

GOLD PORT CORPORATION

(formerly CORSUREX RESOURCE CORP.)

(Unaudited)

Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2021

Expressed in Canadian Dollars

NOTICE OF NO AUDITOR REVIEW OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Gold Port Corporation. (the "Company") have been prepared by, and are the responsibility of, the Company's management.

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

GOLD PORT CORPORATION
(formerly Corsurex Resource Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	June 30, 2021	December 31, 2020
ASSETS			
Current assets			
Cash		\$ 5,131,615	\$ 2,190,773
Receivables	4	68,276	471,265
Marketable securities	5	1,293,457	4,952,882
Prepays		281,168	123,427
		6,774,516	7,738,347
Evaluation and exploration assets	5	629,335	629,335
TOTAL ASSETS		\$ 7,403,851	\$ 8,367,682
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 205,723	\$ 413,426
TOTAL LIABILITIES		205,723	413,426
SHAREHOLDERS' EQUITY			
Share capital	7	7,272,920	7,218,448
Reserves	7	1,598,995	934,049
Retained earnings		(1,673,787)	(198,241)
TOTAL SHAREHOLDERS' EQUITY		7,198,128	7,954,256
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 7,403,851	\$ 8,367,682

Nature and continuance of operations (Note 1)

Subsequent events (Note 12)

Approved and authorized by the Board on May 14, 2021

"Adrian Hobkirk"

Director

"Christopher Cherry"

Director

GOLD PORT CORPORATION
(formerly Corsurex Resource Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME
(LOSS)
(Expressed in Canadian Dollars-unaudited)

	Three months period ended		Six months period ended	
	June 30		June 30	
	2021	2020	2021	2020
Expenses				
Business development	\$ 12,115	\$ 15,000	\$ 12,115	\$ 30,000
Consulting fees	221,720	15,000	723,320	30,000
Director fees	8 9,225	21,000	18,921	40,500
Exploration costs	6 133,086	7,083	165,741	7,083
Management fees	8 36,920	41,863	76,092	80,863
Marketing, advertising and promotion	50,000	20,000	50,000	50,000
Office expense	40,166	23,948	52,561	45,028
Professional fees	8 48,652	40,269	90,767	71,219
Share-based payments	-	-	664,946	-
Transfer agent and filing fees	10,586	4,678	19,027	7,971
	(562,470)	(188,841)	(1,873,490)	(362,664)
Other item				
Gain (loss) on marketable securities	5 (476,000)	454,205	397,944	454,205
Net income (loss) and comprehensive income (loss) for the period				
	\$(1,038,470)	\$ 265,364	\$(1,475,546)	\$ 91,541
Net income (loss) per share – basic and diluted				
	\$ (0.02)	\$ 0.01	\$ (0.03)	\$ (0.00)
Weighted average number of common shares outstanding				
	48,631,065	38,819,488	48,443,816	36,709,597

GOLD PORT CORPORATION (formerly Corsurex Resource Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)
(Expressed in Canadian Dollars)

	Notes	Share capital		Reserves	Retained Earnings (Deficit)	Total
		Number of shares	Amount			
Balance at December 31, 2019		15,409,744	\$ 3,725,493	\$ 319,548	\$ (2,317,554)	\$ 1,727,487
Comprehensive loss for the period		-	-	-	91,541	91,541
Shares for debt		4,000,000	400,000	-	-	400,000
Balance at June 30, 2020		19,409,744	\$ 4,125,493	\$ 319,548	\$ (2,226,013)	\$ 2,219,028
Balance at December 31, 2020		48,290,613	\$ 7,218,448	\$ 934,049	\$ (198,241)	\$ 7,954,256
Comprehensive loss for period		-	-	-	(1,475,546)	(1,475,546)
Shares issued on exercise of warrants		340,452	54,472	-	-	54,472
Share-based payments		-	-	664,946	-	664,946
Balance at June 30, 2021		48,631,065	\$ 7,272,920	\$ 1,598,995	\$ (1,673,787)	\$ 7,198,128

See accompanying notes to the condensed interim consolidated financial statements

GOLD PORT CORPORATION
(formerly Corsurex Resource Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
For the six months ended June 30,

	2021	2020
Operating activities		
Net income (loss) for the period	\$ (1,475,546)	\$ 91,541
Non-cash adjustments		
Loss (gain) on marketable securities	(397,944)	(454,205)
Share-based payments	664,946	-
Change in non-cash working capital:		
Receivables	402,989	8,834
Prepaid	(157,741)	-
Accounts payable and accrued liabilities	(207,703)	374,183
	(1,170,999)	20,353
Investing activities		
Proceeds from disposal of marketable securities	4,057,369	-
Due from related parties	-	1,950
	-	1,950
Financing activities		
Stock issued on exercise of warrants	54,472	-
	54,472	-
Change in cash	2,940,842	22,303
Cash, beginning	2,190,773	2,984
Cash, ending	\$ 5,131,615	\$ 25,287

During the six months ended June 30, 2021, the Company did not have any non-cash transactions.

During the six months ended June 30, 2020, the Company settled \$400,000 of accounts payable through the issuance of 4,000,000 common shares.

1. NATURE AND CONTINUANCE OF OPERATIONS

Gold Port Corporation (formerly Corsurex Resource Corp.) (the “Company”) was incorporated on November 18, 2016, under the laws of the province of British Columbia, Canada. The Company is an exploration stage junior mining company engaged in the identification, acquisition and exploration of mineral properties in Canada and Guyana. The Company’s head office, principal address and registered records office is located at 804 – 750 West Pender Street, Vancouver, British Columbia, Canada. During the year ended December 31, 2020, the Company changed its name from Corsurex Resource Corp. to Gold Port Corporation and completed a 2 for 1 share consolidation. All references to number of shares and per share amounts have been retroactively restated to reflect the consolidation.

The Company’s condensed interim consolidated financial statements have been prepared on a going concern basis, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Such adjustments would be material.

The ability of the Company to continue as a going concern and meet its commitments as they become due, including the acquisition and exploration of exploration and evaluation assets, is dependent on the Company’s ability to obtain the necessary financing. Management is planning to raise additional capital to finance operations and acquire mineral properties. The outcome of these matters cannot be predicted at this time. The Company has incurred losses since inception and the ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise adequate financing.

Management believes the working capital of \$6,568,793 as at June 30, 2021 is sufficient to meet operating requirements for the next fiscal year.

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 condensed interim consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars unless otherwise noted.

New Accounting Standards Adopted

Leases - On January 1, 2019, the Company adopted IFRS 16 – Leases (“IFRS 16”) which replaced IAS 17 – Leases and IFRIC 4 – Determining Whether an Arrangement Contains a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard is effective for annual periods beginning on or after January 1, 2019. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applied in IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less) and leases of low-value assets.

The Company applied IFRS 16 using the modified retrospective method. Under this method, financial information will not be restated and will continue to be reported under the accounting standards in effect for those periods. The lease liabilities will be measured at the present value of the remaining lease payments, discounted using the Company’s estimated incremental borrowing rate as at January 1, 2019, the date of initial application, resulting in no adjustment to the opening balance of deficit. The associated right-of-use assets will be measured at the lease liabilities amount, plus prepaid lease payments made by the Company. The Company has implemented the following accounting policies permitted under the new standard:

- leases of low dollar value will continue to be expensed as incurred; and
- the Company will not apply any grandfathering practical expedients.

As at January 1, 2019 and June 30, 2021, the Company did not recognize any right-of-use assets as it had no leases.

Approval of the financial statements

The consolidated financial statements of the Company for the six months ended June 30, 2021, were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on August 30, 2021.

Basis of Consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary from the date control was acquired. Control exists when the Company possesses power over an investee, has exposures to variable returns from the investee and has the ability to use its power over the investee to affect its returns. All intercompany balances and transactions have been eliminated.

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

Critical Accounting Estimates and Judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the

- i) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.
- ii) The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.
- iii) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.
- iv) Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.
- v) The Company has evaluated the economic environment its entities operate in and determined that the functional currency of the Company, including its Guyanese subsidiary, is the Canadian dollar. A change in this judgement would have significant impact on these financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial assets

The Company classified its financial assets in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI"), or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statement of (loss) income in the year.

Financial assets at FVTOCI: Financial assets carried at FVTOCI are recorded at fair value and transaction costs are expensed in the statement (loss) income. Realized and unrealized gains and losses arising from changes in fair value of the financial assets held at FVTOCI are included in other comprehensive (loss) income in the year.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive (loss) income in they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity dates, are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

The following table shows the classification of the Company's financial assets under IFRS 9:

Financial asset	IFRS 9 Classification
Cash	FVTPL
Marketable securities	FVTPL
Due from related parties	Amortized cost

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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:

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

Other financial liabilities - This category includes accounts payable and accrued liabilities and due to related parties, all of which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss are recognized in the statement of operations and comprehensive losses immediately, while transaction costs associated with all other financial instruments are included in the initial measurement of the financial instrument.

The following table shows the classification of the Company's financial liabilities under IFRS 9:

Financial liability	IFRS 9 Classification
Accounts payable and accrued liabilities	Other financial liabilities

Foreign currency translation

The functional currency is the currency of the primary economic environment in which the entity operations and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in International Accounting Standards ("IAS") 21, *The Effects of Changes in Foreign Exchange Rates*.

Foreign currency transactions and balances are translated into Canadian dollars as follows:

- (i) Monetary assets and liabilities, at the rate of exchange in effect at the statement of financial position date;
- (ii) Non-monetary assets and liabilities, at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
- (iii) Revenue and expense items (excluding amortization, which is translated at the same rate as the related asset), at the rate of exchange prevailing at the transaction date.

Gains and losses arising from translation of foreign currency are included in the determination of net loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and evaluation assets

All costs related to the acquisition of exploration and evaluation assets are capitalized on a property by property basis, net of recoveries. Exploration costs incurred prior to the determination of the feasibility of mining operations and a decision to proceed with development are expensed to operations as incurred. If economically recoverable ore reserves are developed, capitalized costs of the related property are classified as mining assets and amortized using the unit-of-production method. When a property is abandoned, all related costs are written off to operations.

The amounts shown for acquisition costs represent costs incurred to date and do not necessarily reflect present or future values. These costs are depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

From time to time, the Company may acquire or dispose of an exploration and evaluation asset pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received. Proceeds received on the sale of an option of the Company's property are recorded as a reduction of the mineral property cost. The Company recognizes in income amounts received in excess of the carrying amount.

Although the Company has taken steps to verify the title to exploration and evaluation assets in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Evaluation and exploration assets are assessed for impairment by management when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. When there is little prospect of further work on a property being carried out by the Company or its partners, when a property is abandoned, or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management's estimate of their net recoverable amount.

The recoverability of the carrying amount of exploration and evaluation assets is dependent on successful development and commercial exploitation or alternatively the sale of the respective areas of interest.

Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other sites preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Decommissioning liabilities (continued)

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arises during production, are charged against operating profit. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation.

Impairment of tangible assets

The Company's tangible and intangible assets are reviewed for indications of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

The Company grants options to acquire common shares of the Company to directors, officers, employees and consultants. The fair value of share-based payments to employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period for employees using the graded vesting method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of goods and services received cannot be reliably measured the share-based payment is measured at the fair value of the equity instruments issued using the Black-Scholes option pricing model.

For both employees and non-employees, the fair value of share-based payments is recognized as an expense with a corresponding increase in reserves. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise of stock options is recorded in share capital and the related share-based payment in reserves is transferred to share capital.

Income taxes

Income tax expense consisting of current and deferred tax expense is recognized in the statement of loss and comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax assets and liabilities and the related deferred tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4. Receivables

	June 30, 2021	December 31, 2020
GST recoverable	\$ 68,276	\$ 32,854
Due from related party	-	254,000
Other receivables	-	184,411
	<u>\$ 68,276</u>	<u>\$ 471,265</u>

5. MARKETABLE SECURITIES

During the year ended December 31, 2017, the Company received 500,000 common shares of Graphite Energy Corp. ("GRE") valued at \$250,000 as payment on the terms of the sale of the Lac Aux Bouleaux property (Note 6). Marketable securities are measured at fair value by reference to quoted stock prices on established exchanges. During the year ended December 31, 2019 the Company recorded an unrealized gain of \$107,500 and as at December 31, 2019 the GRE common shares had a fair value of \$232,500. During the year ended December 31, 2020, the Company sold 425,000 GRE common shares for \$149,528 resulting in a loss of \$48,117 during fiscal 2020. As at June 30, 2021 the remaining 75,000 GRE common shares had a fair value of \$15,000 (December 31, 2020 - \$21,000) resulting in an unrealized loss of \$6,000 (\$13,875 during fiscal 2020).

During the year ended December 31, 2020 the Company received 6,074,498 units of Lithium South Development Corporation (formerly NRG Metals Inc.) ("Lithium South") valued at \$3,491,271 in settlement of amounts owing (Note 8). Each unit consists of one common share and one common share purchase warrant entitling the Company to purchase one additional common share at a price of \$0.35 for a period of five years. As at December 31, 2020 the 6,074,498 common shares of Lithium South are valued at \$2,763,893 and the common shares purchase warrants are valued at \$2,167,895 for a total of \$4,931,878 resulting in an unrealized gain of \$1,440,607 for fiscal 2020. The common shares are measured at fair value by reference to quoted stock prices on established exchanges and the common share purchase warrants are valued using the Black-Scholes option pricing model using a risk-free interest rate of 0.34%, term of 5 years, annualized volatility of 110% and dividend rate of nil.

During the period ended June 30, 2021, the Company sold 5,074,498 common shares of Lithium South as well as 5,000,000 warrants for proceeds of \$4,057,369. As at June 30, 2021, the Company held 1,000,000 common shares of Lithium South valued at \$440,000 as well as 1,074,498 warrants valued at \$838,457 using the Black-Scholes option pricing model using a risk-free interest rate of 0.343%, term of 4.5 years, annualized volatility of 110% and dividend rate of nil.

6. EXPLORATION AND EVALUATION ASSETS

Realization of assets

The investment in mineral properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs represent costs incurred to date and do not necessarily reflect present or future values.

6. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

Groete Project, Guyana

The Company holds a 100% interest in the Groete Property located in Guyana subject to a 1.5% NSR, which may be purchased for USD\$3,000,000.

During the period ended June 30, 2021, the Company incurred \$165,741 of field and geology consultant costs.

During the year ended December 31, 2020, the Company incurred \$58,058 of field costs.

Lac Aux Bouleaux, Quebec, Canada

During the year end December 31, 2017, the Company entered into a Purchase Option Agreement with Graphite Energy Corp ("GRE"), a British Columbia Corporation, whereby GRE could have earned a 100% interest in the L.A.B. Graphite Project, located in Quebec, Canada. The terms of the agreement included a cash payment of \$180,000 (of which \$140,000 has been paid and the balance of \$40,000 is owing and the issuance of 5 million shares (received see Note 5).

7. SHARE CAPITAL AND RESERVES

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At June 30, 2021, there were 48,631,065 (December 31, 2020 – 48,290,613) issued and fully paid common shares.

7. SHARE CAPITAL AND RESERVES (cont'd...)

Share issuances

During the period ended June 30, 2021, the Company issued 340,452 common shares for proceeds of \$54,472 on the exercise of warrants.

During the year ended December 31, 2020:

- 1) the Company issued 4,000,000 common shares to settle \$400,000 of debt.
- 2) The Company completed a private placement and issued 305,037 common shares at \$0.20 for gross proceeds of \$61,007.
- 3) the Company completed a private placement and issued 1,893,833 units at \$0.12 for gross proceeds of \$227,260. Each unit is comprised of one common share and one share purchase warrant. Each warrant allows the holder to purchase one common share of the Company at a price of \$0.16 per share for a period of five years from the date of closing of the private placement. The Company paid commissions of \$15,781 and issued 131,507 agent warrants on the same terms.
- 4) the Company completed a private placement and issued 26,681,999 units at \$0.12 for gross proceeds of \$3,201,840. Each unit is comprised of one common share and one share purchase warrant. Each warrant allows the holder to purchase one common share of the Company at a price of \$0.16 per share for a period of five years from the date of closing of the private placement. The Company paid commissions of \$135,942 and issued 1,124,853 agent warrants on the same terms.

Stock options

The Company has a rolling stock option plan that authorizes the board of directors to grant incentive stock options to directors, officers, consultants and employees, whereby a maximum of 10% of the issued common shares are reserved for issuance under the plan. Options granted under the plan will have a term not to exceed ten years and be subject to vesting provisions as determined by the board of directors of the Company.

During period ended June 30, 2021, the Company granted 2,950,000 stock options to certain directors, officers and consultants at \$0.18 for a five year period expiring on February 12, 2026 to certain directors, officers and consultant in accordance with the provisions of its stock option plan. The fair value of the options granted during the period is \$664,946 based on the Black-Scholes option pricing model. The weighted average of the fair value per option was \$0.225.

During the year ended December 31, 2020, the Company granted incentive stock options to purchase a total of 1,900,000 common shares at an exercise price of \$0.23 per share expiring on September 16, 2025 to certain directors, officers and consultants in accordance with the provisions of its stock option plan. The fair value of the options granted during the period is \$369,071 based on the Black-Scholes option pricing model. The weighted average of the fair value per option was \$0.19.

GOLD PORT CORPORATION. (FORMERLY CORSUREX RESOURCE CORP.)
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7. SHARE CAPITAL AND RESERVES (cont'd...)

Stock options (cont'd...)

The Company used the following assumptions for the Black-Scholes option pricing model:

	2021	2020
Risk-free interest rate	0.34%	1.71%
Expected life of options	5.0 years	5.0 years
Annualized volatility	125%	125%
Dividend rate and Forfeiture Rate	0.00%	0.00%

Option transactions are summarized as follows:

	Number of Options	Exercise Price
Balance outstanding and exercisable, June 30, 2020	1,600,000	\$ 0.20
Options cancelled	(1,600,000)	\$ 0.20
Options granted	1,900,000	\$ 0.23
Balance outstanding and exercisable, December 31, 2020	1,900,000	\$ 0.23
Options granted	2,950,000	\$ 0.18
Balance outstanding and exercisable, June 30, 2021	4,850,000	\$ 0.21

Warrants

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance outstanding and exercisable, December 31, 2019	15,164,790	\$ 0.40
Warrants expired	(15,164,790)	0.40
Warrants issued	29,832,192	0.16
Balance outstanding and exercisable, December 31, 2020	29,832,192	\$ 0.16
Warrants exercised	(340,452)	0.16
Balance outstanding and exercisable June 30, 2021	29,491,740	\$ 0.16

At June 30, 2021, warrants were outstanding enabling holders to acquire common shares as follows:

Number of Warrants	Exercise Price	Expiry Date
1,124,853	0.16	September 29, 2025
26,341,547	0.16	September 29, 2025
131,507	0.16	September 29, 2025
1,893,833	0.16	September 29, 2025
29,491,740		

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7. SHARE CAPITAL AND RESERVES (cont'd...)

Share-based payment reserve

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

8. RELATED PARTIES

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 members of the Company's current Board of Directors and its executive officers

During the period ended June 30, 2021 and 2020 the following compensation was incurred:

	2021	2020
Fees and compensation	\$136,092	\$140,863
Directors' fees	18,921	40,500
Stock based payment	450,810	-
	\$605,823	\$181,363

During the period ended June 30, 2021, the Company allocated the \$136,092 (2020 - \$140,863) fees based on the nature of the services provided: expensed \$76,092 (2020 - \$80,863) to management fees, expensed \$60,000 (2020 - \$60,000) to professional fees.

As at June 30, 2020 included in accounts payable and accrued liabilities \$6,100 (December 31, 2020 - \$251,712), due to a company with directors in common. These amounts are unsecured and non-interest bearing, with no fixed terms of repayment.

The balance outstanding as at June 30, 2021 from a company with directors in common of \$Nil (December 31, 2020 - \$257,000) is unsecured and non-interest bearing, with no fixed terms of repayment. The balance outstanding from a company with a director in common is \$Nil (December 31, 2020 - \$45,676) is unsecured and non-interest bearing and without specific terms of repayment.

9. FINANCIAL RISK

The Company's financial instruments consist of cash, marketable securities, accounts payable and accrued liabilities, and due to related parties. Cash and marketable securities have been designated as fair value through profit and loss and accounts payable and accrued liabilities and due to related parties are designated as other financial liabilities. The fair value of these financial instruments approximates their carrying value due to the short-term nature of these instruments, except for cash which is valued at a level 1 fair value measurement. All the Company's financial liabilities have contractual maturities less than 30 days and are subject to normal trade terms.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at June 30, 2021, the Company did not have any cash equivalents or interest-bearing debt and is not subject to interest rate risk.

Price Risk

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

The Company's marketable securities amounting to \$1,293,457 are subject to fair value fluctuations. As at June 30, 2021, if the fair value of the Company's marketable securities had decreased/increased by

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10% with all other variables held constant, loss and comprehensive loss for the six months ended June 30, 2021 would have been approximately \$129,346 higher/lower.

10. CAPITAL MANAGEMENT

The Company is an exploration stage company and this involves a high degree of risk. The Company's primary source of funds comes from the issuance of share capital. The Company does not use other sources of financing that require fixed payments of interest and principal as the Company does not generate cash flow from current operations. Accordingly, the Company is not subject to any externally imposed capital requirements.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's exploration activities on its exploration and evaluation assets. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Company monitors actual expenses to budget all exploration projects and overhead to manage costs, commitments and exploration activities.

The Company intends to invest its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns of unused capital.

Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be able to continue this financing due to uncertain economic conditions. The Company believes that it will be able to raise sufficient funds from share issuances to fund its working capital for the coming year.

There have been no changes to the Company's approach to capital management during the period ended.

11. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment which is exploration and evaluation assets in Guyana and Canada.

	June 30, 2021	December 31, 2020
Exploration and evaluation assets		
Canada	\$ 40,000	\$ 40,000
Guyana	<u>589,335</u>	<u>589,335</u>
	<u>\$ 629,335</u>	<u>\$ 629,335</u>