



Platinex Inc.

Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2021

Expressed in Canadian Dollars

NOTICE TO READER

The accompanying condensed interim consolidated financial statements of Platinex Inc. (the "Company") have been prepared by and are the responsibility of management. The condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Platinex Inc.
Condensed Interim Consolidated Statements of Financial Position
Expressed in Canadian Dollars

	As at March 31, 2021	As at December 31, 2020
ASSETS		
Current assets		
Cash	\$ 1,144,155	\$ 1,393,872
HST receivable	18,490	30,327
Prepaid expenses	88,286	84,741
Total current assets	1,250,931	1,508,940
Non-current assets		
Exploration and evaluation assets (note 3)	1,225,636	1,173,540
Equipment	412	549
Total non-current assets	1,226,048	1,174,089
Total assets	\$ 2,476,979	\$ 2,683,029
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 8)	\$ 205,111	\$ 247,841
Total current liabilities	205,111	247,841
Loan payable (note 4)	40,000	40,000
Total liabilities	245,111	287,841
Shareholders' equity		
Share capital (note 5)	10,561,180	10,525,580
Share warrant reserve (note 6)	1,639,328	1,654,928
Contributed surplus (note 7)	1,863,166	1,660,351
Accumulated deficit	(11,831,806)	(11,445,671)
Total shareholders' equity	2,231,868	2,395,188
Total liabilities and shareholders' equity	\$ 2,476,979	\$ 2,683,029

Nature of operations and going concern (note 1)
 Commitments and contingencies (note 10)
 Subsequent events (note 11)

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

Platinex Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
Expressed in Canadian Dollars

	Three Months Ended March 31,	
	2021	2020
Expenses		
Professional fees (note 8)	\$ 27,025	\$ 12,661
Consulting fees	37,027	4,571
Depreciation	137	103
Investor relations	72,211	-
Management fees and salaries (note 8)	22,750	20,250
Office and general	21,937	4,734
Rent (note 8)	1,500	1,500
Regulatory and transfer agent fees	733	4,914
Share based payments (notes 7 and 8)	202,815	-
Net loss and comprehensive loss for the period	\$ (386,135)	\$ (48,733)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	156,034,774	102,122,619

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

Platinex Inc.
Condensed Interim Consolidated Statements of Cash Flows
Expressed in Canadian Dollars

Three Months Ended
March 31,
2021 2020

Operating activities

Net loss for the period	\$ (386,135)	\$ (48,733)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	137	103
Share based payments	202,815	-
Changes in non-cash working capital items:		
HST receivable	11,837	1
Prepaid expenses	(3,545)	1,610
Accounts payable and accrued liabilities	(42,730)	20,902
Net cash used in operating activities	(217,621)	(26,117)

Investing activities

Expenditures for exploration and evaluation assets	(52,096)	-
Net cash used in investing activities	(52,096)	-

Financing activities

Proceeds from common shares issued	20,000	33,000
Net cash provided by financing activities	20,000	33,000

Net change in cash	(249,717)	6,883
Cash, beginning of period	1,393,872	1,154
Cash, end of period	\$ 1,144,155	\$ 8,037

Supplemental information

Fair value of warrants exercised	\$ 15,600	\$ -
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Platinex Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
Expressed in Canadian Dollars

	Share Capital	Share Warrant Reserve	Contributed Surplus	Accumulated Deficit	Total
Balance, December 31, 2019	\$ 8,272,886	\$ 590,391	\$ 1,326,806	\$ (10,674,059)	\$ (483,976)
Net loss and comprehensive loss for the period	-	-	-	(48,733)	(48,733)
Common shares issued for cash (note 5(b)(i)(ii))	22,000	11,000	-	-	33,000
Expiry of stock options	-	-	(51,057)	51,057	-
Balance, March 31, 2020	\$ 8,294,886	\$ 601,391	\$ 1,275,749	\$ (10,671,735)	\$ (499,709)
Balance, December 31, 2020	\$ 10,525,580	\$ 1,654,928	\$ 1,660,351	\$ (11,445,671)	\$ 2,395,188
Net loss and comprehensive loss for the period	-	-	-	(386,135)	(386,135)
Common shares issued for the exercise of warrants (note 5(b)(iii))	35,600	(15,600)	-	-	20,000
Share based payments	-	-	202,815	-	202,815
Balance, March 31, 2021	\$ 10,561,180	\$ 1,639,328	\$ 1,863,166	\$ (11,831,806)	\$ 2,231,868

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

Platinex Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2021
Expressed in Canadian Dollars

1. NATURE OF OPERATIONS AND GOING CONCERN

Platinex Inc., which together with its subsidiaries is collectively referred to as the "Company" or "Platinex", is a Canadian company whose business activity is the exploration and evaluation of mineral properties in Canada. Platinex was incorporated under the Ontario Business Corporations Act on August 12, 1998.

Until March 22, 2017, the Company was listed on the TSX Venture Exchange, having the symbol PTX-V, as a Tier 2 mining issuer. Effective March 23, 2017, the Company is listed on the Canadian Securities Exchange, having the symbol PTX. The address of the Company's corporate office and principal place of business is 807-20 William Roe Blvd., Newmarket, Ontario, L3Y 5V8, Canada.

These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on May 28, 2021.

For the three months ended March 31, 2021, the Company generated a net loss of \$386,135 (three months ended March 31, 2020 - \$48,733), has an accumulated deficit of \$11,831,806 as at March 31, 2021 (December 31, 2020 - \$11,445,671) and has negative cash flow from operations amounting to \$217,621 for (three months ended March 31, 2020 - \$26,117).

Management estimates that the funds available as at March 31, 2021 may not be sufficient to meet the Company's obligations and budgeted expenditures through December 31, 2021. The Company will have to raise additional funds to continue operations. The Company is pursuing financing alternatives to fund its operations and to continue its activities as a going concern. Although there is no assurance that the Company will be successful in these actions, management is confident that it will be able to secure the necessary financing through the issuance of new debt and equity.

Commencing in March 2020, the outbreak of the novel strain of coronavirus known as "COVID-19" has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company.

Although these condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, the above-noted events and conditions indicate a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements do not reflect the adjustments to the carrying amounts of assets and liabilities, to the reported expenses and to the financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

Platinex Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2021
Expressed in Canadian Dollars

2. BASIS OF PREPARATION

Basis of Presentation and Measurement

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and under the historical cost method, except for certain financial instruments measured at fair value.

These condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the years ended December 31, 2020 and 2019 which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies and methods adopted are consistent with those disclosed in the Company's consolidated financial statements for the years ended December 31, 2020 and 2019, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2021 could result in restatement of these unaudited condensed interim financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the condensed interim consolidated financial statements are disclosed in the Company's consolidated financial statements as at and for the years ended December 31, 2020 and 2019.

Accounting standards effective for future periods

There are no IFRS or IFRIC interpretations that are not yet in effect that are currently expected to have a material impact on the Company.

3. EXPLORATION AND EVALUATION ASSETS

	Shining Tree
Balance at December 31, 2019	\$ 1
Option payment - shares and warrants	960,000
Exploration costs	213,539
Balance at December 31, 2020	1,173,540
Royalty payment received	(12,500)
Exploration costs	64,596
Balance at March 31, 2021	\$ 1,225,636

Shining Tree Property, Ontario

In 2011, the Company vested an option agreement with Skead Holdings Ltd. ("Skead"), with respect to 139 claim units (5,680 acres or 2,299 ha), situated in Churchill, MacMurchy and Asquith Townships in Ontario (the "Shining Tree property"). In March, 2018, the Company settled a cumulative overdue advance royalty payment by issuance of 292,307 common shares to Skead in connection with the Shining Tree property. The settlement comprised an aggregate amount of \$73,000, which included a \$35,000 cash payment. The Company now holds a 100% interest in the claims subject to a 3% NSR and advance royalty payments of \$10,000 per year commencing in April 2019. Advance royalty payments for 2019 and 2020 have been paid.

Platinex Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2021
Expressed in Canadian Dollars

3. EXPLORATION AND EVALUATION ASSETS (Continued)

Shining Tree Property, Ontario (continued)

Further Platinex may eliminate the requirement for future advance royalty payments by making a one-time advance royalty payment of \$100,000. Two thirds of the 3% NSR may be reduced by payment of: \$75,000 for each one-quarter percent for the first one-half percent; \$150,000 for each one-quarter percent for the second one-half percent; \$250,000 for each one-quarter percent for the third one-half per cent, and; \$400,000 for each one-quarter percent for the final one-half percent (\$1.75 million in aggregate). If Skead wishes to sell the residual royalty interest the Company retains a right of first refusal to purchase the NSR. On May 10, 2012, the Company acquired a lease (40 acres, 16 ha) from Gary John McBride for 200,000 shares of the Company. The lease is central to the Shining Tree property.

The Company entered into two agreements in August 2016 and a further five agreements in November 2016, January 2017, March 2017, April 2017 and June 2017 and staked claims in December 2016 which significantly expanded the size and potential of its Shining Tree gold property. Platinex has entered into an option agreement with Skead and Ashley Gold Mines Limited, with respect to certain claims situated in Churchill, MacMurchy and Asquith Townships, in Ontario. Platinex has the right to acquire a 100% interest in the 54 claim units and a 50% interest in a further 8 claim units (991 ha or 2,480 acres), subject to a 2% NSR, by issuing 200,000 shares of Platinex (issued in 2016), and by making cash payments (or share equivalent) of \$95,000 and by incurring property expenditures of \$500,000 during the ensuing four-year period to August 17, 2020 (the "Skead-Ashley option"). The Skead-Ashley option was in arrears by \$30,000 (subsequently settled, see below). Platinex also entered into an agreement with two prospectors to purchase a 100% interest in four claims comprising 20 claim units (320 ha or 800 acres) in Churchill, MacMurchy and Asquith Townships, in Ontario by issuing 400,000 shares of Platinex (issued in 2016). Platinex subsequently entered into five agreements with one prospector to purchase a 100% interest in: ten claims comprising 70 claim units (1,120 ha or 2,800 acres) for 398,000 shares on November 3, 2016 (issued in 2016); four claims comprising 43 claim units (688 ha or 1,720 acres) for 71,429 shares on January 25, 2017; eight claims comprising 96 claim units (1,536 ha or 3,840 acres) for 86,705 shares on March 30, 2017; 21 claims comprising 267 claim units (4,272 ha or 10,680 acres) for 391,250 shares on April 20, 2017 and 9 claims comprising 127 claim units (2,032 ha or 5,080 acres) for \$5,000 and 436,190 shares on June 20, 2017. Platinex also staked claims comprising 45 claim units (720 ha or 1,800 acres). Six claim units were subsequently included in the Skead Agreement. On December 12, 2017, the Company issued 138,888 shares to Skead and Ashley Gold Mines Limited to satisfy a portion of a \$25,000 option payment on the Skead-Ashley option.

In January and March 2019, the following amendments were made to the Skead-Ashley option agreement:

- (i) The \$25,000 option in arrears was increased to \$30,000 and due on January 18, 2019 through the issuance of shares (issued);
- (ii) Final option payment of \$30,000 (payable in cash) due August 1, 2019; (amended see below)
- (iii) Year 3 expenditures of \$150,000 due on or before August 17, 2020; (amended see below)
- (iv) Year 4 expenditures of \$200,000 due on or before August 17, 2021. (amended see below)

On April 12, 2019, the Company closed a transaction for the assignment of its ownership rights, under an option agreement with Skead and Ashley Gold Mines Limited with respect to a 50% interest in claim L4212960, to Goldeye Explorations Ltd., a subsidiary of Treasury Metals Inc. The terms include proceeds of \$25,000 received in cash and a 1% NSR royalty on 50% of the claim. The residual requirements of Platinex under the Skead-Ashley option were accordingly amended to:

- (i) Final option payment of \$28,000 (paid);
- (ii) Year 3 expenditures of \$140,000 due on or before August 17, 2020; (waived)
- (iii) Year 4 expenditures of \$186,667 due on or before August 17, 2021.(completed)

3. EXPLORATION AND EVALUATION ASSETS (Continued)

Shining Tree Property, Ontario (continued)

On October 28, 2019, the Company announced that it had entered into two Letters of Intent to acquire two prospective claim groups adjoining its Shining Tree property in Churchill and MacMurchy Townships, Ontario.

The first Letter of Intent ('LOI') with Skead is with respect to 19 cell claims and one fractional claim. It is intended to include these claims in an existing royalty agreement (3% NSR) with Skead and to provide Skead with staking costs of approximately \$1,000. The LOI also calls for the inclusion of two legacy claims held solely by Platinex in the Skead royalty agreement. Platinex is currently renegotiating terms to include more claim units in the agreement with Skead, but exclude the two legacy claims held by Platinex.

The second LOI with a partnership represented by Joe B. Hinzer involves 8 cell claims in Churchill Township. This LOI contemplates entering into a definitive agreement to acquire 100% interest in the Dirks-Hinzer Property subject to an agreed royalty, reimbursement for past exploration and completion of a favourable due diligence by Platinex. Terms are being negotiated whereby Platinex would provide a purchase payment of shares of Platinex for the 8 cell unit property, include up to a 2% NSR and undertake to do further exploration on the property.

For the year ended December 31, 2019, the Company assessed the impairment indicators under IFRS 6 and has recorded a write-down of \$96,723 due to the lack of budgeted resources available and committed to the property.

On July 24, 2020, the Company announced that pursuant to the terms of the mining investment agreement (the "Purchase Agreement") dated July 15, 2020 between the Company, Treasury Metals Inc. ("Treasury") and its wholly-owned subsidiary Goldeye Explorations Limited, the Company has acquired an aggregate of 208 unpatented mining claims located in the Shining Tree District, Northern Ontario (the "Mining Claims") and three net smelter royalties (the "Royalties").

In consideration for acquiring the Mining Claims and the Royalties (the "Acquisition"), Platinex issued to Treasury 12,500,000 common shares ("Consideration Shares") of Platinex and 5,000,000 non-transferable common share purchase warrants ("Consideration Warrants") of Platinex. Each Consideration Warrant entitles Treasury to purchase one common share of Platinex at a price of \$0.05 per share for a period of 24 months from the date of issue. If Treasury exercises the Consideration Warrants on or before September 1, 2020, it will receive an additional non-transferable common share purchase warrant (a "Secondary Warrant") for each Consideration Warrant exercised. Each Secondary Warrant entitles the holder to purchase one common share of Platinex at a price of \$0.20 per share for a period of 24 months from the date of the closing of the Acquisition. The Secondary Warrants provide that Treasury shall not exercise the Secondary Warrants if such exercise would result in it owning 20% or more of the issued and outstanding common shares of Platinex.

The Consideration Shares were valued at \$750,000 based on the share price on July 15, 2020. The Consideration Warrants issued were assigned an aggregate fair value of \$210,000 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.06, dividend yield 0%, expected volatility 194%, risk-free rate of return 0.27% and expected life of 2 years.

The parties have agreed that the Consideration Shares will be placed in a voluntary escrow agreement, with 25% (3,125,000 Consideration Shares) to be released on the 12th, 15th, 18th and 24th month anniversaries of the closing of the Acquisition. Treasury has agreed to support and vote for the recommendations of the Company's management at all shareholder meetings of the Company held during the time that the Consideration Shares are held in escrow. As at December 31, 2020, 12,500,000 Consideration Shares were held in escrow.

Platinex Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2021
Expressed in Canadian Dollars

3. EXPLORATION AND EVALUATION ASSETS (Continued)

Shining Tree Property, Ontario (continued)

The Royalties consist of a 100% interest in three royalty agreements, consisting of (i) a 2% net smelter royalty in respect of the Sonia-Puma Property held by Minera Goldeye Chile Limitada (which has been acquired by Newmont Goldcorp); (ii) a 1% net smelter royalty in respect of nine mineral claims forming part of the McFaulds Lake Project held by AurCrest Resources Inc.; and (iii) a 2% net smelter royalty in respect of 29 mineral claims located in MacMurchy Township, Ontario held by Golden Harp Resources Inc.

Pursuant to the terms of the Purchase Agreement, Treasury has agreed to exercise a minimum of 3,000,000 Consideration Warrants on or before September 1, 2020. Prior to September 1, 2020, Treasury exercised 3,000,000 Consideration Warrants for proceeds of \$150,000, and the 3,000,000 common shares were issued to Treasury in November 2020. In connection with the exercise of the Consideration Warrants, 3,000,000 Secondary Warrants were issued to Treasury. The 3,000,000 Secondary Warrants were assigned an aggregate fair value of \$129,000 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.06, dividend yield 0%, expected volatility 202%, risk-free rate of return 0.24% and expected life of 1.87 years. The value of the Secondary Warrants was included in share capital as share issue costs. Treasury has the right to participate in future financings which may be conducted by Platinex in order to allow it to maintain its pro rata equity interest in Platinex for a period of 24 months from the closing of the Acquisition. The Purchase Agreement also provides Treasury with the right to appoint one nominee to the board of directors of Platinex for a period of two years.

On August 14, 2020, Skead Holdings Ltd and Ashley Gold Mines Limited waived the requirement for Platinex to conduct and file \$140,000 of assessment work prior to August 17, 2020. On December 4, 2020, Skead-Ashley accepted that the Year 4 expenditures had been incurred which resulted in the vesting of the option and the claims were duly registered in Platinex's name.

4. LOAN PAYABLE

In May 2020, the Company received a government guaranteed loan of \$40,000 to help with operating costs during COVID-19. The loan is interest-free until December 31, 2022. 25% of the loan amount is eligible for forgiveness provided that the Company pays back 75% of the loan on or before December 31, 2022. If the Company does not repay the loan by December 31, 2022, the loan may be converted into a 3-year term loan at an interest rate of 5%.

5. SHARE CAPITAL

a) Authorized: Unlimited number of common shares.

b) Issued:

	Number of common shares	Amount
Balance, December 31, 2019	101,514,927	\$ 8,272,886
Common share issuances (i)(ii)	1,100,000	33,000
Warrants valuation (i)(ii)	-	(11,000)
Balance, March 31, 2020	102,614,927	\$ 8,294,886
Balance, December 31, 2020	155,810,598	\$ 10,525,580
Common shares issued for the exercise of warrants (iii)	400,000	20,000
Value of warrants exercised	-	15,600
Balance, March 31, 2021	156,210,598	\$ 10,561,180

Platinex Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2021
Expressed in Canadian Dollars

5. SHARE CAPITAL (Continued)

For the period ended March 31, 2020

- (i) On January 28, 2020, the Company completed a second interim closing of its non-brokered private placement of 700,000 units for aggregate gross proceeds of \$21,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at an exercise price of \$0.075 for a period of 24 months from issuance.

The relative fair value of the warrants issued was \$7,000 using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility 164%, risk-free rate of return 1.48% and expected life of 2 years.

- (ii) On March 3, 2020, the Company completed the final closing of its non-brokered private placement of 400,000 units for aggregate gross proceeds of \$12,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at an exercise price of \$0.075 for a period of 24 months from issuance.

The relative fair value of the warrants issued was \$4,000 using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility 152%, risk-free rate of return 0.97% and expected life of 2 years.

For the period ended March 31, 2021

- (iii) On February 8, 2021, 400,000 warrants were exercised for gross proceeds of \$20,000.

- c) Commitment to issue shares:

During the year ended December 31, 2018, the Company entered into an agreement to settle a portion of consulting fees in common shares of the Company. As at March 31, 2021, the amount to be settled was \$59,679 and is included in accounts payable and accrued liabilities.

6. WARRANTS

The following table reflects the continuity of warrants for the periods ended March 31, 2021 and 2020:

	Number of warrants	Weighted average exercise price (\$)
Balance, December 31, 2019	24,604,832	0.14
Granted (note 5(i)(ii))	1,100,000	0.075
Balance, March 31, 2020	25,704,832	0.14
Balance, December 31, 2020	62,954,934	0.11
Exercised	(400,000)	0.05
Balance, March 31, 2021	62,554,934	0.11

Platinex Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2021
Expressed in Canadian Dollars

6. WARRANTS (Continued)

The following table reflects the warrants issued and outstanding as of March 31, 2021:

Date of Expiry	Number of warrants outstanding	Exercise price (\$)
June 28, 2021	4,583,000	0.10
July 15, 2021	160,800	0.05
August 26, 2021	3,333,332	0.075
November 15, 2021	12,000,000	0.15
November 25, 2021	3,938,500	0.20
January 28, 2022	700,000	0.075
March 3, 2022	400,000	0.075
June 30, 2022	408,800	0.075
July 15, 2022	11,843,333	0.075
July 15, 2022	2,000,000	0.05
July 15, 2022	3,000,000	0.20
December 31, 2022	5,715,169	0.10
January 9, 2023	750,000	0.24
August 24, 2023	13,722,000	0.10
	62,554,934	0.11

7. STOCK OPTIONS

In October 2005, the Company's Board of Directors approved a stock option plan. Under the terms of the Company's stock option plan, a maximum of 10% of the then issued and outstanding common shares are reserved for issuance to the Company's directors, officers, employees and eligible consultants. The stock option plan was approved by the Company's non-participatory shareholders on May 24, 2006 and is re-approved each successive year at the Annual General Meeting.

The following table reflects the continuity of stock options for the periods ended March 31, 2021 and 2020:

	Number of stock options	Weighted average exercise price (\$)
Balance, December 31, 2019	8,250,000	0.07
Expired	(650,000)	0.08
Balance, March 31, 2020	7,600,000	0.07
Balance, December 31, 2020	9,875,000	0.08
Granted (i)(ii)	3,725,000	0.08
Balance, March 31, 2021	13,600,000	0.08

(i) On February 18, 2021, the Company granted stock options to purchase 3,125,000 common shares at \$0.08 per share to a senior officer, directors and consultants. The options will expire on February 18, 2026. The options vested immediately and were valued at their grant date fair value of \$0.052 per option for a total of \$162,500 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 179%; share price of \$0.055; exercise price of \$0.08; risk-free interest rate of 0.59% and an expected life of 5 years.

Platinex Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2021
Expressed in Canadian Dollars

7. STOCK OPTIONS (Continued)

(ii) On March 29, 2021, the Company granted stock options to purchase 600,000 common shares at \$0.07 per share to an advisor and a consultant. The options will expire on March 29, 2026. The options vested immediately and were valued at their grant date fair value of \$0.057 per option for a total of \$34,200 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 177%; share price of \$0.06; exercise price of \$0.07; risk-free interest rate of 0.97% and an expected life of 5 years.

The following table reflects the Company's stock options outstanding and exercisable as at March 31, 2021:

Expiry date	Options outstanding	Options exercisable	Exercise price (\$)	Weighted average remaining contractual life (years)
September 7, 2021	550,000	550,000	0.05	0.44
September 18, 2022	1,700,000	1,700,000	0.10	1.47
August 1, 2023	1,200,000	1,200,000	0.07	2.34
August 17, 2023	100,000	100,000	0.07	2.38
April 23, 2024	200,000	200,000	0.05	3.07
November 1, 2024	1,000,000	1,000,000	0.05	3.59
July 24, 2025	3,175,000	3,175,000	0.085	4.32
August 14, 2025	200,000	200,000	0.07	4.38
August 17, 2025	300,000	300,000	0.07	4.38
September 2, 2025	650,000	650,000	0.06	4.43
October 8, 2025	800,000	400,000	0.065	4.53
February 18, 2026	3,125,000	3,125,000	0.08	4.89
March 29, 2026	600,000	600,000	0.070	5.00
	13,600,000	13,200,000	0.08	3.73

8. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors and other key management personnel, close family members and enterprises that are controlled by these individuals. Related party transactions are conducted in the normal course of operations and are measured at the exchange value (the value amount established and agreed to by the related parties).

The following summarizes the Company's related party transactions for the periods:

	Three Months Ended March 31,	
	2021	2020
Rent paid	\$ 1,500	\$ 1,500

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company. The Company's key management personnel include the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary.

Platinex Inc.
Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2021
Expressed in Canadian Dollars

8. RELATED PARTY TRANSACTIONS (Continued)

Remuneration of key management personnel of the Company for the periods are presented below:

	Three Months Ended March 31,	
	2021	2020
Management and directors fees	\$ 22,750	\$ 20,250
Professional fees	18,000	9,661
Consulting fees	22,500	-
Share based compensation	115,700	-
	\$ 178,950	\$ 29,911

As at March 31, 2021, related parties were owed \$2,747 (December 31, 2020 - \$9,597) recorded in accounts payable and accrued liabilities.

9. SEGMENTED REPORTING

The Company is organized into business units based on mineral properties and has one reportable operating segment in Canada, being that of acquisition and exploration and evaluation activities.

10. COMMITMENTS AND CONTINGENCIES

Environmental

The Company's exploration and evaluation activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Flow-through commitments

The Company is obligated to spend \$793,275 by December 31, 2022. The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for certain tax-related amounts that may become payable by the subscribers if the Company does not meet its expenditure commitments.

11. SUBSEQUENT EVENTS

(i) On April 19, 2021, the Company granted stock options to purchase 600,000 common shares at \$0.07 per share to consultants. The options will expire on April 19, 2026.

(ii) Subsequent to March 31, 2021, the Company issued 444,000 common shares for the exercise of warrants for gross proceeds of \$32,200.