

Form 51-102F4

Business Acquisition Report

Item 1 Identity of Company

1.1 Name and Address of Company

Carlyle Commodities Corp. (the “**Company**” or “**Carlyle**”)
#620 - 1111Melville Street
Vancouver, British Columbia, V6E 3V6

1.2 Executive Officer

The name, position and business telephone number of an executive officer who is knowledgeable about this significant acquisition and this Form 51-102F4 – *Business Acquisition Report* (this “**Report**”) is as follows:

Morgan Good
Chief Executive Officer and President
Telephone: (604) 715-4751

Item 2 Details of Acquisition

2.1 Nature of Business Acquired

Pursuant to the terms of the Amalgamation Agreement dated December 16, 2020 (the “**Agreement**”) among the Company, Isaac Mining Corp. (“**IMC**”) and 1269597 B.C. Ltd. (“**Newco**”), a wholly-owned subsidiary of the Company, the Company completed the acquisition of all of the issued and outstanding securities of IMC by way of three-cornered amalgamation (the “**Acquisition**”).

Incorporated in September of 2020, IMC is a private British Columbia mineral exploration corporation which owns 100% of the Newton Gold Project (the “**Newton Gold Project**”) located in the Clinton Mining Division of the Province of British Columbia. The Newton Gold Project covers approximately 23,000 contiguous hectares of generally flat-lying topography, located approximately 100 km west-southwest of Williams Lake in south-central British Columbia, Canada. The area is accessible year-round by a 2.5-hour drive from Williams Lake, using Highway 20 and maintained logging roads.

With the addition of the Newton Gold Project, Carlyle added another quality and promising property to its portfolio of development and exploration assets. Following the closing of the Acquisition (the “**Closing**”), Carlyle now has 4 mineral properties in its portfolio in Mexico and B.C., covering an aggregate of approximately 36,000 hectares including options to purchase 100% interests in the Cecilia Gold Project located in the State of Sonora, Mexico, and the promising Sunset property located in the Vancouver Mining Division near Pemberton, British Columbia, for which Carlyle has a current National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”).

technical report (the “**Sunset Technical Report**”). For more information on Carlyle’s various exploration assets or the Sunset Technical Report, please see the Company’s profile on SEDAR.

2.2 Acquisition Date

The Acquisition was completed on December 16, 2020.

2.3 Consideration

Amalgamation Agreement

Pursuant to the Agreement, Carlyle acquired all of the issued and outstanding securities of IMC by way of a “three-cornered” amalgamation (the “**Amalgamation**”) whereby NewCo and IMC amalgamated pursuant to the provisions of the *Business Corporations Act* (British Columbia) to form one corporation, which continued under the name “Isaac Newton Mining Corp.” as a wholly owned subsidiary of the Company.

Accordingly, each of the common shares of IMC (each, an “**IMC Share**”) were acquired by Carlyle and cancelled and, in consideration for such IMC Shares, each IMC shareholder (collectively, the “**IMC Shareholders**”) received one (1) common share in the capital of Carlyle (each, a “**Share**”) at a deemed price of \$0.25 per Share for every IMC Share held by such shareholder. An aggregate of 20,562,100 Shares (each, a “**Consideration Share**”) were issued to the IMC Shareholders in exchange for their respective IMC Shares, having an agreed value of \$5,140,500, as well as an aggregate of 9,531,000 Replacement Warrants (as defined below).

In connection with the Closing, each IMC Share purchase warrant (each, an “**IMC Warrant**”) issued and outstanding immediately prior to the effective time of the Amalgamation was cancelled and its holder received, in exchange therefor, one warrant (each, a “**Replacement Warrant**”) to purchase one Share. The Replacement Warrants are on the same terms and conditions as the cancelled IMC Warrants, such that each Replacement Warrant entitles the holder thereof to purchase one additional Share at an exercise price of \$0.50 per Share for a period of 3 years from the date of original issue, provided that if the closing price of the Shares on any stock exchange on which the Shares are then listed is at a price greater than \$1.00 for a period of 10 consecutive trading days, Carlyle will have the right to accelerate the expiry date of the Replacement Warrants by giving written notice to the holders of the Replacement Warrants by news release or other form of notice permitted by the certificate representing the Replacement Warrants that the Replacement Warrants will expire on the date that is not less than 30 days from the date of such notice.

Immediately following the Closing, Carlyle had 45,609,516 Shares issued and outstanding and Amarc Resources Ltd. (“**Amarc**”), the vendor of the Newton Gold Project to IMC, held approximately 12.0% of the issued and outstanding Shares and became subject to early warning reporting obligations under National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

Prior to Closing, IMC paid a cash finder's fee of \$116,250 to an eligible finder in connection with the Acquisition.

Termination of Net Profit Interest Royalty

In connection with the Acquisition, Carlyle entered into a termination agreement (the "**Termination Agreement**") with Amarc and AgraFlora Organics International Inc. (formerly Newton Gold Corp.) ("**AgraFlora**") pursuant to which the Company agreed to purchase for cancellation a residual 5% net profit interest royalty (the "**NPI Royalty**") on the Newton Gold Project held by AgraFlora. In consideration for the acquisition and termination of the NPI Royalty, Carlyle agreed to issue AgraFlora non-transferrable warrants (each, a "**Warrant**") to purchase 200,000 Shares (each, a "**Warrant Share**") at an exercise price of \$0.50 per Warrant Share for a period of 3 years from the date of issuance, subject to the terms and conditions contained in the certificate representing the Warrants.

2.4 Effect on Financial Position

Upon completion of the Acquisition, IMC became a wholly-owned subsidiary of the Company. The business and operations of IMC have been combined with those of the Company and are managed concurrently.

The Company has no current plans or proposals for material changes in its business affairs or the affairs of IMC which may have a significant effect on the financial performance and financial position of the Company.

2.5 Prior Valuations

Not applicable.

2.6 Parties to Transaction

The Acquisition by the Company was not with an informed person, associate or affiliate of the Company.

2.7 Date of Report

March 15, 2021

Item 3 Financial Statements

The audited financial statements of IMC from the date of incorporation on September 15, 2020 to December 31, 2020 are attached hereto as Schedule "A" and, in addition thereto, the management discussions and analysis of IMC from the date of incorporation on September 15, 2020 to December 31, 2020 are attached hereto as Schedule "B".

The Company has obtained the consent of the auditors to include the audit report on the audited financial statements of IMC for the period from incorporation on September 15, 2020 to December 31, 2020 in this Report.

Schedule "A"

Audited Financial Statements of IMC

[See Attached]

ISAAC NEWTON MINING CORP.

FINANCIAL STATEMENTS
(Expressed in Canada Dollars)

FOR THE PERIOD FROM INCEPTION ON SEPTEMBER 15, 2020 TO DECEMBER 31, 2020



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Isaac Newton Mining Corp.

Opinion

We have audited the financial statements of Isaac Newton Mining Corp. (the "Company"), which comprise the statement of financial position as at December 31, 2020, and the statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the period from September 15, 2020 (inception) to December 31, 2020, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flows for the period from September 15, 2020 (inception) to December 31, 2020 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which discusses events or conditions, along with other matters, that indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

March 12, 2021



An independent firm
associated with Moore
Global Network Limited

ISAAC NEWTON MINING CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

Period from
incorporation on
September 15,
2020 to December
31, 2020

GENERAL AND ADMINISTRATIVE EXPENDITURES

Bank and interest charges	\$	595
Consulting fees (Note 6)		36,178
Professional fees		192,677
Transfer agent and filing fees		500

Loss and comprehensive loss for the period \$ (229,950)

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

ISAAC NEWTON MINING CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Period from incorporation on September 15, 2020 to December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the period	\$ (229,950)
Changes in non-cash working capital items:	
Accounts payables and accrued liabilities	140,870
Net cash used in operating activities	(89,080)
CASH FLOWS FROM INVESTING ACTIVITIES	
Loans issued	(1,762,000)
Expenditures on exploration and evaluation assets	(300,000)
Net cash used in investing activities	(2,062,000)
CASH FLOWS FROM FINANCING ACTIVITIES	
Incorporator's share	1
Proceeds from issuance of common shares	2,153,502
Net cash provided by financing activities	2,153,502
Change in cash for the period	2,422
Cash, beginning of the period	-
Cash, ending of the period	\$ 2,422

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

ISAAC NEWTON MINING CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	<u>Share Capital</u>				
	Shares	Amount	Subscriptions Receivable	Deficit	Total
Balance, September 15, 2020	100	\$ 1	\$ -	\$ -	\$ 1
Shares issued for private placements	15,062,000	2,155,500	-	-	2,155,500
Shares issued for property	5,500,000	1,375,000	-	-	1,375,000
Subscriptions receivable	-	-	(2,000)	-	(2,000)
Shares returned to treasury	(20,562,100)	-	-	-	-
Issued upon amalgamation	100	1	-	-	1
Loss and comprehensive loss for the period	-	-	-	(229,950)	(229,950)
Balance, December 31, 2020	100	\$ 3,530,502	\$ (2,000)	\$ (229,950)	\$ 3,298,552

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

ISAAC NEWTON MINING CORP.**NOTES TO THE FINANCIAL STATEMENTS**

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Isaac Newton Mining Corp. (the “Company”) was incorporated on September 15, 2020 under the Business Corporations Act (British Columbia). The Company’s head office address is 4302 – 1151 West Georgia Street, Vancouver, BC. The registered office address is located at 800 – 885 West Georgia Street, Vancouver, BC.

On December 16, 2020 Isaac Mining Corp. (“IMC”) closed a “three-cornered” amalgamation agreement (the “Agreement”) with 1269597 B.C. Ltd. (“NewCo”), a wholly-owned subsidiary of Carlyle and Carlyle Commodities Corp. (“Carlyle”), an arm’s length public British Columbia corporation, whereby NewCo and IMC amalgamated pursuant

to the provisions of the Business Corporations Act (British Columbia) to form one corporation, which continued under the name “Isaac Newton Mining Corp.”, a wholly owned subsidiary of Carlyle.

The principal business of the Company is the exploration and evaluation of mineral property interests. The success of the Company will be dependent on obtaining the necessary financing to evaluate and pursue these opportunities.

These financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's ability to continue in the normal course of operations is dependent on its ability to raise equity financing or through the sale of its investments at amounts favorable to the Company. This indicates the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

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.

2. BASIS OF PREPARATION**Statement of compliance**

These financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is also the Company’s functional currency.

Use of Estimates and Critical Judgments

The preparation of financial statements in accordance with IFRS requires the Company to use judgment in applying its accounting policies and make estimates and assumptions about reported amounts at the date of the financial statements and in the future. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

ISAAC NEWTON MINING CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (cont'd...)

Estimates and assumption where there is significant risk of material adjustments to assets and liabilities in future accounting period include the recoverability of the carry value of the exploration and evaluation assets, the measurements for financial instrument, the measurement of share-based payments and the recoverability of deferred tax assets.

The preparation of financial statements in accordance with IFRS required the Company to make judgements, apart from those involving estimates, in applying accounting policies. The following are the most significant judgements that management has made in applying the Company's financial statements: the assessment of the Company's ability to continue as a going concern and the classification of exploration and evaluation assets.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these statements, unless otherwise indicated.

Financial instruments

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, amortized cost, or fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition.

Fair value through profit or loss ("FVTPL") - financial assets are classified as fair value through profit or loss if they do not meet the criteria of amortized cost or fair value through other comprehensive income. Changes in fair value are recognized in profit and loss.

Amortized cost – financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as FVTPL: 1) The objective of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the assets contractual cash flow represents solely payments of principal and interest.

The Company's cash is recorded at FVTPL. The Company's amounts receivable are recorded at amortized cost.

Impairment of financial assets

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

ISAAC NEWTON MINING CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit and loss.

Amortized cost: This category includes trade payables and accrued liabilities, which are recognized at amortized cost.

Exploration and evaluation assets

Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred.

Exploration expenditures reflect the capitalized costs related to the initial search for mineral deposits with economic potential or obtaining more information about existing mineral deposits. Exploration expenditures typically include costs associated with acquisition of rights to explore, prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. Evaluation expenditures reflect costs incurred at exploration projects related to establishing the technical and commercial viability of mineral deposits identified through exploration or acquired through a business combination or asset acquisition. Evaluation expenditures include the cost of:

- i) establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve,
- ii) determining the optimal methods of extraction and metallurgical and treatment processes,
- iii) studies related to surveying, transportation and infrastructure requirements,
- iv) permitting activities, and
- v) economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

From time-to-time, the Company may acquire or dispose of mineral interests pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as resource property costs or recoveries when the payments are made or received. The Company does not accrue the estimated costs of maintaining its interests in good standing.

From time-to-time the Company may issue shares for option-in agreements in respect of acquisition of mineral interests. These equity-settled share-based payment transactions are measured by reference to the fair value of the entity instruments granted and the corresponding increase in equity. The Company capitalizes its acquisition costs and exploration and evaluation costs.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and

ISAAC NEWTON MINING CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Exploration and evaluation assets (cont'd...)

- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

After technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the Company stops capitalizing expenditures for the applicable block of claims or geological area of interest and tests the asset for impairment. The capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect both accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the statement of financial position.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company will reassesses any unrecognized deferred tax assets. The Company will recognize any previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, common share warrants and flow-through shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new common shares, common share warrants, or stock options are shown in equity as a deduction, net of tax, from the proceeds.

ISAAC NEWTON MINING CORP.**NOTES TO THE FINANCIAL STATEMENTS**

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**Impairment**

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Share-based payments

A stock option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reserves to capital stock.

The fair value is measured at grant date and each tranche is recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

Foreign currency translation

The functional and presentation currency, as determined by management, of the Company is the Canadian dollar. Transactions in currencies other than the functional currency of each entity are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities of the entity that are denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the average exchange rate for the year, which approximates those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

ISAAC NEWTON MINING CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Leases

At inception of a contract, we assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. We assess whether the contract involves the use of an identified asset, whether we have the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if we have the right to direct the use of the asset.

As a lessee, we recognize a right-of-use asset, and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received. The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain measurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if we are reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in our estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit.

As part of the initial application of IFRS 16, we have elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit on a straight-line basis over the lease term.

ISAAC NEWTON MINING CORP.**NOTES TO THE FINANCIAL STATEMENTS**

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS**Newton Property, British Columbia**

On October 15, 2020, the Company entered into an agreement, whereby it will have the right to earn a 100% interest in the Newton Property subject to a 2% Net Smelter Royalty.

Under the terms and conditions of the Newton Agreement, the Company is required to:

- a) pay a non-refundable deposit of \$100,000 (Paid);
- b) pay an aggregate cash payment of \$200,000 (Paid);
- c) issue 5,500,000 units of common shares and non-transferable warrants (Issued with a fair value of \$1,375,000), which are subject to voluntary hold periods related to the first day the Company's shares commence trading on an Exchange (the "Listing Date");

Date	No. of Shares	No. of Warrant
	Unrestricted	Shares Unrestricted (up to)
Listing Date	1,375,000	1,375,000
3 months from Listing Date	1,375,000	1,375,000
5 months from Listing Date	1,375,000	1,375,000
8 months from Listing Date	<u>1,375,000</u>	<u>1,375,000</u>
Total:	5,500,000	5,500,000

- d) make annual \$25,000 payments which can be purchased at any time for \$2,000,000.

5. CAPITAL STOCK**Authorized capital stock**

An unlimited number of common shares without par value, issuable in series.

Issued share capital

During the period from inception on September 15, 2020 to December 31, 2020, the Company:

- a) issued 100 shares on incorporation for proceeds of \$1.
- b) issued 5,500,000 units with a fair value of \$1,375,000, in connection with the Newton Property agreement (Note 4), with each unit being comprised of one common share and one warrant;
- c) Closed a non-brokered private placement of 7,000,000 common shares of the Company (the "Shares") for proceeds of \$140,000;
- d) Issued 8,062,000 units of the Company (the "Units") at a price of \$0.25 per for gross proceeds of \$2,015,500. Each unit will consist of one common share and one-half warrant. Each warrant entitles the holder to purchase one additional common share 3 years from the date of issue at an exercise price of \$0.50, provided that if the closing price of the shares on any stock exchange or quotation system on which the shares are then listed or quoted is equal to or greater than C\$1.00 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry of the warrants by providing notice by news release or other form of notice permitted by the warrant certificates that the warrants will expire at 4:30 p.m. (Vancouver time) on a date that is not less than 30 days from the date such notice is given.

ISAAC NEWTON MINING CORP.**NOTES TO THE FINANCIAL STATEMENTS**

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

5. CAPITAL STOCK (cont'd...)**Issued share capital (cont'd...)**

- e) Returned all outstanding shares as at December 16, 2020 to treasury upon completion of the Amalgamation Agreement (note 1). Upon amalgamation, each share of the Company was exchanged for one share of Carlyle, and the Company issued 100 new shares to Carlyle.

Stock options

During the period ended December 31, 2020, the Company has no options outstanding.

Warrants

The following is a summary of warrants as at December 31, 2020 and changes during the period ended:

	Number of Warrants	Weighted Average Exercise Price
Balance, September 15, 2020	-	\$ -
Granted	9,531,000	0.50
Cancelled	(9,531,000)	0.50
Balance, December 31, 2020	-	\$ -

At December 31, 2020 there were no warrants outstanding.

6. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive members of the Company's Board of Directors.

During the period from inception September 15, 2020 to December 31, 2020, the Company:

- a) Paid \$3,200 in management fees to a director of the Company.
- b) Issued a loan of \$1,749,500 to a company with an officer in common. The loan is non-interest bearing, unsecured and due on demand.
- c) Paid cash fees of \$300,000 and issued 5,500,000 units of common shares and non-transferable warrants (with a fair value of \$1,375,000), for the purchase of the Newton Property, to a company that, as a result of the share issuance, became a significant shareholder of the Company.

ISAAC NEWTON MINING CORP.**NOTES TO THE FINANCIAL STATEMENTS**

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2020
Accounts payable	\$ 24,620
Accrued liabilities	12,500
	\$ 37,120

8. SUPPLEMENTAL CASH FLOW INFORMATION

The Company had the following non-cash transaction:

	December 31, 2020
Fair value of common shares issued for exploration and evaluation asset	\$ 1,375,000

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of amounts receivable and accounts payable and accrued liabilities approximates fair value due to the short-term nature of the financial instruments. Cash is valued at a level 1 fair value measurement and is carried at fair value through profit or loss. Amounts receivable and trade payables and accrued liabilities are carried at amortized cost.

ISAAC NEWTON MINING CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

9. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd...)

Risk management

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss of a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investment in asset backed commercial paper.

The Company's receivables consist of Goods and Services Tax receivable from the government of Canada and the Company considers credit risk associated with these amounts to be low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined below. Accounts payable and accrued liabilities are due within one year.

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.

a) Interest rate risk

The Company's exposure to interest rate risk arises from the interest rate impact on cash. The Company's practice has been to invest cash at floating rates of interest, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash as they are generally held with large financial institutions. As at December 31, 2020, the Company is not exposed to significant interest rate risk.

b) Foreign currency risk

The majority of purchases are transacted in the Canadian dollar. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

ISAAC NEWTON MINING CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the period from inception on September 15, 2020 to December 31, 2020

(Expressed in Canadian Dollars)

9. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd...)**Risk management (cont'd...)***Capital management*

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and evaluation of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

10. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes for the period ended December 31, 2020 as follows:

	2020
Loss before income taxes	\$ (229,950)
Expected income tax recovery	\$ (62,087)
Change in unrecognized deductible temporary differences	62,087
Income tax recovery	\$ -

The Company's recognized deferred tax assets and liabilities are as follows:

	2020
Non-capital loss carry-forwards	\$ 229,950
Valuation allowance	(229,950)
Net deferred tax asset	\$ -

Schedule "B"

Management Discussions and Analysis of IMC

[See Attached]

ISAAC NEWTON MINING CORP.

("the Company")

FORM 51-102F1**MANAGEMENT'S DISCUSSION AND ANALYSIS****FOR THE PERIOD FROM INCEPTION ON SEPTEMBER 15, 2020 TO DECEMBER 31, 2020****Introduction**

This Management's Discussion and Analysis ("MD&A") of Isaac Newton Mining Corp is the responsibility of management and covers the period from incorporation on September 15, 2020 to December 31, 2020. The MD&A takes into account information available up to and including March 11, 2021 and should be read together with the Company's financial statements in conjunction with this document. The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS").

Throughout this document the terms *we*, *us*, *our*, and *the Company* refer to Isaac Newton Mining Corp. All financial information in this document is derived from the financial statements of the Company, which have been prepared in accordance with IFRS, except share and per share amounts, or unless otherwise indicated.

Additional information related to the Company is available for view on SEDAR at www.sedar.com under Carlyle Commodities Corp.'s ("CCC") profile.

This document contains forward-looking statements. Please refer to "Note Regarding Forward-Looking Statements." Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors, many of which are beyond our ability to control, that may cause our actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Please refer to "Risk Factors" below.

Description of Business

Isaac Newton Mining Corp. was incorporated under the laws of the Province of British Columbia. The Company is principally engaged in the acquisition and exploration of resource properties. The Company's head office address is 4302 – 1151 West Georgia Street, Vancouver, BC. The registered office address is located at 800 – 885 West Georgia Street, Vancouver, BC.

The Company closed an amalgamation agreement dated December 16, 2020 (the "Agreement") with CCC, an arm's length public British Columbia corporation, and 1269597 B.C. Ltd. ("NewCo"), a wholly-owned subsidiary of CCC, whereby NewCo and IMC amalgamated pursuant to the provisions of the Business Corporations Act (British Columbia) to form one corporation, which continued under the name "Isaac Newton Mining Corp.", a wholly owned subsidiary of CCC.

Performance Summary

As the Company was incorporated on September 15, 2020 it has not yet achieved profitable operations.

During and subsequent to the period ended December 31, 2020, the Company:

- a) Issued 100 shares on incorporation for proceeds of \$1;
- b) issued 5,500,000 units with a fair value of \$1,375,000, in connection with the Newton Property agreement, with each unit being comprised of one common share and one warrant;
- c) closed a non-brokered private placement of up to 7,000,000 common shares of the Company (the "Shares") at a price of \$0.02 per share for gross proceeds of up to \$140,000;
- d) closed a non-brokered private placement offering of 8,062,000 Units in the capital of the Company (the "Units") at a price of \$0.25 per Unit for gross proceeds of \$2,015,500. Each unit will consist of one common share of the Company and one-half of one common share purchase warrant of the Company. Each Warrant entitles the holder to purchase one additional common share of the Company for a period of 3 years from the date of issue at an exercise price of \$0.50 per Warrant Share, provided that if the closing price of the Shares on any stock exchange or quotation system on which the Shares are then listed or quoted is equal to or greater than C\$1.00 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry of the Warrants by providing notice by news release or other form of notice permitted by the Warrant certificates that the Warrants will expire at 4:30 p.m. (Vancouver time) on a date that is not less than 30 days from the date such notice is given; and
- e) Returned all outstanding shares as at December 16, 2020 to treasury upon completion of the Amalgamation Agreement. Upon amalgamation, each share of the Company was exchanged for one share of CCC, and the Company issued 100 new shares to CCC.

COVID-19 Update

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.

While the Company's business operations continue to operate, if the COVID-19 situation were to deteriorate, it could have an adverse impact on our business, results of operations, financial position and cash flows.

Selected Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the consolidated financial statements.

	From Inception on September 15, 2020 to December 31, 2020 (Audited)	
Net income (loss)	\$	(229,950)
Revenue		-

Basic and Diluted income (loss) per share	(0.01)
Total assets	3,335,672
Working capital	1,598,551

Discussion of Operations

Net Loss

For the period from the date of incorporation on September 15, 2020 to December 31, 2020, the Company recorded expenses of \$229,950, which resulted in a net loss of \$229,950 during the period from the date of incorporation on September 15, 2020 to December 31, 2020. The main factors that contributed to the loss in the period were professional fees of \$192,677 and consulting fee of \$36,178. Management anticipates that expenses will increase in connection with earning the Company's interest in the Property.

Assets

The Company's assets as at December 31, 2020 were \$3,335,672.

On October 15, 2020, the Company entered into an agreement, whereby it will have the right to earn a 100% interest in the Newton Property subject to a 2% net smelter royalty.

Under the terms and conditions of the Newton Agreement, the Company required:

- making a non-refundable deposit of \$100,000 before the 30th day from the Effective Date (as such term is defined in the Newton Agreement) (Paid);
- making an aggregate cash payment of \$200,000 on the Escrow Closing (as such term is defined in the Newton Agreement) (Paid);
- issuing 5,500,000 units of common shares and non-transferable share purchase warrants of the Company (Issued with a fair value of \$1,375,000), which are subject to voluntary hold periods related to the first day the Company's shares commence trading on an Exchange (the "Listing Date");

Date	No. of Shares Unrestricted	No. of Warrant Shares Unrestricted (up to)
Listing Date	1,375,000	1,375,000
3 months from Listing Date	1,375,000	1,375,000
5 months from Listing Date	1,375,000	1,375,000
8 months from Listing Date	<u>1,375,000</u>	<u>1,375,000</u>
Total:	5,500,000	5,500,000

- paying annually \$25,000 advance royalty payments which can be purchased at any time for \$2,000,000.

Summary of Quarterly Results

The following table summarizes the last quarter of the Company.

		From Incorporation on September 15, 2020 to December 31, 2020 (Audited)
Total assets	\$	3,335,672
Working capital		1,598,552
Shareholders' equity		3,298,552

Revenue	-
Net loss	(229,950)
Net loss per share	(0.01)

Results of Operations for the Period From Incorporation on September 15, 2020 to December 31, 2020

For the period from the date of incorporation on September 15, 2020 to December 31, 2020, the Company recorded expenses of \$229,950, which resulted in a net loss of \$229,950 during the period from the date of incorporation on September 15, 2020 to December 31, 2020. The main factors that contributed to the loss in the period were professional fees of \$192,677 and consulting fee of \$36,178. Management anticipates that expenses will increase in connection with earning the Company's interest in the Property.

Liquidity

As at December 31, 2020, the Company had a cash a balance of \$2,422 and working capital of \$1,598,552 which consisted of current assets of \$1,635,972 and current liabilities of \$37,120.

Operating Activities: For the period from incorporation on September 15, 2020 to December 31, 2020, the Company used \$89,080 in operating activities.

Investing Activities: For the period from incorporation on September 15, 2020 to December 31, 2020, the Company used \$2,062,000 for investing activities.

Financing Activities: For the period from incorporation on September 15, 2020 to December 31, 2020, the Company received \$2,153,502 from financing activities.

Management intends to meet its liabilities by actively pursuing investors.

Related Party Transactions

Related parties and related party transactions impacting the financial statements, which are not disclosed elsewhere in the statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of the Company's Board of Directors.

During the period from inception September 15, 2020 to December 31, 2020, the Company:

- a) Paid \$3,200 in management fees to a director of the Company.
- b) Issued a loan of \$1,762,000 to a company with an officer in common. The loan is non-interest bearing and repayable on demand.

Outstanding Share Data

As at the date of this report the Company had 100 common shares issued and outstanding.

Share Purchase Warrants

The Company has no warrants outstanding as of the date of this MD&A.

The following is a summary of warrants as at December 31, 2020 and changes during the period ended:

	Number of Warrants	Weighted Average Exercise Price
Balance, September 15, 2020	-	\$ -
Granted	9,531,000	0.50
Cancelled	(9,531,000)	0.50
Balance, December 31, 2020	-	\$ -

Incentive Stock Options

The Company has no incentive stock options outstanding as of the date of this MD&A.

Off-Balance Sheet Arrangements

At December 31, 2020, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Except as elsewhere disclosed in this document, there are no other proposed transactions under consideration.

Financial Instruments

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, due to related parties and short-term loans. The fair value of the Company's receivables, accounts payable and accrued liabilities, short-term loans and due to related parties approximate carrying value, which is the amount recorded on the statements of financial position, due to their short terms to maturity. The Company's other financial instrument, being cash under the fair value hierarchy, is recorded at fair value based on level one quoted prices in active markets for identical assets or liabilities.

Capital Risk Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns and/or benefits for shareholders.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the administration of its corporate affairs and to provide funds for the development of its business. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business.

The Company has no revenue generating operations and as such is dependent upon external financings to fund activities. In order to develop its business and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the size of the Company.

There were no changes in the Company's approach to capital management during the period from incorporation on September 15, 2020 to December 31, 2020. The Company is not subject to externally imposed capital requirements.

Risk Factors

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

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfil its payment obligations. The Company's receivables consists mainly of goods and services tax receivables due from the government of Canada. As at December 31, 2020, the Company's exposure to credit risk is minimal.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2020, the Company had a cash balance of \$2,422 to settle current liabilities of \$37,121. All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. Management intends to meet its liabilities by actively pursuing investors.

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.

a) Interest rate risk

As at December 31, 2020, the Company was not subject to or exposed to any interest rate risk as it had no variable interest debt or investments.

b) Foreign currency risk

As at December 31, 2020, the Company is not exposed to foreign currency risk.

c) 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. As at December 31, 2020, the Company was not exposed to any equity or commodity price risks.

Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements requires management to make estimates about, and apply assumptions or judgment to, future events and other matters that affect the reported amounts of the Company's assets, liabilities, revenues, expenses and related disclosures. Assumptions, estimates and judgments are based on historical experience, expectations, current trends and other factors that management believes to be relevant at the time at which the Company's financial statements are prepared.

The Company's significant accounting judgements, estimates and assumptions are disclosed in Note 3 of the audited Financial Statements for the period from September 15, 2020 to December 31, 2020.

Significant Accounting Policies

The Company's accounting policies are the same as those applied in the Company's annual financial statements for the period from September 15, 2020 to December 31, 2020.

Risks and Uncertainties

Lack of Cash Flow

The Company does not expect to generate material revenue in the foreseeable future. The Company has paid no dividends on its shares since inception and does not anticipate doing so in the foreseeable future. Historically, the major source of funds available to the Company is through the sale of its securities and loans. Future additional equity financing would cause dilution to current shareholders.