



UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS

For the three months ended March 31, 2021



INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(all tabular amounts in thousands of Canadian dollars)

	March 31, 2021	December 31, 2020
ASSETS		
Current		
Cash	\$ 3	\$ 3
Other receivables	8	7
TOTAL ASSETS	\$ 11	\$ 10
LIABILITIES		
Current		
Trade and other payables	\$ 74	\$ 69
TOTAL LIABILITIES	74	\$ 69
EQUITY		
Share capital	90,646	\$ 90,646
Contributed surplus	9,969	9,969
Deficit	(100,678)	(100,674)
TOTAL EQUITY	(63)	\$ (59)
TOTAL LIABILITIES AND EQUITY	\$ 11	\$ 10

Corporate information and going concern (Note 1)

On behalf of the Board:

(signed) John Conlon Director

(signed) Hendrik Dietrichsen Director

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



INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) – For the periods ended March 31
(all tabular amounts in thousands of Canadian dollars)

	2021	2020
Expenses		
Technical consulting fees	-	(59)
General and administrative expenses	(4)	(12)
	(4)	(71)
Finance expense	-	(13)
Net loss and comprehensive loss for the period	\$ (4)	\$ (84)
Net loss per common share – basic and diluted	\$(0.00)	\$(0.01)
Weighted average number of common shares outstanding		
Basic and diluted	19,017,915	11,440,384

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



INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY – For the periods ended
 March 31, 2021 & 2020
 (all tabular amounts in thousands of Canadian dollars)

	Number of shares	Share capital	Contributed surplus	Deficit	Total Equity
Balance – January 1, 2020	11,440,384	\$ 90,134	\$ 9,969	\$ (100,571)	\$ (468)
Net income for the period	-	-	-	(84)	(84)
Balance – March 31, 2020	11,440,384	\$ 90,134	\$ 9,969	\$ (100,655)	\$ (552)
Balance – January 1, 2021	19,017,915	\$ 90,646	\$ 9,969	\$ (100,674)	\$ (59)
Net income for the period	-	-	-	(4)	(4)
Balance – March 31, 2021	19,017,915	\$ 90,646	\$ 9,969	\$ (100,678)	\$ (63)

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



INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS – For the periods ended March 31
(all tabular amounts in thousands of Canadian dollars)

	2021	2020
OPERATING ACTIVITIES		
Loss for the period	\$ (4)	\$ (84)
Add items not affecting cash		
Non-cash interest expense	-	13
Changes in non-cash working capital balances related to operations		
Trade and other receivables	(1)	(1)
Trade and other payables	5	65
Cash used in by operating activities	-	(7)
Net increase (decrease) in cash for the period	-	(7)
Cash and cash equivalents, beginning of period	3	10
Cash and cash equivalents, end of period	\$ 3	\$ 3

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

1 Corporate information and going concern

EastCoal Inc. (the “Company”) was incorporated on December 15, 1986 under the laws of the Province of British Columbia, Canada. Its principal business activity is the acquisition and development of mineral properties and its registered address is Suite 428, 755 Burrard Street, Vancouver, BC, V6Z 1X6, Canada and its head office is located at Suite 1901 – Tudor Manor, 1311 Beach Avenue, Vancouver, British Columbia, Canada, V6E 1V6.

These consolidated financial statements were prepared using International Financial Reporting Standards that are applicable to a going concern.

The Company has experienced recurring operating losses and has accumulated a deficit of \$100,678,280 at March 31, 2021. For the three-month period ended March 31, 2021 the Company used cash in operating activities totalling \$18. The Company had cash of \$3,024 and a working capital deficit of \$63,049 at March 31, 2021. Working capital is defined as current assets less current liabilities and provides a measure of the Company’s ability to settle liabilities that are due within one year with assets that are also expected to be converted into cash within one year.

The Company’s continued operation is dependent upon its ability to raise additional funding. Although the directors believe that the Company should be able to secure future fundraising as required, there are no assurances that the Company will be successful in achieving this goal. As a result, there are material uncertainties that cast significant doubt about the Company’s ability to continue as a going concern and realize its assets and discharge its liabilities in the normal course of business. These consolidated financial statements have been prepared on a going concern basis, which assumes the Company will realize on its assets and discharge its liabilities in the normal course of operations, and do not include adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. These adjustments may be material.

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, however the impact to date has been limited.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the periods ended March 31, 2021 and 2020

(all tabular amounts in thousands of Canadian dollars except per share figures and unless otherwise noted)

2 Basis of presentation

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”) and follow the same accounting policies and methods of application as contained in the annual financial statements for the year ended December 31, 2020. Accordingly, they should be read in conjunction with the Company’s most recent annual financial statements. These interim condensed consolidated financial statements were approved by the Board of Directors on May 31, 2021.

3 Related party transactions

As at March 31, 2021, \$32,762 was payable to directors and officers of the Company and is included in trade and other payables.