
June 30, 2021	1,587,919	937,957	1,010,893	3,536,769
March 31, 2021	1,243,732	466,138	851,216	2,561,086

(Expressed in Canadian Dollars, unless otherwise stated)

7. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income ("FVTOCI") comprise marketable securities and other equity investments. During the period, the Group invested in certain equity securities in Canada, Hong Kong and Australia. The Group has elected to designate these investments as at FVTOCI.

An analysis of financial assets at FVTOCI as at the balance sheet date is as follows:

	June 30, 2021 $	**March 31, 2021 $**
Financial assets at FVTOCI		
Listed equity securities:		
– Canada, at fair value	1,435,281	1,609,750
– Australia, at fair value	48,875	-
	1,484,156	1,609,750
Unlisted equity securities:		
– Hong Kong, at fair value	61,772	62,605
– Canada, at fair value	12,680	12,692
	74,452	75,297

8. Trade and other receivables

	June 30, 2021 $	**March 31, 2021 $**
Trade receivables (i)	1,230,754	1,468,968
Other receivables	336,229	336,048
	1,566,983	1,805,016
Classified as:		
Current assets	1,566,983	1,805,016
Non-current assets	-	-
	1,566,983	1,805,016

Due to the short-term nature of trade and other receivables, their carrying amount is considered to be the same as their fair value.

(i) Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days.

(Expressed in Canadian Dollars, unless otherwise stated)

9. Inventories

	June 30, 2021 $	March 31, 2021 $
Trading merchandise held for sale	2,048,831	1,626,063

10. Exploration and evaluation assets

	Joyce Lake and other iron ore properties $	Trudeau gold and other non-ferrous properties $	Total $
Balance – March 31, 2020	-	8,082	8,082
Additions	395,106	104,462	499,568
Additions from asset acquisition	6,532,071	-	6,532,071
Balance – March 31, 2021	6,927,177	112,544	7,039,721
Additions	230,861	10,230	241,091
Balance – June 30, 2021	7,158,038	122,774	7,280,812

The Group's iron ore properties comprise five major properties, namely the Joyce Lake property, the Hayot Lake property, the Black Bird property, the Full Moon property and the Duncan Lake property. As of June 30, 2021, the Group has a 92% interest in the Joyce Lake property, 100% interest in the Hayot Lake property, the Black Bird property and the Full Moon property, and a 68% registered interest in the Duncan Lake property.

The Joyce Lake property

The Joyce Lake property is a direct shipping ore ("DSO") project. It is located in Newfoundland and Labrador, approximately 20 kilometres from the town of Schefferville, Québec.

The Hayot Lake property

The Hayot Lake property is a taconite deposit located approximately 23 kilometres northwest of the Joyce Lake DSO project and 22 kilometres north of the town of Schefferville, Québec.

The Black Bird property

The Black Bird DSO deposit is located 65 kilometres northwest of Schefferville, Québec and approximately 50 kilometres from the Joyce Lake DSO project in Labrador.

The Full Moon property

Full Moon is a taconite project located approximately 80 kilometres northwest of the town of Schefferville, Québec.

Acquisition of the Attikamagen and the Sunny Lake properties

The Joyce Lake DSO project and the Hayot Lake taconite project were formerly collectively known as the Attikamagen properties, while the Black Bird DSO project and the Full Moon taconite project were formerly collectively known as the Sunny Lake properties. Prior to the completion of the Acquisition, the Group's interests in the Attikamagen properties were held through Labec Century, a joint venture company in which the Group had an ownership of 60%, with the other 40% owned by WISCO Canada ADI Resources Development & Investment Limited ("WISCO ADI"). Labec Century had a 100% registered interest in the Attikamagen properties. The Group also had an 81.1% interest in the Sunny Lake properties and a 60% shareholding in Century Sunny Lake, the operating company of the Sunny Lake joint venture with WISCO ADI.

On November 19, 2020, the Group completed the acquisition from WISCO ADI of WISCO ADI's joint venture interests in the Attikamagen and the Sunny Lake properties (the "Acquisition"). As a result of the completion of the Acquisition, the Company is the owner of a 100% interest in each of these projects through its wholly-owned subsidiaries. The Group's joint venture agreements on the Attikamagen and the Sunny Lake properties with WISCO ADI were also terminated.

Duncan Lake property

The Duncan Lake property is a magnetite deposit located in the James Bay area approximately 50 kilometres south of Radisson, Québec.

On May 20, 2008, the Company's wholly-owned subsidiary Canadian Century Iron Ore Corporation ("Canadian Century") entered into an option and joint venture agreement (the "Augyva Agreement") with Augyva Mining Resources Inc. to have an option to obtain a 51% interest in the Duncan Lake property once $6.0 million has been funded on or before the fourth anniversary of the date of the Augyva Agreement, and an additional option to obtain a further 14% of the property by spending an additional $14.0 million in exploration costs, construction, and/or operating costs or completing a feasibility report on or before the eighth anniversary of the date of the Augyva Agreement. The Company has completed the funding and spending requirements and obtained a 65% registered interest in the property. In July 2020, the Group has completed the registration of an additional 3% interest as a result of its contribution to the exploration expenditure incurred to the property.

Impairment assessment of iron ore properties

At March 31, 2016, with the weakening iron ore market condition, an impairment review was performed on both the Duncan Lake property and Sunny Lake properties, and the review has resulted in impairment charges of $17,494,260 and $3,160,465 to the Duncan Lake property and Sunny Lake properties, respectively. After the impairment charges, the net book value of both properties became nil. Further details about the assumptions and conditions pertaining to the impairment review are provided in note 15 of the audited consolidated annual financial statements for the year ended March 31, 2016.

At June 30, 2021, there have been no indicators of impairment and the impairment provisions on the above two properties remain unchanged. In the event that the prospects for the development of the mineral projects are enhanced in the future, an assessment of the recoverable amount of the projects will be performed at that time, which may lead to a reversal of part or all of the impairment that has been recognized.

(Expressed in Canadian Dollars, unless otherwise stated)

11. Property, plant and equipment

	Land $	Drilling & field equipment $	Camp & properties $	Leasehold improvements, furniture & fixtures $	Computer & office equipment $	Vehicles $	Total $
Cost							
Balance - March 31, 2020	137,177	971,427	1,085,549	245,626	387,886	39,668	2,867,333
Additions	-	-	-	5,314	12,951	-	18,265
Disposals	-	(225,450)	(89,468)	(8,892)	(63,798)	-	(387,608)
Exchange differences	-	-	-	(11,960)	(14,034)	-	(25,994)
Balance - March 31, 2021	137,177	745,977	996,081	230,088	323,005	39,668	2,471,996
Additions	-	-	-	-	2,121	-	2,121
Exchange differences	-	-	-	(1,159)	(1,310)	-	(2,469)
Balance - June 30, 2021	137,177	745,977	996,081	228,929	323,816	39,668	2,471,648
Accumulated depreciation and impairment							
Balance - March 31, 2020	100,000	971,427	1,085,549	177,315	378,139	39,668	2,752,098
Depreciation	-	-	-	37,944	9,091	-	47,035
Disposals	-	(225,450)	(89,468)	(6,750)	(63,344)	-	(385,012)
Exchange differences	-	-	-	(10,332)	(12,982)	-	(23,314)
Balance - March 31, 2021	100,000	745,977	996,081	198,177	310,904	39,668	2,390,807
Depreciation	-	-	-	5,794	1,934	-	7,728
Exchange differences	-	-	-	(1,063)	(1,203)	-	(2,266)
Balance - June 30, 2021	100,000	745,977	996,081	202,908	311,635	39,668	2,396,269
Net book value							
Balance - June 30, 2021	37,177	-	-	26,021	12,181	-	75,379
Balance - March 31, 2021	37,177	-	-	31,911	12,101	-	81,189

(Expressed in Canadian Dollars, unless otherwise stated)

12. Investment property

	$
Cost	
Balance – April 1, 2020	1,107,757
Exchange differences	(41,987)
Balance – March 31, 2021	1,065,770
Exchange differences	1,158
Balance – June 30, 2021	1,066,928
Accumulated depreciation and impairment	
Balance – April 1, 2020	87,502
Depreciation	31,027
Exchange differences	(3,827)
Balance – March 31, 2021	114,702
Depreciation	7,575
Exchange differences	187
Balance – June 30, 2021	122,464
Net book value	
Balance – June 30, 2021	944,464
Balance – March 31, 2021	951,068

13. Trade and other payables

	June 30, 2021 $	March 31, 2021 $
Trade payables	821,211	304,989
Other payables and accruals	1,546,198	1,291,215
	2,367,409	1,596,204

The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short-term nature.

Trade payables are non-interest bearing and are generally paid within 30 to 60 days.

(Expressed in Canadian Dollars, unless otherwise stated)

14. Share capital

Authorized

Prior to the Continuation, authorized share capital was unlimited number of common shares, with no par value. Upon the Continuation on February 1, 2016, authorized share capital was changed to 5,000,000,000 ordinary shares, with $0.001 par value each.

Issued and fully paid

At June 30, 2021, the Company had 98,504,571 ordinary shares issued and outstanding, representing an amount of $117,057,236. There is no change in issued share capital for the period.

	Number of shares	$
Balance – March 31 and June 30, 2021	98,504,571	117,057,236

15. Share-based compensation arrangements

	Three months ended June 30, 2021 $	2020 $
Share options expense	26,267	1,071

The Group has adopted an equity incentive plan (the "Plan") which is administered by the Board of Directors of the Group. The Plan provides that the Board of Directors of the Group may from time to time, at its discretion and in accordance with TSX requirements, grant to directors, officers, employees and consultants to the Group, options to purchase shares and other forms of equity-based incentive compensation, provided that the number of shares issued and reserved for issuance will not exceed 15% of the issued and outstanding shares.

Share options

Share options granted under the Plan are exercisable for a period of up to 5 years or 10 years from the date of grant. Options issued pursuant to the Plan will have an exercise price determined by the directors of the Group provided that the exercise price shall not be less than the price permitted by the TSX.

On June 25, 2021, the Company granted 150,000 share options to its consultants. The fair value of the options granted has been estimated at the date of grant using the Black-Scholes option pricing model, using the following assumptions: an average risk-free interest rate of 0.82%, dividend yield of 0%, volatility of 72.41% and an expected life of 10 years. All share options are fully vested upon grant. The fair value of the options granted based on the model is $0.18 per unit.

(Expressed in Canadian Dollars, unless otherwise stated)

The share options outstanding as of June 30, 2021 are as follows:

	Number of options	Weighted average exercise price $
Balance – March 31, 2020	8,552,500	0.30
Granted	3,040,000	0.25
Balance – March 31, 2021	11,592,500	0.29
Granted	150,000	0.30
Balance – June 30, 2021	11,742,500	0.29

The exercise prices and exercise periods of the share options outstanding as of June 30, 2021 are as follows:

Number of options	Exercise price $	Exercise period
4,067,500	0.345	March 9, 2015 to March 8, 2025
300,000	0.345	June 1, 2015 to May 31, 2025
100,000	0.345	November 11, 2015 to November 10, 2025
195,000	0.345	February 5, 2016 to February 4, 2026
3,240,000	0.22	August 4, 2016 to August 3, 2026
650,000	0.345	June 23, 2017 to June 22, 2027
3,040,000	0.25	February 10, 2021 to February 9, 2031
150,000	0.30	June 25, 2021 to June 24, 2031
11,742,500		

As of the balance sheet date, the weighted average remaining contractual life of the outstanding share options is 5.8 years, and 11,172,500 options are vested and exercisable.

16. Revenue

During the period, the Group's revenue arose from the distribution of food and the provision of food service. An analysis of the Group's revenue from contracts with customers is provided in note 6. All of the Group's sales revenue were derived from Hong Kong and were recognized according to accounting policy as described in note 3 of the Company's audited consolidated annual financial statements for the year ended March 31, 2021.

(Expressed in Canadian Dollars, unless otherwise stated)

17. Other income

	Three months ended June 30, 2021 $	2020 $
Marketing service income	31,253	41,671
Bank and other interest income	15,587	7,213
Other income	37,301	78,969
	84,141	127,853

18. Administrative expenses

	Three months ended June 30, 2021 $	2020 $
Salaries, pension and directors' fees	693,026	749,666
Consulting and professional fees	238,148	185,933
General office expenses	173,645	64,816
Travel	-	9,900
Corporate promotion and listing fees	19,469	7,767
Depreciation and amortization	68,810	77,151
	1,193,098	1,095,233

19. Net profit/(loss) per share attributable to owners of the Company

The basic net profit/(loss) per share calculated amount is the same as the fully diluted net profit/(loss) per share amount as the Company's share-based compensation plans are anti-dilutive.

20. Disposal of a subsidiary

On June 3, 2020, CMI, the Company's subsidiary engaging in the exploration of mineral properties located in the Province of Québec, Canada, completed the acquisition of all the issued and outstanding shares of Reyna Silver Corp. ("Reyna Silver"). Upon closing of the transaction, CMI changed its name to Reyna Silver Corp., and the majority of the entity's outstanding shares is owned by the former shareholders of Reyna Silver, while the Group retains an interest of 3.67%. As a result, the Group is deemed to have disposed of CMI after the transaction. Subsequent to the transaction, the Group accounted for its interest in CMI as an investment designated as at FVTOCI, and classified it as marketable securities in the consolidated statement of financial position as at March 31, 2021.

(Expressed in Canadian Dollars, unless otherwise stated)

The carrying values of the assets and liabilities disposed of, and the gain on disposal of the subsidiary are summarized as follows:

	$
Net assets disposed of:	
Cash	2,388,234
Sales taxes and other taxes recoverable	30,076
Exploration and evaluation assets	1,494,629
Accounts payable and accrued liabilities	(2,262,526)
	1,650,413
Fair value of the remaining interest in CMI deemed as consideration received	1,528,968
Net assets disposed of	(1,650,413)
Non-controlling interest	822,651
Realization of pre-disposal intra-group profit on CMI disposal	853,370
Gain on disposal of a subsidiary	1,554,576

The net cash outflow from the disposal of a subsidiary is analyzed as follows:

	$
Cash disposed of	2,388,234
Accounts receivable from the subsidiary	(595,413)
Net cash outflow on the disposal of a subsidiary	1,792,821

21. JDI's private placement financing

On May 14, 2021, the Company announced that its wholly owned subsidiary and special purpose vehicle, Joyce Direct Iron Inc. ("JDI") has raised A$2.0 million through completion of a private placement ("Private Placement"). JDI is incorporated in the Province of British Columbia, Canada and is a 100% owner of the Joyce Lake DSO iron ore project (the "Project"). Under the Private Placement, JDI issued an aggregate of 20,000,010 common shares at a price of A$0.10 per share, to a group of private investors, for gross proceeds of A$2.0 million (equivalent to $1,909,142), reflecting a pre-money valuation of A$20 million.

(Expressed in Canadian Dollars, unless otherwise stated)

22. Related party transactions

(a) In addition to transactions detailed elsewhere in the condensed consolidated interim financial statements, the Group has the following related party transactions:

(i) During the year ended March 31, 2021, the receivable from Labec Century has been fully settled and Labec Century has become a wholly-owned subsidiary of the Group after the Acquisition.

(i) During the year ended March 31, 2021, the receivable from Century Sunny Lake has been fully settled and Century Sunny Lake has become a wholly-owned subsidiary of the Group after the Acquisition.

(iii) As of June 30, 2021, the Group had accounts receivable of $85,064 (March 31, 2021: $88,853) from management for an advance for business purpose.

(iv) On November 19, 2020, the Group acquired from WISCO ADI its joint venture interests in the Attikamagen and Sunny Lake properties.

(iv) On March 1, 2021, 700 shares representing an interest of 7% were allotted by Century Food International Holdings Limited to the Group's officers for a cash consideration of approximately $114,000.

(b) The remuneration of the Group's directors and officers during the period is summarized below:

	Three months ended June 30,	
	2021	**2020**
	$	**$**
Salaries and directors' fees	302,050	298,050
Share-based compensation expenses	-	494
	302,050	298,544

23. Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk including interest rate risk, foreign currency exchange risk and capital market risk.

Risk management is carried out by the Group's management team with guidance from the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

The Group's financial assets and financial liabilities have been classified into categories that determine their basis of measurement. As at June 30, 2021 and March 31, 2021, the Group's financial instruments are comprised of cash and cash equivalents, short term bank deposits, marketable securities, investment in other equity instruments, trade and other receivables, trade and other payables. With the exception of cash and cash equivalents, marketable securities and investment in other equity instruments, all other financial instruments of the Group are measured at amortized cost.

(Expressed in Canadian Dollars, unless otherwise stated)

The following table shows the carrying values, fair values and fair value hierarchy of the Group's financial instruments that are measured at fair value as at June 30, 2021 and March 31, 2021:

		June 30, 2021		**March 31, 2021**	
	Level	**Carrying value $**	**Fair value $**	**Carrying value $**	**Fair value $**
Marketable securities	1	1,484,156	1,484,156	1,609,750	1,609,750
Investment in other equity instruments	3	74,452	74,452	75,297	75,297
		1,558,608	1,558,608	1,685,047	1,685,047

Fair values of financial instruments are determined by valuation methods depending on hierarchy levels as defined below:

Level 1 – Quoted market price in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted market prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. observed prices) or indirectly (i.e. derived from prices).
Level 3 – Inputs for the assets or liabilities are not based on observable market data.

The movements in fair value measurements within Level 3 are as follows:

	$
Balance – March 31, 2020	70,306
Purchases	12,692
Exchange differences	(7,701)
Balance – March 31, 2021	75,297
Exchange differences recognized in profit or loss	(845)
Balance – June 30, 2021	74,452

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Group's credit risk is primarily attributable to cash, marketable securities and receivables. Cash and cash equivalents and short term bank deposits are held with major banks, and marketable securities are held with a reputable securities broker with investment guidelines set by management which are intended to limit credit risk. The Group's receivables mainly represented the amount owing from its third party customers. Management believes the risk of loss to be minimal.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognized a loss allowance of 100% against all trade receivables over one year past due because historical experience has indicated that these receivables are generally not recoverable. No provision has been made for trade receivables that are past due for less than one year as these receivables are generally recoverable based on historical experience.

Liquidity risk

The Group's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As of June 30, 2021, the Group has cash and cash equivalents and short-term bank deposits of $12,691,025 (March 31, 2021: $11,634,712) to settle current liabilities of $3,428,845 (March 31, 2021: $2,552,072). Most of the Group's financial liabilities have contractual maturities of 30 days or less and are subject to normal trade terms. The Group's objective for liquidity risk management is to maintain sufficient liquid financial resources to fund the consolidated balance sheets, pursue growth and development strategies, and to meet commitments and obligations in the most cost-effective manner possible. The Group achieves this by maintaining sufficient cash and cash equivalents and managing working capital. The Group monitors its financial position on a monthly basis at minimum.

Market risk

Market risk is the risk of loss that may arise from changes in market factors, such as interest rates and foreign currency exchange rates and the movement in capital markets.

(a) Interest rate risk

The Group has cash balances only and it has no interest-bearing debt. The Group's current policy is to invest most of its excess cash in interest bearing accounts or term deposits with large reputable banks. The Group periodically monitors the investments it makes and is satisfied with the credit ratings of the banks holding the cash and short-term deposits of the Group. An absolute increase or decrease of 1% in the annual interest rate would not have a material impact on the net profit/loss or equity at June 30, 2021.

(b) Foreign currency exchange risk

The Group's principal functional currencies are the Canadian Dollar and the Hong Kong Dollar. Sales revenue of the Group's food distribution business is mainly denominated in Hong Kong Dollar, while the major purchases of the business are denoted in US Dollar, Australian Dollar and Euro. The major expenses of the Group are transacted in Canadian Dollar and Hong Kong Dollar. The Group is also subject to exchange fluctuations arising from the translation of the foreign currency monetary items of the Group's overseas subsidiaries. In addition, the Group's marketable securities, if partially denominated in foreign currency, are subject to foreign currency exchange risk.

Management closely monitors the exchange fluctuations of the principal foreign currencies of the Group's food distribution business and uses means to lock up the foreign currency exchange rate of its purchases or transfers exchange differences to its customers to reduce the Group's foreign currency exposures. Management believes the foreign currency exchange risk derived from its other activities is low and therefore does not hedge the foreign currency exchange risk arising from these other activities.

(c) Capital market risk

The Group's current policy is to invest some portion of its excess cash in marketable securities, primarily shares of publicly listed mining companies. The Group sets investment guidelines, including pre-set targeted capital allocation and returns, exit and entry prices, and periodically monitors the investments it makes. The Group is satisfied with the financial and operating performance of the mining companies the Group invests in. An absolute increase or decrease of 5% in the investment return would not have a material impact on the net profit or equity at June 30, 2021.

24. Capital management

The Group considers its capital structure to consist of share capital, contributed surplus and deficit, which, as at June 30, 2021, amounted to $21,731,574. When managing capital, the Group's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to the shareholders and benefits for other stakeholders. Management adjusts the capital structure, as necessary, in order to support the acquisition, exploration and development of its mineral properties. The Board of Directors does not establish a quantitative return on capital criteria for management but, rather, relies on the expertise of the Group's management team to sustain the future development of the business.

The Group is dependent on external financing to fund its strategic initiatives and exploration and project development activities in the long term. In order to carry out the business plan and pay for administrative costs, the Group will utilize its existing working capital and raise additional amounts when economic conditions permit it to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Group, is appropriate. The Group's capital management objectives, policies and processes have remained unchanged during the period ended June 30, 2021. The Group is not subject to externally imposed capital requirements.