NEW WORLD RESOURCE CORP.

CONSENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2020

(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 New World Resource Corp. (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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

	March 31, 2020	December 31, 2019
	$	$
ASSETS		
Current assets		
Cash	**1,075,168**	1,094,253
Marketable securities (Note 3)	**2,097,100**	2,432,636
Receivables	**2,829**	1,392
TOTAL ASSETS	**3,175,097**	3,528,281
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**86,984**	60,828
Accounts payable to related parties (Note 4)	**33,600**	35,175
Total Liabilities	**120,584**	96,003
EQUITY		
Share capital (Note 5)	**28,549,888**	28,549,888
Deficit	**(25,495,375)**	(25,117,610)
Total Equity	**3,054,513**	3,432,278
TOTAL LIABILITIES AND EQUITY	**3,175,097**	3,528,281

Nature and continuance of operations (Note 1)
Proposed transaction (Note 1)

On behalf of the Board of Directors:

"John Lando"	"Lyle Brown"
Director	Director

Approved and authorized by the Board on May 29, 2020

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Expressed in Canadian Dollars)
(Unaudited)
Periods Ended March 31,

	2020	2019
	$	$
OPERATING EXPENSES		
Consulting (Note 4)	**7,500**	7,500
Foreign exchange	**-**	(264)
Office and general (Note 4)	**97**	299
Professional fees (Note 4)	**33,406**	14,456
Rent (Note 4)	**-**	6,000
Transfer agent and filing fees	**5,286**	-
	(46,289)	(27,991)
Interest income	**4,060**	5,010
Unrealized gain (loss) on marketable securities (Note 3)	**(335,536)**	83,885
	(331,476)	88,895
Income (loss) and comprehensive income (loss) for the period	**(377,765)**	60,904
Basic and diluted earnings (loss) per common share	**(0.03)**	0.01
Weighted average number of common shares outstanding	**13,699,045**	13,299,045

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)
For the three-month period ended March 31,

	2020	2019
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Income for the period	**(377,765)**	60,904
Items not affecting cash:		
Unrealized loss (gain) on marketable securities	**335,536**	(83,885)
Changes in non-cash working capital items:		
Receivables	**(1,437)**	(579)
Accounts payable and accrued liabilities	**26,156**	10,687
Accounts payable to related parties	**(1,575)**	9,500
Cash used in operating activities	**(19,085)**	(3,373)
Change in cash during the period	**(19,085)**	(3,373)
Cash, beginning of period	**1,094,253**	1,301,340
Cash, end of period	**1,075,168**	1,297,967
Cash paid during the period for:		
Interest	**-**	-
Taxes	**-**	-

There were no significant non-cash investing and financing activities for the periods ended March 31, 2020 and 2019.

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

NEW WORLD RESOURCE CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital			
	Number of shares outstanding	Amount	Deficit	Total equity
Balance at December 31, 2018	13,299,045	$ 28,449,888	$(24,800,809)	$ 3,649,079
Income for the period	-	-	60,904	60,904
Balance at March 31, 2019	13,299,045	28,449,888	(24,739,905)	3,709,983
Shares issued for debt settlement	400,000	100,000	-	100,000
Loss for the period	-	-	(377,705)	(377,705)
Balance at December 31, 2019	13,699,045	28,549,888	(25,117,610)	3,432,278
Loss for the period	-	-	(377,765)	(377,765)
Balance at March 31, 2020	13,699,045	$ 28,549,888	$(25,495,375)	$ 3,054,513

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

1. NATURE AND CONTINUANCE OF OPERATIONS

New World Resource Corp. (the "Company") was incorporated on September 22, 1983 under the laws of the Province of British Columbia. The Company trades on the TSX Venture Exchange ("TSX-V"). The Company's registered and records office address is Suite 2900 – 550 Burrard Street, Vancouver, BC, V6C 0A3.

The condensed interim consolidated financial statements of the Company are presented in Canadian dollars unless otherwise indicated, which is the functional currency of the parent company and its subsidiaries.

These condensed interim consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The ability of the Company to continue as a going-concern depends upon its ability to continue to raise adequate financing or develop profitable operations. The Company currently has a working capital surplus of $3,054,513 (December 31, 2019 - $3,432,278). Operations can be capital intensive and management is continually investigating potential acquisitions and sources of additional financing through business and financial transactions which would assure continuation of the Company's operations.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in these financial statements.

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.

On June 3, 2019, the Company entered into a definitive arrangement agreement with Perimeter Medical Imaging Inc. ("Perimeter"), pursuant to which the Company and Perimeter will amalgamate by way of a plan of arrangement and the current security holders of each corporation will become security holders of the resulting public company (the "Resulting Issuer"). On April 22, 2020, the Company and Perimeter have also agreed to amend and restate the previously announced arrangement agreement dated June 3, 2019 (the "Arrangement Agreement") to extend the outside closing date of the Transaction to December 31, 2020. The Arrangement Agreement was amended to set an additional closing condition that Perimeter raise a minimum of $3.0 million in a concurrent financing immediately prior to and in conjunction with completion of the Transaction as described below. The proposed transaction (the "Transaction") is an arm's length transaction and will result in a reverse take-over and change of control of the Company by the shareholders of Perimeter. The Resulting Issuer will be named Perimeter Medical Imaging AI, Inc.

Perimeter is a private Toronto-headquartered company founded in 2013, backed by Roadmap Capital. Perimeter has U.S. Food and Drug Administration (FDA) 510(k) clearance to market its OTIS™ tissue imaging system for high resolution margin visualization of excised tissue in real-time during surgeries. Perimeter is developing an AI-based, interactive, decision-support software to assist surgeons in identifying regions of interest for further assessment, in images generated in real time. Perimeter announced it has received a $10.4 million (US$7.44 million) grant to further develop its AI Img Assist technology for their OTIS™ device at leading cancer centers in Texas.

Pursuant to the plan of arrangement, at the effective time of the Transaction, (i) the Company will distribute to its shareholders, on a pro-rata basis, for every two common shares owned of record, one warrant to purchase one share of the Resulting Issuer at an exercise price of $0.90 per share (the "Warrants") with an expiry date of two years from issuance; (ii) immediately following the distribution of the Warrants, the Company and Perimeter will be amalgamated and the issued and outstanding shares of each the Company and Perimeter will be exchanged for common shares in the Resulting Issuer according to an exchange ratio; and (iii) outstanding options and warrants of Perimeter will become options and warrants to purchase common shares of the Resulting Issuer. Additionally, the arrangement will effect a 1 for 3 reverse stock split of the Company's common shares.

1. NATURE AND CONTINUANCE OF OPERATIONS (Continued)

The exchange ratio for the existing Company's and Perimeter shareholders is determined by a formula based on the relative deemed values assigned to the Company and Perimeter.

The Transaction is subject to customary closing conditions for transactions of this nature as well as all requisite regulatory approvals including approval of both the Company's and Perimeter's securityholders, the acceptance of the TSXV and a final order of the Supreme Court of British Columbia as to the fairness of the Transaction. Perimeter is incorporated under the Ontario Business Corporations Act and it is also a condition of closing that it be continued under the Business Corporations Act (British Columbia).

Closing of the Transaction is also subject to the Company's and Perimeter's shareholders holding no more than 5% of the issued and outstanding shares of respective companies exercising dissent rights with respect to the Transaction.

There can be no assurance that the Transaction will be completed as proposed or at all.

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. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and basis of presentation

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Financial Report Standards and International Accounting Standards ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments classified at fair value through profit or loss which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed consolidated interim financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2019.

The accounting policies applied in preparation of these condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2019:

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All inter-company balances and transactions, income and expenses have been eliminated upon consolidation.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

The principal subsidiaries of the Company are as follows:

Name of subsidiary	Principal Activity	Incorporation	Interest March 31, 2020	Interest December 31, 2019
New World Resource US, Inc.	Mineral exploration	Nevada, USA	100%	100%

*During the year ended December 31, 2019, the Company disposed of its wholly owned subsidiary, New World Resource Bolivia S.A. The company realized a gain on the disposal of the subsidiary of $13,018.

Foreign exchange

Items included in the financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company and each of its subsidiaries is the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

Financial instruments

Financial assets

The Company classifies 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.

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are recorded in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

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 income/loss as 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 date, and 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 Company's financial assets consist of cash, marketable securities and receivables. The Company has designated its cash and marketable securities as FVTPL, which are measured at fair value. Receivables are classified as amortized cost.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred.

Financial liabilities at FVTPL: 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 profit or loss.

Other financial liabilities: This category includes financial liabilities not classified as FVTPL. They are initially recognized at fair value and subsequently measured at amortized cost.

Accounts payable and accounts payable to related parties are classified as other financial liabilities.

As at March 31, 2020, the Company does not have any derivative financial liabilities.

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

Significant accounting estimates and judgments

The preparation of the 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 statement and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impact of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant accounting estimates and judgments (Continued)

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, 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 following:

1. *Valuation of marketable securities:* Many factors can enter into the valuation of marketable securities, including the trading value and volume of shares. This determination is subjective and does not necessarily provide a reliable single measure of the fair value of the shares held.

Critical accounting judgments

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. *Going concern of operations:* The financial statements have been prepared on a going concern basis, which assumes 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 assessment of the Company's ability to source future operations and continue as a going concern involves judgement. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

   If the going concern assumption is not appropriate for the financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported revenue and expenses and the statement of financial position classifications used (Note 1).

2. *Functional currency:* In accordance with IAS 21, management determined that the functional currency of the Company, its Bolivian and US subsidiaries is the Canadian dollar.

(Expressed in Canadian Dollars)

3. MARKETABLE SECURITIES

	March 31, 2020	December 31, 2019
Nano One Materials Corp. – 2,097,100 common shares (December 31, 2019 – 2,097,100 common shares)	$ 2,097,100	$ 2,432,636

Nano One Materials Corp ("Nano One"). is a reporting issuer, trading on the TSX-V and has two common directors with the Company.

The Company recorded an unrealized loss (gain) on its marketable securities of $335,536 (March 31, 2019 – $(83,885)) to profit or loss due to mark-to-market valuation during the period.

4. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

(a) Key management compensation

Key management includes directors (executive and non-executive), the CEO & President and CFO and former CFO. The compensation paid or payable to key management for employee services is shown below:

	March 31, 2020 $	**March 31, 2019** $
Management, professional and consulting fees	12,000	12,000

(b) Purchases of services

	March 31, 2020 $	**March 31, 2019** $
An entity controlled by a non-executive director, for rent and office expenses	-	6,000

(c) Accounts payable to related parties

	March 31, 2020 $	**December 31, 2019** $
An entity where an executive director is an officer	28,875	21,000
An entity controlled by an officer	4,725	14,175
	33,600	35,175

Amounts due to related party are non-interest bearing and are due on demand.

4. RELATED PARTY TRANSACTIONS (Continued)

During the year ended December 31, 2019, the Company entered into a debt settlement agreement with an entity controlled by a non-executive director of the Company, to settle $100,000 in debt for shares. The settlement was approved by the TSX-V and 400,000 common shares were issued.

5. SHARE CAPITAL AND EQUITY RESERVES

(a) Common shares

The authorized share capital of the Company consists of 100,000,000 common shares without par value.

(b) Stock option plan

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 1,300,000 common shares. The exercise price of each option shall not be less than the discounted market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 10 years, and unless otherwise specified, shall vest and become exercisable in full upon grant. All options are to be settled by physical delivery of shares.

There were no stock option transactions for the period ended March 31, 2020 and the year ended December 31, 2019.

6. MANAGEMENT OF CAPITAL

The Company considers its capital structure to include the components of shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. The Company is currently unable to self-finance its operations.

Although the Company has been successful in the past in obtaining financing through the sale of equity securities and marketable securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

The Company's share capital is not subject to any external restrictions and the Company did not change its approach to capital management during the period.

7. FINANCIAL INSTRUMENTS

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity, credit, currency, interest rate, and price risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings and related party loans to satisfy its capital requirements and will continue to depend upon equity capital and possible loans to finance its activities.

The Company manages liquidity risk through its capital management as outlined in Note 6 above. Accounts payable and accrued liabilities are due within one year.

The majority of the Company's cash and marketable securities are held with major Canadian based financial institutions. Receivables are due primarily from a government agency.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Currency Risk

The Company operates in Canada and previously in Bolivia and is normally exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

The operating results and the financial position of the Company are reported in Canadian dollars. The fluctuations of the operating currencies in relation to the Canadian dollar will, consequently, have an impact upon the reporting results of the Company and may also affect the value of the Company's assets and liabilities.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Term deposits are generally not exposed to interest rate risk because of their short-term maturity.

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.

7. FINANCIAL INSTRUMENTS (Continued)

Price Risk (Continued)

The Company's marketable securities are subject to fair value fluctuations. As at March 31, 2020, if the fair value of the Company's marketable securities had decreased/increased by 10% with all other variables held constant, profit or loss for the period ended March 31, 2020 would have been approximately $210,000 higher/lower.

Fair Value

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair values of cash and marketable securities are based on level 1 of the fair value hierarchy.