SENNEN

POTASH CORPORATION

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

FOR THE THREE AND NINE MONTHS ENDED OCTOBER 31, 2019 AND 2018

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 interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim 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 a review of these condensed consolidated interim financial statements in accordance with the standard established by the Chartered Professional Accountants of Canada for a review of the interim financial statements by an entity's auditor.

SENNEN POTASH CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT
(Expressed in Canadian Dollars)

	October 31, 2019 (Unaudited)	January 31, 2019 (Audited)
ASSETS		
Current		
Cash and equivalents	$ 128	$ 458,784
Receivables (Note 4)	59,060	48,497
	$ 59,188	$ 507,281
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Notes 5,7)	$ 50,406	$ 281,067
	50,406	281,067
Shareholders' equity		
Capital stock (Note 6)	29,871,051	29,871,051
Reserves (Note 6)	2,663,511	2,663,511
Deficit	(32,525,780)	(32,308,348)
	8,782	226,214
	$ 59,188	$ 507,281

Nature of operations and going concern (Note 1)

Approved by the Board:

"Tara Haddad"	Director	"Jesse Hahn"	Director
Tara Haddad		Jesse Hahn	

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

SENNEN POTASH CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED OCTOBER 31, 2019 AND 2018
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended October 31, 2019	Three Months Ended October 31, 2018	Nine Months Ended October 31, 2019	Nine Months Ended October 31, 2018
EXPENSES				
Consulting fees	$ 21,000	$ 142,100	$ 83,000	$ 391,209
Management fees (Note 7)	30,000	170,000	90,000	170,000
Office and miscellaneous	113	3	3,036	1,128
Professional fees	791	-	9,285	-
Shareholder communications	-	-	980	-
Transaction costs	-	191,283	-	191,283
Transfer agent and filing fees	3,577	1,111	23,947	2,822
Travel and entertainment	-	-	7,184	-
	(55,481)	(504,497)	(217,432)	(756,442)
OTHER ITEM				
Interest expense	-	(58)	-	(58)
Loss and comprehensive loss for the period	$ (55,481)	$ (504,555)	$ (217,432)	$ (756,500)
Basic and diluted loss per common share	$ (0.01)	$ (0.05)	$ (0.02)	$ (0.10)
Weighted average number of common shares outstanding	10,248,096	10,248,096	10,248,096	7,467,937

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

SENNEN POTASH CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED OCTOBER 31,
(Expressed in Canadian Dollars)
(Unaudited)

		2019		2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	$	(217,432)	$	(756,500)
Changes in non-cash working capital items:				
Increase in receivables		(10,563)		(24,080)
Decrease in prepaid expenses		-		830
Decrease in accounts payable and accrued liabilities		(230,661)		(627,158)
Net cash used in operating activities		(458,656)		(1,406,908)
CASH FLOWS FROM FINANCING ACTIVITY				
Shares issued pursuant to private placement		-		1,680,000
Net cash provided by financing activity		-		1,680,000
Change in cash and cash equivalents during the period		(458,656)		273,092
Cash and cash equivalents, beginning of period		458,784		335,342
Cash and cash equivalents, end of period	$	128	$	608,434
Cash and cash equivalents consist of:				
Cash	$	(26)	$	608,280
Term deposits		154		154
	$	128	$	608,434

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

SENNEN POTASH CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED OCTOBER 31, 2019 AND 2018
(Expressed in Canadian Dollars)
(Unaudited)

	Capital Stock					
	Number	**Amount**	**Subscriptions Received in Advance**	**Reserves**	**Deficit**	**Total**
Balance at January 31, 2018	3,531,429	$ 27,856,051	$ 335,000	$ 2,663,511	$ (31,451,199)	$ (596,637)
Shares issued pursuant to private placement	6,716,667	1,491,789	(335,000)	523,211	-	1,680,000
Loss for the period	-	-	-	-	(756,500)	(756,500)
Balance at October 31, 2018	10,248,096	$ 29,347,840	$ -	$ 3,186,722	$ (32,207,699)	$ 326,863
Balance at January 31, 2019	10,248,096	$ 29,871,051	$ -	$ 2,663,511	$ (32,308,348)	$ 226,214
Loss for the period	-	-	-	-	(217,432)	(217,432)
Balance at October 31, 2019	10,248,096	$ 29,871,051	$ -	$ 2,663,511	$ (32,525,780)	$ 8,782

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Sennen Potash Corporation (the "Company" or "Sennen") was incorporated on September 10, 1981 under the Business Corporations Act, British Columbia and is in the business of seeking and evaluating assets and businesses with a view of potentially acquiring them through a purchase transaction (a "Qualifying Transaction").

The Company's head office and principal address is 400 - 837 West Hastings Street, Vancouver, British Columbia, V6C 3N6. The Company's registered and records office is 400 - 837 West Hastings Street, Vancouver, British Columbia, V6C 3N6.

On November 19, 2018, the Company signed a binding share exchange agreement, whereby the Company was to acquire all of the issued and outstanding common shares of Folium Life Sciences Inc. ("Folium") in an all-share transaction. Folium is a privately held licensed producer, as defined under the Cannabis Act (Canada). On January 30, 2019, the Company and Folium have mutually determined to terminate the share exchange agreement and the transactions contemplated therein. In connection to this transaction, the Company has incurred a total of $191,283 transaction costs during the year ended January 31, 2019.

These condensed consolidated interim financial statements are comprised of the Company and its subsidiaries. All subsidiaries were dissolved as at January 31, 2018. To date, the Company has not earned operating revenue.

These condensed consolidated interim financial statements have been prepared by management 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 Company has incurred ongoing losses. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

These condensed consolidated interim 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.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") 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 condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information, and are presented in Canadian dollars unless otherwise noted.

Approval of the consolidated financial statements

The condensed consolidated interim financial statements of the Company for the nine months ended October 31, 2019 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on December 23, 2019.

2. BASIS OF PRESENTATION (cont'd)

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries, 1069236 BC Ltd., a Canadian corporation incorporated on March 21, 2016 (dissolved on June 5, 2017) and Sennen Potash (US) Corporation, a United States Corporation incorporated in Delaware on December 30, 2014 (dissolved on April 21, 2017). Subsidiaries are entities controlled by the Company. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. All intercompany transactions and balances have been eliminated upon consolidation. All subsidiaries were dissolved as at January 31, 2018.

Critical accounting estimates and judgments

The preparation of these condensed consolidated interim 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 following:

Estimates

(i) 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.

(ii) 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.

3. SIGNIFICANT ACCOUNTING POLICIES

Cash and equivalents

Cash and equivalents consist of cash and short-term investments with original maturity dates of less than ninety days or that are fully redeemable without penalty or loss of interest.

Foreign currency translation

The functional currency is the currency of the primary economic environment in which the entity operates 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*.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Foreign currency translation (cont'd)

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 loss and comprehensive loss for the period.

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 capitalized to exploration and evaluation assets. 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 exploration and evaluation assets 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.

Exploration and evaluation 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of assets

The Company's tangible and intangible assets are reviewed for indications of impairment at each statement of financial position date. If indications of impairment exist, 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 by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding during the period. 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.

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 profit or loss 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 not recognized. 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Capital Stock

Common shares
Common shares are classified as equity. Transaction costs directly attributable to the issuance of common shares are recognized as a deduction from equity, net of any tax effects.

Equity units
Proceeds from unit placements are allocated between shares and warrants issued using the residual value method.

Share-based compensation

The Company's share purchase option plan allows directors, executive officers, employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based compensation expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of employee options is measured at the option's grant date, and the fair value of non-employee options is measured at the date when goods or services are received. The fair value of each tranche of options granted which do not vest immediately on grant, is recognized over the period during which each tranche of options vest. The fair value of the options granted is measured using the Black-Scholes Option Pricing Model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Share-based compensation expense is credited to the equity-settled share-based payment reserve. If the options are later exercised, their fair value is transferred from the reserve to share capital.

Change in accounting policies - Financial instruments

The Company has adopted all of the requirements of IFRS 9 *Financial Instruments* ("IFRS 9") as of February 1, 2018. IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged.

As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Change in accounting policies - Financial instruments (cont'd)

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading 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 liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

The Company completed a detailed assessment of its financial assets and liabilities as at February 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial assets/liabilities	**Original classification IAS 39**	**New classification IFRS 9**
Cash and equivalents	FVTPL	FVTPL
Receivables	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other liabilities	Amortized cost

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive loss on February 1, 2018.

(ii) Measurement

<u>Financial assets at FVTOCI</u>
Elected investments in equity investments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

<u>Financial assets and liabilities at amortized cost</u>
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

<u>Financial assets and liabilities at FVTPL</u>
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transactions costs expensed in the consolidated statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss in the period in which they arise.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Change in accounting policies - Financial instruments (cont'd)

(iii) Impairment of financial assets at amortized cost

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset's credit risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset's credit risk at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of net loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities
The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liabilities derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss.

IFRS 7 *Financial Instruments: Disclosures* requires classification of fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

New accounting standard effective

IFRS 16 – Leases
The Company adopted all of the requirements of IFRS 16 as of February 1, 2019. IFRS 16 replaces IAS 17 *Leases*. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. IFRS 16 results in an increase in assets and liabilities as fewer lease payments will be expensed. The adoption of IFRS 16 did not have an impact on the Company's consolidated financial statements.

(Expressed in Canadian Dollars)

4. RECEIVABLES

Receivables are comprised of the following:

	October 31, 2019	January 31, 2019
Taxes recoverable	$ 59,060	$ 48,497

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	October 31, 2019	January 31, 2019
Trade payables	$ 44,906	$ 22,267
Amounts due to related parties (Note 7)	5,500	231,000
Accrued liabilities	-	27,800
Total	$ 50,406	$ 281,067

6. CAPITAL STOCK AND RESERVES

a) Authorized and issued capital stock and reserves

As at October 31, 2019, the authorized capital stock of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value, all issued shares, consisting only of common shares are fully paid.

There were no shares issued during the nine months ended October 31, 2019.

On May 24, 2018, the Company closed a non-brokered private placement consisting of 6,716,667 units at $0.30 per unit. Each unit comprises one common share and one common share purchase warrant of the Company. Each warrant is exercisable into a common share for a period of 12 months at an exercise price of $0.39. The Company received proceeds of $335,000 during the year ended January 31, 2018 and $1,680,000 during the year ended January 31, 2019. No finders' fees or commissions were paid by the Company in connection with this private placement.

Reserves relate to stock options and compensatory warrants that have been issued by the Company.

b) Stock options

The Company has an incentive stock option plan in place under which it is authorized to grant options to directors, officers, consultants and employees to acquire up to 606,287 of the Company's issued and outstanding common shares. Under the plan, the exercise price of each option may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount.

The options can be granted for a maximum term of 10 years and vesting periods are determined by the Board of Directors.

(Expressed in Canadian Dollars)

6. CAPITAL STOCK AND RESERVES (cont'd)

b) Stock options (cont'd)

Stock option transactions are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Outstanding and exercisable as at January 31, 2018	209,000	$	5.08
Expired	(39,000)		11.00
Outstanding and exercisable as at January 31, 2019	170,000	$	3.73
Cancelled	(55,500)		1.10
Expired	(114,500)		5.00
Outstanding and exercisable as at October 31, 2019	-	$	-

During the nine months ended October 31, 2019, 55,500 stock options were cancelled, and 114,500 stock options expired unexercised. As at October 31, 2019, the Company had Nil stock options outstanding.

c) Warrants

As at October 31, 2019, the Company had outstanding warrants, enabling the holders to acquire further common shares as follows:

Expiry Date	Number of warrants		Exercise price	Weighted average remaining contractual life, in years
May 4, 2020	1,291,300	$	3.20	0.51
October 27, 2021	500,000	$	1.50	1.99
	1,791,300			0.92

On May 24, 2018, the Company issued 6,716,667 warrants pursuant to a non-brokered private placement. Each warrant was exercisable into a common share of the Company for a period of 12 months at an exercise price of $0.39 during the 12 months. During the nine months ended October 31, 2019, these warrants expired unexercised.

Share purchase warrants outstanding are as follows:

	Number of Warrants		Weighted Average Exercise Price
Outstanding as at January 31, 2018	1,791,300	$	2.73
Issued	6,716,667		0.39
Outstanding as at January 31, 2019	8,507,967	$	0.88
Expired	(6,716,667)		0.39
Outstanding as at October 31, 2019	1,791,300	$	2.73

(Expressed in Canadian Dollars)

7. RELATED PARTY TRANSACTIONS

During the nine months ended October 31, 2019, the Company paid or accrued management fees of $90,000 (2018 - $170,000) to Tara Haddad, an officer of the Company.

As at October 31, 2019, accounts payable and accrued liabilities included $5,500 (January 31, 2019 - $231,000) owing to directors and officers of the Company.

Key management personnel compensation (senior officers of the Company):

	2019	2018
Short-term benefits	$ 90,000	$ 170,000

8. SEGMENTED INFORMATION

The Company operates in one business segment being seeking and evaluating assets and businesses to acquire.

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of receivables, accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

The following is an analysis of the Company's financial instruments measured using the fair value hierarchy as at October 31, 2019 and January 31, 2019:

	As at October 31, 2019		
	Level 1	**Level 2**	**Level 3**
Cash and equivalents	$ 128	$ -	$ -

	As at January 31, 2019		
	Level 1	**Level 2**	**Level 3**
Cash and equivalents	$ 458,784	$ -	$ -

Financial risk factors

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 of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and equivalents and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote because instruments are due primarily from government agencies and cash and equivalents are held with reputable Canadian financial institutions.

9. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd)

Financial risk factors (cont'd)

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at October 31, 2019, the Company had a cash balance of $128 to settle current liabilities of $50,406. To maintain liquidity, the Company is continually investigating financing opportunities. As disclosed in Note 1, there can be no assurance these efforts will be successful in the future. All of the Company's financial liabilities are subject to normal trade terms.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

a) Interest rate risk

   The Company has cash and equivalents balances. The Company's current policy is to invest excess cash in investment-grade short-term deposits certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The effect of a 1% change in interest rates is approximately $1 (2018 - $6,084) to profit or loss.

b) Foreign currency risk

   The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through the United States. Through this, the Company is exposed to foreign currency risk on fluctuations related to accounts payable and accrued liabilities that are denominated in US Dollars ("USD"). Fluctuations in USD will, consequently, have an impact upon the Company's profitability and the value of the Company's liabilities. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

c) Price risk

   The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of development of the Company's mineral properties. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

Capital management

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There were no changes in the way the Company manages its capital in the nine months ended October 31, 2019.