

Aston Bay Holdings Ltd.

Condensed Interim Consolidated Financial Statements

Six Months ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed an audit or review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada.

Aston Bay Holdings Ltd.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

As at	September 30, 2021	March 31, 2021
ASSETS		
Current assets		
Cash	\$ 90,682	\$ 19,185
Sales tax recoverable	8,291	9,749
Prepaid expenses	18,883	24,358
Total current assets	117,856	53,292
Equipment	166,667	166,667
Total assets	\$ 284,523	\$ 219,959
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 4)	\$ 306,676	\$ 401,092
Loan payable (note 4)	493,546	304,482
Total current liabilities	800,222	705,574
Shareholders' equity		
Share capital (note 5)	18,860,958	18,860,958
Contributed surplus	3,838,762	3,790,962
Accumulated other comprehensive income	(3,317)	(4,964)
Deficit	(23,212,102)	(23,132,571)
Total shareholders' equity	(515,699)	(485,615)
Total liabilities and shareholders' equity	\$ 284,523	\$ 219,959

Going concern (note 1)

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

Approved by the Board

Signed:

"Thomas Ullrich"

Director

"Jan-Erik Back"

Director

Aston Bay Holdings Ltd.

Condensed Interim Consolidated Statements of Changes in Equity

For the six months ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

	Share Capital		Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total Shareholders ' Equity
	Number of Shares	Amount				
Balance, March 31, 2020	153,971,761	\$ 18,396,538	\$ 3,508,462	\$ 45,832	\$ (8,245,477)	\$ 13,705,355
Issuance of units	10,003,333	600,200	-	-	-	600,200
Share issuance costs	-	(35,017)	-	-	-	(35,017)
Issuance of warrants	-	(101,900)	101,900	-	-	-
Stock-based compensation	-	-	55,000	-	-	55,000
Loss for the period	-	-	-	-	(878,712)	(878,712)
Balance, September 30, 2020	163,975,094	\$ 18,859,821	\$ 3,665,362	\$ 45,832	\$ (9,124,189)	\$ 13,446,826
Balance, March 31, 2021	163,975,094	\$ 18,860,958	\$ 3,790,962	\$ (4,964)	\$ (23,132,571)	\$ (485,615)
Stock-based compensation	-	-	47,800	-	-	47,800
Loss for the period	-	-	-	-	(79,531)	(79,531)
Currency translation adjustment	-	-	-	1,647	-	1,647
Balance, September 30, 2021	163,975,094	\$ 18,860,958	\$ 3,838,762	\$ (3,317)	\$ (23,212,102)	\$ (515,699)

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

Aston Bay Holdings Ltd.

Condensed Interim Consolidated Statements of Comprehensive Loss

For the six months ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

	Three months		Six Months	
	2021	2020	2021	2020
Expenses				
Salaries (note 4)	\$ 60,530	\$ 60,299	\$ 123,120	\$ 122,605
Consulting fees (note 4)	20,000	20,000	40,000	40,000
Professional fees	12,132	21,313	27,503	27,160
Marketing	29,473	49,878	38,888	114,378
Travel	8,950	228	8,950	228
Filing and agency fees	24,245	21,838	31,628	24,615
Office and administrative expenses	20,709	21,599	36,917	43,413
Foreign exchange	(328)	(192)	259	(329)
Stock-based compensation (note 5)	23,900	27,500	47,800	55,000
Interest expense	8,660	1,330	17,433	1,330
	(208,271)	(223,793)	(372,498)	(428,400)
Exploration and evaluation expenses	186,684	294,674	(292,967)	450,312
Net Loss	(394,955)	(518,467)	(79,531)	(878,712)
Currency translation adjustment	727	-	(1,647)	-
Comprehensive loss	\$ (395,682)	\$ (518,467)	\$ (77,884)	\$ (878,712)
Loss per share				
- basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding	163,975,094	163,975,094	163,975,094	160,476,661
- basic and diluted				

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

Aston Bay Holdings Ltd.

Condensed Interim Consolidated Statements of Cash Flows

For the six months ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

	2021	2020
Cash flow used in operating activities		
Loss for the period	\$ (79,531)	\$ (878,712)
Items not affecting cash:		
Stock-based compensation	47,800	55,000
Loan interest	14,064	-
	(17,667)	(823,712)
Non-cash working capital items (<i>note 6</i>)	(87,483)	(98,558)
	(105,150)	(922,270)
Cash flow used in investment activities		
	-	-
Cash flow from financing activities		
Proceeds from issuance of units	-	620,200
Share issuance costs	-	(35,017)
Loan proceeds	175,000	200,000
	175,000	785,183
Effects of changes in foreign exchange	1,647	4,088
Increase (decrease) in cash	71,497	(132,999)
Cash, beginning of year	19,185	315,713
Cash, end of period	\$ 90,682	\$ 182,714

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

Aston Bay Holdings Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

Six months ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

1. Nature of the Company and Going Concern

Aston Bay Holdings Ltd. ("Aston Bay" or the "Company") is a publicly listed company incorporated in British Columbia, Canada. The Company's registered address is #530, 355 Burrard Street, Vancouver, British Columbia, V6C 2G8 and the head office is located at Suite 204, 80 Richmond Street West, Toronto, Ontario, M5H 2A4. The Company is engaged in mineral exploration and development and is currently focused on advancing its Blue Ridge Project in central Virginia, USA which includes its Buckingham Gold Project and its Mountain Base Metals Project; and on its Storm Copper and Seal Zinc project on Somerset Island, Nunavut, Canada.

For the six months ended September 30, 2021, the Company reflected a loss of \$77,884 and had an accumulated deficit of \$23,212,102 at September 30, 2021 and has yet to achieve revenue from operations. At September 30, 2021, the Company had a working capital deficit of \$682,366. These factors indicate the existence of material uncertainties that may cast significant doubt regarding the Company's ability to continue as a going concern. In order to meet future expenditures and cover administrative costs, the Company may need to raise additional financing. These consolidated financial statements have been prepared on 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 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.

The recoverability of the amounts shown for mineral properties and deferred exploration expenditures is dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in mineral properties, the ability of the Company to secure continued financial support to develop its mineral properties, and the attainment of future profitable production.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 26, 2021.

2. Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standard ("IFRS") IAS 34 Interim Financial Reporting. As such these statements do not contain all the explanatory notes, descriptions or accounting policies or other disclosures that can be found in the Company's 2021 audited annual consolidated financial statements and thus should be read in conjunction with the audited annual consolidated financial statements. The accounting policies used in the preparation of these condensed interim financial statements are consistent with the 2021 audited annual consolidated financial statements.

Aston Bay Holdings Ltd.

Notes to the Condensed Interim Consolidated Financial Statements
Six months ended September 30, 2021 and 2020
(Expressed in Canadian Dollars)

3. Exploration and Evaluation Expenses

The following is a summary of accumulated exploration and evaluation expenditures:

	Storm Copper and Seal Zinc	Blue Ridge Projects		Total
		Buckingham	Mountain	
Balance, March 31, 2021	\$ 12,326,023	\$ 1,407,128	\$ -	\$ 13,733,151
Expenditures	-	38,677	168,356	207,033
American West payment	(500,000)	-	-	(500,000)
Balance, September 30, 2021	\$ 11,826,023	\$ 1,445,805	\$ 168,356	\$ 13,440,184

Storm Copper and Seal Zinc Project

On May 3, 2021, the Company closed its option agreement transaction with American West Metals Limited (“AWML”), a private Australian company, and Tornado Metals Ltd. (“American West”), a wholly owned subsidiary of AWML, pursuant to which American West has an option to earn an 80% interest in the Storm Copper and Seal Zinc Project. In connection with the closing of the transaction, the Company received a payment of \$500,000 from American West.

Mountain Base Metals Project

On May 17, 2021 the Company entered into a Letter Agreement with a private landowner for key parcels of land as part of the Company’s exploration for base metals deposits in Campbell and Pittsylvania Counties in Central Virginia, USA. The property consists of 1,982 acres of private land located within an underexplored base metals belt with direct access to highway and rail transportation.

4. Related-Party Transactions and Balances

The Company’s related parties include the following:

Thomas Ullrich	Director and Officer
Jan-Erik Back	Director
Michael Dufresne	Director and Consultant
Jessie Liu-Ernsting	Director
Ian McPherson	Director
Dwight Walker	Officer

The Company entered into the following related party transactions during the six-month period ended September 30, 2021:

- Salaries in the amount of \$75,000 (2020 - \$75,000) were reflected for Thomas Ullrich, the Company’s Chief Executive Officer. The amount of salaries payable at September 30, 2021 were \$26,302 (March 31, 2021 - \$nil).

Aston Bay Holdings Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

Six months ended September 30, 2021 and 2020

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4. Related-Party Transactions and Balances - continued

- b) As at September 30, 2021, Mr. Ullrich had advanced \$470,000 (March 31, 2021 - \$295,000) to the Company. The loan is unsecured and repayable on demand. Interest is payable quarterly at 9% per annum and \$23,546 (March 31, 2021 - \$9,482) of quarterly interest payable has been credited to the loan balance. A further \$3,286 of interest was accrued at September 30, 2021 (March 31, 2021 - \$1,686).
- c) Fees in the amount of \$83,651 (2020 – \$20,820) were charged by APEX Geoscience Ltd., a mining and engineering firm of which Michael Dufresne is a principal and part owner. The fees are reflected in exploration and evaluation expenses. Amounts payable as at September 30, 2021 were \$83,651 (March 31, 2021 - \$8,220).
- c) Fees in the amount of \$40,000 (2020 - \$40,000) were charged by Target Financial Services Inc., a company controlled by Dwight Walker, for the services of Mr. Walker, who acts as Chief Financial Officer of the Company. The fees are reflected in consulting fees. The amounts payable to Target Financial Services Inc. at September 30, 2021 were \$45,200 (March 31, 2021 - \$30,133).

These transactions were in the normal course of business and were measured at the exchange amount. Unless otherwise noted, amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment.

5. Share Capital

Common Stock

Authorized share capital

The company is authorized to issue an unlimited number of common shares without par value.

Issued

There were no changes to the issued and outstanding common shares during the period.

Stock Options

The continuity of share purchase options is as follows:

	Number of Options	Weighted average exercise price
Outstanding, March 31, 2021	14,912,500	\$ 0.12
Options forfeited	(1,080,000)	(0.12)
Outstanding, September 30, 2021	13,832,500	\$ 0.12

Aston Bay Holdings Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

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5. Share Capital - continued

Stock Options – continued

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

Expiry Date	Average Remaining Contractual Life (in years)	Number of Options Outstanding	Number of Options Exercisable	Outstanding or Exercisable Exercise Price
October 27, 2021	0.1	400,000	400,000	\$ 0.20
February 1, 2023	1.3	730,000	730,000	0.20
May 18, 2023	1.6	1,027,500	1,027,500	0.40
January 27, 2024	2.3	400,000	400,000	0.20
December 8, 2024	3.2	1,050,000	1,050,000	0.15
January 22, 2026	4.3	3,575,000	3,575,000	0.10
March 10, 2027	5.4	3,150,000	3,150,000	0.06
March 10, 2028	6.4	3,500,000	1,500,000	0.05
	4.5	13,832,500	11,832,500	

The Company recognized \$47,800 (2020 - \$55,000) in stock-based compensation.

Warrants

There were no changes during the period in share purchase warrants outstanding.

As at September 30, 2021, the following warrants were outstanding and exercisable:

Expiry Date	Number of Warrants	Exercise Price
December 20, 2021	6,783,660	\$ 0.12
February 28, 2022	17,940,267	0.12
June 4, 2022	10,509,933	0.12
	35,233,860	

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6. Additional Cash Flow Information

The net change in non-cash working capital consists of the following:

	September 30, 2021	September 30, 2020
Sales tax recoverable	\$ 1,458	\$ 1,307
Prepaid expenses	5,475	13,875
Accounts payable and accrued liabilities	(94,416)	(113,740)
	\$ (87,483)	\$ (98,558)