FITCH STREET CAPITAL CORP.

FILING STATEMENT

Concerning the Qualifying Transaction
Involving the Acquisition by Fitch Street Capital Corp.
of the issued and outstanding shares of Pure Extraction Inc. and Pure Extraction Ltd.

Dated as at February 28, 2020

Neither the TSX Venture Exchange Inc. (the "Exchange') nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this filing statement

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GLOSSARY OF TERMS

The following is a glossary of certain defined terms used frequently throughout this Filing Statement. Terms and abbreviations used in the financial statements of the Issuer and Pure Extraction are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders. In the event of any disagreement between the definitions contained this Filing Statement and the definitions contained in Appendix 1 of Exchange Form 3B2 the definitions of Appendix 1 of Exchange Form 3B2 will govern.

"$"	means Canadian dollars
"Affiliate"	means a company that is affiliated with another company as described below: A company is an "Affiliate" of another company if: (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same Person. A company is "controlled" by a Person if: (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company. A person beneficially owns securities that are beneficially owned by: (a) a company controlled by that Person, or (b) an Affiliate of that person or an Affiliate of any company controlled by that Person.
"Associate"	when used to indicate a relationship with a person or company, means (a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer; (b) any partner of the person or company; (c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity; or (d) in the case of a person, a relative of that person, including: (i) that person' s spouse or child, or (ii) any relative of the person or of his spouse who has the same residence as that person;

	But
	(e) where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination will be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company.
"BCBCA"	means the *Business Corporations Act* (British Columbia).
"Bridge Financing"	means the non-brokered private placement of 3,703,703 Fitch Shares at a price of \$0.135 per Fitch Share for gross aggregate proceeds of \$500,000 which was completed on July 30, 2019.
"Brokers' Options"	has the meaning set out in "Summary – Concurrent Financing".
"CBCA"	means the *Canada Business Corporations Act.*
"CEO"	means Chief Executive Officer.
"CFO"	means Chief Financial Officer.
"CO_2"	means carbon dioxide.
"Closing"	means the closing of the Transaction.
"Closing Date"	means the date on which the Transaction is to be completed, which the Issuer expects will be on or about April 21, 2020, or such other date as agreed to by the Issuer and Pure Extraction.
"Company"	unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
"Completion of the Qualifying Transaction"	means the date the Final Exchange Bulletin is issued by the Exchange.
"Concurrent Financing"	means the non-brokered private placement of up to 14,814,815 Fitch Shares at \$0.135 per Fitch Share.
"Control Person"	means any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.
"CPC"	means a corporation:
	(a) that has been incorporated or organized in a jurisdiction in Canada;

(b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and

(c) in regard to which the Completion of the Qualifying Transaction has not yet occurred.

"CPC Escrow Agreement"	means the exchange Form 2F CPC Escrow Agreement dated November 27, 2007 among the Issuer, the Transfer Agent and certain Fitch Shareholders.
"CPC Escrow Securities"	means the 1,358,332 Fitch Shares subject to escrow under the CPC Escrow Agreement.
"CPC Policy"	means Exchange Policy 2.4 Capital Pool Companies.
"Effective Time"	means the effective time of the Transaction.
"Eligible Person"	has the meaning set out in "Information Concerning the Issuer – Description of Securities – Stock Option Plan."
"Exchange"	means the TSX Venture Exchange.
"Facility"	has the meaning set out in "Information Concerning Pure Extraction Canada – General Development of Business – Operations".
"February 2018 Financing"	has the meaning set out in "Information Concerning the Issuer – General Development of Business – History".
"Filing Statement"	means this filing statement dated February 28, 2020, together with all Schedules.
"Final Exchange Bulletin"	means the Exchange bulletin issued following closing of the Qualifying Transaction and the submission of all required documentation which evidences the final Exchange acceptance of the Qualifying Transaction.
"Finder's Fee"	means the finder's fee of up to 345,454 Fitch Shares payable to Canaccord Genuity Group Inc. in connection with the Transaction.
"Fitch Options"	means share purchase options of Fitch.
"Fitch Shareholders"	means the shareholders of Fitch.
"Fitch Shares"	means common shares in the capital of Fitch.
"Insider"	(a) a director or senior officer of the Issuer; (b) a director or senior officer of the Company that is an Insider or subsidiary of the Issuer; (c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the Issuer; or (d) the Issuer itself if it holds any of its own securities.

"IPO"	has the meaning set out in "Information Concerning the Issuer – Description of Securities – Stock Option Plan".
"Issuer" or "Fitch"	means Fitch Street Capital Corp., a capital pool corporation existing under the laws of the Province of British Columbia.
"Loan"	means the secured loan advanced by Fitch to Pure Extraction in the principal amount of $225,000 and bearing interest at a rate of 10% per annum.
"Loan Agreement"	means the loan agreement between Fitch and Pure Extraction dated November 23, 2018, as amended.
"Name Change"	means the proposed name change of the Issuer from "Fitch Street Capital Corp." to "Pure Extraction Corp."
"NEX"	means the NEX Board of the Exchange.
"Non Arm's Length Party"	means in relation to a Company, a promoter, officer, director, other Insider or Control Person of that Company (including an Issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any Company of which the individual is a promoter, officer, director, Insider or Control Person.
"Non Arm's Length Qualifying Transaction"	means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.
"Performance Shares"	has the meaning set forth in "The Transaction – Description of Transaction – The Share Exchange".
"Person"	means a company or individual.
"Principal"	has the meaning set out in the policies of the Exchange.
"Pure Extraction BC"	means Pure Extraction Inc. a corporation incorporated under the BCBCA.
"Pure Extraction BC Shareholders"	means the shareholders of Pure Extraction BC.
"Pure Extraction BC Shares"	means common shares in the capital of Pure Extraction BC.
"Pure Extraction"	means collectively, Pure Extraction BC and Pure Extraction Canada.
"Pure Extraction Canada"	means Pure Extraction Ltd. a corporation incorporated under the CBCA.
"Pure Extraction Canada Shareholders"	means the shareholders of Pure Extraction Canada.
"Pure Extraction Canada Shares"	means common shares in the capital of Pure Extraction Canada.
"Pure Extraction Shareholders"	means collectively, the Pure Extraction Canada Shareholders and the Pure Extraction BC Shareholders.
"Pure Extraction Shares"	means collectively, the Pure Extraction Canada Shares and the Pure Extraction BC Shares.

"QT Escrow Agreement"	means the escrow agreement which is expected to be entered into prior to the Completion of the Qualifying Transaction among the Issuer, the Transfer Agent and Pure Extraction pursuant to which the QT Escrow Securities will be held in escrow.
"QT Escrow Securities"	means 4,000,000 Resulting Issuer Shares to be subject to escrow under the QT Escrow Agreement, as set out under "Information Concerning the Resulting Issuer – Escrowed Securities – QT Escrow Securities."
"Qualifying Transaction"	means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means.
"Resulting Issuer"	means the Issuer, which was formerly a CPC, that exists upon issuance of the Final Exchange Bulletin
"Resulting Issuer Options"	means stock options in the capital of the Resulting Issuer.
"Resulting Issuer Shares"	means common shares in the capital of the Resulting Issuer.
"Share Exchange Agreement"	means the Share Exchange Agreement dated December 17, 2018, as amended, between Fitch, Pure Extraction BC, Pure Extraction Canada, the Pure Extraction BC Shareholders and the Pure Extraction Canada Shareholders in respect of the Transaction.
"Significant Assets"	means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, would result in the CPC meeting the initial listing requirements of the Exchange.
"Sponsor"	has the meaning specified in Exchange Policy 2.2 – Sponsorship and Sponsorship Requirements.
"Stock Option Plan"	means the stock option plan of the Issuer or the Resulting Issuer, as applicable, which was approved by the Fitch Board on November 27, 2007.
"Transaction"	means the proposed acquisition of Pure Extraction by the Issuer, pursuant to which the Issuer will acquire from Pure Extraction all of the issued and outstanding Pure Extraction Shares in consideration for the issuance of the Fitch Shares in accordance with the terms of the Share Exchange Agreement.
"Transfer Agent"	means the Issuer's transfer agent and registrar, Computershare Trust Company of Canada.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Filing Statement are forward-looking statements or information (collectively "**forward-looking statements**") within the meaning of applicable securities legislation. We are hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "expects", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements in this Filing Statement include, but are not limited to:

- expectations regarding the Resulting Issuer's ability to raise capital;
- the intention to grow the business and operations of the Resulting Issuer;
- the business objectives and milestones of the Resulting Issuer; and
- and the use of available funds of the Resulting Issuer.

Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. We believe that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things, the timely receipt of required approvals, our ability to operate in a safe, efficient and effective manner and our ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

By their nature, forward-looking statements involve numerous inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Issuer, Pure Extraction or the Resulting Issuer, that could influence actual results include, but are not limited to risks relating to the following: the Resulting Issuer obtaining necessary financing, the Resulting Issuer satisfying the requirements of the Exchange with respect to the Transaction; the economy generally; obtaining requisite licenses or governmental approvals to conduct business; consumer interest in the productions of the Resulting Issuer, anticipated and unanticipated costs and other factors beyond the control of the Issuer, Pure Extraction or the Resulting Issuer. See "Risk Factors".

Our forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this Filing Statement. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements. We do not undertake to update any forward-looking statements, except as, and to the extent required by, applicable securities laws.

SUMMARY

The following is a summary of information relating to the Issuer, Pure Extraction and the Resulting Issuer (assuming completion of the Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement

The Issuer	The Issuer is a company incorporated under the BCBCA and is a CPC established in accordance with the rules and policies of the Exchange. At present, the Issuer does not own any assets other than cash, other receivables and a loan advance to Pure Extraction Canada. Since its incorporation, the sole activities of the Issuer have been to identify, evaluate, and acquire assets, properties or businesses which could constitute a Qualifying Transaction. See "Information Concerning the Issuer".
Summary of Qualifying Transaction	The Issuer has entered into the Share Exchange Agreement whereby it will acquire 100% of the issued and outstanding Pure Extraction Shares from Pure Extraction in consideration for the issuance of 3,000,000 Fitch Shares, at a deemed price of $0.165 per Fitch Share, payable to Pure Extraction Shareholders at Closing and up to an additional 1,000,000 Performance Shares payable to Pure Extraction Shareholders post-Closing, subject to the achievement of certain milestones. See "The Transaction – The Share Purchase".
Secured Loan	The Issuer has entered into the Loan Agreement whereby Fitch provided Pure Extraction with a secured loan Fitch in the principal amount of $225,000 and bearing interest at a rate of 10% per annum. As of the date of the Filing Statement, the Company has advanced $221,957 under the Loan.
Concurrent Financing	Concurrently with the Transaction, the Issuer will also complete the Concurrent Financing to raise up to $2,000,000 on a non-brokered basis through the issuance of a minimum of up to 14,814,815 Fitch Shares. See "The Transaction – Description of the Transaction – Concurrent Financing". Assuming the completion of the Concurrent Financing, the Resulting Issuer is expected to have 34,916,145 Resulting Issuer Shares (excluding the Performance Shares), 1,000,000 Performance Shares, 1,481,481 Brokers' Options (the "**Brokers' Options**") and 1,260,000 Resulting Issuer Options outstanding upon completion of the Transaction. See "Information Concerning the Resulting Issuer — Fully Diluted Share Capital."
Arm's Length Transaction	The Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction within the meaning of CPC Policy for the following reasons: • Pure Extraction is an "arms-length" party to Fitch within the meaning of CPC Policy. Specifically no officer, director or 10% shareholder of Fitch holds an equity interest in Pure Extraction; and • No officer, director or 10% shareholder of Fitch is a Control Person with respect to Pure Extraction which constitutes the Significant Asset to be acquired by Fitch in the Qualifying Transaction.
Directors and Management	Following the completion of the Transaction, it is anticipated that the management of the Resulting Issuer will be comprised of Balraj Mann (CEO) and Nancy Zhao (CFO and Corporate Secretary) and the Board of Directors will be comprised of Balraj Mann (Chairman), Alicia Milne, Anthony Zelen and Barry Hartley. See "Information Concerning the Resulting Issuer — Directors, Officers, and Promoters".

Pure Extraction BC	Pure Extraction BC was incorporated under the laws of British Columbia on January 28, 2016. Pure Extraction BC is engaged in the business of manufacturing and selling CO_2 extraction equipment. The business of Pure Extraction BC was discontinued in August, 2017 and commenced exclusively through Pure Extraction Canada. Pure Extraction BC is at "arm's length" within the meaning of CPC Policy to Fitch. See "Information Concerning Pure Extraction BC".
Pure Extraction Canada	Pure Extraction Canada was incorporated under the federal laws of Canada on February 15, 2017. Pure Extraction Canada's primary business is the manufacturing and selling of extraction equipment. Pure Extraction Canada is at "arm's length" within the meaning of CPC Policy to Fitch. See "Information Concerning Pure Extraction Canada".
Reason for the Transaction	Pure Extraction Canada wishes to expand their business requiring additional capital to add staff, solidify component contracts, become ISO-9000 certified and expand the business to a much larger scale.
Approval of Directors	The board of directors of the Issuer has reviewed and approved the terms and conditions of the Transaction and has concluded that they are fair and reasonable and are in the best interests of the Issuer.
Interests of Insiders, Promoters or Control Persons	On Completion of the Qualifying Transaction the Principals of the Resulting Issuer will hold 4,491,666 Resulting Shares. No Insider, promoter or Control Person (as defined in Exchange Policy) of Fitch and no Associate or Affiliate of the same, has any interest in the Transaction other than that which arises from their holdings of Fitch Shares.
Use of Available Funds	As of January 31, 2020, prior to giving effect to the Transaction and the Concurrent Financing, the Issuer and Pure Extraction BC had an estimated working capital of $531,000, $161,000, respectively. Pure Extraction Canada had a working capital deficit of $710,000. After giving effect to the Transaction and the Concurrent Financing, the Issuer and Pure Extraction will have an estimated working capital of approximately of $1,981,000. It is the Resulting Issuer's intention to use these funds to fund operations after the Completion of the Qualifying Transaction as follows:

Use of Available Funds(1)	Amount with Concurrent Financing
Cost of Transaction	$260,000
R&D(2), inventory build-up	$391,500
General & Administrative	$1,076,800
Unallocated Working Capital	$252,700
Total	**$1,981,000**

Notes:

1) Does not include anticipated net income of approximately $1,400,000 of Pure Extraction Canada for 2020 calendar year.

2) The costs associated with each of the Resulting Issuer's milestones under "Information Concerning the Resulting Issuer – Milestones" are included in "Research & Development" costs.

The Resulting Issuer's working capital will be sufficient to fund its planned operations for at least the next twelve months.

Cost of Transaction (legal, audit, Concurrent Financing commission, due diligence)	$260,000
R&D, inventory build-up	
Inventory build-up of long lead parts	$240,000
Research and development	$151,500
	$391,500
General & Administrative	
Management	$328,800
Professional fees	$25,000
Marketing/advertising/branding	$444,000
Trademarks/patents	$50,000
Corporate communications	$60,000
Rent	$136,000
Office, admin, transfer agent, regulatory	$33,000
	$1,076,800

The Resulting Issuer intends to use the available funds as indicated above. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. See "Information Concerning the Resulting Issuer – Available Funds and Principal Purposes".

Selected Pro Forma Consolidated Information

The following table sets out the *pro forma* financial information of the Resulting Issuer as of September 30, 2019 after giving effect to the Transaction and the Concurrent Financing and should be read in conjunction with the *pro forma* condensed consolidated financial statements of the Resulting Issuer attached as Schedule "G".

	Fitch $	**Pure Extraction BC $**	**Pure Extraction Canada $**	**Pro-Forma Adjustments $**	**Pro-Forma Combined $**
As at September 30, 2019					
Current Assets	667,299	161,059	719,974	1,375,839	2,924,171
Total Assets	667,299	161,059	720,866	1,375,839	2,925,063
Current Liabilities	87,249	24,644	1,477,201	(364,161)	1,226,643
Shareholders' Equity	580,050	136,415	(756,335)	1,740,000	1,698,420
Total Liabilities and Shareholders' Equity	667,299	161,059	720,866	1,375,839	2,925,063

Market for Securities

The Fitch Shares are currently listed on the NEX Board of the Exchange under the symbol FSC.H. The price of the Fitch Shares on the last day the Fitch Shares traded prior to the announcement of the Transaction was $0.18. The Fitch Shares have been halted from trading on the Exchange since October 4, 2018. See "Stock Exchange Price" for more information.

Conflicts of Interest	Some of the individuals proposed as directors or officers of the Resulting Issuer upon the Completion of the Qualifying Transaction are also directors, officers and/or Promoters of other reporting and non-reporting issuers. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Resulting Issuer, notwithstanding that they will be bound by the provisions of the BCBCA to act at all times in good faith in the interests of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer if and when they arise. As of the date of this Filing Statement, to the best of its knowledge, the Issuer is not aware of the existence of any conflicts of interest between the Issuer and any of the directors or officers of the Issuer.
Sponsor for the Qualifying Transaction	The Issuer has obtained a waiver to the requirement to engage a Sponsor.
Exchange Approval	The Exchange has conditionally accepted the Transaction subject to the Issuer fulfilling all of the requirements of the Exchange on or before April 21, 2020.
Interests of Experts	To the best of the Issuer's knowledge, no direct or indirect interest in the Issuer is held or will be received by any expert. Refer to "Experts" for more information.
Risk Factors	An investment in the Resulting Issuer following completion of the Transaction involves a substantial degree of risk and should be regarded as highly speculative due to the nature of the business of the Issuer and the Resulting Issuer. The risks, uncertainties and other factors, many of which are beyond the control of the Resulting Issuer, that could influence actual results include, but are not limited to risks relating to the following: regulatory risks, changes in regulations, lack of operating history, competition and other factors beyond the control of the Issuer, Pure Extraction or the Resulting Issuer, which should be carefully considered before making an investment decision, see "Risk Factors".
Currency	In this Filing Statement, references to "$" or "dollars" are to the lawful currency of Canada, unless otherwise stated. All references to "USD" are to the lawful currency of the United States.

RISK FACTORS

The following are certain factors relating to the business of the Issuer assuming completion of the Transaction, which factors investors should carefully consider when making an investment decision concerning the Fitch Shares or Resulting Issuer Shares. These risks and uncertainties are not the only ones facing the Resulting Issuer. Additional risks and uncertainties not presently known to the Issuer, or that the Issuer currently deems immaterial, may also impair the operations of the Resulting Issuer. If any such risks actually occur, the financial condition, liquidity and results of operations of the Resulting Issuer could be materially adversely affected and the ability of the Resulting Issuer to implement its growth plans could be adversely affected.

An investment in the Issuer or the Resulting Issuer is speculative. An investment in the Issuer or the Resulting Issuer will be subject to certain material risks and investors should not invest in securities of the Issuer or the Resulting Issuer unless they can afford to lose their entire investment. The following is a description of certain risks and uncertainties that may affect the business of the Resulting Issuer.

Regulatory Risks

The activities of the Resulting Issuer will be subject to regulation by governmental authorities. Achievement of the Resulting Issuer's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Resulting Issuer cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Resulting Issuer.

Change in Laws, Regulations and Guidelines

The Resulting Issuer's operations will be subject to a variety of laws, regulations and guidelines relating to the manufacture, management, transportation, and storage of CO_2 extraction systems, but also including laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines due to matters beyond the control of the Resulting Issuer may cause adverse effects to the Resulting Issuer's operations.

Lack of Operating History

The Resulting Issuer has only recently started to carry on its business. The Resulting Issuer is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and operating losses. The failure by the Resulting Issuer to meet any of these conditions could have a materially adverse effect on the Resulting Issuer and may force it to reduce, curtail, or discontinue operations. There is no assurance that the Resulting Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations. The Resulting Issuer may not successfully address all of the risks and uncertainties or successfully implement its existing and new products and services. If the Resulting Issuer fails to do so, it could materially harm its business and impair the value of its common stock, resulting in a loss to shareholders. Even if the Resulting Issuer accomplishes these objectives, the Resulting Issuer may not generate the anticipated positive cash flows or profits. No assurance can be given that the Resulting Issuer can or will ever be successful in its operations and operate profitably.

Uncertainty about the Resulting Issuer's ability to continue as a going concern

The Resulting Issuer will be in the development stage and will be seeking mergers, acquisition, joint venture, partnerships and other business arrangements to expand its product offerings in the botanical industry and grow its revenue. The Resulting Issuer's ability to continue as a going concern is dependent upon its ability in the future to grow its revenue and achieve profitable operations and, in the meantime, to ensure it has the necessary financing to meet its obligations and repay tis liabilities when they become due. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Resulting Issuer's ability to continue as a going concern.

No Assurance that the Resulting Issuer will turn a profit or generate immediate revenues

There is no assurance as to whether the Resulting Issuer will be profitable, earn revenues, or pay dividends. The Resulting Issuer has incurred and anticipates that it will continue to incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among other things, the Resulting Issuer's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

The Resulting Issuer may not be able to effectively manage its growth and operations, which could materially and adversely affect its business

If the Resulting Issuer implements its business plan as intended, it may in the future experience rapid growth and development in a relatively short period of time. The management of this growth will require, among other things, continued development of the Resulting Issuer's financial and management controls and management information systems, stringent control of costs, the ability to attract and retain qualified management personnel and the training of new personnel. The Resulting Issuer intends to utilize outsourced resources, and hire additional personnel, to manage its expected growth and expansion. Failure to successfully manage its possible growth and development could have a material adverse effect on the Resulting Issuer's business and the value of the Fitch Shares.

The Resulting Issuer may not be able to develop its brands, products and services, which could prevent it from ever becoming profitable

If the Resulting Issuer cannot successfully develop, manufacture, distribute and provide its brands, products and services (as applicable) or if the Resulting Issuer experiences difficulties in the development process, such as capacity constraints, quality control problems or other disruptions, the Resulting Issuer may not be able to develop successful brands, market-ready commercial products at acceptable costs, or provide sufficient services, which would adversely affect the Resulting Issuer's ability to effectively enter the market. A failure by the Resulting Issuer to achieve a low-cost structure through economies of scale or improvements in the manufacturing processes would have a material adverse effect on the Resulting Issuer's commercialization plans and the Resulting Issuer's business, prospects, results of operations and financial condition.

The Resulting Issuer's actual financial position and results of operations may differ materially from the expectations of the Resulting Issuer's management

The Resulting Issuer's actual financial position and results of operations may differ materially from management's expectations. As a result, the Resulting Issuer's revenue, net income and cash flow may differ materially from the Resulting Issuer's projected revenue, net income and cash flow. The process for estimating the Resulting Issuer's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect the Resulting Issuer's financial condition or results of operations.

Probable lack of business diversification

Unlike certain entities that have the resources to develop and explore numerous product lines, operating in multiple industries or multiple areas of a single industry, the Resulting Issuer does not anticipate the ability to immediately diversify or benefit from the possible spreading of risks or offsetting of losses. Again, the prospects for the Resulting Issuer's success may become dependent upon the development or market acceptance of a very limited number of facilities, products, processes or services.

Competition

There is potential that the Resulting Issuer will face intense competition from numerous other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than the Resulting Issuer. See "Information Concerning the Resulting Issuer – Narrative Description of the Business" for further details about the competition faced and to be faced by the Resulting Issuer. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Resulting Issuer.

The Resulting Issuer's products may not be or remain competitive.

The industry is subject to rapid technological change and competition. The Resulting Issuer's current and expected activities are in a sector that is subject to rapid and substantial change. There can be no assurance that products developed by others will not render the Resulting Issuer's products and technologies non-competitive or that it will be able to keep pace with technological developments. Competitors may have developed or may be in the process of developing technologies that could be the basis for competitive products. Some of these products may prove more effective and less costly than products the Resulting Issuer distributes. Scientific and technological developments and regulatory requirements may, within a relatively short timeframe, render the products and processes the Resulting Issuer has developed or planned obsolete. Many companies, as well as research organizations, currently engage in, or have in the past engaged in, efforts related to the development of products similar to the Resulting Issuer's products. The Resulting Issuer competes with companies that produce similar products and technologies. These and other competitors may have greater resources than the Resulting Issuer. Accordingly, no assurance can be given that products developed by these other companies or their technology will not affect the Resulting Issuer's ability to compete. There is a risk that one or more of the Resulting Issuer's competitors may develop more effective or more affordable products and technologies and render the Resulting Issuer's obsolete.

There can be no assurance that the Issuer's principal products will receive, maintain or increase market acceptance. The Resulting Issuer's inability to successfully commercialize its products, for any reason, would have a material adverse effect on its financial condition, prospects and ability to continue operations.

The overall commercialization success of the Resulting Issuer's products depends on several factors, including:

- market acceptance of the products;
- the amount of resources devoted to advertising and commercialization efforts;
- obtaining supply of products to meet purchase orders;
- the number of competitors in the market; and
- maintenance of the rights to distribute the Resulting Issuer's products.

The size of the Resulting Issuer's target market is difficult to quantify and investors will be reliant on their own estimates on the accuracy of market data

Because the Resulting Issuer's industry is in an early stage with uncertain boundaries, there is a lack of information about comparable companies available for potential investors to review in deciding about whether to invest in the Resulting Issuer and, few, if any, established companies whose business model the Resulting Issuer can follow or upon whose success the Resulting Issuer can build. Accordingly, investors will have to rely on their own estimates in deciding about whether to invest in the Resulting Issuer. There can be no assurance that the Resulting Issuer's estimates are accurate or that the market size is sufficiently large for its business to grow as projected, which may negatively impact its financial results. The Resulting Issuer regularly purchases and follows market research.

The Resulting Issuer's industry is experiencing rapid growth and consolidation that may cause the Resulting Issuer to lose key relationships and intensify competition

The Resulting Issuer's industry is undergoing rapid growth and substantial change, which has resulted in an increase in competitors, consolidation and formation of strategic relationships. Acquisitions or other consolidating transactions could harm the Resulting Issuer in a number of ways, including by losing strategic partners if they are acquired by or enter into relationships with a competitor, losing customers, revenue and market share, or forcing the Resulting Issuer to expend greater resources to meet new or additional competitive threats, all of which could harm the Resulting Issuer's operating results. As competitors enter the market and become increasingly sophisticated, competition in the Resulting Issuer's industry may intensify and place downward pressure on retail prices for its products and services, which could negatively impact its profitability. The Resulting Issuer continues to sell shares for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders.

There is no guarantee that the Resulting Issuer will be able to achieve its business objectives. The continued development of the Resulting Issuer will require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or the Resulting Issuer going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Resulting Issuer.

If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Fitch Shares. The Resulting Issuer's articles permit the issuance of an unlimited number of Fitch Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Resulting Issuer have discretion to determine the price and the terms of issue of further issuances. Moreover, additional Fitch Shares will be issued by the Resulting Issuer on the exercise of Broker Options and options under the Stock Option Plan. In addition, from time to time, the Resulting Issuer may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed wholly or partially with debt, which may temporarily increase the Resulting Issuer's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Resulting Issuer to obtain additional capital and to pursue business opportunities, including potential acquisitions. The Resulting Issuer may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flow may restrict the Resulting Issuer's ability to pursue its business objectives.

Intellectual Property Risks

The Resulting Issuer`s ability to compete largely depends on the superiority, uniqueness, and value of its intellectual property and technology, including both internally-developed technology and the ability to acquire patent protection and/or trademark protection. To protect its proprietary rights, the Resulting Issuer will rely on a combination of trademark, copyright, and trade secret laws, trademark and patent applications, confidentiality agreements with its employees and third parties, and protective contractual provisions. Despite these efforts, certain risks may reduce the value of the Resulting Issuer's intellectual property. The Resulting Issuer's applications for trademarks and copyrights relating to its business may not be granted, and if granted, may be challenged or invalidated. There is no guarantee that issued trademarks and registered copyrights will provide the Resulting Issuer with any competitive advantages. The Resulting Issuer's efforts to protect its intellectual property rights may not be effective in preventing misappropriation of its technology and may not prevent the development and design by others of products or technology similar to, competitive with, or superior to those the Resulting Issuer develops. There is a risk that another party may obtain a blocking patent and the Resulting Issuer would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in its products.

The Resulting Issuer may be forced to litigate to defend its intellectual property rights, or to defend against claims by third parties against the Resulting Issuer relating to intellectual property rights

The Resulting Issuer may be forced to litigate to enforce or defend its intellectual property rights, to protect its trade secrets or to determine the validity and scope of other parties' proprietary rights. Any such litigation could be very costly and could distract its management from focusing on operating the Resulting Issuer's business. The existence and/or outcome of any such litigation could harm the Resulting Issuer's business.

The Resulting Issuer will seek to have its trade secrets patented once refined. Currently, the Resulting Issuer's trade secrets and technical know-how, are not protected by patents, may otherwise become known to or be independently developed by competitors, in which event the Resulting Issuer's business, financial condition and results of operations could be materially adversely affected. Unauthorized parties may attempt to replicate or otherwise obtain and use the Resulting Issuer's products, trade secrets, technical know-how and proprietary information that are not protected by patents. Policing the unauthorized use of the Resulting Issuer's current or future intellectual property rights could be difficult, expensive, time-consuming and unpredictable, as may be enforcing these rights against unauthorized use by others. Identifying unauthorized use of intellectual property rights is difficult as the Resulting Issuer may be unable to effectively monitor and evaluate the products being distributed by its competitors, including parties such as unlicensed dispensaries, and the processes used to produce such products. In addition, other parties may claim that the Resulting Issuer's products infringe on their proprietary and perhaps patent protected rights. Such claims, whether or not meritorious, may result in the expenditure of significant financial and managerial resources, legal fees, result in injunctions, temporary restraining orders and/or require the payment of damages. As well, the Resulting Issuer may need to obtain licenses from third parties who allege that the Resulting Issuer has infringed on their lawful rights. However, such licenses may not be available on terms acceptable to the Resulting Issuer or at all. In addition, the Resulting Issuer may not be able to obtain or utilize on terms that are favorable to it, or at all, licenses or other rights with respect to intellectual property that it does not own.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as packaging safety and inadequate or inaccurate labeling disclosure. If any of the Resulting Issuer's products are recalled due to an alleged product defect or for any other reason, the Resulting Issuer could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Resulting Issuer may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Resulting Issuer will have detailed procedures in place for testing finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Resulting Issuer's significant brands were subject to recall, the image of that brand and the Resulting Issuer could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Resulting Issuer's products and could have a material adverse effect on the results of operations and financial condition of the Resulting Issuer. Additionally, product recalls may lead to increased scrutiny of the Resulting Issuer's operations by regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Reliance on Key Inputs

The Resulting Issuer's business will be dependent on a number of key inputs and their related costs including raw materials and supplies related to its growing operations, as well as electricity and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of the Resulting Issuer. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, the Resulting Issuer might be unable to find a replacement for such source in a timely manner or at all. If sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to the Resulting Issuer in the future. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition and operating results of the Resulting Issuer.

Environmental and Employee Health and Safety Regulations

The Resulting Issuer's operations will be subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and non-hazardous materials and wastes, and employee health and safety. The Resulting Issuer will incur ongoing costs and obligations related to compliance with environmental and employee health and safety matters. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or in restrictions on our manufacturing operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Resulting Issuer's operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Resulting Issuer.

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Resulting Issuer's securities will be established or sustained. The market price for the Resulting Issuer's securities could be subject to wide fluctuations. Factors such as announcements of quarterly variations in operating results and acquisition or disposition of properties, as well as market conditions in the industry, may have a significant adverse impact on the market price of the securities of the Resulting Issuer. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Management of Growth

Any expansion of the Resulting Issuer's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Resulting Issuer will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage any growth it experiences. There can be no assurance that the Resulting Issuer will be able to manage growth successfully. Any ability of the Resulting Issuer to manage growth successfully could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations.

Reliance on Key Personnel and Consultants

The success of the Resulting Issuer is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. The Resulting Issuer attempts to enhance its management and technical expertise by recruiting qualified individuals who possess desired skills and experience in certain targeted areas. The Resulting Issuer's inability to retain employees and attract and retain sufficient additional employees could have a material adverse impact on the Resulting Issuer's financial condition and results of operation. Any loss of the services of such individuals could have a material adverse effect on the Resulting Issuer's business, operating results or financial condition.

Dependence on Suppliers and Skilled Labour

The ability of the Resulting Issuer to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment parts and components, No assurances can be given that the Resulting Issuer will be successful in maintaining its required supply of skilled labour, equipment, parts and components.

Shareholders' Interest may be Diluted in the Future

The Resulting Issuer will require additional funds for its planned activities. If the Resulting Issuer raises additional funding by issuing equity securities, which is highly likely, such financing could substantially dilute the interests of the Resulting Issuer's shareholders. Sales of substantial amounts of shares, or the availability of securities for sale, could adversely affect the prevailing market prices for the Resulting Issuer's shares. A decline in the market prices of the Resulting Issuer's shares could impair the ability of the Resulting Issuer to raise additional capital through the sale of new common shares should the Resulting Issuer desire to do so.

Conflicts of Interest

Certain of the proposed directors and officers of the Resulting Issuer engage in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Resulting Issuer may become subject to conflicts of interest.

Litigation

The Resulting Issuer may be forced to litigate, enforce, or defend its intellectual property rights, protect its trade secrets, or determine the validity and scope of other parties' proprietary rights. Such litigation would be a drain on the financial and management resources of the Resulting Issuer which may affect the operations and business of the Resulting Issuer. The Resulting Issuer may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Resulting Issuer becomes involved be determined against the Resulting Issuer such a decision could adversely affect the Resulting Issuer's ability to continue operating and the market price for Resulting Issuer Shares and could use significant resources. Even if the Resulting Issuer is involved in litigation and wins, litigation can redirect significant company resources.

Dividends

There is no assurance that the Resulting Issuer will pay dividends on its shares in the near future or ever. The Resulting Issuer will likely require all its funds to further the development of its business.

INFORMATION CONCERNING THE ISSUER

Corporate Structure

The Issuer was incorporated under the BCBCA on June 20, 2007. The full corporate name of the Issuer is "Fitch Street Capital Corp." The Issuer's head office is located at 755 Burrard Street, Suite 440, Vancouver, British Columbia, V6C 1X6. The Issuer's registered records office is 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

Prior to the Completion of the Qualifying Transaction, the Issuer intends to complete the Name Change to "Pure Extraction Corp." in accordance with its articles of incorporation (the "**Name Change**").

General Development of the Business

History

The Issuer is a “CPC” as that term is defined by the policies of the Exchange. The sole business of the Issuer since its incorporation has been to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and once identified and evaluated, to negotiate an acquisition or participation subject to any approvals as required under applicable corporate and securities laws and subject to acceptance by the Exchange so as to complete a Qualifying Transaction. Until the Completion of the Qualifying Transaction, the Issuer will other than the Loan, not have business operations or any material assets other than cash, and currently has no written or oral agreements in principle for the acquisition of an asset or business, other than the Share Exchange Agreement.

On June 11, 2008, the Issuer completed its initial public offering by issuing 2,500,000 Fitch Shares at $0.10 per Fitch Share for gross proceeds of $250,000. On October 4, 2018, trading in the Fitch Shares was halted in connection with the Qualifying Transaction. Trading remains halted as of the date of this Filing Statement.

On September 21, 2009, Fitch announced that it had entered into a letter of intent dated September 21, 2009 with 0690742 B.C. Ltd. for the acquisition of 100% of the outstanding shares of the company. The proposed transaction was intended to constitute Fitch’s Qualifying Transaction. Fitch announced that it would not be proceeding with the transaction on January 8, 2010.

On June 4, 2010, Fitch announced that it entered into an arm’s length binding letter agreement dated June 12, 2010 with EagleRidge Minerals Ltd pursuant to which Fitch would, subject to a number of conditions, acquire all of the issued and outstanding securities of the company. The proposed transaction was intended to constitute Fitch’s Qualifying Transaction. Fitch announced that the proposed transaction was terminated on October 21, 2010.

On October 26, 2010, the Issuer’s listing was transferred to the NEX board of the Exchange as a result of the Issuer’s failure to complete a Qualifying Transaction in the time period required by the Exchanged. 1,333,333 seed shares held were cancelled in connection with the Issuer’s transfer to NEX.

On March 7, 2015 Fitch entered into an exclusivity agreement with a private company in the communications software industry. Fitch announced that it terminated the exclusivity agreement on May 12, 2016.

On June 21, 2016, Fitch consolidated its common shares on the basis of one post-consolidation common share for every four pre-consolidation common shares then outstanding.

On February 7, 2018, the Resulting Issuer completed a financing (the “**February 2018 Financing**”) for gross proceeds of $791,000 through the issuance of 11,300,000 Fitch Shares at a price of $0.07 per share. The Issuer paid a finder’s fee consisting of $54,600 cash and 780,000 Brokers’ Options, with each Broker Option exercisable into one Fitch Share at $0.07 per Fitch Share, to arm’s length third parties.

On December 17, 2018, the Issuer entered into the Share Exchange Agreement. The Share Exchange Agreement contemplates the Issuer acquiring all the issued and outstanding Pure Extraction Canada Shares from Pure Extraction Canada Shareholders, and all the issued and outstanding Pure Extraction BC Shares from Pure Extraction BC Shareholders. See “ The Transaction.”

On July 30, 2019, Fitch completed the Bridge Financing by issuing 3,703,703 Fitch Shares at $0.135 per Fitch Share for gross proceeds of $500,000. The Issuer paid a finder’s fee of $40,000 in cash 296,296 Brokers’ Options, with each Brokers’ Option exercisable into one Fitch Share at $0.135 per Fitch Share, to arm’s length parties.

Financing Information

In connection with the Qualifying Transaction, Fitch plans to complete the Concurrent Financing by way of non-brokered private placement of Fitch Shares at a price of $0.135 per Fitch Share to raise aggregate proceeds of up to $2,000,000. In connection with the Concurrent Financing, Fitch will pay a finder’s fee consisting of (i) a cash commission equal to 8% of the gross proceeds raised under the Brokered Financing and (ii) Brokers’ Options equal to 8% of the gross proceeds raised under the Concurrent Financing with each Brokers' Option exercisable into one Fitch Share at $0.135 per Fitch Share for a period of two years from the Closing Date. Assuming a Concurrent Financing of $2,000,000 the Issuer will issue 1,185,185 Brokers' Options pursuant to the Concurrent Financing.

Assuming a Concurrent Financing of $2,000,000, the net proceeds are expected to be approximately $1,840,000 after payment of the 8% cash commission. The proceeds of the Concurrent Financing will be used to carry out the Resulting Issuer's business objectives and for general and working capital requirements during the twelve-month period following the Closing Date.

Selected Financial Information and Management's Discussion and Analysis

Overall Performance

Since its incorporation, the Issuer has incurred costs in carrying out its initial public offering, in seeking, evaluating and negotiating a potential Qualifying Transaction, and in meeting the disclosure obligations imposed upon it as a reporting issuer listed for trading on the Exchange.

The Issuer is classified as a CPC and was listed on the Exchange on June 13, 2008. The Issuer failed to complete a Qualifying Transaction pursuant to the policies of the Exchange within 24 months of listing and moved to the NEX Board on October 26, 2010. In accordance with the requirements of the Exchange, the Issuer cancelled 1,333,333 Fitch Shares of the Issuer in connection with the Issuer's transfer to the NEX Board.

Selected Financial Information

The following table sets forth selected financial information of the Issuer for the year ended March 31, 2019 and 2018 and the six months ended September 30, 2019. Such information is derived from the Issuer's financial statements and should be read in conjunction with such financial statements. See Schedule "A" – Annual audited financial statements of the Issuer for the years ended March 31, 2019 and 2018 and interim financial statements for the six months ended September 30, 2019.

Expenses	For the six months ended September 30, 2019 (unaudited) ($)	For the year ended March 31, 2019 (audited) ($)	For the year ended March 31, 2018 (audited) ($)
Accounting, audit and legal fees	14,800	16,795	26,026
Listing and filing fees	8,945	16,279	12,960
Office and miscellaneous	10,868	18,331	18,256
Transaction costs	221,000		
Transfer agent fees	245,980	39,121	-
Write-off prior years account payable	2,076	5,447	7,276
Write-off of receivables	-	(8,712)	-
Total Expenses	**503,669**	**87,261**	**94,001**

The Issuer estimates that its additional expenses in closing the Transaction, including legal fees, filing fees, private placement finders' fees and audit fees will be approximately $190,000.

Management's Discussion and Analysis

The Management's Discussion and Analysis of the Issuer as at and for the year ended March 31, 2019 and 2018 and the Management's Discussion and Analysis as at and for the six months ended September 30, 2019 is attached to this Filing Statement as Schedule "B". The management's discussion and analysis of the Issuer should be read in conjunction with the Issuer's audited financial statements, as at and for the year ended March 31, 2019 and six months ended September 30, 2019, together with the notes thereto, incorporated by reference and attached to this Filing Statement as Schedule "A".

A *pro forma* statement of financial position for the Issuer, which gives effect to the Transaction and the Concurrent Financing as at September 30, 2019, is attached to this Filing Statement as Schedule "G".

Description of the Securities

Common Shares

The authorized capital of the Issuer consists of an unlimited number of common shares without nominal or par value. As at the date of this Filing Statement, 16,755,785 Fitch Shares were issued and outstanding, of which 1,358,332 Fitch Shares are held in escrow. In addition, as of the date hereof, up to 1,481,481 Fitch Shares are reserved for issuance pursuant to Brokers' Options.

The holders of Fitch Shares are entitled to vote at all meetings of Fitch Shareholders, except meetings at which only holders of a specified class of shares are entitled to vote, to receive dividends if, as and when declared by the directors and, to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer. The Fitch Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring a holder of Fitch Shares to contribute additional capital and no restrictions on the issuance of additional securities by the Issuer.

Stock Option Plan

On November 27, 2007, the Board of Directors adopted the Stock Option Plan which provides that the Board of Directors of the Issuer may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and technical consultants to the Issuer, non-transferable options to purchase Fitch Shares.

Such options will be exercisable for a period of up to five (5) years from the date of grant. In connection with the foregoing, the number of Fitch Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Fitch Shares and the number of Fitch Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding Fitch Shares. Options may be exercised the greater of twelve (12) months after the Completion of the Qualifying Transaction and ninety (90) days following cessation of the optionee's position with the Issuer, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any Fitch Shares acquired pursuant to the exercise of options prior to Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

The purpose of the Stock Option Plan is to provide certain directors, executive officer, employees and consultants of the Issuer and any Affiliate with an opportunity to purchase Fitch Shares and to benefit from any appreciation in the value of the Fitch Shares. The Stock Option Plan will provide an increased incentive for those individuals to contribute to the Issuer's future growth, success, and prosperity, thus enhancing the value of the Fitch Shares for the benefit of all of the Issuer's shareholders and increasing the ability of the Issuer and any Affiliate to attract and retain skilled motivated individuals in the service of the Issuer.

The following is a summary of the principal terms of the Stock Option Plan:

Eligible Participants

The Stock Option Plan provides that Fitch Options may be granted to the Issuer's directors, officers, employees within the meaning of National Instrument 45-106 *Prospectus Exemptions* ("**Eligible Persons**").

Shares Available for Issuance

As long as the Issuer is a CPC and has not completed a Qualifying Transaction, the aggregate number of Fitch Shares issuable under the Stock Option Plan must not exceed that 10% of the total number of Fitch Shares outstanding as at the closing of the Issuer's initial public offering ("**IPO**"), subject to adjustment in accordance with the Stock Option Plan.

From and after the date of the completion of the Issuer's Qualifying Transaction, the aggregate number of Fitch Shares issuable under the Stock Option Plan and previously granted options must not exceed 10% of the Issuer's issued Fitch Shares on the date on which an option is granted under the Stock Option Plan.

Limitations on the Grant of Options

Subject to the prohibitions set out below with respect to grants of options to consultants and participants engaging in investor relations activities, options to purchase not more than 5% of the issued and outstanding Fitch Shares may be granted to any one participant in any 12 month period, unless the Issuer is or becomes a Tier 1 Issuer within the meaning of the policies of the Exchange and the Issuer has obtained the approval of disinterested shareholders.

The aggregate number of Fitch Shares reserved for issuance to Insiders pursuant to (a) options granted under the Stock Option Plan and (b) previously granted options must not exceed 10% of the issued Fitch Shares. The Issuer is prohibited from granting to Insiders, within any 12 month period, a number of options granted under the Stock Option Plan and previously granted options that exceeds 10% of the issued Fitch Shares.

Exercise Price

The option price will not be less than the last closing price of the Fitch Shares on the Exchange on the trading day immediately before the date of the grant, less the discount permitted under the Exchange's policies, subject to the Exchange's requirement that the exercise price be a minimum of $0.10 per Fitch Share. Notwithstanding, the foregoing, if the Fitch Shares become listed and posted for trading on the Toronto Stock Exchange, the exercise price will be the "Market Price" in accordance with the policies of the TSX Company Manual related to options.

Expiration or Termination

Under the Stock Option Plan: (i) if a participant is an employee or consultant and is neither a director nor officer and ceases to be an employee or consultant by reason of termination of employment of the employee for cause or termination of engagement of the consultant for breach, the option will terminate on the effective date of the participant ceasing to be an employee or consultant for that reason; and (ii) if a participant dies, the participant's personal representative or administrator will have the right to exercise in whole or in part any unexercised option at any time until the earlier of (a) the expiry date of the option and (b) the date that is one year after the date of the participant's death. If a participant ceases to be an eligible person for any other reason other than as set out in subsections (i) or (ii), the option will terminate on the earlier of (a) the expiry date and (b) the date that is ninety days after the effective date of the participant ceasing to be an eligible person for that other reason.

Vesting

Options granted to consultants conducting investor relations activities will vest (i) over a period of not less than 12 months as to 25% of the options vested on the date that is three months from the date of grant, and a further 25% of the options vesting on each successive date that is three months from the date of the previous vesting; or (ii) such longer vesting period as the Board may determine.

Amendments or Discontinuance of the Stock Plan

The Board may amend or discontinue the Stock Option Plan at any time without the consent of the participants provided that the amendments does not alter or impair any option previously granted under the Stock Option Plan. Any amendment of the Stock Option Plan will require the prior approval of the Exchange and may require the approval of the Issuer's shareholders in accordance with the Exchange's policies. A copy of the Stock Option Plan is available under the Issuer's profile on SEDAR at www.sedar.com.

Concurrently with closing of the Transaction, the Issuer will amend the Stock Option Plan to (i) remove "permitted assigns" under National Instrument 45-106 *Prospectus Exemptions* from the definition of Eligible Persons; (ii) specify that disinterest shareholder approval is required when decreasing the exercise price of insider options; ((iii) remove the ability to exercise options by payment via money order; and (iv) to provide for the minimum exercise price for stock options granted within 90 days of a Prospectus distribution to be the greater of the Discounted Market Price (as such term is defined in TSXV Policy) and the per share price paid by the public investors for the listed shares acquired under the Prospectus distribution.

Stock Options Granted

As of the date of this Filing Statement, there are 1,260,000 Fitch Options issued and outstanding under the Stock Option Plan.

Prior Sales

From the date of incorporation to the date of this Filing Statement, the following Fitch Shares were issued:

Date	Price per share ($)	Number of Fitch Shares
June 20, 2007	$0.01	1(1)
September 30, 2007	$0.20(4)	533,332(2)(4)
October 30, 2007	$0.40(4)	142,250(4)
March 27, 2008	$0.40(4)	22,500(4)
June 11, 2008	$0.40(4)	625,000(2)(4)
February 7, 2018	$0.07(4)	11,300,000(3)
July 30, 2019	$0.135	3,703,703
February 6, 2020	$0.07	429,000(5)

Notes:

1) This Fitch Share was repurchased by the Issuer on September 30, 2007 for $0.01. The Fitch Share was cancelled and the sum of $0.01 was deducted from the stated capital of the Corporation.

2) These Fitch Shares are subject to escrow restrictions. See "Escrowed Securities".

3) Two insiders of the Issuer purchased 825,000 Fitch Shares.

4) On June 22, 2016, the Issuer consolidated its common shares on the basis of one post-consolidation common share for every four pre-consolidation common shares then outstanding. These figures are presented on a post-consolidation basis.

5) Issued pursuant to the exercise of 429,000 Broker Options.

Stock Exchange Price

The Fitch Shares are currently listed on the NEX Board of the Exchange under the symbol FSC.H. The following table shows the monthly high, low and closing prices and average trading volume of the Fitch Shares since December 2017.

Period	High ($)	Low ($)	Close ($)	Aggregate Volume
October 4, 2018 to February 27, 2020(1)	-	-	0.18	-
October 1, 2018 to October 4, 2018	0.18	0.18	0.18	1,000
July to September 2018	0.26	0.15	0.15	30,630
April to June 2018	0.285	0.26	0.26	1,600
January to March 2018	0.55	0.18	0.41	31,854
October to December 2017	0.09	0.09	0.18	5,000

Note:

1) Trading in the Fitch Shares was halted on October 4, 2018 in connection with the announcement of the Transaction.

Arm's Length Transaction

The proposed Transaction is not a Non-Arm's Length Qualifying Transaction.

Legal Proceedings

There are no pending legal proceedings material to the Issuer to which the Issuer is or is likely to be a party, or of which any of its property is the subject matter.

Auditor, Transfer Agent and Registrar

Auditor

The auditor of the Issuer is Sam S. Mah Inc., Chartered Professional Accountant, of 1177 West Hastings Street, Suite 2001, Vancouver BC V6E 3X2.

Transfer Agent and Registrar

The transfer agent and registrar for the Issuer is Computershare Trust Company of Canada of 510 Burrard St, 3rd Floor, Vancouver, BC V6C 3B9.

Material Contracts

The Issuer has not entered into any contracts material to investors in the Fitch Shares other than contracts in the ordinary course of business, except:

1. Subscription agreements dated various dates between the Issuer and each Shareholder issued prior to the date of the Resulting Issuer's Prospectus;

2. the CPC Escrow Agreement dated November 27, 2007 among the Issuer, the Transfer Agent, and certain Fitch Shareholders;

3. the Registrar and Transfer Agent Agreement dated November 27, 2007 among the Issuer and the Transfer Agent;

4. the Agency Agreement between the Issuer and Global Securities Corporation dated December 31, 2007, entered into in connection with the Issuer's initial public offering;

5. the Share Exchange Agreement; and

6. the Loan Agreement.

Copies of these agreements may be inspected without charge during regular business hours at the offices of Fitch at 755 Burrard Street, Suite 440, Vancouver, British Columbia, V6Z 1X6, until 30 days after the Completion of the Qualifying Transaction and may be found on SEDAR at www.sedar.com.

INFORMATION CONCERNING PURE EXTRACTION CANADA

Corporate Structure

Name and Incorporation

Pure Extraction Ltd. is a private corporation formed on February 15, 2017 under the *Canada Business Corporations Act*. It has its registered and records office as well as its head office located at 269 West 8th Avenue, Vancouver, British Columbia, Canada.

Pure Extraction Canada has no subsidiaries.

Intercorporate Relationships

Pure Extraction Inc. is a private corporation formed on January 28, 2016 under the *Business Corporations Act* (British Columbia). The business of Pure Extraction BC was discontinued in August 2017 and commenced exclusively through Pure Extraction Canada. See "Information Concerning Pure Extraction Canada – General Development of the Business of Pure Extraction – History".

General Development of the Business of Pure Extraction

History

Pure Extraction BC was formed in 2016 after seeing the need for a premium oil extraction machine. Pure Extraction BC's focus was to be a full-service provider, building and selling oil extraction equipment for the commercial oil extraction industry.

From 2016 to 2017, Pure Extraction's main focus was commercializing its pilot system to a production system. Pure Extraction initially was only able to provide smaller (under 5.0 litre (L)) systems in an open loop design. As the demand for larger production systems increased, Pure Extraction began building larger vessel options (up to 10.0L) and closed loop options (re-using CO_2) in 2017 and 2018.

In February 2017, Hardin Jackson joined Pure Extraction and together with Mark VanSluytman formed Pure Extraction Canada. The business of Pure Extraction BC was discontinued, and operations were conducted in Pure Extraction Canada which opened an office in Ontario. The Canada-wide expansion allowed Pure Extraction Canada to potentially capture clientele from Ontario.

This trend continues in terms of larger systems with the added focus now on improving the systems in terms of automation and efficiency. For the years 2018 and 2019, Pure Extraction added touch-screen and remote diagnostics capabilities to its fully automated systems. Pure Extraction now specializes in the design, development, manufacturing and service of CO_2 extraction systems. Pure Extraction sells these extraction systems to companies engaged in the botanical medicine, nutraceutical, hemp and tobacco industries. Pure Extraction also sells its extraction systems to licensed Canadian cannabis companies.

Business Overview

Pure Extraction has a primary focus of building and selling oil extraction equipment for commercial oil production (the supercritical CO_2 Extraction System). Pure Extraction's CO_2 extraction system can be used to extract botanical oils from biomass using supercritical CO_2 extraction.

Botanical oils, also called volatile oils, are natural oils extracted from plants. Historically, they've been used in medicine, cosmetics, perfumes, food, and, more recently, aromatherapy. Botanical oils are "essential" because they contain the "essence" of the plant, meaning the taste or odor.

Current providers of extraction equipment for botanical oils are either primarily located in the United States and/ or are focused on larger 'large batch/ bulk' extraction equipment. Pure Extraction will differentiate itself based upon:

1. Providing a scalable/ modular and mobile extraction system to not only provide options for all oil producers, but also reduce the sales-cycle; and

2. Leveraging the Canadian currency and vertical-vendor partnerships for cost-competitiveness while also sustaining a profitable cost structure.

As a result there is a market for new innovative, clean and green products that are both beneficial to the user and the environment. Botanical oil for medicinal, functional foods and cosmetics are just some of the industries that can benefit from CO_2 extraction.

Process Overview – CO_2 Extraction

Pure Extraction designs, develops, sells, supplies and services a range of CO_2 extraction systems using subcritical and supercritical fluid extraction utilizing high pressure carbon dioxide and specific temperatures extracts to extract essential oils from botanicals.

Supercritical and Subcritical CO_2 Extraction

Supercritical CO_2 extraction uses CO_2 in the form of a gas and liquid, after it has been heated to 31°C and pressurized at 1,071 psi. The supercritical CO_2 is then pumped into a vessel filled with organic matter. When carbon dioxide is subjected to pressure and heat it becomes "supercritical" and can effuse through solids like a gas, and dissolve materials like a liquid.

Carbon dioxide usually behaves as a gas in air at standard temperature and pressure ("**STP**"), or as a solid called dry ice when frozen. If the temperature and pressure are both increased from STP to be at or above the critical point for carbon dioxide, it can adopt properties midway between a gas and a liquid. More specifically, it behaves as a supercritical fluid above its critical temperature (304.25 K, 31.10°C, 87,98°F) and critical pressure (72.9 atm, 7.39 MPa, 1,071 psi, 73.9 bar), expanding to fill its container like a gas but with a density like that of a liquid.

Because of the supercritical properties, the CO_2 acts as a solvent, dissolving oils and other substances such as fats and lipids. The difference between CO_2 extraction and traditional distillation is that CO_2 is used as a solvent instead of heated water, steam or hydrocarbons. The temperature involved in the supercritical extraction process is around 30 to 40 °C as opposed to 75 to 100°C in steam distillation. Subcritical CO_2 extraction is the same process as supercritical CO_2 extraction, however, subcritical extraction occurs at higher temperatures and pressure and CO_2 stays in liquid form during the subcritical process.

Pure Extraction does not utilize traditional methods of extraction such as Butane Extraction ("**BHO Extraction**"). BHO Extraction uses chemicals such as light hydrocarbons to extract oil from botanicals. This chemical extraction process is less expensive to utilize; however, the final product is not organic, nor does it provide the level of purity expected for medicinal use. A chemical extraction process runs counter to the expectations and demands of those individuals seeking and requiring medical grade and organically pure extract material. Although a more intensive process, supercritical CO_2 extraction provides a more organically pure medical extract. This process utilizes both temperature and pressure of carbon dioxide to extract oils, fats and lipids from organic matter. Although non-toxic and a neutral extraction method, the supercritical state for CO_2 requires more complex and more expensive equipment.

Principal Products and Services

CO_2 Extraction Systems

Pure Extraction designs CO_2 extraction systems that use subcritical and supercritical CO_2 extraction technology. All systems can be tailored to suit each customer's specific requirements. Pure Extraction's CO_2 extraction systems run on both a closed loop and open loop system. All Pure Extraction systems include touch-screen technology. A diagram of a Pure Extraction CO_2 extraction system is provided below:

Figure 1: Pure Extraction CO_2 Extraction System

Each system ranges from entry-level to mid-level in size, with production scale options. Each system is modular in design and all sub-components can be removed, cleaned and reinstalled easily. Pure Extraction offers a range of extraction system with a volume vessel volume capacity ranging from 3.0 litres to 120 litres.

Pure Extraction also offers a Server Room CO_2 extraction system. The Server Room CO_2 extraction system is based on multiple Pure Extraction CO_2 extraction systems linked together and is used for high volume extraction. Pure Extraction also sells maintenance kits and parts for their extraction systems and provides online technical support for its products.

Revenues from Principal Products or Services

For the past two financial years Pure Extraction has received 100% of its revenues from the sale of CO_2 extraction systems and Server Room CO_2 extraction systems. All sales were to customers and there were no sales to investees in Pure Extraction or sales to controlling securityholders of Pure Extraction.

Operations

Pure Extraction Canada has a manufacturing Facility (the "**Facility**") in the Mount Pleasant area of Vancouver, British Columbia. The Facility is located in an industrial zone with direct suppliers in the vicinity. The 1400ft^2 space has ample room for growth and has been sufficient for the first three (3) years of operation, with room and resources for shipping and receiving, inventory, fabrication of components, assembly, and testing. The Facility was chosen because of its location, sufficient power, ground level bay door for shipping and receiving, and security. Currently on a year-to-year lease for $2,400 per month, the Facility has room to grow and can produce up to five (5) machines a month. The lease expires on June 30, 2020.

Pure Extraction also has an office located in Oakville, Ontario. Pure Extraction's Oakville office is used for client and business development purposes.

Product and Supply Chain

All Pure Extraction CO_2 extraction systems are welded, manufactured and assembled at the Facility. Once production is complete, Pure Extraction ships the system to the customer location. Pure Extraction also provides installation services pursuant to which Pure Extraction oversees the installation process on site at each customer location, assisting customers with the system. After installation, Pure Extraction provides maintenance support and technical support, as well as maintenance and spare parts. To facilitate operations, Pure Extraction relies primarily on the skills and knowledge of key members of management, engineers and its suppliers.

Production Process

The basic production cycle machine is seven (7) weeks. All is equipment is sourced from various manufacturers. The major factors in the building of the equipment is lead time as some components take up to six (6) weeks from purchasing to receiving. Building the machine is broken down into seven steps:

#	Step	Description
1.	**Inspection/Pre-Work**	Where the components are inspected when received, rework such as coiling of tubes for cooler and pre-heater and control panel build
2.	**Pre-Assembly**	Installation of vessels, motor and pump
3.	**Tubing**	Installation of all tubing, valves, cooler, pre-heater, and drains
4.	**Electrical**	Installation of control panel, power supply, and heaters
5.	**Instrumentation**	Installation of thermocouples and pressure gauges
6.	**Testing**	Testing of all components, electrical, mechanical, and pressure test
7.	**Shipping**	Crating and wrapping of equipment for shipment

Within these steps various equipment and tooling is required to complete the extractor build. These components are critical and are a necessary start-up expense. The Pure Extraction team is multi-disciplinary and experienced in both the technical and engineering perspectives as well as the business development and customer support streams.

Market

Pure Extraction is currently focused on supplying its products and services to companies involved in the botanical derived medicinal, nutraceuticals, hemp and tobacco industries in both the Canada and the United States. Pure Extraction intends to maintain its competitive position by:

- providing a quality/scalable/modular and mobile extraction system to not only provide options for all oil producers but also reduce the sales-cycle;

- offering a CSA (Canadian Standards Association) and CRN (Canadian Registered Number) Certification for Pure Extraction's products;

- maintaining and building strong working relationships with suppliers and vendors whose products complement and add value to Pure Extraction's extraction process including; pure extraction/preparation equipment, post-extraction labware used in the extraction process, packaging and filling machines; and systems for optimization.

Botanical Derived Medicinals

Finished products made from medicinal and aromatic plants are increasingly prescribed and bought over the counter. Examples of botanical derived medicinals are Echinacea herb & root, citronella essential oil and St. John's wort herb.

Nutraceuticals

Development into nutraceuticals is growing – products that range from isolated nutrients, dietary supplements and herbal products, specific diets and processed foods such as cereals, soups and beverages. Examples of current high value nutraceuticals are ginseng, herbs mushrooms, sea buckhorn, armica, angelica, artmesia, mercola, lemon balm, tansy, and yarrow. Nutraceuticals are found in functional foods (i.e. vitamin enriched products); nutritional supplements; sports drinks; and medicinally formulated foods.

Hemp

The industrial hemp market is situated to grow as regulations are loosened and industry develops new and innovative products. These products include, plastics that biodegrade much faster than standard current plastics, biofuel, industrial materials, and food products.

Tobacco

The recent increase in the demand for e-cigarettes and vapour-based products has additionally increased the demand for oil extraction equipment. This is compounded by the recent popularity of flavoured and multiple varieties of vapour based products.

Marketing Plans and Strategies

Pure Extraction will target the botanical derived medicinal, nutraceutical markets and hemp markets. Pure Extraction will focus on producing a high-quality sought-after machine being able to produce premium oils and customer service support. Pure Extraction has and will provide flexibility to future customers through its custom-made extraction systems.

Pure Extraction currently markets its equipment thru Google AdWords and through various trade shows, publications and conferences. Trade shows, publications and conferences accounted for approximately 63% of the 2019 advertising costs for Pure Extraction, while Google AdWords accounted for 37% of advertising costs. Pure Extraction's pricing is neither at a discount nor premium, as customer orders are typically customized to their needs.

After-sales service, maintenance or warranties are not a significant competitive factor although Pure Extraction does offer client support which is provided using a third party support application after on-site training.

Competitive Conditions

Pure Extraction faces competition within its target markets mainly from other manufacturers of supercritical CO_2 extraction equipment. The following list is limited to those that provide supercritical CO_2 extraction equipment and are seen as direct competitors to Pure Extraction.

Competitor	Location	Comparison to Pure Extraction
Apeks Supercritical	Johnstown, Ohio	• **Vessel Volume:** 1L, 5L, 10L, 20L, 40L, 100L • **Intellectual Property:** Patented valveless expansion technology • **Cost:** USD$86,000 for 5L systems • **Miscellaneous:** Ranked #24 on INC Magazines top 5000 companies for 2015
Vitalis Extraction Technologies	Kelowna, British Columbia	• **Vessel Volume:** 45L, 90L, 200L • **Intellectual Property:** Proprietary high-flow pump technology; patented cold separation technology; and patented CO_2 recovery system. • **Cost:** Information not available

Competitor	Location	Comparison to Pure Extraction
Infinity Supercritical	Ferndale, Washington	• **Vessel Volume:** 10L • **Intellectual Property:** Patented system to liquefy CO_2 • **Cost:** USD$111,000 for 5L systems
Paradigm Supercritical	Portland, Oregon	• **Vessel Volume:** 2L and 5L • **Intellectual Property:** Patented technology for internal screens to help separate oils • **Cost:** USD$60,000 for 5L systems • **Miscellaneous:** N/A

New competition may come in the form of existing extraction manufacturers that do not use CO_2 technology moving towards or expanding their product line to include supercritical CO_2 equipment.

Future Developments

Pure Extraction is commercially producing extraction equipment. Pure Extraction continually is looking to improve and reduce production costs without sacrificing quality.

Proprietary Protection

The extraction process is an open source technology, developing patented hardware and software is not an immediate requirement but trade secrets are essential. Pure Extraction does not need to publish its technology/manufacturing details and therefore, it can be developed within the manufacturing process. Pure Extraction will seek to have its trade secrets patented once refined.

Significant Acquisitions or Dispositions

Pure Extraction Canada has not undertaken any acquisitions or disposals of entities or operations since incorporation.

Selected Financial Information of Pure Extraction Canada

The following information is from the consolidated financial statements of Pure Extraction Canada for the years ended March 31, 2019 and 2018 (audited) and six months ended September 30, 2019 (unaudited). The financial statements of Pure Extraction Canada are included in this Filing Statement as Schedule "C". The financial statements of Pure Extraction Canada were prepared in accordance with IFRS.

All dollar figures are expressed in Canadian Dollars unless otherwise stated.

	For the six months ended September 30, 2019 (unaudited) ($)	For the year ended March 31, 2019 (audited) ($)	For the year ended, March 31, 2018 (audited) ($)
Current Assets	719,974	540,368	649,563
Current Liabilities	1,477,201	1,171,981	814,505
Total Assets	720,866	541,700	651,774
Total Liabilities	1,477,201	1,171,981	814,505
Total Revenues	333,615	1,477,824	502,366
Operating Expenses	184,707	590,586	171,077

	For the six months ended September 30, 2019 (unaudited) ($)	For the year ended March 31, 2019 (audited) ($)	For the year ended, March 31, 2018 (audited) ($)
Net Loss	126,054	467,550	162,732

Management's Discussion and Analysis

The Management's Discussion and Analysis of Pure Extraction Canada for the years ended March 31, 2019 and March 31, 2018 and the six months ended September 30, 2019 are attached hereto as Schedule "D". The Pure Extraction Canada Management's Discussion and Analyses should be read in conjunction with Pure Extraction Canada's financial statements for the years ended March 31, 2019 and March 31, 2018 and six months ended September 30, 2019.

Trends

The extraction market is primarily used to produce oils for scents and flavor extracts. General market knowledge in the benefits of botanical oils has increased the number of inquiries for Pure Extraction's systems. The market is now seeking full certification on all components (CRN and CSA) of the extraction system which are recognized world-wide for meeting a certain level of health and safety and add-value to the extraction equipment. Pure Extraction is seeking CRN and CSA certification for its extraction systems. See "Information Concerning the Resulting Issuer – Milestones".

Description of the Pure Extraction Canada Securities

The authorized capital of the Issuer consists of an unlimited number of Class "A" Common Voting Shares without nominal or par value and an unlimited number of Class "B" Common Non-Voting Shares without nominal or par value. As at September 30, 2019 and March 31, 2019, Pure Extraction Canada had 10,000 Class A Common Shares issued and outstanding and nil Class B Common Shares.

The holders of Class A Common Shares are entitled to notice of and attend all meetings of Pure Extraction Shareholders, and shall be entitled to one (1) vote in respect of each such share so held. The holders of Class A Common Shares and Class B Common Shares are entitled to receive a dividend, as, and if declared by the directors of Pure Extraction Canada on the Class A Common Shares or Class B Common Shares, as the case may be. Dividends may be declared and paid on the Class A Common Shares or Class B Common Shares to the complete exclusion of dividends being declared and paid on any other class or classes of shares of Pure Extraction Canada.

In the event of liquidation, dissolution or winding up of Pure Extraction Canada or other distribution of the assets of Pure Extraction Canada among Pure Extraction Shareholders for the purpose of winding up its affairs, the holders of Class A Common Shares and Class B Common Shares shall rank *pari passu* with one another to receive any remaining balance of the assets and properties of Pure Extraction Canada.

The right to transfer Pure Extraction Canada Shares is restricted in that no shareholder is entitled to transfer any Pure Extraction Shares without the approval of (i) the directors of Pure Extraction Canada or (ii) the Pure Extraction Canada Shareholders.

Capitalization

The following table sets out the capitalization of Pure Extraction Canada prior to the completion of the Transaction:

Designation of Security	Authorised	Outstanding as of September 30, 2019	Outstanding as of the date of this Filing Statement
Class A Common Shares	Unlimited	10,000(1)	10,000(1)
Class B Common Shares	Unlimited	Nil	Nil

Note:

1) There are no options outstanding as at September 30, 2019.

Prior Sales

Since incorporation, Pure Extraction Canada has issued the following shares:

Date	Price	Number of Pure Extraction Canada Shares
February 15, 2017	$.0001	10,000

Executive Compensation

Table of Compensation Excluding Compensation Securities

Name and position	Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation	Total compensation
Hardin Jackson	2019	$92,708	-	-	-	-	$92,708
CEO and Director	2018	$36,250	-	-	-	-	$36,250
							-
Mark VanSluytman	2019	$92,708	-	-	-	-	-
President and Director	2018	$36,250	-	-	-	-	$92,708
							$36,250

Stock Options and Other Incentive Plans

Pure Extraction Canada does not have a stock option plan, any stock option agreement made outside of a stock option plan, any plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

Employment, Consulting and Management Agreements

Currently, Pure Extraction Canada has no written employment or management contracts in place with its NEOs. The NEOs were compensated through verbal agreements. These verbal agreements do not contain terms relating to change of control, severance, termination or constructive dismissal.

Oversight & Description of Director and Named Executive Officer Compensation

The board of directors, on the recommendation of management, of Pure Extraction Canada is responsible for setting the overall compensation strategy of Pure Extraction Canada and evaluating and making determinations for the compensation of its directors and executive officers. The board of directors, on the recommendation of management, annually reviews and determines base salary.

Pure Extraction Canada does not offer any group benefit plans, including medical, dental, life, accidental death and dismemberment and long term disability coverage. Pure Extraction Canada does not have a stock option plan.

Non-Arm's Length Party Transactions

Since incorporation, Pure Extraction Canada has not entered into any transactions that could be considered to be non-arm's Length within the meaning of applicable laws.

As at March 31, 2019, a Director and President owed $2,979 (2018 - $3,226) (2017 - $nil) and a Director and CEO owed $4,523 (2018 - $nil) (2017 - $nil) to Pure Extraction Canada. These expenses were in the normal course of business.

Legal Proceedings

There are no pending legal proceedings to which Pure Extraction Canada is or is likely to be a party, or of which any of its assets is the subject matter.

Material Contracts

The only material contract of Pure Extraction Canada, other than contracts entered into in the ordinary course of business, entered into since incorporation is the Share Exchange Agreement and the Loan Agreement.

A copy of the Share Exchange Agreement and Loan Agreement may be inspected without charge during regular business hours at the offices of the Issuer's counsel, McMillan LLP, 1500 - 1055 West Georgia Street, Vancouver, British Columbia V6E 4N7 until 30 days after the Completion of the Qualifying Transaction and may be found the Issuer's profile on SEDAR at www.sedar.com.

INFORMATION CONCERNING PURE EXTRACTION BC

Corporate Structure

Name and Incorporation

Pure Extraction Inc. is a private corporation formed on January 28, 2016 under the laws of British Columbia. Its registered office is located at 269 West 8th Avenue, Vancouver, British Columbia, Canada.

Pure Extraction BC has no subsidiaries.

Intercorporate Relationships

Pure Extraction Ltd. is a private corporation formed on February 15, 2017 under the *Canada Business Corporations Act*. The business of Pure Extraction BC was discontinued in August 2017 and commenced exclusively through Pure Extraction Canada.

General Development of the Business of Pure Extraction BC

See "Information Concerning Pure Extraction Canada" – "General Development of the Business of Pure Extraction".

Significant Acquisitions or Dispositions

Pure Extraction BC has not undertaken any acquisitions or disposals of entities or operations since incorporation.

Selected Financial Information of Pure Extraction BC

Annual Information

The following information is from the financial statements of Pure Extraction BC for the years ended March 31, 2019 and 2018 (audited) and September 30, 2019 (unaudited). The financial statements of Pure Extraction BC are included in this Filing Statement as Schedule "E". The financial statements of Pure Extraction BC were prepared in accordance with IFRS.

All dollar figures are expressed in Canadian Dollars unless otherwise stated.

	For the six months ended September 30 2019 ($)	For the year ended March 31, 2019 ($)	For the year ended March 31, 2018 ($)
Current Assets	161,059	161,059	161,059
Current Liabilities	26,354	26,354	24,644
Total Assets	161,059	161,059	161,059
Total Liabilities	26,354	26,354	26,354
Total Revenues	-	-	353,666
Operating Expenses	-	-	10,432
Net Income	-	-	52,552

Management's Discussion and Analysis

This Management's Discussion and Analysis of Pure Extraction BC for the years ended March 31, 2019 and March 31, 2018 and the six months ended September 30, 2019 are attached hereto as Schedule "F". The Pure Extraction BC Management's Discussion and Analyses should be read in conjunction with Pure Extraction BC's financial statements for the years ended March 31, 2019 and March 31, 2018 and six months ended September 30, 2019.

Trends

See "Information Concerning Pure Extraction Canada – Trends".

Description of the Pure Extraction Securities

Common Shares

As at September 30, 2019 and March 31, 2019, Pure Extraction BC had 6,100 common shares issued and outstanding.

Convertible Securities

As of the date hereof, there are no warrants, options or other securities to exercisable to acquire Pure Extraction BC Shares outstanding.

Capitalization

The following table sets out the capitalization of Pure Extraction BC prior to the completion of the Transaction:

Designation of Security	Authorised	Outstanding as of September 30, 2019	Outstanding as of the date of this Filing Statement
Common shares	Unlimited	6,100[(1)]	6,100[(1)]

Note:
1) There are no options outstanding as at September 30, 2019.

Prior Sales

Since incorporation, Pure Extraction BC has issued the following Pure Extraction BC Shares:

Date	Price	Number of Pure Extraction BC Shares
January 28, 2016	$0.01	5,100
August 28, 2016	$0.30	500
November 1, 2016	$0.30	400
November 20, 2016	$0.30	100

Executive Compensation

Table of Compensation Excluding Compensation Securities

Name and position	Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation	Total compensation
Mark VanSluytman	2018	$7,128	-	-	-	-	$7,128
Director, President	2017	$5,128	-	-	-	-	$5,128
and CEO							-

Stock Options and Other Incentive Plans

Pure Extraction BC does not have a stock option plan, any stock option agreement made outside of a stock option plan, any plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

Employment, Consulting and Management Agreements

Currently, Pure Extraction BC has no written employment or management contracts in place with its NEOs. The NEOs were compensated through verbal agreements. These verbal agreements do not contain terms relating to change of control, severance, termination or constructive dismissal.

Oversight & Description of Director and Named Executive Officer Compensation

The board of directors, on the recommendation of management, of Pure Extraction BC is responsible for setting the overall compensation strategy of Pure Extraction BC and evaluating and making determinations for the compensation of its directors and executive officers. The board of directors, on the recommendation of management, annually reviews and determines base salary.

Pure Extraction BC does not offer any group benefit plans, including medical, dental, life, accidental death and dismemberment and long term disability coverage. Pure Extraction BC does not have a stock option plan.

Non-Arm’s Length Party Transactions

Since incorporation, Pure Extraction BC has not entered into any transactions that could be considered to be non-arm’s Length within the meaning of applicable laws.

Legal Proceedings

There are no pending legal proceedings to which Pure Extraction BC is or is likely to be a party, or of which any of its assets is the subject matter.

Material Contracts

The only material contract of Pure Extraction BC, other than contracts entered into in the ordinary course of business, entered into since incorporation is the Share Exchange Agreement and the Loan Agreement.

A copy of the Share Exchange Agreement and Loan Agreement may be inspected without charge during regular business hours at the offices of the Issuer's counsel, McMillan LLP, 1500 - 1055 West Georgia Street, Vancouver, British Columbia V6E 4N7 until 30 days after the Completion of the Qualifying Transaction and may be found the Issuer's profile on SEDAR at www.sedar.com.

THE TRANSACTION

Overview

Effective December 17, 2018, the Issuer, Pure Extraction and the Pure Extraction Shareholders entered into the Share Exchange Agreement, which sets forth the terms of and provides for the implementation of the Transaction. Pursuant to the Share Exchange Agreement, the Issuer will acquire from Pure Extraction Canada Shareholders and Pure Extraction BC Shareholders 100% of the issued and outstanding shares of Pure Extraction Canada and Pure Extraction BC in exchange for Fitch Shares.

Description of the Transaction

Effective December 17, 2018, the Issuer, Pure Extraction Canada, Pure Extraction BC, the shareholders of Pure Extraction Canada and the shareholder of Pure Extraction BC entered into the Share Exchange Agreement, which sets forth the terms of and provides for the implementation of the Transaction, as described below.

The Name Change

Prior to the Completion of the Qualifying Transaction, the Issuer intends to change its name to "Pure Extraction Corp." or such other name as may be agreed by the parties, in accordance with its articles of incorporation. The Issuer intends to complete the Name Change prior to the Completion of the Qualifying Transaction.

Secured Loan

On November 21, 2018, the Resulting Issuer entered into the Loan Agreement with Pure Extraction pursuant to which Fitch provided Pure Extraction with a secured loan in the principal amount of $225,000 (the "**Loan**") The Loan accrues interest at a rate of 10% per annum, compounded annually and will become due at the earliest of the (i) the receipt of the final approval of Exchange of the Transaction or (ii) November 28, 2019 unless sooner determined due to the occurrence of an event of default as set out in the loan agreement. The Loan is secured by way of a general security agreement and the proceeds of the Loan are being used by Pure Extraction to fund operating expenses. As of the date of the Filing Statement, the Company has advanced $221,957 under the Loan.

The Concurrent Financing

Concurrently with the Closing of the Transaction, the Issuer will complete the Concurrent Financing to raise up to $2,000,000 on a non-brokered basis through the issuance of 14,814,815 Fitch Shares. The securities issued in the Concurrent Financing will be legended with a "hold period" to reflect resale restrictions in accordance with applicable securities laws and the policies of the Exchange.

The Resulting Issuer intends to use the proceeds from the Concurrent Financing to carry out its business objectives and for general and working capital requirements during the twelve-month period following the Closing Date. See "Information Concerning the Resulting Issuer - Available Funds and Principal Purpose" and "Information Concerning the Resulting Issuer – Stated Business Objectives".

The Share Exchange

The Issuer will acquire 100% of the issued and outstanding Pure Extraction Shares from Pure Extraction Shareholders in consideration for the issuance of 3,000,000 Fitch Shares payable to the shareholders of Pure Extraction at Closing and up to an additional 1,000,000 performance shares (the "**Performance Shares**") payable to the shareholders of Pure Extraction post-Closing, at a deemed value of $0.165 per Performance Shares, upon Pure Extraction generating cumulative gross revenues of not less than $2,000,000 within 18 months from the date of the Agreement.

Finder's Fee

In connection with the Transaction, the Issuer will pay to Canaccord Genuity Group Inc. the Finder's Fee of 345,454 Fitch Shares payable at the Effective Time.

The Share Exchange Agreement

A summary of the principal terms of the Share Exchange Agreement is provided in this section. This summary does not purport to be complete and is qualified in its entirety by the full text of the Share Exchange Agreement which the Issuer has filed under its profile on SEDAR (www.sedar.com). The Share Exchange Agreement contains covenants, representations and warranties of and from each of the Issuer, Pure Extraction Shareholders and Pure Extraction and various conditions precedent, both mutual and with respect to each party to the Share Exchange Agreement.

Representations, Warranties and Covenants of Fitch

The Share Exchange Agreement contains customary representations and warranties of the parties. The representations and warranties given by Fitch are customary for transactions of this nature in respect of matters pertaining to, among other things, its corporate existence and power, its authority to enter into and to perform its obligations under the Share Exchange Agreement, and the due allotment and issuance of the Fitch Shares issuable to Pure Extraction Shareholders pursuant to the Share Exchange Agreement.

Representations, Warranties and Covenants of Pure Extraction Shareholders and Pure Extraction

The representations and warranties given by each Pure Extraction Shareholder are customary for transactions of this nature in respect of matters pertaining to, among other things, the authority to enter into and to perform its obligations under the Share Exchange Agreement, the capacity to enter into the Share Exchange Agreement, ownership of the Pure Extraction Shares, and there being no other agreements to purchase the Pure Extraction Shares.

The representations and warranties given by Pure Extraction are customary for transactions of this nature in respect of matters pertaining to, among other things, the corporate existence and power of Pure Extraction, the capitalization of Pure Extraction, authority to enter into and to perform its obligations under the Share Exchange Agreement, there being no other agreements to purchase the shares or assets of Pure Extraction, the non-violation of its contractual and other obligations in respect of its assets by Pure Extraction, the business of Pure Extraction and certain operational matters, Pure Extraction's title to personal and other property, owned and leased real property, material contracts, its compliance with applicable laws, its financial statements and the absence of any undisclosed liabilities, certain tax matters, the absence of litigation matters, dividends, employment and consulting agreements, indebtedness and security, no insolvency, no brokerage or finder's fees, and no undisclosed liabilities.

The Share Exchange Agreement also imposes certain obligations on Pure Extraction Shareholders, and Pure Extraction relating to the conduct of business before Closing to, among other things, to make reasonable commercial efforts to satisfy all conditions precedent to closing in the Share Exchange Agreement.

Conditions of Closing in Favour of Fitch

The obligations of Fitch to consummate the Transaction are subject to the satisfaction or waiver of certain conditions, including the following:

- all representations and warranties of Pure Extraction Shareholders contained in the Share Exchange Agreement being true and correct as of the Closing Date (except as affected by the transactions contemplated by the Share Exchange Agreement);

- the performance and compliance by Pure Extraction and Pure Extraction Shareholders in all material respects with all material covenants and agreements required by the Share Exchange Agreement to be performed or complied with by them on or before the Closing Date;

- completion of the Concurrent Financing; and

- conditional acceptance of the TSXV of the Transaction.

Conditions of Closing in Favour of Pure Extraction Shareholders and Pure Extraction

The obligations of Pure Extraction Shareholders and Pure Extraction to consummate the Transaction are subject to the satisfaction or waiver of certain conditions, including the following:

- all representations and warranties of Fitch contained in the Share Exchange Agreement being true and correct as of the Closing Date (except as affected by the transactions contemplated in the Share Exchange Agreement), and

- the performance and compliance by Fitch in all material respects with all material covenants and agreements required by the Share Exchange Agreement to be performed or complied with by it on or before the Closing Date.

Termination

The Share Exchange Agreement may be terminated in any of the following circumstances:

- by mutual written consent of Fitch, Pure Extraction and the Pure Extraction Shareholders;

- by Fitch if there has been a material breach by Pure Extraction or Pure Extraction Shareholders of any representation, warranty, covenant or agreement set forth in the Share Exchange Agreement or any of the documents contemplated thereby, which breach such party fails to cure within ten Business Days after written notice thereof is given by Fitch;

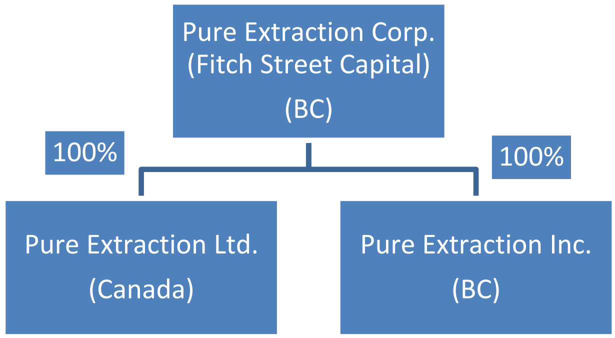
- by Pure Extraction and Pure Extraction Shareholders if there has been a material breach by Fitch of any representation, warranty, covenant or agreement set forth in the Share Exchange Agreement or any of the documents contemplated hereby, which breach Fitch fails to cure within ten Business Days after written notice thereof is given by Pure Extraction and Pure Extraction Shareholders, as applicable; and

- by Fitch or Pure Extraction if applicable regulatory approvals for the Transaction are not received or the regulatory authority has notified in writing to either Fitch or Pure Extraction that it will not permit the Transaction.

INFORMATION CONCERNING THE RESULTING ISSUER

Corporate Structure

The Issuer intends to change its name to "Pure Extraction Corp." prior to the Completion of the Qualifying Transaction in accordance with its articles of incorporation. The head office of the Resulting Issuer will be located at 440-755 Burrard Street, Vancouver, BC V6Z 1X6 and the registered and records office of the Resulting Issuer will be located at 1500 – 1055 West Georgia Street, Vancouver, BC V6E 4N7. It is expected that the Resulting Issuer will continue to be subject to the BCBCA.



Narrative Description of the Business

After Completion of the Qualifying Transaction, Pure Extraction Corp will carry on the current business of Pure Extraction. See "Information Concerning Pure Extraction Canada – General Development of Business for Pure Extraction".

After Completion of the Qualifying Transaction, Pure Extraction Canada's board of directors will comprise of Hardin Jackson, Alicia Milne and Balraj Mann, Hardin Jackson will act as Chief Executive Officer and Mark VanSluytman will act as President. Pure Extraction BC's board of director will comprise of Mark VanSlutyman, Balraj Mann and Alicia Milne. Mark VanSluytman will act as President of Pure Extraction BC.

The Resulting Issuer expects to use its available working capital to finance building and selling oil extraction equipment for commercial oil production, with a secondary focus on providing support to the CO_2 extraction industry with training and services to increase the value of owning such equipment.

Milestones

The principal milestones of the Resulting Issuer and related costs are estimated as follows:

Milestone	**Target Date**	**Cost**
Good Manufacturing Practice (GMP) certificate – Health Canada quality assurance program that ensures that various manufactured items, such as food, beverages, cosmetics, pharmaceutical products, dietary supplements and medical devices meet quality standards appropriate to their intended use. Once GMP certified, Pure Extraction can offer its customers more knowledge and added value when buying Pure extraction equipment.	November 2020	$50,000
CRN Certification for pressure vessel certification - Canadian method of reviewing and registering the design of pressure vessels, piping systems and the fittings used to make them, allowing them to be legally installed and operated in Canada. Once CRN registered, any number of identical vessels produced and built anywhere in the world. Pure Extraction and separation vessels will improve the efficiency of the extraction process.	December 2020	$50,000
CSA Certification – standards organization which develops standards that address public safety and health, advancing the quality of life, helping to	October 2021	$1,500

preserve the environment and facilitating trade. CSA Certification is recognized around the world and will add value to the extraction equipment.		
Move to a larger manufacturing facility – will provide Pure Extraction addition space for manufacturing, inventory and testing.	September 2020	$50,000

The costs associated with each of the Resulting Issuer's milestones under are included in "Research & Development" costs under "Information Concerning the Resulting Issuer – Available Funds and Principal Purposes".

Summary Pro Forma Financial Information

The following table sets out the pro forma financial information of the Resulting Issuer as of September 30, 2019 after giving effect to the Transaction and the Concurrent Financing and should be read in conjunction with the pro forma condensed consolidated financial statements of the Resulting Issuer attached as Schedule "G".

	Resulting Issuer Pro Forma as at September 30, 2019 ($)
Current assets	2,924,171
Property, plant and equipment	892
Total Assets	2.925.063
Current liabilities	1,226,643
Non-Current liabilities	-
Total liabilities	1,226,643
Shareholders' equity	1,698,420
Total liabilities and shareholders' equity	2,925,063

Description of the Securities

Common Shares

The authorized capital of the Resulting Issuer will consist of an unlimited number of common shares without par value. Assuming a fully-subscribed Concurrent Financing, the Resulting Issuer is expected to have 34,916,145 Resulting Issuer Shares (excluding the Performance Shares), 1,481,481 Brokers' Options and 1,260,000 Resulting Issuer Options outstanding upon completion of the Transaction. See "Information Concerning the Resulting Issuer — Fully Diluted Share Capital.

The holders of Resulting Issuer Shares will be entitled to vote at all meetings of shareholders of the Resulting Issuer, to receive dividends if, as and when declared by the directors and, to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Resulting Issuer. The Resulting Issuer Shares will carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions, except as provided above. There will be no provisions requiring a holder of the Resulting Issuer Shares to contribute additional capital and no restrictions on the issuance of additional securities by the Resulting Issuer.

Brokers Options

The Resulting Issuer will have 296,296 Broker's Options outstanding each with an exercise price of $0.135 per Resulting Issuer Share with an expiry of July 31, 2019, and assuming a Concurrent Financing of $2,000,000, 1,185,185 Resulting Issuer Broker's Options outstanding each with an exercise price of $0.135 per Resulting Issuer Share expiring two years from the Closing Date, upon completion of the Transaction.

Options to Purchase Securities

Concurrently with closing of the Transaction, the Issuer will amend the Stock Option Plan to (i) remove "permitted assigns" under National Instrument 45-106 *Prospectus Exemptions* from the definition of Eligible Persons; (ii) specifying that disinterest shareholder approval is required when decreasing the exercise price of insider options; (iii) removing the ability to exercise options by payment via money order; and (iv) to provide for the minimum exercise price for stock options granted within 90 days of a Prospectus distribution to be the greater of the Discounted Market Price (as such term is defined in TSXV Policy) and the per share price paid by the public investors for the listed shares acquired under the Prospectus distribution.. See "Information Concerning the Issuer – Stock Option Plan".

On July 19, 2019, the Issuer granted 1,260,000 Fitch Options to eligible directors, officers, employees and consultants of the Resulting Issuer. Each Fitch Option will be exercisable to acquire one Resulting Issuer Share at an exercise price of $0.165 per Fitch Share and will expire on July 19, 2024 or earlier in accordance with the terms of the Stock Option Plan.

Pro Forma Consolidated Capitalization

The following table sets out the capitalization of the Resulting Issuer after giving effect to the Transaction and the Concurrent Financing:

Designation of Security	Amount authorized or to be authorized	Amount outstanding after giving effect to the Transaction and the Concurrent Financing(2)
Common Shares	Unlimited	34,916,145(1)

Notes:

1) On an undiluted basis. Does not include 1,481,481 Resulting Issuer Shares reserved for issuance upon exercise of the Resulting Issuer Brokers' Options, 1,260,000 Resulting Issuer Shares reserved for issuance upon exercise of the Resulting Issuer Options, 1,000,000 Performance Shares pursuant to the Share Exchange Agreement. See "Information Concerning the Resulting Issuer – Fully Diluted Share Capital."
2) Assuming a Concurrent Financing of $2,000,000.

Fully Diluted Share Capital

The following table states the fully diluted share capital of the Resulting Issuer after giving effect to the Transaction and the Concurrent Financing:

Description of Security	Number of Securities (#) (Concurrent Financing) / Percentage of Total(1)
Fitch Shares issued as at the date of this Filing Statement	16,755,785 / 43.3%

Description of Security	Number of Securities (#) (Concurrent Financing) / Percentage of Total[(1)]
Resulting Issuer Shares to be issued to Pure pursuant to the Transaction at Closing	3,000,000 / 7.8%
Resulting Issuer Shares to be issued pursuant to the Concurrent Financing	14,814,815 / 38.3%
Resulting Issuer Shares to be issued in payment of the Finder's Fee	345,545 / 0.9%
Resulting Issuer Shares to be reserved for issuance upon exercise of Brokers' Options	1,481,481[(2)] / 3.8%
Resulting Issuer Shares to be reserved for issuance upon exercise of Resulting Issuer Options	1,260,000 / 3.3%
Resulting Issuer Shares issuable pursuant to the Performance Shares	1,000,000 / 2.6%
Total	**38,657,626 / 100%**

Notes:

1) 1,358,332 of these Resulting Issuer Shares will be subject to the CPC Escrow Agreement and 3,000,000 Resulting Issuer Shares will be subject to the QT Escrow Agreement. See "Escrowed Securities".
2) Assumes 14,814,815 Fitch Shares being issued pursuant to the Concurrent Financing.

Available Funds and Principal Purposes

As of January 31, 2020, prior to giving effect to the Transaction and the Concurrent Financing, the Issuer and Pure Extraction BC had an estimated working capital of $531,000, $161,000, respectively. Pure Extraction Canada had a working capital deficit of $710,000. After giving effect to the Transaction and the Concurrent Financing, the Issuer and Pure Extraction will have an estimated working capital of approximately of $1,981,000. It is the Resulting Issuer's intention to use these funds to fund operations after the Completion of the Qualifying Transaction as follows:

Use of Available Funds[(1)]	Amount with Concurrent Financing
Cost of Transaction	$260,000
R&D[(2)], inventory build-up	$391,500
General & Administrative	$1,076,800
Unallocated Working Capital	$252,700
Total	**$1,981,000**

Notes:

1) Does not include anticipated net income of approximately $1,400,000 of Pure Extraction Canada for 2020 calendar year.
2) The costs associated with each of the Resulting Issuer's milestones under "Information Concerning the Resulting Issuer – Milestones" are included in "Research & Development" costs.

The Resulting Issuer's working capital will be sufficient to fund its planned operations for at least the next twelve months

Cost of Transaction (legal, audit, Concurrent Financing commission, due diligence)	$260,000
R&D, inventory build-up	
Inventory build-up of long lead parts	$240,000
Research and development	$151,500
	$391,500
General & Administrative	
Management	$328,800
Professional fees	$25,000
Marketing/advertising/branding	$444,000
Trademarks/patents	$50,000
Corporate communications	$60,000
Rent	$136,000
Office, admin, transfer agent, regulatory	$33,000
	$1,076,800

The Resulting Issuer intends to use the available funds as indicated above. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Dividends

The Resulting Issuer does not currently intend to declare any dividends payable to the holders of the Resulting Issuer Shares. The Resulting Issuer has no restrictions on paying dividends, but if the Resulting Issuer generates earnings in the foreseeable future, it expects that they will be retained to finance growth, if any. The directors of the Resulting Issuer will determine if and when dividends should be declared and paid in the future based upon the Resulting Issuer's financial position at the relevant time. All of the Resulting Issuer Shares are entitled to an equal share in any dividends declared and paid.

Principal Securityholders

To the knowledge of the Issuer's directors and senior officers, upon completion of the Transaction, no person is anticipated to own of record or beneficially, directly or indirectly, or exercise control or direction over, Resulting Issuer Shares carrying more than 10% of all voting rights attached to the outstanding Resulting Issuer Shares.

Directors, Officers and Promoters

The following table sets out the name, municipality and province of residence, position with the Resulting Issuer, current principal occupation, period during which served as a director, and the number and percentage of Resulting Issuer Shares which will be beneficially owned, directly or indirectly, or over which control or direction is proposed to be exercised, by each of the Resulting Issuer's directors and officers following completion of the Transaction and Concurrent Financing.

Name, Municipality of Residence and Age	Principal Occupation During Last Five Years	Director of Fitch Since	Proposed Position with Resulting Issuer	Number and Percentage of Resulting Issuer Shares owned or controlled on completion of the Transaction and Concurrent Financing(1)
Balraj Mann, Richmond, BC 65	CEO, President and a director of QMC Quantum Minerals Corp. since 2008.	July 31, 2007	CEO and Director	708,333 (2.0%)
Nancy Zhao, Vancouver, BC 49	Accountant at Pan Andean Minerals Ltd. (January 2018 to Present); Controller at 9111077 Canada Inc. (July 2017 to December 2017); Financial Reporting Manager at Samina Capital Ltd (May 2015 to June 2017); Controller at Lead Mantra Marketing (October 2014 to April 2015); Financial Accountant at White Mountain Titanium (February 2014 to September 2014).	-	CFO	Nil
Alicia Milne Vancouver, BC 45	Corporate and securities consultant; Director of QMC Quantum Minerals since October 2014.	November 9, 2017	Director	100,000 (0.3%)
Anthony Zelen Vancouver, BC 48	President of Zelen Consulting Inc., a wholly owned private company involved in investor relations, public relations, and strategic marketing for the technology, mining and oil and gas industries.	July 31, 2007	Director	83,333 (0.2%)

Name, Municipality of Residence and Age	Principal Occupation During Last Five Years	Director of Fitch Since	Proposed Position with Resulting Issuer	Number and Percentage of Resulting Issuer Shares owned or controlled on completion of the Transaction and Concurrent Financing(1)
Barry Hartley North Vancouver, BC 52	Partner at Dale Matheson Carr-Hilton, LaBonte LLP, Chartered Professional Accountants (March 2005 to Present); Director and Chief Financial Officer at Top Exploration Inc. (September 2018 to Present); Director and Chief Financial Officer at High Point Exploration Inc. (September 2018 to Present); Director and Chief Financial Officer at Zenith Exploration Inc. (July 2017 to Present); Director and Chief Financial Officer at MJ Bio Science Corp. (May 2018 to July 2019); Director and Chief Financial Officer at Sennen Potash Corporation (August 2017 to June 2018); Director and Chief Financial Officer at Remington Resources Inc. (December 2016 to July 2017); Director and Chief Financial Officer at Signal Exploration Inc. (March 2010 to October 2016)	N/A(2)	Director	Nil
Mark VanSluytman, Burnaby, BC 41	President, CEO, Director of Pure Extraction BC (January 2016 – Present); President, Director of Pure Extraction Canada (January 2016 – Present); Commission technologist at Quadrogen Power Systems Inc. (February 2014) – December 14	N/A	President of Pure Extraction Canada and Director and President of Pure Extraction BC	1,800,000(3) (5.2%)
Hardin Jackson, Burlington, ON 47	CEO, Director of Pure Extraction Canada (February 2017 to Present); CEO of Kingsbridge Ventures Inc. (February 2010 to September 2016)	N/A	Director and CEO of Pure Extraction Canada	1,800,000(3) (5.2%)

Note:

1) On an undiluted basis.

2) Barry Hartley will be appointed as a director of Fitch prior to Closing.
3) Includes the 1,000,000 Performance Shares pursuant to the Share Exchange Agreement

On Completion of the Qualifying Transaction, the directors and officers of the Resulting Issuer as a group will beneficially own, directly or indirectly, or exercise control or direction over an aggregate of 891,666 Resulting Issuer Shares, representing 2.9% of the issued and outstanding Resulting Issuer Shares (on an undiluted basis) after the Concurrent Financing. Each director's term of office will expire at the next annual meeting of the shareholders unless re-elected at such meeting.

The Resulting Issuer's audit committee will be made up of Barry Hartley (chair), Alicia Milne and Balraj Mann. There are no other committees of the Board being contemplated at this time.

The directors and officers will devote their time and expertise as required by the Resulting Issuer, however, it is not anticipated that any director or officer will devote 100% of their time to the activities of the Resulting Issuer. All of the Resulting Issuer's directors and officers will be engaged as independent contractors. See also "Management" below.

Management

Additional biographic information about the proposed directors and officers of the Resulting Issuer is provided below.

Balraj Mann, Chairman, Chief Executive Officer and Director

Mr. Balraj Mann is a Chartered Professional Accountant with over 37 years of experience serving as director and advisor for both public and private companies in the areas of corporate finance, acquisitions and financial reporting. Mr. Mann served as senior manager with Price Waterhouse, where he attained his CA designation. Mr. Mann was previously president of a private real estate development corporation completing industrial, commercial, single and multi-family high-rise residential projects in excess of $200 million. Mr. Mann was also an active participant in the corporate management of the Boundary Bay Airport in Delta, BC. He was a member of the advisory board of Accelerate Power Systems Inc., one of the early manufacturers of fast charging battery technology. Mr. Mann has served as CEO, CFO and Director of serval Canadian publicly traded companies. Currently, Mr. Mann is director, CEO and President of QMC Quantum Minerals Corp. which owns the Irgon Lithium Mine in Manitoba.

Alicia Milne, Director

Ms. Alicia Milne is a corporate secretary and securities compliance consultant providing services to various public companies listed on the NYSE, TSX and TSX Venture Exchanges. Beginning in the legal industry over 18 years ago as a securities paralegal, Ms. Milne has developed her career serving as a corporate secretary, securities compliance officer and corporate consultant, as well as an independent director. She has worked with various public companies, including but not limited to Commerce Resources Corp, Eagle Star Minerals Corp, Pasinex Resources Ltd, and Zimtu Capital Corp. Ms. Milne is a member of the Governance Professionals of Canada (formerly Canadian Society of Corporate Secretaries) and also serves as the secretary to the Board of Directors of Women in Mining BC. Ms. Milne continually remains current with regulatory requirements, completing most industry related courses offered by the regulatory authorities and various associations.

Anthony Zelen, Director

Mr. Anthony Zelen has over 20 years of experience in roles ranging from investor relations, public relations and strategic marketing for technology, mining and oil and gas industries. Anthony serves as the director of several publicly traded companies and has a number of successful private business ventures under his belt. Mr. Zelen holds a BA in economics and political science from Simon Fraser University.

Barry Hartley, Director

Mr. Barry Hartley is a CPA and partner at Dale Matheson Carr-Hilton, LaBonte LLP, Chartered Professional Accountants. Mr. Hartley has experience in the medical, legal, real estate, mining and extraction, manufacturing, and not-for-profit industries. Mr. Hartley also has experience providing securities and regulatory assurance services to Canadian and U.S. public company clients. He also has experience in auditing national and international companies in the mining, extraction, and manufacturing sectors. He is a graduate of Rand Afrikaans University and has held positions as CFO, Director and President with listed companies. Currently, Mr. Hartley is CFO and Director of Zenith Exploration Inc.

Nancy Zhao, Chief Financial Officer and Corporate Secretary

Ms. Nancy Zhao is a CPA with over nine years experience with both public and private companies. Ms. Zhao has experience in accounting and finance for various industries, including mining, realty development, property management, sports entertainment, marketing and farming. She also currently holds the position of chief financial officer of Pan Andean Minerals Ltd. (TSX Venture Exchange: PAD), Blox Inc. (BLXX) and Ashanti Sankofa Inc. (TSX Venture Exchange: ASI), both are publicly listed mining companies based in Vancouver, B.C.

Mark VanSluytman, CEO, President, Director – Pure Extraction BC; President – Pure Extraction Canada

Mr. Mark VanSluytman has over 10 years working experience with industrial gas equipment. Working in high-tech green companies with innovative and proprietary equipment to purify biogas, methane, and hydrogen gas streams to name a few. Mr. VanSluytman has worked in various different departments in operations from R&D, testing, assembly with the majority of his experience with commissioning and operations.

Hardin Jackson, CEO, President, Director – Pure Extraction Canada

Mr. Hardin Jackson has over 20 years experience in both new business launch and ongoing leadership for both industrials/ manufacturing and technology market verticals. Mr. Jackson's areas of experience include new business development, capital and funding management, vendor/ client negotiations, strategic partnerships, day-to-day management, board and investor relations, senior management team building, setting business strategy and vision.

Promoter Consideration

Other than disclosed below, no Person or Company will be a promoter of the Resulting Issuer, or has been within the two years immediately preceding the date o this Filing Statement a promoter of Fitch or Pure Extraction, as applicable.

Hardin Jackson and Mark VanSluytman may be considered promoters of Pure Extraction.

Committees of the Board

The Audit Committee of the Resulting Issuer is expected to be comprised of Balraj Mann, Barry Hartley (Chair) and Alicia Milne.

Work Commitment to the Resulting Issuer

Mr. Mann expects to devote approximately 60% of his available time to the Company. Ms. Zhao expects to devote approximately 35% of her available time to the Company. Ms. Milne will devote approximately 20% of her available time to the Company. Mr. Zelen will devote approximately 10% of his available time to the Company. Mr. Hardin Jackson will devote 90% of his available time to the Company and Pure Extraction. Mr. Mark Van Sluytman will devote 90% of his available time to the Company and Pure Extraction. Mr. Hartley will devote approximately 10% of his available time (or such other amount of time as may be required) to the Company in order to perform his directorial duties.

Each executive officer of the Resulting Issuer will enter into non-competition and non-disclosure agreements with the Resulting Issuer.

Corporate Cease Trade Orders or Bankruptcies

Except as set out below, as at the date of this Filing Statement and within the ten years before the date of this Filing Statement, no director, officer or promoter of the Resulting Issuer is or has been a director, officer or promoter of any person or company (including the Resulting Issuer), that while that person was acting in that capacity:

(a) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No proposed director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has:

(a) been the subject of any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision about the Transaction.

Personal Bankruptcies

Except as disclosed in this Filing Statement, no proposed director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of such persons, has, within the past ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold the assets of that individual.

Mr. Mark VanSluytman filed a consumer proposal on December 8, 2015. Mr. VanSluytman's consumer proposal is in good standing and is expected to receive a Certificate of Full Performance by January 31, 2021.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Resulting Issuer holding positions as directors or officers of other companies. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers will be in direct competition with the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies under the BCBCA or other applicable corporate legislation.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoters of the Resulting Issuer that are, or have been within the last ten years, directors, officers or promoters of other reporting issuers:

Name	Reporting Issuer	Name of Exchange	Position	From	To
Balaraj Mann	Nortec Minerals Corp.	TSXV	CFO	January 2009	November 2014

	Fengro Industries Corp.	TSXV	CFO	March 2007	January 2012
	QMC Quantum Minerals Corp.	TSXV	CEO, Director	January 2011	Present
	Datinvest International Ltd.	TSXV	CFO, Director	May 2007	June 2016
Anthony Zelen	First Growth Holdings Ltd.	TSXV	Director	July 2011	November 2013
	Calaveras Resources Corp.	CSE	Director	June 2017	December 2018
	BIG Blockchain Intelligence Group Inc.	CSE	Director	November 2017	Present
	New Destiny Mining Corp.	TSXV	Director	July 2015	April 2018
	Sunshine Agri-Tech Inc.	TSXV	Director	June 2009	July 2010
Alicia Milne	QMC Quantum Minerals Corp.	TSXV	Director	October 2014	Present
	Commerce Resources Corp.	TSXV	Corp. Secretary	March 2008	November 2012
	Group Ten Metals Inc.	TSXV	Corp. Secretary	September 2018	Present
	Metallic Minerals Corp.	TSXV	Corp. Secretary	September 2018	Present
	Minfocus Exploration Corp.	TSXV	Corp. Secretary	September 2018	Present
	Granite Creek Copper Ltd.	TSXV	Corp. Secretary	January 2019	Present
	Pasinex Resources Limited	CSE	Director	April 2010	August 2012
Barry Hartley	Sennen Potash Corporation	TSXV	CFO, Director	August 2017	June 2018
	Remington Resources Inc.	TSXV	CFO, Director	December 2016	July 2017
	Signal Exploration Inc.	TSXV	CFO, Director	March 2010	October 2016
	Gravis Energy Corp.	TSXV	CFO, Director	August 2007	May 2010
	Tajiri Resource Corp.	TSXV	CFO, Director	January 2008	May 2011
	MJ Bio Science Corp.	N/A	CFO, Director	May 2018	July 2019
	Top Exploration Inc.	N/A	CFO, Director	September 2018	Present
	High Point Exploration Inc.	N/A	CFO, Director	September 2018	Present
	Zenith Exploration Inc.	CSE	CFO, Director	July 2017	Present
Nancy Zhao	Pan Andean Minerals Ltd.	TSXV	CFO	March 2019	Present
	Blox Inc.	OTC	CFO	September 2015	Present
	Ashanti Sankofa Inc.	TSXV	CFO	August 2017	Present

Executive Compensation

For the purposes of this section Named Executive Officers ("**NEO**") are the proposed Chief Executive Officer of the Resulting Issuer and each of the four most highly compensated executive officers who are proposed to serve as executive officers of the Resulting Issuer for the 12-month period following the Transaction. Based on the above criteria, the only NEOs for the Resulting Issuer are expected to be Balraj Mann, Nancy Zhao, Mark VanSluytman and Hardin Jackson for the 12-month period after giving effect to the Transaction.

Compensation Discussion and Analysis

When determining compensation policies and individual compensation levels for the Resulting Issuer's executive officers a variety of factors will be considered, including: the overall financial and operating performance of the

Resulting Issuer, each executive officer's individual performance and contribution towards meeting corporate objectives, each executive officer's level of responsibility and length of service and industry comparables.

The Resulting Issuer's compensation philosophy for its executive officers will follow three underlying principles: to provide compensation packages that encourage and motivate performance; to be competitive with other companies in the industry in which it operates, so as to attract and retain talented executives; and to align the interests of its executive officers with the long-term interests of the Resulting Issuer and its shareholders through stock related programs.

Stock option grants will be used to align executive interests with those of shareholders and will be based on the executive's performance, level of responsibility, as well as the number and exercise price of options previously issued to the executive his overall aggregate total compensation package.

Summary Compensation Table

The following table outlines the anticipated compensation to be paid to each of the NEOs and directors for the 12-month period after giving effect to the Transaction.

				Non-equity incentive plan compensation				
Name and principal position	**Salaries & fees $**	**Share-based awards $**	**Option-based awards $**	**Annual incentive plans $**	**Long-term incentive plans $**	**Pension value $**	**All other compensation $**	**Total compensation $**
Balraj Mann, CEO and Director	$90,000	-	-	-	-	-	-	$90,000
Nancy Zhao, CFO and Corporate Secretary	$30,000	-	-	-	-	-	-	$30,000
Mark VanSluytman, President of Pure Extraction Canada	$95,000	-	-	-	-	-	-	$95,000
Hardin Jackson, CEO of Pure Extraction Canada	$95,000	-	-	-	-	-	-	$95,000

Officers

Mr. Mann currently holds 630,000 Fitch Options and Ms. Zhao currently holds 230,000 Fitch Options, each exercisable to acquire one Resulting Issuer Share at a price of $0.165 per share until July 19, 2024.

Termination of Employment, Change in Responsibilities and Employment Contracts

The Resulting Issuer will have no written employment or management contracts in place with its NEOs. The NEOs will be compensated through verbal agreements. These verbal agreements do not contain terms relating to change of control, severance, termination or constructive dismissal.

Indebtedness of Directors and Officers

No director or officer of the Issuer, nor any proposed director or officer of the Resulting Issuer, or individual who at any time during the most recently completed financial year was a director or officer of the Resulting Issuer, or any Associate of any such director or officer, is or has been indebted to the Issuer at any time nor has any indebtedness of any such Person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Fitch and Pure Extraction.

Investor Relations Arrangements

No written or oral agreement has been reached with any person to provide promotional or investor relations activities for the Resulting Issuer.

Options to Purchase Securities

After completion of the Transaction, it is anticipated that the following Resulting Issuer Options will be outstanding:

Group / Other Optionee	Number of Resulting Issuer Options	Exercise Price	Expiry Date
All proposed officers of the Resulting Issuer, as a group(1)	860,000	$0.165	July 19, 2024
All proposed directors of the Resulting Issuer who are not also officers, as a group(2)	300,000	$0.165	July 19, 2024
All other employees of the Resulting Issuer, as a group	Nil	-	-
All consultants of the Resulting Issuer, as a group	100,000	$0.165	July 19, 2024

Notes:

1) Consists of Balraj Mann and Nancy Zhao.
2) Consists of Alicia Milne and Anthony Zelen.

Stock Option Plan

Following the closing of the Transaction, subject to certain amendments to take effect concurrently with closing of the Transaction, the Stock Option Plan will remain in effect. See “Information Concerning the Issuer – Stock Option Plan”.

Escrowed Securities

CPC Escrow Securities

The following table lists the holders of CPC Escrow Securities, the number of CPC Escrow Securities, and the percentage of securities held in escrow by each person who will be a holder of CPC Escrow Securities before and after the Completion of the Qualifying Transaction. The table includes securities which will be released from escrow upon the Completion of the Qualifying Transaction, as described below.

Name and Municipality of Residence of Securityholder	Designation of Class	After Giving Effect to the Transaction and the Concurrent Financing Number of Shares to be Held in Escrow[(2)]	Percentage of Class[(1)]
Jason Birmingham Vancouver, BC	Common Shares	83,333	0.2%
Mike McIsaac Vancouver, BC	Common Shares	83,333	0.2%
Anthony Zelen Vancouver, BC	Common Shares	83,333	0.2%
Balraj Mann Vancouver, BC	Common Shares	708,333	2.1%
Alicia Milne Burnaby, BC	Common Shares	100,000	0.3%
Michael Konnert, Vancouver, BC	Common Shares	100,000	0.3%
Ronald Bauer London, UK	Common Shares	100,000	0.3%
Alon Friendlander London, UK	Common Shares	100,000	0.3%
Total		1,358,332	

Notes:

1) On an undiluted basis. Does not include 1,481,481 Resulting Issuer Shares reserved for issuance upon exercise of the brokers' options, 1,260,000 Resulting Issuer Shares reserved for issuance upon exercise of the Resulting Issuer Options, 1,000,000 Performance Shares pursuant to the Share Exchange Agreement. See "Information Concerning the Resulting Issuer – Fully Diluted Share Capital.
2) Pursuant to the terms of the CPC Escrow Agreement, 10% of these CPC Escrow Securities will be released upon the date of issuance of the Final Exchange Bulletin respecting the Transaction.

The CPC Escrow Securities are currently held by the persons listed above pursuant to the CPC Escrow Agreement. There are 1,358,332 CPC Escrow Securities currently in escrow. At the time of Completion of the Qualifying Transaction, it is expected that each of the persons listed in the table above will hold Resulting Issuer Shares subject to escrow in the amount listed beside such person's name.

The CPC Escrow Securities are currently subject to the release schedule set out in Schedule B(1) to the Exchange's Form 2F, with 10% to be released upon the date of issuance of the Final Exchange Bulletin and an additional 16.67% of the CPC Escrow Securities are to be released every six months thereafter until all CPC Escrow Securities have been released (36 months following the date of issuance of the Final Exchange Bulletin). Should the Resulting Issuer be accepted by the Exchange as a Tier 1 Issuer, the CPC Escrow Securities will be released on an accelerated schedule, as set out in Schedule B(2) of Form 2F. Pursuant to Schedule B(2) of Form 2F, 25% of the CPC Escrow Securities would be released upon the date of issuance of the Final Exchange Bulletin and an additional 25% of the CPC Escrow Securities would be released every six months thereafter, until all CPC Escrow Securities have been released (18 months following the date of issuance of the Final Exchange Bulletin).

The CPC Escrow Agreement provides that the CPC Escrow Securities are held in escrow pursuant to its terms and the beneficial ownership thereof may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the prior written consent of the Exchange. In the event of the bankruptcy of an escrowed shareholder, provided the Exchange does not object, the CPC Escrow Securities held by such escrowed shareholder may be transferred to the trustees in the bankruptcy or such person legally entitled to the CPC Escrow Securities which shares will remain in escrow subject to the escrow agreement. In the event of the death of an escrow shareholder, provided the Exchange does not object, the CPC Escrow Securities held by the escrowed shareholder will be released from escrow.

QT Escrow Securities

The following table lists the holders of QT Escrow Securities, the number of QT Escrow Securities, and the percentage of securities held in escrow by each person who will be a holder of QT Escrow Securities before and after the completion of the Transaction.

		After Giving Effect to the Transaction and the Concurrent Financing	
Name and Municipality of Residence of Securityholder	**Designation of Class**	**Number of Shares to be Held in Escrow(1)(2)**	**Percentage of Class(2)(3)**
Mark VanSluytman Burnaby, BC	Common	1,800,000	45%
Hardin Jackson Burlington, ON	Common	1,800,000	45%
Michael VanSluytman Edmonton, AB	Common	200,000	5%
Sheila Garib Calgary, AB	Common	160,000	4%
Doug Williams Barrie, ON	Common	40,000	1%
Total		**4,000,000**	

Notes:

1) Pursuant to the terms of the QT Escrow Agreement, 10% of the QT Escrow Securities will be released upon the date of issuance of the Final Exchange Bulletin respecting the Transaction.

2) Includes the 1,000,000 Performance Shares issuable to Pure Extraction Shareholders post-Closing.

3) On an undiluted basis. Does not include 1,481,481 Resulting Issuer Shares reserved for issuance upon exercise of the Resulting Issuer Brokers' Options, 1,260,000 Resulting Issuer Shares reserved for issuance upon exercise of the Resulting Issuer Options. See "Information Concerning the Resulting Issuer – Fully Diluted Share Capital.

The QT Escrow Securities will be held pursuant to the QT Escrow Agreement. At the time of completion of the Transaction, there are expected to be 4,000,000 QT Escrow Securities held in escrow as set forth in the table above.

The release provisions for the QT Escrow Securities will depend on the results of the Exchange's review. If the QT Escrow Securities are determined to be Value Securities as defined in Exchange policies, it is expected that the QT Escrow Securities will be subject to the release schedule set out in "Schedule B(2) – Tier 2 Value Security Escrow Agreement" of Exchange Form 5D, which provides for release of 10% of the securities on the date of the Final Exchange Bulletin, and release of an additional 15% every 6 months thereafter, until all of the Transaction Escrowed Securities have been released (36 months following the Final Exchange Bulletin). If, however, the QT Escrow Securities are determined to be Surplus Securities as defined in Exchange policies, it is expected that the QT Escrow Securities will be subject to the release schedule set out in "Schedule B(4) – Tier 2 Surplus Security Escrow

Agreement" of Exchange Form 5D, which provides for release of 5% of the securities on the date of the Final Exchange Bulletin, an additional 5% 6 months thereafter, an additional 10% 12 months and 18 months thereafter, an additional 15% 24 months and 30 months thereafter, and an additional 40% 36 months thereafter, until all of the QT Escrow Securities have been released (36 months following the Final Exchange Bulletin).

Auditor, Transfer Agent and Registrar

The Resulting Issuer anticipates that the transfer agent and registrar for the Resulting Issuer will be Computershare Trust Company of Canada at its offices in Vancouver, British Columbia. Transfers may be recorded in Vancouver, British Columbia.

Upon completion of the Transaction, it is intended that the Resulting Issuer's auditors will be Sam S. Mah Inc., Chartered Professional Accountant, of 1177 West Hastings Street, Suite 2001, Vancouver BC V6E 3X2.

GENERAL MATTERS

Sponsorship

The Issuer has obtained a waiver to the requirement to engage a Sponsor.

Experts

The following is a list of persons or companies whose profession or business gives authority to a statement made by a person or company named in this Filing Statement as having prepared or certified a part of that document or report described in the Filing Statement:

(a) Sam S. Mah Inc., Chartered Professional Accountant, auditors of the Issuer.

Sam S. Mah Inc., Chartered Professional Accountant, is independent of the Issuer within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

To the knowledge of management of the Issuer, as of the date hereof, no expert, nor any Associate or Affiliate of such person has any beneficial interest, direct or indirect, in the securities or property of the Issuer, Pure Extraction or the Resulting Issuer or of an Associate or Affiliate of any of them, and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Resulting Issuer or of an Associate or Affiliate thereof.

Other Material Facts

To management's knowledge, there are no other material facts relating to the Transaction that are not otherwise disclosed in this Filing Statement or are necessary for the Filing Statement to contain full, true and plain disclosure of all material facts relating to the Transaction.

Board Approval

The Board of Directors of the Issuer has approved the contents of this Filing Statement.

CERTIFICATE OF THE ISSUER

DATED February 28, 2020

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of the Issuer assuming completion of the Transaction.

"Balraj Mann"	*"Nancy Zhao"*
BALRAJ MANN	NANCY ZHAO

ON BEHALF OF THE BOARD OF DIRECTORS

"Anthony Zelen"	*"Alicia Milne"*
ANTHONY ZELEN	ALICIA MILNE

CERTIFICATE OF PURE EXTRACTION

DATED February 28, 2020

The foregoing as it relates to Pure Extraction, constitutes full, true and plain disclosure of all material facts relating to the securities of Pure Extraction.

"Hardin Jackson"
HARDIN JACKSON

ON BEHALF OF THE BOARD OF DIRECTORS

"Mark Vansluytman"
MARK VANSLUYTMAN

SCHEDULE “A”

Annual audited financial statements of the Issuer for the years ended March 31, 2019 and 2018 and interim unaudited financial statements of the Issuer for the six months ended September 30, 2019 and 2018

See attached documents

FITCH STREET CAPITAL CORP.

FINANCIAL STATEMENTS

For the Years Ended March 31, 2019 and 2018

(Expressed in Canadian Dollars)

SAM S. MAH INC.
Chartered Professional Accountant Tel: (604) 617-8858
2001-1177 West Hastings Street Fax: (604) 688-8479
Vancouver, B.C. V6E 3X2 E-Mail: sam_mah@telus.net

INDEPENDENT AUDITOR'S REPORT

To: The Shareholders of
Fitch Street Capital Corp.

Opinion

I have audited the financial statements of Fitch Street Capital Corp. (the "Company"), which comprise the statements of financial position as at March 31, 2019 and 2018, and the statement of loss and comprehensive loss, statement of cash flows and statement of changes in shareholders' equity for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2019 and 2018, and its financial performance and its cash flow for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern

I draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $87,261 during the year ended March 31, 2019 and, as of that date, the Company had not yet achieved profitable operations, had ,accumulated losses of $742,904 since its inception, and expects to incur further losses in the development of its business. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I are required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I are required to draw attention in my auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

The engagement practitioner on the audit resulting in this independent auditor’s report is Sam S. Mah, CPA, CA.

“Sam S. Mah Inc.”

Chartered Professional Accountant

Suite 2001 – 1177 West Hastings Street
Vancouver, BC, Canada V6E 2K3
July 26, 2019

FITCH STREET CAPITAL CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note		**March 31, 2019**		March 31, 2018
Current					
Cash		$	**262,429**	$	518,819
Other receivables	3		**12,798**		10,920
Advances to Pure Extraction Ltd.	4		**208,157**		-
		$	**483,384**	$	529,739
Current					
Accounts payable	5	$	**14,165**	$	28,334
Accrued liabilities			**66,500**		11,425
			80,665		39,759
Share capital	6		**919,731**		919,731
Contributed surplus	6		**225,892**		225,892
Deficit	6		**(742,904)**		(655,643)
			402,719		489,980
		$	**483,384**	$	529,739

Nature of Operations and Ability to Continue as a Going Concern – Note 1

APPROVED BY THE DIRECTORS:

"Balraj Mann" Director *"Alicia Milne"* Director
Balraj Mann Alicia Milne

The accompanying notes are an integral part of these financial statements

FITCH STREET CAPITAL CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the Years Ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

	Note		For the year ended March 31, 2019		March 31 2018
Operating Expenses					
Accounting, audit and legal	5	**$**	**16,795**	$	26,026
Listing and filing fees			**16,279**		12,960
Office and miscellaneous	5		**18,331**		18,256
Transaction costs			**39,121**		-
Transfer agent fees			**5,447**		7,276
Write-off of prior year's accounts payable			**(8,712)**		-
Write-off of receivables			**-**		29,483
			87,261		94,001
Net income (loss) and comprehensive income (loss) for the year		**$**	**(87,261)**	$	(94,001)
Basic and diluted gain (loss) per share		**$**	**(0.01)**	$	(0.03)
Weighted average number of shares outstanding			**12,623,082**		2,932,945

FITCH STREET CAPITAL CORP.
STATEMENTS OF CASH FLOWS
For the Years Ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

	For the Year Ended March 31, **2019**	2018
Cash Flows provided by (used in) Operating Activities		
Net income (loss) for the year	**$ (87,261)**	$ (94,001)
Items not affecting cash		
Write-off of prior year's accounts payable	**(8,712)**	-
Changes in non-cash working capital items related to operations:		
Other receivables	**(1,770)**	20,420
Accounts payable and accrued liabilities	**49,618**	(126,662)
Net cash used in operating activities	**(48,233)**	(200,243)
Cash Flows provided (used in) Investing Activities		
Advances to Pure Extraction Ltd.	**(208,157)**	-
Net cash used in investing activities	**(208,157)**	-
Cash Flows provided by Financing Activity		
Shares issued for cash	**-**	791,000
Share issuance costs	**-**	(54,600)
Short-term loan by director	**-**	(18,082)
Net cash provided by financing activities	**-**	718,318
Increase (decrease) in cash during the year	**(256,390)**	518,075
Cash, beginning of the year	**518,819**	744
Cash, end of the year	**$ 262,429**	$ 518,819

FITCH STREET CAPITAL CORP.
STATEMENTS OF SHAREHOLDERS’ EQUITY (DEFICIT)
For the Years Ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

	Number of Shares		Common Shares		Contributed Surplus		Deficit		Total Shareholders' Equity
Balance, March 31, 2017	1,323,082	$	296,331	$	112,892	$	(561,642)	$	(152,419)
Shares issued	11,300,000		791,000		-		-		791,000
Share issuance costs, cash	-		(54,600)		-		-		(54,600)
Shares issuance costs, broker warrants	-		(113,000)		113,000		-		-
Net gain for the year	-		-		-		(94,001)		(94,001)
Balance, March 31, 2018	12,623,082	$	919,731	$	225,892	$	(655,643)	$	489,980
Balance, March 31, 2018	12,623,082	$	919,731	$	225,892	$	(655,643)	$	489,980
Net loss for the year	-		-		-		(87,261)		(87,261)
Balance, March 31, 2019	12,623,082	$	296,331	$	112,892	$	(742,904)	$	402,719

The accompanying notes are an integral part of these financial statements

Note 1 Nature of Operations

The Company was incorporated under the Business Corporations Act of British Columbia on June 20, 2007. The Company is in the development stage and was classified and listed as a Capital Pool Company as defined by Policy 2.4 (the "CPC Policy") of the TSX Venture Exchange (the "Exchange") on June 13, 2008.

The Company was required to complete a Qualifying Transaction (as defined under the policies of the Exchange) by September 14, 2010. The Company did not complete a Qualifying Transaction within the prescribed time frame and trading in its shares was suspended by the TSX-V. During the year ended March 31, 2011, the Company was transferred to the NEX.

The address of the Company's corporate office and principal place of business is Suite 440 – 755 Burrard Street, Vancouver, British Columbia V6Z 1X6.

These financial statements were authorized for issue on July 26, 2019 by the directors of the Company.

Going Concern

While the Company's financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events cast significant doubt on the validity of this assumption. For the year ended March 31, 2019, the Company reported a net loss of $87,261 (2018 - $94,001**)** and as at that date had an accumulated deficit of $742,904 (March 31, 2018 - $655,643). As of March 31, 2019, the Company has a net working capital of $402,719 (March 31, 2018 - $489,980). The Company expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material. The directors of the Company have approved these financial statements.

Note 2 Significant Accounting Policies

(a) Statement of Compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The policies applied in these financial statements are based on IFRS issued and outstanding as July 26, 2019, the date the Board of Directors approved the financial statements for issue.

(b) Basis of Measurement

These financial statements have been prepared on a historical cost basis using the accrual basis accounting, except for cash flow information.

Note 2 Significant Accounting Policies – (cont'd)

(c) Critical Accounting Estimates, Judgments and Uncertainties

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Critical Accounting Estimates and Assumptions

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year.

Critical Accounting Judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the statement of financial position could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

The Company has not recorded any deferred tax assets.

(d) Functional and Presentation Currency

The Company's functional currency is the Canadian Dollar ("CAD"). The financial statements are presented in CAD which is the Company's presentation currency, unless otherwise noted.

All amounts in these financial statements are rounded to the nearest dollar.

(e) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and short-term, highly liquid investments with original maturities of three months or less that is readily convertible to known amounts of cash and subject to insignificant risk of change in value.

(f) Income Taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Note 2 Significant Accounting Policies – (cont'd)

(f) Income Taxes – cont'd

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(g) Financial Instruments

The Company has adopted IFRS 9, Financial Instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Classification
The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income ("OCI"), or through profit or loss), and
- Those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.
The Company has classified its cash at fair value through profit or loss. The company's GST receivable, advances and subscriptions receivable are held at amortized cost.
Measurement
At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.
Subsequent measurement of financial assets depends on their classification. There are measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Note 2 Significant Accounting Policies – (cont'd)

(g) Financial Instruments-cont'd

- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period which it arises.

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. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of income (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.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.
A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.
Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, loans payable and due to related parties are classified as financial liabilities held at amortized cost.

Note 2 Significant Accounting Policies – (cont'd)

(h)Recent Accounting Prouncements

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which became effective during the year ended March 31, 2019:

Effective for periods beginning on or after January 1, 2018

- **IFRS 9, *Financial Instruments – Classification and Measurement***

  IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and measurement.*

  IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. This standard has been adopted without material effect to these financial statements.

- **IFRS 15, *Revenue from Contracts with Customers***

  IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from and entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts,* IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service.* This standard has been adopted without material effect to these financial statements.

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which are not yet mandatory during the year ended March 31, 2019:

Effective for periods beginning on or after January 1, 2019

- **IFRS 16, *Leases***

In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard is effective for annual periods beginning on or after January 1, 2019.

Note 2 Significant Accounting Policies – (cont'd)

(k) Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares and share purchase warrants are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or warrants are shown in equity as a deduction, net of tax, from the proceeds.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing price on the measurement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded in contributed surplus.

(l) Share-based Payments

The cost of incentive share options and other equity-settled share-based compensation and payment arrangements is recorded based on the estimated fair-value at the grant date and charged to earnings over the vesting period. Where incentive share options are subject to vesting, each vesting tranche is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by a charge to earnings, with a corresponding increase to contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

(m) Earnings/Loss per Share

Basic earnings/loss per share is computed by dividing the net income or loss attributable to common shareholders of the Company by weighted average number of common shares outstanding for the relevant period. Diluted earnings/loss per share is computed by adjusting the net income or loss attributable to common shareholders dividing by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments such as warrants and options were exercised.

(Expressed in Canadian Dollars)

Note 3 Other Receivables

	March 31, 2019	March 31, 2018
HST/GST receivable	**$ 5,798**	$ 3,920
Other receivables	**7,000**	7,000
	$ 12,798	$ 10,920

The Company qualifies for the Harmonized Sales Tax (HST) input tax credits in the amount of $5,798 (March 31, 2018 - $3,920), which may change pursuant to an audit by the taxation authorities.

Note 4 Advances to Pure Extraction Ltd.

On October 2, 2018, the Company entered into a Letter of Intent (the "LOI") with Pure Extraction Inc. and Pure Extraction Ltd. (together known as the "Targetcos" or "Pure Extraction"), the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. to acquire all of the shares of the Targetcos. Pursuant to the LOI, the Company advanced Pure Extraction Ltd. $25,000 on October 26, 2018.

On December 17, 2018, the Company entered into a definitive Share Exchange Agreement (the "Agreement") with the Targetcos, the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. with respect to the proposed acquisition of the Targetcos by the Company (the "Transaction").

Summary of the Transaction

Under the terms of the Transaction, Fitch will acquire all of the issued and outstanding shares of the Targetcos (the "Pure Shares") from the shareholders of Targetcos. In consideration for the Pure Shares, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 3,000,000 common shares of the Company (the "Fitch Shares") at a deemed value of $0.165 per share. In addition, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 1,000,000 Fitch Shares if the Targetcos generate cumulative gross revenues greater than $2,000,000 within 18 months from execution of the Agreement at a deemed value of $0.165 per share.

The Transaction is subject to a number of conditions precedent, including the approval of the TSX Venture Exchange (the "Exchange").

Upon closing, the name of Company will be changed to "Pure Extraction Corp." or such other name which is acceptable to the directors of Fitch and the Targetcos, the Exchange and the registrar of companies for British Columbia.

All Fitch Shares issued pursuant to the Transaction will be subject to restrictions on resale as set out in the Agreement and may be subject to Exchange-imposed restrictions on resale. Some of the Fitch Shares to be issued to the shareholders of the Targetcos pursuant to the Transaction may also be subject to time escrow provisions imposed pursuant to the policies of the Exchange.

The Transaction is expected to qualify as the Company's Qualifying Transaction (the "Qualifying Transaction"). Since Fitch and the Targetcos are arm's length to each other, Fitch is not required to obtain shareholder approval for the Transaction.

Concurrent Financing

Concurrent with the closing of the Transaction, Fitch intends to complete a concurrent financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,815 units (each a "Unit") at $0.135 per unit. Each Unit will consist of one Fitch Share and one-half of a share purchase

(Expressed in Canadian Dollars)

Note 4 Advance to Pure Extraction Ltd. – cont'd

warrant, with each whole warrant entitling the holder to purchase one Fitch Share at $0.60 per share for two years from closing, with an expiry acceleration clause to be determined.

The net proceeds of the Concurrent Financing will be used to fund the acquisition of the Targetcos', costs associated with the Qualifying Transaction and to provide general working capital.

Finders' Fee and Consulting Fee

Subject to Exchange approval, Fitch anticipates issuing an aggregate of 400,000 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies.

In addition, the Company will pay finder's fees of 8% cash and 8% finders' warrants in connection with the Concurrent Financing and the Bridge Financing in accordance with applicable securities laws and the policies of the Exchange. Each finders' warrant payable will allow the holder to purchase a Fitch Share at a price of $0.135.

Secured Loan

Subject to prior acceptance of the Exchange and the satisfaction of all conditions of the Exchange in respect of the same, Fitch has agreed to provide a secured loan to the Targetcos in the principal amount up to $225,000 (the "Loan"). The proceeds of the Loan shall be used by the Targetcos to fund its operating expenses. The Loan shall accrue interest at a rate of 10% per annum, compounded annually and will become due at the earliest of the receipt of final approval of the Exchange of the Qualifying Transaction or June 1, 2019 unless sooner determined due to the occurrence of an event or default, or extended by the Lender as set out in the loan agreement dated November 21, 2018 between the Targetcos and Fitch. The Loan will be secured by a general security agreement and any other security that Fitch may reasonably require from the Targetcos from time to time.

Note 5 Related Party Transactions

During the year ended March 31, 2019 the Company incurred $18,000 (2018 - $18,000) in rent expense to a company owned by a director and senior officer. As at March 31, 2019, $9,375 (March 31, 2018 - $nil) were indebted to the aforementioned company. These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties.

A director of the Company advanced the Company $nil at March 31, 2019 (March 31, 2018 – $nil) for general corporate purposes.

Advances and payables are non-interest bearing and payable upon demand.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the following:

	March 31, 2019	March 31, 2018
CEO & CFO	**-**	-
	$ -	$ -

Note 6 Share Capital

a) Authorized

Unlimited number of common voting shares without par value.

b) Issued and outstanding

A summary of changes in share capital is contained on the statement of changes in shareholders' equity for the years ended March 31, 2019 and 2018.

c) Share Purchase Warrants

There were no share purchase warrants transactions during the years ended March 31, 2019 and 2018. As at March 31, 2019 and 2018, the Company had no warrants outstanding and exercisable.

d) Stock Options

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants for up to a maximum 10% of the issued and outstanding common shares of the Company. The exercise price shall not be less than the discounted market price of the Company's shares as at grant date. The options may be granted for a maximum term of 5 years. Options granted to directors, employees and consultants, other than the consultants engaged in investor relations activities, will vest fully upon the expiry of the hold period four months from the award date.

Options granted to consultants engaged in investor activities will vest in stages over a minimum period of twelve months.

There were no stock options transactions for the years ended March 31, 2019 and 2018.

e) Escrow Shares:

As at March 31, 2010, 3,466,666 common shares were subject to an escrow agreement to be released in accordance with the CPC policy guidelines. Under the escrow agreement, 10% of the shares will be released on the issuance of the Final Exchange Bulletin (the Exchange's acceptance of the Qualifying Transaction) and an additional 15% will be released on each of the dates which are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the initial release. During the year ended March 31, 2011, 1,333,333 escrow shares were cancelled leaving a balance of 2,133,332 common shares in escrow.

On September 21, 2016, the Company consolidated its outstanding shares on a one-new-for-four-old basis. This reduced the number of escrow shares to 533,333.

f) Private placement

During the year ended March 31, 2018, the Company completed a private placement for gross proceeds of $791,000 through the issuance 11,300,000 shares at a price of $0.07 per share. In connection with the private placement, the Company paid finders' fees of $54,600 and issued 780,000 brokers' options.

g) Brokers' options

During the year ended March 31, 2018, the Company issued 780,000 brokers' options as finders' fees. The brokers' options allowed the holder to acquire for $0.07 per option, one common share for a period of 24 months.

(Expressed in Canadian Dollars)

Note 6 Share Capital – (cont'd)

g) Brokers' options-cont'd

Number outstanding at March 31, 2018	Granted	Exercised	Number outstanding at March 31, 2019	Exercise price	Expiry Date
780,000	-	-	780,000	$0.07	February 6, 2020

Note 7 Financial Instruments and risk

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Capital Risk

The Company manages its capital to ensure that there are adequate capital resources for the Company to identify, evaluate and negotiate the acquisition of an interest in properties, assets or a business which is considered a Qualifying Transaction. The capital structure of the Company consists primarily of cash and share capital.

b) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at March 31, 2019, the Company is not exposed to any significant credit risk.

c) Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. The Company may seek additional financing through equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all.

d) Market Risk

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. It is the responsibility of the Company to identify, evaluate and negotiate the acquisition of an interest in properties, assets or a business which is considered a Qualifying Transaction.

i) Interest Rate Risk

The Company's interest rate risk mainly arises from changes in the interest rates on cash. Cash generates interest based on market interest rates. At March 31, 2019, the Company was not subject to significant interest rate risk.

ii) Foreign Currency Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. As the Company is in the stage of identifying, evaluating and negotiating the acquisition of an interest in properties, assets or a business which is

Note 7 Financial Instruments – (cont'd)

considered a Qualifying Transaction, the Company is not exposed to foreign currency risk at this time.

iii) Price Risk

The Company is not exposed to price risk with respect to commodity pricing.

The Company provides information about financial instruments that are measured at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

The three levels of the fair value hierarchy are:

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 following table presents the financial instruments recorded at fair value in the statement of financial position, classified using the fair value hierarchy:

	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial Assets				
Cash	$ 262,429	$ -	$ -	$ 262,429
	$ 262,429	$ -	$ -	$ 262,429

Note 8 Capital Risk Management

The Company's objectives when managing capital are: to safeguard the Company's ability to continue as a going concern; to maintain optimal capital structure, while ensuring the Company's strategic objectives are met and to provide an appropriate return to shareholders relative to the risk of the Company's underlying assets.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, stock options and deficit.

The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, selling and/or acquiring assets, and controlling its capital expenditures program.

The Company's primary activities are to identify, evaluate and negotiate the acquisition of an interest in properties, assets or a business which is considered a Qualifying Transaction. As such, the Company is dependent on existing working capital to fund its activities and raise additional amounts as needed and if available.

Management reviews its capital management approach on an ongoing basis. The Company is not subject to any externally imposed capital requirements.

(Expressed in Canadian Dollars)

Note 9 Income Taxes

A reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

	2019	2018
Statutory tax rate	27.0%	27.0%
Expected income tax recovery	$ (27,000)	$ (28,000)
Decrease in income tax recovery resulting from:		
Effect of reduction in statutory rate	-	(7,000)
Change in the valuation allowance for future income tax assets	(27,000)	(21,000)
Future income tax recovery	$ -	$ -

Significant components of the Company's future tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

	2019	2018
Future income tax assets:		
Non-capital losses carried forward	$ 247,000	$ 221,000
Undeducted financing costs	9,000	12,000
	256,000	233,000
Valuation allowance for future income tax assets	(256,000)	(233,000)
	$ -	$ -

The Company has recorded a valuation allowance against its future income taxes based on the extent to which it is more likely than not that sufficient taxable income will be realized during the carry forward period to utilize all the future tax assets.

In addition, the Company has accumulated non-capital losses totaling $919,000 that are available to reduce taxable income of future years. The non-capital losses expire as follows:

2028	$ 16,000
2029	53,000
2030	178,000
2031	91,000
2032	76,000
2033	60,000
2034	48,000
2035	55,000
2036	67,000
2037	72,000
2038	105,000
2039	98,000
	$ 919,000

These losses are unconfirmed subject to assessment of the Company's annual tax return by the Canada Revenue Agency.

Note 10 Subsequent Events

The Company intends to immediately complete a non-brokered private placement financing to raise up to $500,000 in bridge financing through the issuance of up to 3,703,703 common shares at a price of $0.135 per Fitch Share. Subject to regulatory approval, the restrictions on the use of proceeds until the completion of the qualifying transaction, is that no more than the lesser of 30% of the gross proceeds from the non-brokered private placement financing of $500,00 by the Company and $210,000 may be used to facilitate the Transaction including the payment of existing payables, regulatory, audit and legal fees.

Subject to regulatory approval, the Company granted incentive stock options to directors, officers and consultants to acquire up to an aggregate of 1,260,000 common shares of the company at an exercise price of $0.135 per Fitch Share for a term of five years from date of the grant.

FITCH STREET CAPITAL CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Ended September 30, 2019 and 2018

(Expressed in Canadian Dollars)

INTERIM FINANCIAL STATEMENTS

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

FITCH STREET CAPITAL CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note		September 30, 2019		March 31, 2019
			(unaudited)		(audited)
Current					
Cash		$	**434,126**	$	**262,429**
Other receivables	3		**25,016**		**12,798**
Advances to Pure Extraction Ltd.	4		**208,157**		**208,157**
		$	**667,299**	$	**483,384**
Current					
Accounts payable	5	$	**1,849**	$	**14,165**
Accrued liabilities			**85,400**		**66,500**
			87,249		**80,665**
Share capital	6		**1,334,731**		**919,731**
Contributed surplus	6		**491,892**		**225,892**
Deficit	6		**(1,246,573)**		**(742,904)**
			580,050		**402,719**
		$	**667,299**	$	**483,384**

Nature of Operations and Ability to Continue as a Going Concern – Note 1

APPROVED BY THE DIRECTORS:

"Balraj Mann"	Director	*"Alicia Milne"*	Director
Balraj Mann		Alicia Milne	

The accompanying notes are an integral part of these financial statements

FITCH STREET CAPITAL CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the Three and Six Months Ended September 30, 2019 and 2018
(Expressed in Canadian Dollars)

	Note	For the Three months ended September 30, 2019	2018	For the Six months ended September 30, 2019	2018
Operating Expenses					
Accounting, audit and legal		**$ 6,000**	$ 795	**$ 14,800**	$ 3,795
Listing and filing fees		**7,605**	2,279	**8,945**	2,279
Office and miscellaneous	4	**6,037**	4,573	**10,868**	9,091
Stock-based compensation		**221,000**	-	**221,000**	-
Transaction costs		**97,480**	-	**245,980**	-
Transfer agent fees		**643**	817	**2,076**	1,563
Write-off prior years accounts payable		**-**	-	**-**	(8,712)
Write-off of receivables	3	**-**	-	**-**	-
		338,765	8,464	**503,669**	8,016
Net income (loss) and comprehensive income (loss) for the period		**(338,765)**	(8,464)	**(503,669)**	(8,016)
Basic and diluted gain (loss) per share		**$ (0.02)**	$ (0.0-0)	**$ (0.04)**	$ (0.00)
Weighted average number of shares outstanding		**15,119,056**	**12,623,082**	**13,877,888**	12,623,082

FITCH STREET CAPITAL CORP.
STATEMENTS OF CASH FLOWS
For the Six Months Ended September 30, 2019 and 2018
(Expressed in Canadian Dollars)

	For the Six Months Ended September 30, **2019**	2018
Cash Flows provided by (used in) Operating Activities		
Net income (loss) for the period	**$ (503,669)**	$ (8,016)
Items not affecting cash		
Stock-based compensation	**221,000**	-
Write-off of prior year's accounts payable	**-**	(8,712)
Changes in non-cash working capital items related to operations:		
Other receivables	**(12,218)**	(89)
Accounts payable and accrued liabilities	**6,584**	(7,175)
Net cash used in operating activities	**(288,303)**	(23,992)
Investing Activities		
Shares issued for cash	**500,000**	-
Share issuance costs	**(40,000)**	-
	460,000	-
Increase (decrease) in cash during the period	**171,697**	(23,992)
Cash, beginning of the period	**262,429**	518,819
Cash, end of the period	**$ 434,126**	$ 494,827

The accompanying notes are an integral part of these financial statements

FITCH STREET CAPITAL CORP.
STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIT)
For the Six Months Ended September 30, 2019 and 2018
(Expressed in Canadian Dollars)

	Number of Shares		Common Shares		Contributed Surplus		Deficit		Total Shareholders' Equity
Balance, March 31, 2018	12,623,082	$	919,731	$	225,892	$	(655,643)	$	489,980
Net income for the period	-		-		-		(8,016)		(8,016)
Balance, September 30, 2018	12,623,082	$	919,731	$	225,892	$	(663,659)	$	481,964
Balance, March 31, 2019	12,623,082	$	919,731	$	225,892	$	(742,904)	$	402,719
Shares issued for cash	3,703,703		500,000		-		-		500,000
Share issuance costs, cash	-		(40,000)		-		-		(40,000)
Share issuance costs, brokers' options	-		(45,000)		45,000		-		-
Stock-based compensation	-		-		221,000		-		221,000
Net loss for the period	-		-		-		(503,669)		(503,669)
Balance, September 30, 2019	16,326,785	$	1,334,731	$	225,892	$	(1,246,573)	$	580,050

Note 1 Nature of Operations

The Company was incorporated under the Business Corporations Act of British Columbia on June 20, 2007. The Company is in the development stage and was classified and listed as a Capital Pool Company as defined by Policy 2.4 (the "CPC Policy") of the TSX Venture Exchange (the "Exchange") on June 13, 2008.

The Company was required to complete a Qualifying Transaction (as defined under the policies of the Exchange) by September 14, 2010. The Company did not complete a Qualifying Transaction within the prescribed time frame and trading in its shares was suspended by the TSX-V. During the year ended March 31, 2011, the Company was transferred to the NEX.

The address of the Company's corporate office and principal place of business is Suite 440 – 755 Burrard Street, Vancouver, British Columbia V6Z 1X6.

These financial statements were authorized for issue on August 29, 2019 by the directors of the Company.

Going Concern

While the Company's financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events cast significant doubt on the validity of this assumption. For the six months ended September 30, 2019, the Company reported a net loss of $503,669 (2018 - $,8016**)** and as at that date had an accumulated deficit of $1,246,573 (March 31, 2019 - $742,904). As of September 30, 2019, the Company has a net working capital of $580,050 (March 31, 2019 - $402,719). The Company expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material. The directors of the Company have approved these financial statements.

Note 2 Significant Accounting Policies

(a) Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the audited annual financial statements for the period ended March 31, 2019 which have been prepared in accordance with IFRS as issued by the IASB.

The policies applied in these financial statements are based on IFRS issued and outstanding as November 29, 2019, the date the Board of Directors approved the financial statements for issue.

(b) Basis of Measurement

These financial statements have been prepared on a historical cost basis using the accrual basis accounting, except for cash flow information.

Note 2 Significant Accounting Policies – (cont'd)

(c) Critical Accounting Estimates, Judgments and Uncertainties

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Critical Accounting Estimates and Assumptions

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year.

Critical Accounting Judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the statement of financial position could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

The Company has not recorded any deferred tax assets.

(d) Functional and Presentation Currency

The Company's functional currency is the Canadian Dollar ("CAD"). The financial statements are presented in CAD which is the Company's presentation currency, unless otherwise noted.

All amounts in these financial statements are rounded to the nearest dollar.

(e) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and short-term, highly liquid investments with original maturities of three months or less that is readily convertible to known amounts of cash and subject to insignificant risk of change in value.

(f) Income Taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous six months.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and

Note 2 Significant Accounting Policies – (cont'd)

(f) Income Taxes – cont'd

it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(g) Financial Instruments

The Company has adopted IFRS 9, Financial Instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income ("OCI"), or through profit or loss), and
- Those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.
The Company has classified its cash at fair value through profit or loss. The company's GST receivable, advances and subscriptions receivable are held at amortized cost.

Measurement
At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.
Subsequent measurement of financial assets depends on their classification. There are measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period which it arises.

Note 2 Significant Accounting Policies – (cont'd)

(g) Financial Instruments-cont'd

- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

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. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of income (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.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost.

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, loans payable and due to related parties are classified as financial liabilities held at amortized cost.

(h) New Accounting Standards Adopted

IFRS 16, *Leases*

In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and

For the Six Months Ended September 30, 2019 – Page 5 (Expressed in Canadian Dollars)

Note 2 Significant Accounting Policies – (cont'd)

(h) New Accounting Standards Adopted – cont'd

measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit or loss on a straight-line basis over the lease term.

(i) Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares and share purchase warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or warrants are shown in equity as a deduction, net of tax, from the proceeds.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing price on the measurement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded in contributed surplus.

(j) Share-based Payments

The cost of incentive share options and other equity-settled share-based compensation and payment arrangements is recorded based on the estimated fair-value at the grant date and charged to earnings over the vesting period. Where incentive share options are subject to vesting, each vesting tranche is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by a charge to earnings, with a corresponding increase to contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

(k) Earnings/Loss per Share

Basic earnings/loss per share is computed by dividing the net income or loss attributable to common shareholders of the Company by weighted average number of common shares outstanding for the relevant period. Diluted earnings/loss per share is computed by adjusting the net income or loss attributable to common shareholders dividing by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments such as warrants and options were exercised.

Note 3 Other Receivables

	September 30, 2019	March 31, 2019
HST/GST receivable	**$ 18,016**	$ 5,798
Other receivables	**7,000**	7,000
	$ 25,016	$ 12,798

The Company qualifies for the Harmonized Sales Tax (HST) input tax credits in the amount of $18,016 (March 31, 2019 - $5,798), which may change pursuant to an audit by the taxation authorities.

Note 4 Advances to Pure Extraction Ltd.

On October 2, 2018, the Company entered into a Letter of Intent (the "LOI") with Pure Extraction Inc. and Pure Extraction Ltd. (together known as the "Targetcos" or "Pure Extraction"), the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. to acquire all of the shares of the Targetcos. Pursuant to the LOI, the Company advanced Pure Extraction Ltd. $25,000 on October 26, 2018.

On December 17, 2018, the Company entered into a definitive Share Exchange Agreement (the "Agreement") with the Targetcos, the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. with respect to the proposed acquisition of the Targetcos by the Company (the "Transaction").

Summary of the Transaction

Under the terms of the Transaction, Fitch will acquire all of the issued and outstanding shares of the Targetcos (the "Pure Shares") from the shareholders of Targetcos. In consideration for the Pure Shares, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 3,000,000 common shares of the Company (the "Fitch Shares") at a deemed value of $0.165 per share. In addition, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 1,000,000 Fitch Shares if the Targetcos generate cumulative gross revenues greater than $2,000,000 within 18 months from execution of the Agreement at a deemed value of $0.165 per share.

The Transaction is subject to a number of conditions precedent, including the approval of the TSX Venture Exchange (the "Exchange").

Upon closing, the name of Company will be changed to "Pure Extraction Corp." or such other name which is acceptable to the directors of Fitch and the Targetcos, the Exchange and the registrar of companies for British Columbia.

All Fitch Shares issued pursuant to the Transaction will be subject to restrictions on resale as set out in the Agreement and may be subject to Exchange-imposed restrictions on resale. Some of the Fitch Shares to be issued to the shareholders of the Targetcos pursuant to the Transaction may also be subject to time escrow provisions imposed pursuant to the policies of the Exchange.

The Transaction is expected to qualify as the Company's Qualifying Transaction (the "Qualifying Transaction"). Since Fitch and the Targetcos are arm's length to each other, Fitch is not required to obtain shareholder approval for the Transaction.

Concurrent Financing

Concurrent with the closing of the Transaction, Fitch intends to complete a financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,814 shares at $0.135 per share.

The net proceeds of the Concurrent Financing will be used to fund the acquisition of the Targetcos', costs associated with the Qualifying Transaction and to provide general working capital.

Finders' Fee and Consulting Fee

Subject to Exchange approval, Fitch anticipates issuing an aggregate of 400,000 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies.

In addition, the Company will pay finder's fees of 8% cash and 8% finders' warrants in connection with the Concurrent Financing in accordance with applicable securities laws and the policies of the Exchange. Each finders' warrant payable will allow the holder to purchase a Fitch Share at a price of $0.135.

For the Six Months Ended September 30, 2019 – Page 7 (Expressed in Canadian Dollars)

Note 4 Advance to Pure Extraction Ltd. – cont'd

Secured Loan

Subject to prior acceptance of the Exchange and the satisfaction of all conditions of the Exchange in respect of the same, Fitch has agreed to provide a secured loan to the Targetcos in the principal amount up to $225,000 (the "Loan"). The proceeds of the Loan shall be used by the Targetcos to fund its operating expenses. The Loan shall accrue interest at a rate of 10% per annum, compounded annually and will become due at the earliest of the receipt of final approval of the Exchange of the Qualifying Transaction or September 30, 2019 unless sooner determined due to the occurrence of an event or default, or extended by the Lender as set out in the loan agreement dated November 21, 2018 between the Targetcos and Fitch. The Loan will be secured by a general security agreement and any other security that Fitch may reasonably require from the Targetcos from time to time.

Note 5 Related Party Transactions

During the six-month period ended September 30, 2019 the Company incurred $9,000 (2018 - $9,000**)** in rent expense to a company owned by a director and senior officer. As at September 30, 2019, $4,500 (March 31, 2019 - $9,375) were indebted to the aforementioned company. These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties.

A director of the Company advanced the Company $nil at September 30, 2019 (March 31, 2019 – $nil) for general corporate purposes.

Advances and payables are non-interest bearing and payable upon demand.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the following:

	September 30, 2019	September 30, 2018
CEO & CFO	**-**	-
	$ -	$ -

Note 6 Share Capital

a) Authorized

Unlimited number of common voting shares without par value.

b) Issued and outstanding

A summary of changes in share capital is contained on the statement of changes in shareholders' equity for the six months ended September 30, 2019 and 2018.

c) Share Purchase Warrants

There were no share purchase warrants transactions during the six months ended September 30, 2019 and 2018. As at September 30, 2019 and 2018, the Company had no warrants outstanding and exercisable.

For the Six Months Ended September 30, 2019 – Page 8 (Expressed in Canadian Dollars)

Note 6 Share Capital – (cont'd)

d) Stock Options

During the six-month period ended September 30, 2019, the Company granted 1,260,000 incentive stock options with a exercise price of $0.135. The fair market value of these options was calculated at $221,000 and was determined on the date of issuance using the Black-Scholes Option Pricing Model with the following assumptions: 1.54% risk-free interest rate, expected life of 5 years, 192% annualized volatility and 0% dividend rate.

At September 30, 2019, the following stock options were outstanding and exercisable:

Expiry Date	Weighted Average Exercise price	Number of options outstanding	Weighted Average Remaining Years
July 19, 2024	$ 0.135	1,260,000	4.81

e) Escrow Shares:

As at September 30, 2019, 1,358,332 common shares were subject to an escrow agreement to be released in accordance with the CPC policy guidelines. Under the escrow agreement, 10% of the shares will be released on the issuance of the Final Exchange Bulletin (the Exchange's acceptance of the Qualifying Transaction) and an additional 15% will be released on each of the dates which are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the initial release.

f) Private placement

During the year ended March 31, 2018, the Company completed a private placement for gross proceeds of $791,000 through the issuance 11,300,000 shares at a price of $0.07 per share. In connection with the private placement, the Company paid finders' fees of $54,600 and issued 780,000 brokers' options.

g) Brokers' options

During the six months ended September 30, 2019, the Company issued 296,296 brokers' options as finders' fees. The brokers' options allowed the holder to acquire for $0.135 per option, one common share for a period of 24 months.

During the year ended March 31, 2018, the Company issued 780,000 brokers' options as finders' fees. The brokers' options allowed the holder to acquire for $0.07 per option, one common share for a period of 24 months.

Brokers' options activity for the six months are as follows:

Number outstanding at March 31, 2019	Granted	Exercised	Number outstanding at September 30, 2019	Weighted Average Exercise price
780,000	296,296	-	1,076,296	$0.09

For the Six Months Ended September 30, 2019 – Page 9 (Expressed in Canadian Dollars)

Note 6 Share Capital – (cont'd)

g) Brokers' options – cont'd

As at September 30, 2019, the following brokers' options were outstanding:

Expiry Date	Weighted Average Exercise Price	Number of brokers' options	Weighted Average Remaining Years
February 6, 2020	$0.070	780,000	0.35
July 30, 2021	$0.135	296,296	1.80
	$0.088	1,076,296	0.75

Note 7 Financial Instruments and risk

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Capital Risk

The Company manages its capital to ensure that there are adequate capital resources for the Company to identify, evaluate and negotiate the acquisition of an interest in properties, assets or a business which is considered a Qualifying Transaction. The capital structure of the Company consists primarily of cash and share capital.

b) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at September 30, 2019, the Company is not exposed to any significant credit risk.

c) Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. The Company may seek additional financing through equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all.

d) Market Risk

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. It is the responsibility of the Company to identify, evaluate and negotiate the acquisition of an interest in properties, assets or a business which is considered a Qualifying Transaction.

i) Interest Rate Risk

The Company's interest rate risk mainly arises from changes in the interest rates on cash. Cash generates interest based on market interest rates. At September 30, 2019, the Company was not subject to significant interest rate risk.

Note 7 Financial Instruments and risk – cont'd

d) Market Risk – cont'd

ii) Foreign Currency Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. As the Company is in the stage of identifying, evaluating and negotiating the acquisition of an interest in properties, assets or a business which is considered a Qualifying Transaction, the Company is not exposed to foreign currency risk at this time.

iii) Price Risk

The Company is not exposed to price risk with respect to commodity pricing.

The Company provides information about financial instruments that are measured at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

The three levels of the fair value hierarchy are:

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 following table presents the financial instruments recorded at fair value in the statement of financial position, classified using the fair value hierarchy:

		Level 1		Level 2		Level 3		Total financial assets at fair value
Financial Assets								
Cash	$	434.126	$	-	$	-	$	434.126
	$	434.126	$	-	$	-	$	434.126

Note 8 Capital Risk Management

The Company's objectives when managing capital are: to safeguard the Company's ability to continue as a going concern; to maintain optimal capital structure, while ensuring the Company's strategic objectives are met and to provide an appropriate return to shareholders relative to the risk of the Company's underlying assets.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, stock options and deficit.

The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, selling and/or acquiring assets, and controlling its capital expenditures program.

The Company's primary activities are to identify, evaluate and negotiate the acquisition of an interest in properties, assets or a business which is considered a Qualifying Transaction. As such, the Company is dependent on existing working capital to fund its activities and raise additional amounts as needed and if available.

Management reviews its capital management approach on an ongoing basis. The Company is not subject to any externally imposed capital requirements.

Note 9 Subsequent Events

On November 29, 2019, the Company and the shareholders of the Targetcos have extended the termination date of the Agreement to January 31, 2020. The Company has advanced $218,157 to Pure Extraction under a secured loan (the “Loan”). The Loan was also amended to have a due date at the earliest of the receipt of final approval of the TSX Venture Exchange of the Qualifying Transaction or January 31, 2020.

SCHEDULE "B"

Management's Discussion and Analysis of the Issuer for the year ended March 31, 2019 and 2018 and
Management's Discussion and Analysis of the Issuer for the six months ended September 30, 2019 and 2018

See attached documents

The following discussion is management's assessment and analysis of the results of operations and financial conditions of Fitch Street Capital Corp. (the "Company") and should be read in conjunction with the Company's audited annual financial statements and related notes thereto for the year ended March 31, 2019. These audited financial statements have been prepared in accordance with International Financial Reports Standards ("IFRS") as issued by the International Accounting Standards Board and can be found on SEDAR at www.sedar.com.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

All amounts are in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is July 26, 2019.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Overview

Description of the Business

The Company was incorporated under the Business Corporations Act of British Columbia on June 20, 2007. The Company is in the development stage and was classified as a Capital Pool Company as defined by Policy 2.4 (the "CPC Policy") of the TSX Venture Exchange (the "Exchange").

On June 13, 2008, the Company was listed on the Exchange. The Company was required to complete a Qualifying Transaction (as defined) by June 13, 2010. The Company did not complete a Qualifying Transaction within the prescribed time frame and the Company's listing transferred to NEX Board of the TSX.V on October 26, 2010. As a result, 1,333,333 common shares that were subscribed by the directors were cancelled.

On June 21, 2016, the Company consolidated its outstanding shares on a one-new-for-four-old basis. As at June 30, 2016, the Company had 1,323,083 shares issued and outstanding, of which, 533,333 are escrow shares.

On February 7, 2018, the Company completed a financing for gross proceeds of $791,000 through the issuance of 11.3 million shares of the company at a price of $0.07 per share. Finders' fees to arm's length third parties consisting of $54,600 and 780,000 brokers' options, which allow the holder to acquire, for seven cents per option, one common share for a period of 24 months.

During the year ended March 31, 2018, the Company made certain adjustments to its accounts payable & accrued liabilities for the fiscal years ending March 31, 2015, 2016 and 2017 by reversing rent expenses of $24,516 and reversing all management fees and office expenses of $49,573 aggregating $74,089. The foregoing adjustments were made in order to comply with Exchange policies in respect to expenses for capital pool companies as set out in Policy 2.4 of the TSX Venture Polices.

Highlights

On December 17, 2018, the Company entered into a definitive Share Exchange Agreement. (the "Agreement") with Pure Extraction Inc. and Pure Extraction Ltd. (together known as the "Targetcos" or "Pure Extraction"), the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. with respect to the proposed acquisition of the Targetcos by the Company (the "Transaction").

Summary of the Transaction

Under the terms of the Transaction, Fitch will acquire all of the issued and outstanding shares of the Targetcos (the "Pure Shares") from the shareholders of Targetcos. In consideration for the Pure Shares, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 3,000,000 common shares of the Company (the "Fitch Shares") at a deemed value of $0.165 per share. In addition, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 1,000,000 Fitch Shares if the Targetcos generate cumulative gross revenues greater than $2,000,000 within 18 months from execution of the Agreement at a deemed value of $0.165 per share.

The Transaction is subject to a number of conditions precedent, including the approval of the TSX Venture Exchange (the "Exchange").

Upon closing, the name of Company will be changed to "Pure Extraction Corp." or such other name which is acceptable to the directors of Fitch and the Targetcos, the Exchange and the registrar of companies for British Columbia.

All Fitch Shares issued pursuant to the Transaction will be subject to restrictions on resale as set out in the Agreement and may be subject to Exchange-imposed restrictions on resale. Some of the Fitch Shares to be issued to the shareholders of the Targetcos pursuant to the Transaction may also be subject to time escrow provisions imposed pursuant to the policies of the Exchange.

The Transaction is expected to qualify as the Company's Qualifying Transaction (the "Qualifying Transaction"). Since Fitch and the Targetcos are arm's length to each other, Fitch is not required to obtain shareholder approval for the Transaction.

Concurrent Financing

Concurrent with the closing of the Transaction, Fitch intends to complete a concurrent financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,815 units (each a "Unit") at $0.135 per unit. Each Unit will consist of one Fitch Share and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one Fitch Share at $0.60 per share for two years from closing, with an expiry acceleration clause to be determined.

The net proceeds of the Concurrent Financing will be used to fund the acquisition of the Targetcos', costs associated with the Qualifying Transaction and to provide general working capital.

Finders' Fee and Consulting Fee

Subject to Exchange approval, Fitch anticipates issuing an aggregate of 400,000 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies.

In addition, the Company will pay finder's fees of 8% cash and 8% finders' warrants in connection with the Concurrent Financing and the Bridge Financing in accordance with applicable securities laws and the policies of the Exchange. Each finders' warrant payable will allow the holder to purchase a Fitch Share at a price of $0.135.

Secured Loan

Subject to prior acceptance of the Exchange and the satisfaction of all conditions of the Exchange in respect of the same, Fitch has agreed to provide a secured loan to the Targetcos in the principal amount up to $225,000 (the "Loan"). The proceeds of the Loan shall be used by the Targetcos to fund its operating expenses. The Loan shall accrue interest at a rate of 10% per annum, compounded annually and will become due at the earliest of the receipt of final approval of the Exchange of the Qualifying Transaction or February 28, 2019 unless sooner determined due to the occurrence of an event or default, or extended by the Lender as set out in the loan agreement dated November 21, 2018 between the Targetcos and Fitch. The Loan will be secured by a general security agreement and any other security that Fitch may reasonably require from the Targetcos from time to time.

Selected Financial Information

The following financial data is derived from the Company's audited annual financial statements for the years ended March 31, 2018, 2017 and 2016 respectively.

Years Ended March 31,	**2019**	**2018**	**2017**
	$	**$**	**$**
			(Restated)
Net revenues	**-**	**-**	**-**
Net loss	**(87,261)**	**(94,001)**	**(44,397)**
Total assets	**483,384**	**529,739**	**32,083**
Loss per Share	**(0.01)**	**(0.03)**	**(0.03)**
Cash dividends per share	**0.00**	**0.00**	**0.00**

Summary of Quarterly Results

The following is a summary of the results from the eight previously completed financial quarters:

	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun 30, 2017
Revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Net income (loss)	(59,836)	(19,445)	(8,464)	448	(33,209)	(14,702)	(4,110)	(41,980)
Income (Loss) per share (basic and diluted)	(0.0`)	(0.00)	(0.00)	0.00	(0.01)	(0.01)	(0.00)	(0.01)

Results of Operations for the Year ended March 31, 2019 and 2018

For the year ended March 31, 2019, the Company incurred an operating loss in the amount of $87,261 (2018 - $94,001). During the year ended March 31, 2019, the Company incurred higher operating costs due to the Qualifying Transaction. The Company wrote-off prior year's accounts payable of $8,712 which offset a portion of operating loss. In the year ended March 31, 2018, the Company wrote-off $29,483 for GST receivable deemed uncollectible.

Expenses and their respective changes as follows:

- Accounting, audit and legal $16,795 (2018 – $26,026);
- Listing and filing fees of $16,279 (2018 - $12,960);
- Office and miscellaneous $18,331 (2018 - $18,256);
- Transfer agent $5,447 (2018 - $7,7276)
- Transaction costs $39,121 (2018 - $nil)
- Write-off of receivables $nil (2018 - $29,483):
- Write-off of prior year's accounts payable $8,712 (2018 -$nil)

Results of Operations for the Three Months ended March 31, 2019 and 2018

For the three months ended March 31, 2019, the Company incurred an operating loss of $59,800 (2018 - $26,098).

Expenses and their respective changes as follow:

- Accounting, audit and legal $10,000 (2018 – $12,543);
- Listing and filing fees of $2,750 (2018 - $5,748);
- Office and miscellaneous $4,721 (2018 - $4,706);
- Transaction costs $39,121 (2018 - $nil)
- Transfer agent $3,208 (2018 - $3,101);

Liquidity

As at March 31, 2019 the Company had working capital of $402,719 (March 31, 2018 - $489,980). The Company has a cash balance of $262,429 (March 31, 2018 - $518,819). The Company does not have any material expenditure commitments over the near term or long term.

Contractual Obligations

The Company has no material contractual obligations.

Share Capital

The following tables summarize the Company's common share, warrants and stock option transactions for the year ended March 31, 2019 and as at July 26, 2019;

Common Shares:

Balance March 31, 2017	**1,323,082**
Issued for cash	11,300,000
Balance, March 31, 2018, March 31, 2019 and July 26, 2019	**12,623,082**

During the year ended March 31, 2018, the Company completed a private placement for gross proceeds of $791,000 through the issuance 11,300,000 shares at a price of $0.07 per share. In connection with the private placement, the Company paid finders' fees of $54,600 and issued 780,000 brokers' options.

The brokers' options have been determined at fair value of $113,000 based upon the Black Scholes method using the following assumptions noted below:

Risk-free interest rate `	1.83%
Expected stock price volatility	134%
Expected dividend yield	0.00%
Expected life of options	2 years

On October 21, 2010, the Company's shareholders who are dealing at arm's length to the Company, within the meaning of the Exchange's policies, have approved the listing of the Company's common shares on the NEX as well as the cancellation of 1,333,333 discounted seed shares held by directors of the Company. 2,133,333 of the outstanding shares remain held in escrow. Under the escrow agreement, 10% of the shares will be released on the issuance of the Final Exchange Bulletin (the Exchange's acceptance of the Qualifying Transaction) and an additional 15% will be released on each of the dates which are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the initial release.

Effective June 22, 2016, the Company consolidated its issued and outstanding shares on the basis of one post-consolidated common share for every four pre-consolidated common shares. This reduced the number of escrow shares to 533,333.

During the year ended March 31, 2018, the Company completed a private placement by issuing 11,300,000 shares, of which 825,000 shares are subject to escrow. As at March 31, 2019, 1,358,000 common shares are escrowed.

Warrants:

No warrants were issued during the years ended March 31, 2019 and 2018. There were no outstanding warrants as at March 31, 2019 and 2018 and as at July 26, 2019.

Brokers' options:

During the year ended March 31, 2018, the Company issued 780,000 brokers' options as finders' fees. The brokers' options allowed the holder to acquire for $0.07 per option, one common share for a period of 24 months.

Number outstanding at March 31, 2018	Granted	Exercised	Number outstanding at March 31, 2019	Exercise price	Expiry Date
780,000		-	780,000	$0.07	February 6, 2020

As of March 31, 2019, and July 26, 2019, 780,000 brokers' options were outstanding.

Stock Options:

Stock Option Plan

The Company has adopted a stock option plan applicable to directors, officers and consultants under which the total outstanding stock options are limited to 10% of the outstanding common shares of the Company at any one time. Under the plan, an option's maximum term is five years from the grant date.

No stock options were granted during years ended March 31, 2016 and 2015. During the year ended March 31, 2010, the Company granted 500,000 stock options to Directors and Officers of the Company. These Options exercisable at a price of $0.10 per share expired on August 7, 2014.

As of March 31, 2019, no stock options were outstanding. As at July 26, 2019, 1,260,000 stock options, exercisable at $0.135 per common share in the capital stock of the Company for a term of five years from the date of grant were outstanding.

Further details on the Company's share capital can be found in Note 6 in the audited annual financial statements for the year ended March 31, 2019.

Related Party Transactions

During the year ended March 31, 2019 the Company incurred $18,000 (2018 - $18,000**)** in rent expense to a company owned by a director and senior officer. As at March 31, 2019, $9,375 (March 31, 2018 - $nil) were indebted to the aforementioned company. These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties.

A director of the Company advanced the Company $nil at March 31, 2019 (March 31, 2018 – $nil) for general corporate purposes.

Advances and payables are non-interest bearing and payable upon demand.

<u>Key Management Compensation</u>

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the following:

	March 31, 2019	March 31, 2018
CEO & CFO	**-**	-
	$ -	$ -

Risk and Uncertainties

The Company's business, results of operations, financial condition, and the trading price of its common shares could be materially adversely affected by any of the foregoing risks and by other risks, including risks related to development of mineral deposits, metal prices, title matters, reclamation costs, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, and share trading volatility. Any of these risks could have a material adverse effect on the business, operations or financial condition of the Company.

Critical Accounting Estimates

The financial statements were prepared in accordance with IFRS which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Significant areas requiring the use of management estimates relate to determination of impairment of assets, exploration and evaluation assets' carrying values, useful lives for depreciation and amortization, and the value of deferred income tax assets and liabilities. Actual results could differ from these estimates.

Off-Balance-Sheet Arrangements

The Company does not have any off-balance sheet transactions.

New and amended standards adopted by the Company

The Company has adopted IFRS 9, Financial Instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Classification
The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income ("OCI"), or through profit or loss), and
- Those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.

The Company has classified its cash at fair value through profit or loss. The company's GST receivable, advances and subscriptions receivable are held at amortized cost.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.
Subsequent measurement of financial assets depends on their classification. There are measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period which it arises.

Effective for periods beginning on or after January 1, 2018

- **IFRS 9, *Financial Instruments – Classification and Measurement***

  IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and measurement.*

  IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. This standard has been adopted without material effect to these financial statements.

- **IFRS 15, *Revenue from Contracts with Customers***

  IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from and entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service.* This standard has been adopted without material effect to these financial statements.

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which are not yet mandatory during the year ended March 31, 2019:

Effective for periods beginning on or after January 1, 2019

- **IFRS 16, *Leases***

In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15

Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard is effective for annual periods beginning on or after January 1, 2019.

Subsequent Events

The Company intends to immediately complete a non-brokered private placement financing to raise up to $500,000 in bridge financing through the issuance of up to 3,703,703 common shares at a price of $0.135 per Fitch Share. Subject to regulatory approval, the restrictions on the use of proceeds until the completion of the qualifying transaction, is that no more than the lesser of 30% of the gross proceeds from the non-brokered private placement financing of $500,00 by the Company and $210,000 may be used to facilitate the Transaction including the payment of existing payables, regulatory, audit and legal fees.

Subject to regulatory approval, the Company granted incentive stock options to directors, officers and consultants to acquire up to an aggregate of 1,260,000 common shares of the company at an exercise price of $0.135 per Fitch Share for a term of five years from date of the grant.

Financial Instruments and Related Risks

All significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

The Company's financial instruments include cash and cash equivalents, receivables, and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. The fair value of cash and cash equivalents are measured based on level 1 input of the fair value hierarchy.

Management believes that the Company is not exposed to significant interest rate risk, currency risk and credit risk.

ADDITIONAL INFORMATION

Additional information related to the Company can be found on SEDAR at www.sedar.com.

List of Directors and Officers
Balraj Mann CEO, CFO and Director

Anthony Zelen, Director
Alicia Milne, Director

The following discussion is management's assessment and analysis of the results of operations and financial conditions of Fitch Street Capital Corp. (the "Company") and should be read in conjunction with the Company's audited annual financial statements and related notes thereto for the year ended March 31, 2019 and unaudited financials statements for the six months ended September 30, 2019. These unaudited financial statements have been prepared in accordance with International Financial Reports Standards ("IFRS") as issued by the International Accounting Standards Board and can be found on SEDAR at www.sedar.com.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

All amounts are in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is November 29, 2019.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Overview

Description of the Business

The Company was incorporated under the Business Corporations Act of British Columbia on June 20, 2007. The Company is in the development stage and was classified as a Capital Pool Company as defined by Policy 2.4 (the "CPC Policy") of the TSX Venture Exchange (the "Exchange").

On June 13, 2008, the Company was listed on the Exchange. The Company was required to complete a Qualifying Transaction (as defined) by June 13, 2010. The Company did not complete a Qualifying Transaction within the prescribed time frame and the Company's listing transferred to NEX Board of the TSX.V on October 26, 2010. As a result, 1,333,333 common shares that were subscribed by the directors were cancelled.

On June 21, 2016, the Company consolidated its outstanding shares on a one-new-for-four-old basis.

On February 7, 2018, the Company completed a financing for gross proceeds of $791,000 through the issuance of 11.3 million shares of the company at a price of $0.07 per share. Finders' fees to arm's length third parties consisting of $54,600 and 780,000 brokers' options, which allow the holder to acquire, for seven cents per option, one common share for a period of 24 months.

On July 30, 2019, the Company completed a non-brokered private placement financing for gross proceeds of $500,000 in a bridge financing through the issuance of 3,703,703 common shares at a price of $0.135 per share. The net proceeds of the bridge financing will be used to facilitate the its qualifying transaction including the payment of existing payables

In connection with the private placement, the Company paid a finders' fees to arm's-length third parties consisting of $40,000 cash and 296,296 brokers' options, each option allowing the holder to acquire one common share at price of $0.135 for a period of 24 months.

Highlights

On December 17, 2018, the Company entered into a definitive Share Exchange Agreement. (the "Agreement") with Pure Extraction Inc. and Pure Extraction Ltd. (together known as the "Targetcos" or "Pure Extraction"), the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. with respect to the proposed acquisition of the Targetcos by the Company (the "Transaction").

Summary of the Transaction

Under the terms of the Transaction, Fitch will acquire all of the issued and outstanding shares of the Targetcos (the "Pure Shares") from the shareholders of Targetcos. In consideration for the Pure Shares, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 3,000,000 common shares of the Company (the "Fitch Shares") at a deemed value of $0.165 per share. In addition, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 1,000,000 Fitch Shares if the Targetcos generate cumulative gross revenues greater than $2,000,000 within 18 months from execution of the Agreement at a deemed value of $0.165 per share.

The Transaction is subject to a number of conditions precedent, including the approval of the TSX Venture Exchange (the "Exchange").

Upon closing, the name of Company will be changed to "Pure Extraction Corp." or such other name which is acceptable to the directors of Fitch and the Targetcos, the Exchange and the registrar of companies for British Columbia.

All Fitch Shares issued pursuant to the Transaction will be subject to restrictions on resale as set out in the Agreement and may be subject to Exchange-imposed restrictions on resale. Some of the Fitch Shares to be issued to the shareholders of the Targetcos pursuant to the Transaction may also be subject to time escrow provisions imposed pursuant to the policies of the Exchange.

The Transaction is expected to qualify as the Company's Qualifying Transaction (the "Qualifying Transaction"). Since Fitch and the Targetcos are arm's length to each other, Fitch is not required to obtain shareholder approval for the Transaction.

Concurrent Financing

Concurrent with the closing of the Transaction, Fitch intends to complete a financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,815 Fitch Shares at $0.135 per share. The net proceeds of the Concurrent Financing will be used to fund the acquisition of the Targetcos', costs associated with the Qualifying Transaction and to provide general working capital.

Finders' Fee and Consulting Fee

Subject to Exchange approval, Fitch anticipates issuing an aggregate of 400,000 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies.

In addition, the Company will pay finder's fees of 8% cash and 8% finders' warrants in connection with the Concurrent Financing in accordance with applicable securities laws and the policies of the Exchange. Each finders' warrant payable will allow the holder to purchase a Fitch Share at a price of $0.135.

Secured Loan

Subject to prior acceptance of the Exchange and the satisfaction of all conditions of the Exchange in respect of the same, Fitch has agreed to provide a secured loan to the Targetcos in the principal amount up to $225,000 (the "Loan"). The proceeds of the Loan shall be used by the Targetcos to fund its operating expenses. The Loan shall accrue interest at a rate of 10% per annum, compounded annually and will become due at the earliest of the receipt of final approval of the Exchange of the Qualifying Transaction or January 31, 2020 unless sooner determined due to the occurrence of an event or default, or extended by the Lender as set out in the loan agreement dated November 21, 2018 between the Targetcos and Fitch. The Loan will be secured by a general security agreement and any other security that Fitch may reasonably require from the Targetcos from time to time.

Selected Financial Information

The following financial data is derived from the Company's audited annual financial statements for the years ended March 31, 2019, 2018 and 2017 respectively.

Years Ended March 31,	**2019**	**2018**	**2017**
	$	**$**	**$**
			(Restated)
Net revenues	**-**	**-**	**-**
Net loss	**(87,261)**	**(94,001)**	**(44,397)**
Total assets	**483,384**	**529,739**	**32,083**
Loss per Share	**(0.01)**	**(0.03)**	**(0.03)**
Cash dividends per share	**0.00**	**0.00**	**0.00**

Summary of Quarterly Results

The following is a summary of the results from the eight previously completed financial quarters:

	Sep. 30, 2019	Jun. 30, 2019	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017
Revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Net income (loss)	(338,765)	(164,904)	(59,836)	(19,445)	(8,464)	448	(33,209)	(14,702)
Income (Loss) per share (basic and diluted)	(0.02)	(0.01)	(0.01)	(0.00)	(0.00)	0.00	(0.01)	(0.01)

Results of Operations for the Three Months ended September 30, 2019 and 2018

For the three months ended September 30, 2019, the Company incurred an operating loss of $338,765 (2018 - $8,464).

Expenses and their respective changes as follow:

- Accounting, audit and legal $6,000 (2018 – $795);
- Listing and filing fees of 7,605 (2018 - $2,279);
- Office and miscellaneous $6,037 (2018 - $4,573);
- Stock-base compensation $221,000 (2018 - $nil);
- Transaction costs $97,480 (2018 - $nil)
-

The Company incurred higher expenses in the three month period ended September 30, 2019 due to costs relating to the qualifying transaction and the stock-based compensation recorded for a stock option grant.

Results of Operations for the Six Months ended September 30, 2019 and 2018

For the six months ended September 30, 2019, the Company incurred an operating loss of $503,669 (2018 - $8,016).

Expenses and their respective changes as follow:

- Accounting, audit and legal $14,800 (2018 – $3,795);
- Listing and filing fees of 8,945 (2018 - $2,279);
- Office and miscellaneous $10,868 (2018 - $9,091);
- Stock-base compensation $221,000 (2018 - $nil);
- Transaction costs $245,980 (2018 - $nil)
- Transfer agent $2,076 (2018 - $1,563);
- Write-off of prior year's accounts payable $nil (2018 - $8,712)

Liquidity

As at September 30, 2019, the Company had working capital of $580,050 (March 31, 2019 - $402,719). The Company has a cash balance of $434,126 (March 31, 2019 - $262,429). The Company does not have any material expenditure commitments over the near term or long term.

Contractual Obligations

The Company has no material contractual obligations.

Share Capital

The following tables summarize the Company's common share, warrants and stock option transactions for the year ended March 31, 2019, as at September 30, 2019 and November 29, 2019;

Common Shares:

Balance, March 31, 2018, March 31, 2019	**12,623,082**
Issued for cash	3,703,703
Balance, September 30, 2019 and November 29, 2019	**16,326,785**

On July 30, 2019, the Company completed a non-brokered private placement financing for gross proceeds of $500,000 in a bridge financing through the issuance of 3,703,703 common shares at a price of $0.135 per share. In connection with the private placement, the Company paid a finders' fees to arm's-length third parties consisting of $40,000 cash and 296,296 brokers' options, each option allowing the holder to acquire one common share at price of $0.135 for a period of 24 months.

The brokers' options have been determined at fair value of $45,000 based upon the Black-Scholes method using the following assumptions noted below:

Risk-free interest rate	1.58%
Expected stock price volatility	192%
Expected dividend yield	0.00%
Expected life of options	2 years

During the year ended March 31, 2018, the Company completed a private placement for gross proceeds of $791,000 through the issuance 11,300,000 shares at a price of $0.07 per share. In connection with the private placement, the Company paid finders' fees of $54,600 and issued 780,000 brokers' options.

The brokers' options have been determined at fair value of $113,000 based upon the Black-Scholes method using the following assumptions noted below:

Risk-free interest rate	1.83%
Expected stock price volatility	134%
Expected dividend yield	0.00%
Expected life of options	2 years

Effective June 22, 2016, the Company consolidated its issued and outstanding shares on the basis of one post-consolidated common share for every four pre-consolidated common shares.

During the year ended March 31, 2018, the Company completed a private placement by issuing 11,300,000 shares, of which 825,000 shares are subject to escrow. As at September 30, 2019, 1,358,332 common shares are escrowed.

Warrants:

No warrants were issued during the six-month period ended September 30, 2019 and 2018. There were no outstanding warrants as at March 31, 2019, September 30, 2019 and as at November 29, 2019.

Brokers' options:

During the six months ended September 30, 2019, the Company issued 296,296 brokers' options as finders' fees. The brokers' options allowed the holder to acquire for $0.135 per option, one common share for a period of 24 months.

During the year ended March 31, 2018, the Company issued 780,000 brokers' options as finders' fees. The brokers' options allowed the holder to acquire for $0.07 per option, one common share for a period of 24 months.

Brokers' options activity for the six months are as follows:

Number outstanding at March 31, 2019	Granted	Exercised	Number outstanding at September 30, 2019	Weighted Average Exercise price
780,000	296,296	-	1,076,296	$0.09

As at September 30, 2019, the following brokers' options were outstanding:

Expiry Date	Weighted Average Exercise Price	Number of brokers' options	Weighted Average Remaining Years
February 6, 2020	$0.070	780,000	0.35
July 30, 2021	$0.135	296,296	1.80
	$0.088	1,076,296	0.75

Stock Options:

Stock Option Plan

During the six-month period ended September 30, 2019, the Company granted 1,260,000 incentive stock options with a exercise price of $0.135. The fair market value of these options was calculated at $221,000 and was determined on the date of issuance using the Black-Scholes Option Pricing Model with the following assumptions: 1.54% risk-free interest rate, expected life of 5 years, 192% annualized volatility and 0% dividend rate.

At September 30, 2019, the following stock options were outstanding and exercisable:

Expiry Date	Weighted Average Exercise price	Number of options outstanding	Weighted Average Remaining Years
July 19, 2024	$ 0.135	1,260,000	4.81

Further details on the Company's share capital can be found in Note 6 in the audited annual financial statements for the year ended March 31, 2019 and Note 6 of the unaudited financial statements for the six month period ended September 30, 2019.

Related Party Transactions

During the six-month period ended September 30, 2019 the Company incurred $9,000 (2018 - $9,000) in rent expense to a company owned by a director and senior officer. As at September 30, 2019, $4,500 (March 31, 2019 - $9,375) were indebted to the aforementioned company. These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties.

A director of the Company advanced the Company $nil at September 30, 2019 (March 31, 2019 – $nil) for general corporate purposes.

Advances and payables are non-interest bearing and payable upon demand.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the following:

	September 30, 2019	September 30, 2018
CEO & CFO	**-**	-
	$ -	$ -

Risk and Uncertainties

The Company's business, results of operations, financial condition, and the trading price of its common shares could be materially adversely affected by any of the foregoing risks and by other risks, including risks related to development of mineral deposits, metal prices, title matters, reclamation costs, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, and share trading volatility. Any of these risks could have a material adverse effect on the business, operations or financial condition of the Company.

Critical Accounting Estimates

The financial statements were prepared in accordance with IFRS which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Significant areas requiring the use of management estimates relate to determination of impairment of assets, exploration and evaluation assets' carrying values, useful lives for depreciation and amortization, and the value of deferred income tax assets and liabilities. Actual results could differ from these estimates.

Off-Balance-Sheet Arrangements

The Company does not have any off-balance sheet transactions.

New and amended standards adopted by the Company

The Company has adopted IFRS 9, Financial Instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **IFRS 16, *Leases***

In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA

Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15

Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard is effective for annual periods beginning on or after January 1, 2019. This standard has been adopted without material effect to these financial statements.

Subsequent Events

On November 29, 2019, the Company and the shareholders of the Targetcos have extended the termination date of the Agreement to January 31, 2020. The Company has advanced $218,157 to Pure Extraction under a secured loan (the "Loan"). The Loan was also amended to have a due date at the earliest of the receipt of final approval of the TSX Venture Exchange of the Qualifying Transaction or January 31, 2021.

Financial Instruments and Related Risks

All significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

The Company's financial instruments include cash and cash equivalents, receivables, and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. The fair value of cash and cash equivalents are measured based on level 1 input of the fair value hierarchy.

Management believes that the Company is not exposed to significant interest rate risk, currency risk and credit risk.

ADDITIONAL INFORMATION

Additional information related to the Company can be found on SEDAR at www.sedar.com.

List of Directors and Officers
Balraj Mann CEO, CFO and Director
Anthony Zelen, Director
Alicia Milne, Director

SCHEDULE "C"

Annual audited financial statements of Pure Extraction Ltd. for the years ended March 31, 2019 and 2018 and interim unaudited financial statements of Pure Extraction Ltd. for the six months ended September 30, 2019 and 2018

See attached document

PURE EXTRACTION LTD.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2019 and 2018,

AND FROM THE DATE OF INCORPORATION,

FEBRUARY 15, 2017 TO MARCH 31, 2017

(Expressed in Canadian Dollars)

SAM S. MAH INC.
Chartered Professional Accountant Tel: (604) 617-8858
2001-1177 West Hastings Street Fax: (604) 688-8479
Vancouver, B.C. V6E 3X2 E-Mail: sam_mah@telus.net

INDEPENDENT AUDITOR'S REPORT

To: The Directors of
Pure Extraction Ltd.

Opinion

I have audited the financial statements of Pure Extraction Ltd. (the "Company"), which comprise the statements of financial position as at March 31, 2019 and 2018, and from the date of incorporation, February 15, 2017 to March 31, 2017 and the statement of loss and comprehensive loss, statement of cash flows and statement of changes in shareholders' equity for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

Basis for Qualified Opinion on the Financial Performance and Cash Flows

I was appointed as auditor of the Company on March 25, 2019 and thus did not observe the counting of the physical inventories at the beginning of the year. I was unable to satisfy myself by alternative means concerning inventory quantities held at March 31, 2018. Since opening inventories enter into the determination of the financial performance and cash flows, I was unable to determine whether adjustments might have been necessary in respect of the loss for the year reported in the statement of loss and comprehensive loss and net cash flows from operating activities reported in the statement of cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Qualified Opinion on the Financial Performance and Cash Flows

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the statement of loss and comprehensive loss and statement of cash flows presents fairly, in all material respects, the financial performance and cash flows of the Company for the year ended March 31, 2019 in accordance with IFRSs.

Opinion on the Financial Position

In my opinion, the statement of financial position presents fairly, in all material respects, the financial position of the Company as at March 31, 2019 in accordance with IFRSs.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern

I draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $467,550 during the year ended March 31, 2019 and, as of that date, the Company had not yet achieved profitable operations, had ,accumulated losses of $630,282 since its inception, and expects to incur further losses in the development of its business. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I are required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

The engagement practitioner on the audit resulting in this independent auditor's report is Sam S. Mah, CPA, CA.

"Sam S. Mah Inc."

Chartered Professional Accountant

Suite 2001 – 1177 West Hastings Street
Vancouver, BC, Canada V6E 2K3
July 29, 2019

PURE EXTRACTION LTD.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT MARCH 31

	2019	2018
ASSETS		
Current assets		
Cash	$ 63,647	$ 153,516
Accounts receivable (Note 3)	16,518	86,693
Inventory (Note 4)	394,701	403,928
Due from shareholders	7,502	3,226
Prepaid expenses	58,000	2,200
	540,368	649,563
Non-current assets		
Property and equipment (Note 5)	1,332	2,211
Total non-current assets	1,332	2,211
Total assets	$ 541,700	$ 651,774
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	$ 228,870	$ 247,745
Due to related company (Note 7)	156,004	156,004
Advances from Fitch Street Capital Corp. (Note 8)	208,000	-
Deferred revenue (Note 9)	579,107	410,756
Total liabilities	1,171,981	814,505
Equity		
Share capital	1	1
Deficit	(630,282)	(162,732)
Total equity	(630,281)	(162,731)
Total liabilities and equity	$ 541,700	$ 651,774

See Note 1 for Period from the date of incorporation, February 15, 2017
To March 31, 2017.

Approved and authorized on behalf of the Board:

"Mark Van Sluytman", Director — Mark Van Sluytman

"Hardin Jackson", Director — Hardin Jackson

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

PURE EXTRACTION LTD.
STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED MARCH 31,

	2019	2018
Revenue	$ 1,477,824	$ 502,366
Cost of sales	1,354,788	494,021
Gross profit	123,036	8,345
Expenses		
Advertising and promotion	41,979	27,399
Amortization	879	879
Bank charges and interest	5,959	5,686
Insurance	3,178	1,540
Office and administration	28,910	13,506
Professional fees	1,890	688
Rent and utilities	44,506	20,081
Repair and maintenance	20,500	3,315
Research and product development	208,086	-
Salaries and benefits	186,980	68,210
Sales commission	7,603	6,665
Telephone	7,020	1,243
Travel and accommodation	33,096	21,865
	590,586	171,077
Net and comprehensive loss for the year	$ (467,550)	$ (162,732)
Basic and diluted gain (loss) per share	$ (46.76)	$ (16.27)
Weighted average number of shares outstanding	10,0000	10,000

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

PURE EXTRACTION LTD.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED MARCH 31, 2019 AND 2018

	Share Capital						
	Common Shares		Amount		Retained Earnings (Deficit)		Total Equity
Balance, February 15, 2017 (Inception)	-	$	-	$	-	$	-
Shares issued on incorporation	10,000		1		-		1
Balance, March 31, 2017	10,000	$	1	$	-	$	1
Net and comprehensive loss	-		-		(162,732)		(162,732)
Balance, March 31, 2018	10,000	$	1	$	(162,732)	$	(162,731)
Net and comprehensive income	-		-		(467,550)		(467,550)
Balance, March 31, 2019	10,000	$	1		(630,282)		(630,281)

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

PURE EXTRACTION LTD.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED MARCH 31,

	2019	2018
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss for the year	$ (467,550)	$ (162,732)
Items not affecting cash:		
Amortization	879	879
Changes in non-cash working capital items:		
Accounts receivable	70,175	(86,693)
Inventory	9,227	(403,928)
Prepaid expenses	(55,800)	(2,200)
Accounts payable and accrued liabilities	(18,875)	247,745
Due from shareholder	(4,276)	(3,225)
Deferred revenue	168,351	410,756
Net cash generated by operating activities	(297,869)	602
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of capital assets	-	(3,090)
Net cash used in investing activities	-	(3,090)
CASH FLOW FROM FINANCING ACTIVITIES		
Advances from related company	-	156,004
Advances from Fitch Street Capital	208,000	-
Net cash flow from financing activities	208,000	156,004
Change in cash for the year	(89,869)	153,516
Cash, beginning of year	153,516	-
Cash, end of year	$ 63,647	$ 153,516

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

1. **Nature of Operations and Continuance of Business**

Pure Extraction Ltd. ("Pure Ltd" or the "Company") was incorporated on February 15, 2017 under the Canada Business Corporations Act. The Company is engaged in the business of manufacturing and selling extraction equipment in the botanical oil industry.

There were no transactions in the Company from the date of incorporation, February 15, 2017 to March 31, 2017 other than the issuance of 10,000 common shares in the capital stock of the Company for $1.

The Company's corporate office is located on 269 W 8th Ave., Vancouver, BC, Canada V5Y 1N3.

These financial statements were authorized for issuance by the Board of Directors on July 29, 2019.

Going Concern

While the Company's financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events cast significant doubt on the validity of this assumption. For the year ended March 31, 2019, the Company reported a net loss of $467,550 (2018 - $162,732) and as at that date had an accumulated deficit of $630,282 (March 31, 2018 - $162,732). As of March 31, 2019, the Company has a net working capital deficit of $631,613 (March 31, 2018 - $164,942). The Company expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material. The directors of the Company have approved these financial statements.

2. **Summary of Significant Accounting Policies**

Basis of Presentation

These financial statements and related notes are presented in accordance 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").

(a) Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

Significant areas having estimation uncertainty include revenue recognition, asset impairment, inventory provision, impairment loss (recoveries) on trade receivables, income taxes, impairment of financial assets at amortized cost impairment of long-term assets.

(b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, commercial accounts, and bank deposits. Items are considered to be cash equivalents if the original maturity is three months or less.

2. Summary of Significant Accounting Policies (continued)

(c) Revenue Recognition

The Corporation generates revenues primarily from product sales. Product sales are derived primarily from standard product sales contracts. Under *IFRS 15*, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires judgment.

On standard product sales contracts, revenues are recognized when customers obtain control of the product, that is when transfer of title and risks and rewards of ownership of goods have passed and when obligation to pay is considered certain. Invoices are generated and revenue is recognized at that point in time when the product is shipped.

Deferred revenue (i.e. contract liabilities) represents cash received from customers on uncompleted contracts.

(d) Inventory

Inventories are recorded at the lower of cost and net realizable value. The cost of inventories is based on the first- in first-out principle. In the case of manufactured inventories and work in progress, cost includes materials and labor based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. In establishing any impairment of inventory, management estimates the likelihood that inventory carrying values will be affected by changes in market demand, technology and design, which would impair the value of inventory on hand.

(e) Income Taxes

The Company accounts for income taxes using the asset and liability method, which provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

(f) Foreign Currency Translation

The Company's functional and reporting currency is the Canadian dollar.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated at rates of exchange in effect at the date of the transaction. Average monthly rates are used to translate revenues and expenses. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income.

(g) Financial Instruments

The Company has adopted IFRS 9, Financial Instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income ("FVOCI"), or through profit or loss (FVTPL)), and those to be measured at amortized cost.

2. Summary of Significant Accounting Policies (continued)

(h) Financial Instruments-cont'd

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.
The Company has classified its cash at fair value through profit or loss. The company has classified its accounts receivable, inventory, due to shareholders and prepaid expenses at amortized cost.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period which it arises.

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. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of income (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.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost. A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial

2. Summary of Significant Accounting Policies (continued)

recognition. Directly attributable transaction costs are recognized costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.
Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, loans payable and due to related parties are classified as financial liabilities held at amortized cost.

(i) Property and Equipment

Equipment is stated at cost and is amortized over the estimated useful life on a straight-line basis:

Machinery and equipment	5-10 years
Computer equipment and software	3 years

(j) Impairment of Long-Lived Assets

The Company tests long-lived assets for recoverability when events or changes in circumstance indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset, significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss.

(k) Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regards to previous years. Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect both accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

2. Summary of Significant Accounting Policies (continued)

(l) Recent Accounting Pronouncements

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which became effective during the year ended March 31, 2019:

Effective for periods beginning on or after January 1, 2018

- IFRS 9, *Financial Instruments – Classification and Measurement*

  IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and measurement.*

  IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. This standard has been adopted without material effect to these financial statements.

- IFRS 15, *Revenue from Contracts with Customers*

  IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from and entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts,* IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service.* This standard has been adopted without material effect to these financial statements.

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which are not yet mandatory during the year ended March 31, 2019:

Effective for periods beginning on or after January 1, 2019

- IFRS 16, *Leases*

  In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard is effective for annual periods beginning on or after January 1, 2019.

(Expressed in Canadian Dollars)

2. Summary of Significant Accounting Policies (continued)

(m) Share capital

The cost of incentive share options and other equity-settled share-based compensation and payment arrangements is recorded based on the estimated fair-value at the grant date and charged to earnings over the vesting period. Where incentive share options are subject to vesting, each vesting tranche is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by a charge to earnings, with a corresponding increase to contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

(n) Basic earnings/loss per share

Basic earnings/loss per share is computed by dividing the net income or loss attributable to common shareholders of the Company by weighted average number of common shares outstanding for the relevant period. Diluted earnings/loss per share is computed by adjusting the net income or loss attributable to common shareholders dividing by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments such as warrants and options were exercised.

(o) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of the discount is recognized as a finance expense.

3. Accounts Receivable

	March 31, 2019	March 31, 2018
Trade receivables	$ 16,518	$ 86,693
Total	$ 16,518	$ 86,693

4. Inventory

Inventory comprised the following items:

	March 31, 2019	March 31, 2018
Work in progress -materials and labour	$ 394,701	$ 403,928

In 2019, the amount of direct materials, direct labour and shipping costs recognized as cost of goods sold amounted to $1,354,788 (2018 - $494,021). In 2019, the write-down of inventories to net realizable value amounted to $127,000 (2018 - $80,000).

(Expressed in Canadian Dollars)

5. Property and Equipment

		Computer Hardware
Cost		
Balance, March 31, 2017	$	-
Additions		3,090
Balance, March 31, 2018		3,090
Additions		-
Balance, March 31, 2019	$	3,090
Accumulated amortization		
Balance, March 31,2017	$	-
Amortization		-
Balance, March 31, 2018		879
Amortization		879
Balance, March 31, 2018	$	1,758
Carrying amounts		
As at March 31, 2018	$	2,211
As at March 31, 2019	$	1,332

6. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are as follows:

		March 31, 2019		March 31, 2018
Trade payables and accrued liabilities	$	228,870	$	247,745
Total	$	228,870	$	247,745

7. Due to Related Company

At as March 31, 2019, the Company owed $156,004 (2018 - $156,004) to Pure Extraction Inc., a company with common directors and officers. The amounts owed bear no interest and are payable on demand.

8. Advances from Fitch Street Capital Corp.

On October 2, 2018, the Company, Pure Extraction Inc. (together known as the "Targetcos" or "Pure Extraction"), the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. entered into a Letter of Intent (the "LOI") with Fitch Street Capital Corp. ("Fitch") to sell all of the shares of the Targetcos. Pursuant to the LOI, Fitch advanced the Company $25,000 on October 26, 2018.

On December 17, 2018, Fitch entered into a definitive Share Exchange Agreement (the "Agreement") with the Targetcos, the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. with respect to the proposed acquisition of the Targetcos by Fitch (the "Transaction").

Summary of the Transaction
Under the terms of the Transaction, Fitch will acquire all of the issued and outstanding shares of the Targetcos (the "Pure Shares") from the shareholders of Targetcos. In consideration for the Pure Shares, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 3,000,000 common shares of the Company (the "Fitch Shares") at a deemed value of $0.165 per share. In addition, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 1,000,000 Fitch Shares if the Targetcos generate cumulative gross revenues greater than $2,000,000 within 18 months from execution of the Agreement at a deemed value of $0.165 per share.

The Transaction is subject to a number of conditions precedent, including the approval of the TSX Venture Exchange (the "Exchange").

Upon closing, the name of Fitch will be changed to "Pure Extraction Corp." or such other name which is acceptable to the directors of Fitch and the Targetcos, the Exchange and the registrar of companies for British Columbia.

All Fitch Shares issued pursuant to the Transaction will be subject to restrictions on resale as set out in the Agreement and may be subject to Exchange-imposed restrictions on resale. Some of the Fitch Shares to be issued to the shareholders of the Targetcos pursuant to the Transaction may also be subject to time escrow provisions imposed pursuant to the policies of the Exchange.

The Transaction is expected to qualify as the Company's Qualifying Transaction (the "Qualifying Transaction"). Since Fitch and the Targetcos are arm's length to each other, Fitch is not required to obtain shareholder approval for the Transaction.

Concurrent Financing
Concurrent with the closing of the Transaction, Fitch intends to complete a concurrent financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,815 units (each a "Unit") at $0.135 per unit. Each Unit will consist of one Fitch Share and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one Fitch Share at $0.60 per share for two years from closing, with an expiry acceleration clause to be determined.

The net proceeds of the Concurrent Financing will be used to fund the acquisition of the Targetcos', costs associated with the Qualifying Transaction and to provide general working capital.

Finders' Fee and Consulting Fee
Subject to Exchange approval, Fitch anticipates issuing an aggregate of 400,000 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies.

(Expressed in Canadian Dollars)

8. Advances from Fitch Street Capital Corp.-cont'd

Secured Loan

Subject to prior acceptance of the Exchange and the satisfaction of all conditions of the Exchange in respect of the same, Fitch has agreed to provide a secured loan to the Targetcos in the principal amount up to $225,000 (the "Loan"). The proceeds of the Loan shall be used by the Targetcos to fund its operating expenses. The Loan shall accrue interest at a rate of 10% per annum, compounded annually and will become due at the earliest of the receipt of final approval of the Exchange of the Qualifying Transaction or June 1, 2019 unless sooner determined due to the occurrence of an event or default, or extended by the Lender as set out in the loan agreement dated November 21, 2018 between the Targetcos and Fitch. The Loan will be secured by a general security agreement and any other security that Fitch may reasonably require from the Targetcos from time to time.

As at March 31, 2019, the Company owed $208,000 (2018 - $nil) to Fitch pursuant to the secured loan agreement.

9. Deferred Revenue

As at March 31, 2019, the Company has received deposits for orders of $579,107 (2018 - $410,756) which the Company has begun ordering parts and/or began assembly of the equipment. The Company recognizes revenue when a machine is shipped.

10. Related party transactions

During the year ended March 31, 2019 a director and President owed $2,979 (2018 -$3,226) and a director and CEO owed $4,523 (2018 -$Nil) to the Company.

Advances and payables are non-interest bearing and payable upon demand.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the following:

	March 31, 2019	March 31, 2018
Director and President	92,708	36,250
Director and CEO	92,708	36,250
	$ 185,416	$ 72,500

These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties.

11. Financial instruments and financial risk management.

The Company's risk exposure and impact on the Company's financial instruments are summarized below:

a. *Credit risk*

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash and accounts receivable. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company is not subject to significant credit risk on cash held with banks, as it is held on deposit with

11. Financial instruments and financial risk management - cont'd

credit worthy financial institutions. The Company extends credit in the normal course of business. The Company's risk on accounts receivable was assessed as medium due to potential non-payments.

b. Liquidity risk

Liquidity risk is the risk that a company or bank may be unable to meet short term financial demands. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its working capital, loans from related parties and contributions from members. Liquidity risk is assessed as high.

c. Market risk

i. Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risks on cash is not considered significant.

ii. Price risk

Price risk is the risk of a decline in the value of a security or a portfolio due to a decline in asset prices. The Company is not exposed to price risk.

iii. Currency risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rate. The Company is not exposed to foreign currency exchange risk.

d. Fair value

The recorded value of the Company's financial assets and liabilities approximate their fair values due to their demand nature and their short term to maturity.

The Company provides information about financial instruments that are measured at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

The three levels of the fair value hierarchy are:

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 following table presents the financial instruments recorded at fair value in the statement of financial position, classified using the fair value hierarchy:

	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial Assets				
Cash	$ 63,647	$ -	$ -	$ 63,647
	$ 63,647	$ -	$ -	$ 63,647

(Expressed in Canadian Dollars)

12. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash held by the Company.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

The Company does not have sufficient capital resources to carry out all of its obligations and, accordingly, will attempt to raise additional capital when necessary. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

13. Commitments

During the year ended March 31, 2018, the Company on January 1, 2018 entered into a lease agreement for premises expiring on June 30, 2019. Lease commitments are $2,200 per month.

14. Income Taxes

A reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

	2019	2018
Statutory tax rate	12.0%	12.0%
Expected income tax recovery	$ (56,000)	$ (19,000)
Decrease in income tax recovery resulting from:		
Effect of reduction in statutory rate	-	-
Change in the valuation allowance for future income tax assets	56,000	19,000
Future income tax recovery	$ -	$ -

Significant components of the Company's future tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

	2019	2018
Future income tax assets:		
Non-capital losses carried forward	$ 75,000	$ 19,000
Capital assets	500	500
	75,500	19,500
Valuation allowance for future income tax assets	(75,500)	(19,500)
	$ -	$ -

The Company has recorded a valuation allowance against its future income taxes based on the extent to which it is more likely than not that sufficient taxable income will be realized during the carry forward period to utilize all the future tax assets.

15. Income Taxes-cont'd

In addition, the Company has accumulated non-capital losses totalling $626,000 that are available to reduce taxable income of future years. The non-capital losses expire as follows:

2038	$	161,000
2039		465,000
	$	626,000

These losses are unconfirmed subject to assessment of the Company's annual tax return by the Canada Revenue Agency.

PURE EXTRACTION LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2019

(Expressed in Canadian Dollars)

CONDENSED INTERIM FINANCIAL STATEMENTS

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

PURE EXTRACTION LTD.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

		As at September 30, 2019		As at March 31, 2019 (Audited)
ASSETS				
Current assets				
Cash (Note 12)	**$**	**51,089**	$	63,647
Accounts receivable (Note 4)		**505**		16,518
Inventory (Note 5)		**668,380**		394,701
Due from shareholders		**-**		7,502
Prepaid expenses		**-**		58,000
		719,974		540,368
Non-current assets				
Property and equipment (Note 6)		**892**		1,332
Total non-current assets		**892**		1,332
Total assets	**$**	**720,866**	$	541,700
LIABILITIES AND EQUITY				
Current liabilities				
Accounts payable and accrued liabilities (Note 7)	**$**	**246,738**	$	228,870
Due to related company (Note 8)		**156,004**		156,004
Advances from Fitch Street Capital Corp. (Note 9)		**208,157**		208,000
Deferred revenue (Note 10)		**866,302**		579,107
Total liabilities		**1,477,201**		1,171,981
Equity				
Share capital		**1**		1
Deficit		**(756,336)**		(630,282)
Total equity		**(756,335)**		(630,281)
Total liabilities and equity	**$**	**720,866**	$	541,700

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Approved and authorized on behalf of the Board:

"Mark Van Sluytman", Director — Mark Van Sluytman
"Hardin Jackson", Director — Hardin Jackson

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

PURE EXTRACTION LTD.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited - Expressed in Canadian Dollars)
FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30,

	Three Months Ended September 30,		Six Months Ended September 30,	
	2019	2018	**2019**	2018
Revenue	$ -	$ 59,751	**$ 333,615**	$ 659,232
Cost of sales	-	48,533	**274,962**	541,847
Gross profit	-	11,218	**58,653**	117,385
Expenses				
Advertising and promotion	**5,645**	984	**6,300**	16,659
Amortization	**220**	220	**440**	440
Bank charges and interest	**622**	1,033	**1,779**	3,045
Insurance	**815**	735	**1,630**	1,470
Office and administration	**8,115**	8,643	**10,319**	16,917
Rent and utilities	**12,548**	10,420	**26,504**	22,331
Repair and maintenance	**202**	4,444	**255**	17,094
Research and product development	**1,037**	9,781	**6,354**	34,535
Salaries and benefits	**53,482**	56,065	**127,646**	76,098
Sales commission	**-**	2,710	**-**	5,365
Telephone	**997**	(7,096)	**2,010**	3,423
Travel and accommodation	**1,436**	5,329	**1,470**	16,244
	85,119	93,268	**184,707**	213,621
Net and comprehensive gain (loss) for the period	**$ (85,119)**	$ (82,050)	**$ (126,054)**	$ (96,236)
Basic and diluted earnings (loss) per share	$ (8.51)	$ (8.21)	$ (12.61)	$ (9.62)
Weighted average shares outstanding	10,000	10,000	10,000	10,000

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

PURE EXTRACTION LTD.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2019 AND 2018

	Share Capital						
	Common Shares		Amount		Retained Earnings (Deficit)		Total Equity
Balance, March 31, 2018	10,000	$	1	$	(162,732)	$	(162,731)
Net and comprehensive loss	-		-		(101,448)		(101,448)
Balance, September 30, 2018	10,000		1		(264,180)		(264,179)
Balance, March 31, 2019	**10,000**	**$**	**1**	**$**	**(630,282)**	**$**	**(630,281)**
Net and comprehensive loss	**-**		**-**		**(126,054)**		**(126,054)**
Balance, September 30, 2019	**10,000**	**$**	**1**		**(756,336)**		**(756,335)**

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

PURE EXTRACTION LTD.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE SIX MONTHS ENDED SEPTEMBER 30,

	September 30, 2019	September 30, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss for the period	**$ (126,054)**	$ (96,236)
Items not affecting cash:		
Amortization	**440**	440
Changes in non-cash working capital items:		
Accounts receivable	**16,013**	63,320
Inventory	**(273,679)**	34,083
Prepaid expenses	**58,000**	-
Accounts payable and accrued liabilities	**17,868**	(64,596)
Due from shareholder	**7,502**	2,722
Deferred revenue	**287,195**	(20,073)
Net cash used in operating activities	**(12,715)**	(80,340)
CASH FLOW FROM FINANCING ACTIVITIES		
Advances from Fitch Street Capital	**157**	-
Net cash flow from financing activities	**157**	-
Change in cash for the period	**(12,558)**	(80,340)
Cash, beginning of period	**63,647**	153,516
Cash, end of period	**$ 51,089**	$ 73,176

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

1. **Nature of Operations and Continuance of Business**

Pure Extraction Ltd. ("Pure Ltd" or the "Company") was incorporated on February 15, 2017 under the Canada Business Corporations Act. The Company is engaged in the business of manufacturing and selling extraction equipment in the Cannabis and non-Cannabis industries.

There were no transactions in the Company from the date of incorporation, February 15, 2017 to March 31, 2017 other than the issuance of 10,000 common shares in the capital stock of the Company for $1.

The Company's corporate office is located on 269 W 8th Ave., Vancouver, BC, Canada V5Y 1N3.

These financial statements were authorized for issuance by the Board of Directors on November 14, 2019.

Going Concern

While the Company's financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events cast significant doubt on the validity of this assumption. For the six months ended September 30, 2019, the Company reported a net loss of $126,054 (2018 - $96,236) and as at that date had an accumulated deficit of $756,336 (March 31, 2019 - $630,282). As of September 30, 2019, the Company has a net working capital deficit of $757,227 (March 31, 2019 - $631,613). The Company expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

These condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material. The directors of the Company have approved these financial statements.

2. **Summary of Significant Accounting Policies**

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of the condensed interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual audited financial statements for the period ended March 31, 2019 which have been prepared in accordance with IFRS as issued by the IASB.

Basis of Presentation

(a) Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

Significant areas having estimation uncertainty include revenue recognition, asset impairment, inventory provision, impairment loss (recoveries) on trade receivables, income taxes, impairment of financial assets at amortized cost impairment of long-term assets.

(b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, commercial accounts, and bank deposits. Items are considered to be cash equivalents if the original maturity is three months or less.

2. Summary of Significant Accounting Policies (continued)

(c) Revenue Recognition

The Corporation generates revenues primarily from product sales. Product sales are derived primarily from standard product sales contracts. Under *IFRS 15*, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires judgment.

On standard product sales contracts, revenues are recognized when customers obtain control of the product, that is when transfer of title and risks and rewards of ownership of goods have passed and when obligation to pay is considered certain. Invoices are generated and revenue is recognized at that point in time when the product is shipped.

Deferred revenue (i.e. contract liabilities) represents cash received from customers on uncompleted contracts.

(d) Inventory

Inventories are recorded at the lower of cost and net realizable value. The cost of inventories is based on the first- in first-out principle. In the case of manufactured inventories and work in progress, cost includes materials and labor based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. In establishing any impairment of inventory, management estimates the likelihood that inventory carrying values will be affected by changes in market demand, technology and design, which would impair the value of inventory on hand.

(e) Income Taxes

The Company accounts for income taxes using the asset and liability method, which provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

(f) Foreign Currency Translation

The Company’s functional and reporting currency is the Canadian dollar.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated at rates of exchange in effect at the date of the transaction. Average monthly rates are used to translate revenues and expenses. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income.

(g) Financial Instruments

The Company has adopted IFRS 9, Financial Instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income (“FVOCI”), or through profit or loss (FVTPL)), and those to be measured at amortized cost.

2. Summary of Significant Accounting Policies (continued)

(h) Financial Instruments-cont'd

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.
The Company has classified its cash at fair value through profit or loss. The company has classified its accounts receivable, inventory, due to shareholders and prepaid expenses at amortized cost.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period which it arises.

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. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of income (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.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost. A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial

2. Summary of Significant Accounting Policies (continued)

recognition. Directly attributable transaction costs are recognized costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, loans payable and due to related parties are classified as financial liabilities held at amortized cost.

(i) Property and Equipment

Equipment is stated at cost and is amortized over the estimated useful life on a straight-line basis:

Machinery and equipment	5-10 years
Computer equipment and software	3 years

(j) Impairment of Long-Lived Assets

The Company tests long-lived assets for recoverability when events or changes in circumstance indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset, significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss.

(k) Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regards to previous years. Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect both accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

2. Summary of Significant Accounting Policies (continued)

(l) Recent Accounting Pronouncements

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which became effective during the year ended March 31, 2019:

Effective for periods beginning on or after January 1, 2018

- IFRS 9, *Financial Instruments – Classification and Measurement*

  IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and measurement.*

  IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. This standard has been adopted without material effect to these financial statements.

- IFRS 15, *Revenue from Contracts with Customers*

  IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from and entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts,* IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service.* This standard has been adopted without material effect to these financial statements.

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which are not yet mandatory during the year ended March 31, 2019:

Effective for periods beginning on or after January 1, 2019

- IFRS 16, *Leases*

  In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard is effective for annual periods beginning on or after January 1, 2019.

(Expressed in Canadian Dollars)

2. Summary of Significant Accounting Policies (continued)

(m) Share capital

The cost of incentive share options and other equity-settled share-based compensation and payment arrangements is recorded based on the estimated fair-value at the grant date and charged to earnings over the vesting period. Where incentive share options are subject to vesting, each vesting tranche is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by a charge to earnings, with a corresponding increase to contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

(n) Basic earnings/loss per share

Basic earnings/loss per share is computed by dividing the net income or loss attributable to common shareholders of the Company by weighted average number of common shares outstanding for the relevant period. Diluted earnings/loss per share is computed by adjusting the net income or loss attributable to common shareholders dividing by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments such as warrants and options were exercised.

(o) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of the discount is recognized as a finance expense.

3. Accounts Receivable

	September 30, 2019	March 31, 2019
Trade receivables	**$ 505**	$ 16,518

4. Inventory

Inventory comprised the following items:

	September 30, 2019	March 31, 2019
Work in progress -materials and labour	**$ 668,380**	$ 394,701

For the six months ended September 30, 2019, the amount of direct materials, direct labour and shipping costs recognized as cost of goods sold amounted to $274,962 (2018 - $541,847).

(Expressed in Canadian Dollars)

5. Property and Equipment

		Computer Hardware
Cost		
Balance, March 31, and September 30, 2019	**$**	**3,090**
Accumulated amortization		
Balance, March 31,2019	$	1,758
Amortization		440
Balance, September 30, 2019	**$**	**2,198**
Carrying amounts		
As at September 30, 2019	**$**	**892**
As at March 31, 2019	**$**	**1,332**

7. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are as follows:

		September 30, 2019		March 31, 2019
Trade payables and accrued liabilities	**$**	**246,738**	$	228,870

8. Due to Related Company

At as September 30, 2019, the Company owed $156,004 (March 31, 2019 - $156,004) to Pure Extraction Inc., a company with common directors and officers. The amounts owed bear no interest and are payable on demand.

9. Advances from Fitch Street Capital Corp.

On October 2, 2018, the Company, Pure Extraction Inc. (together known as the “Targetcos” or “Pure Extraction”), the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. entered into a Letter of Intent (the “LOI”) with Fitch Street Capital Corp. ("Fitch") to sell all of the shares of the Targetcos. Pursuant to the LOI, Fitch advanced the Company $25,000 on October 26, 2018.

On December 17, 2018, Fitch entered into a definitive Share Exchange Agreement (the "Agreement") with the Targetcos, the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. with respect to the proposed acquisition of the Targetcos by Fitch (the "Transaction").

9. Advances from Fitch Street Capital Corp. - cont'd

Summary of the Transaction
Under the terms of the Transaction, Fitch will acquire all of the issued and outstanding shares of the Targetcos (the "Pure Shares") from the shareholders of Targetcos. In consideration for the Pure Shares, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 3,000,000 common shares of the Company (the "Fitch Shares") at a deemed value of $0.165 per share. In addition, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 1,000,000 Fitch Shares if the Targetcos generate cumulative gross revenues greater than $2,000,000 within 18 months from execution of the Agreement at a deemed value of $0.165 per share.

The Transaction is subject to a number of conditions precedent, including the approval of the TSX Venture Exchange (the "Exchange").

Upon closing, the name of Fitch will be changed to "Pure Extraction Corp." or such other name which is acceptable to the directors of Fitch and the Targetcos, the Exchange and the registrar of companies for British Columbia.

All Fitch Shares issued pursuant to the Transaction will be subject to restrictions on resale as set out in the Agreement and may be subject to Exchange-imposed restrictions on resale. Some of the Fitch Shares to be issued to the shareholders of the Targetcos pursuant to the Transaction may also be subject to time escrow provisions imposed pursuant to the policies of the Exchange.

The Transaction is expected to qualify as the Company's Qualifying Transaction (the "Qualifying Transaction"). Since Fitch and the Targetcos are arm's length to each other, Fitch is not required to obtain shareholder approval for the Transaction.

Concurrent Financing
Concurrent with the closing of the Transaction, Fitch intends to complete a concurrent financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,815 units (each a "Unit") at $0.135 per unit. Each Unit will consist of one Fitch Share and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one Fitch Share at $0.60 per share for two years from closing, with an expiry acceleration clause to be determined.

The net proceeds of the Concurrent Financing will be used to fund the acquisition of the Targetcos', costs associated with the Qualifying Transaction and to provide general working capital.

Finders' Fee and Consulting Fee
Subject to Exchange approval, Fitch anticipates issuing an aggregate of 400,000 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies.

Secured Loan

Subject to prior acceptance of the Exchange and the satisfaction of all conditions of the Exchange in respect of the same, Fitch has agreed to provide a secured loan to the Targetcos in the principal amount up to $225,000 (the "Loan"). The proceeds of the Loan shall be used by the Targetcos to fund its operating expenses. The Loan shall accrue interest at a rate of 10% per annum, compounded annually and will become due at the earliest of the receipt of final approval of the Exchange of the

(Expressed in Canadian Dollars)

Qualifying Transaction or June 1, 2019 unless sooner determined due to the occurrence of an event or default, or extended by the Lender as set out in the loan agreement dated November 21, 2018 between the Targetcos and Fitch. The Loan will be secured by a general security agreement and any other security that Fitch may reasonably require from the Targetcos from time to time.

As at September 30, 2019, the Company owed $208,157 (March 31, 2019 - $208,000) to Fitch pursuant to the secured loan agreement.

(Note 15)

10. Deferred Revenue

As at September 30, 2019, the Company has received deposits for orders of $866,302 (2019 - $579,107) which the Company has begun ordering parts and/or began assembly of the equipment. The Company recognizes revenue when a machine is shipped.

11. Related party transactions

The Company's related parties include its significant shareholder, and key management personnel. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length. The remuneration of the Company's directors and other key management personnel during the period ended September 30, 2019 and September 30, 2018 are as follows:

	September 30, 2019	September 30, 2018
Director and President	**$ 47,500**	$ 41,250
Director and CEO	**47,500**	41,250
	$ 95,000	$ 82,500

As at September 30, 2019, two related parties were indebted to the Company for the amounts as below:

	September 30, 2019	March 31, 2019
Director and President	**-**	2,979
Director and CEO	**-**	4,523
	$ -	$ 7,502

These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties. Advances and payables are non-interest bearing and payable upon demand.

12. Financial instruments and financial risk management.

The Company's risk exposure and impact on the Company's financial instruments are summarized below:

a. *Credit risk*

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash and accounts receivable. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company is not subject to significant credit risk on cash held with banks, as it is held on deposit with credit worthy financial institutions. The Company extends credit in the normal course of business. The Company's risk on accounts receivable was assessed as medium due to potential non-payments.

b. Liquidity risk

Liquidity risk is the risk that a company or bank may be unable to meet short term financial demands. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its working capital, loans from related parties and contributions from members. Liquidity risk is assessed as high.

12. Financial instruments and financial risk management - cont'd

c. Market risk

i. Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risks on cash is not considered significant.

ii. Price risk

Price risk is the risk of a decline in the value of a security or a portfolio due to a decline in asset prices. The Company is not exposed to price risk.

iii. Currency risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rate. The Company is not exposed to foreign currency exchange risk.

d. Fair value

The recorded value of the Company's financial assets and liabilities approximate their fair values due to their demand nature and their short term to maturity.

The Company provides information about financial instruments that are measured at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

The three levels of the fair value hierarchy are:

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 following table presents the financial instruments recorded at fair value in the statement of financial position, classified using the fair value hierarchy:

	Level 1	Level 2	Level 3	**Total September 30, 2019**
Financial Assets				
Cash	$ 51,089	$ -	$ -	**$ 51,089**
	$ 51,089	$ -	$ -	**$ 51,089**

	Level 1	Level 2	Level 3	Total March 31, 2019
Financial Assets				
Cash	$ 63,647	$ -	$ -	$ 63,647
	$ 63,647	$ -	$ -	$ 63,647

13. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash held by the Company.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

The Company does not have sufficient capital resources to carry out all of its obligations and, accordingly, will attempt to raise additional capital when necessary. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

14. Commitments

On May 3, 2019, the Company entered into a lease agreement for premises. The term of lease will be one year from July 1, 2019 to June 30, 2020. Lease commitments are $2,400 per month.

15. Subsequent Event

On November 29, 2019, the Company and the Fitch Street Capital Corp. extended the termination date of the Agreement to January 31, 2020. The Company has advanced $218,157 to Pure Extraction under a secured loan (the "Loan"). The Loan was also amended to have a due date at the earliest of the receipt of final approval of the TSX Venture Exchange of the Qualifying Transaction or January 31, 2020.

SCHEDULE "D"

Management's Discussion and Analysis of Pure Extraction Ltd. for the years ended March 31, 2019 and 2018 and interim management's discussion and analysis of Pure Extraction Ltd. for the six months ended September 30, 2019 and 2018.

See attached document

The following discussion is management's assessment and analysis of the results of operations and financial conditions of Pure Extraction Ltd. (the "Company") and should be read in conjunction with the Company's audited financial statements and related notes thereto for the years ended March 31, 2019, 2018 and 2017, which have been prepared in accordance with International Financial Reports Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). In addition, these interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable. Information on Pure Extraction is available on the Company's website: www.pureextraction.com. Readers of this MD&A are cautioned that information and statements derived from the Company's financial statements do not necessarily reflect the future financial performance of the Company. Statements in this MD&A that are not historical based facts are forward looking statements which are made subject to cautionary language on page 5 and involve known and unknown risks and uncertainties. Actual results could vary considerably from these statements. Readers are again cautioned not to put undue reliance on forward looking statements.

All amounts are in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is July 29, 2019.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Overview

Description of the Business

The Company was incorporated under the Canada Business Corporations Act on February 15, 2017. Pure Extraction is a Canadian based manufacturer and service provider for the premium botanical oil extraction industry. Pure Extraction has a primary focus of building and selling oil extraction equipment for commercial oil production, with a secondary focus on providing support to the CO2 extraction industry with training and services to increase the value of owning such equipment.

Pure Extraction Ltd. uses CO_2 extraction technology to extract essential oils from botanicals through specific temperatures and pressures. This technology can be used to extract oils from products such as coffee, vanilla, tea, fruits and nuts, tobacco and cannabis. The extracted oil does not contain any residual petroleum particles and does not contain any flammable or explosive petroleum-based solvents. Pure Extraction's extraction process is carbon neutral, and multiple varieties of the end-product can be produced by varying the temperature, pressure and flow rate during the extraction process.

The CO_2 extraction systems range from entry-level to mid-level in size, with production scale options. Pure Extraction currently offers three (3) varieties of its CO_2 Extraction systems, from the "Semi-Automated" systems with smaller capacity input vessels used for small scale extraction and to test formulas, to the "Fully-Automated" single extractor systems with mid-level capacity inputs, to multi-extractor "fully-Automated" systems which is used for large scale extraction and allows for 24 hour continuous extraction.

Traditional vs. Medical Use

Aside from the traditional recreational use of marijuana and driven by the increased demand of consumers that are looking for new alternatives for existing pharmaceutical products, it is estimated that almost 50% of the use for legal cannabis sales will be solely for medicinal purposes. This will amount to over $11B USD in annual demand of the overall $23B USD annual demand in the United States alone. With actual data from Colorado illustrating that the medical use of marijuana to be closer to 63% of the overall demand.

Dried vs. Oil Extracts

As the market for medical marijuana matures and becomes increasingly accepted, the method by which patients will utilize this will also evolve and change. Studies show that the conversion rate from dried (more traditional) use of medical marijuana to the use of medical extracts/oils for less conspicuous consumption by way of ingestion, will increase as the market progresses. Conversion rates in early studies from Colorado illustrate a 45% overall use of medicinal cannabis in the form of oils/extracts.

Demand for Purity

Extraction of botanical oils has been a practice utilized for many years. Primarily for producing scents and flavour extracts, there is now a repurposed demand for the process for the medical marijuana market vertical.

Traditional extraction process currently utilized today are methods such as Butane Extraction ("BHO Extraction"). BHO Extraction uses chemicals such as light hydrocarbons to extract oil from botanicals. This chemical extraction process is less expensive to utilize, however, the final product is not organic nor does it provide the level of purity expected for medicinal use. A chemical extraction process runs counter to the expectations and demands of those individuals seeking and requiring medical grade and organically pure extract material.

Although a more intensive process, Supercritical CO2 Extraction provides a more organically pure medical extract. This process utilizes both temperature and pressure of carbon dioxide to extract oils, fats and lipids from organic matter. Although non-toxic and a neutral extraction method, to achieve the supercritical state for CO2 requires more complex and more expensive equipment.

Benefits of CO2 Extraction

- **Non-Toxic/ Non-Carcinogenic**: the extracted oil does not contain any residual petroleum particles.
- **Safe:** no potentially flammable or explosive petroleum based solvents, approved method by FDA and Health Canada.
- **Carbon-Neutral/ Environmentally Friendly:** does not contribute toward carbon emission increases in our atmosphere.

- **Tunable Solvent**: by varying and fine tuning the temperature, pressure, and the flow rate during the extraction process, multiple varieties of the end product can be produced.
- **Producing a Premium Product:** known as the highest quality oil extracts from products such as coffee, vanilla, tea, fruit and nut extracts and aromas, omega-3 oil, perfumes, and tobacco extractions.

Pure Extraction specializes in the design, development, manufacturing, sales, and service of Supercritical CO2 Extraction solutions specifically tailored to the demand for medical marijuana.

Secondary Markets

Botanical Derived Medicinals: Finished products made from medicinal and aromatic plants are increasingly prescribed and bought over the counter. The global market for botanical and plant-derived drugs is therefore expected to increase from $29.4 billion in 2017 to $39.6 billion in 2022, an annual growth rate of 6.1% according to a 2017 study by BCC Research.

- Echinacea herb & root
- Citronella essential Oil
- St. John's wort herb
- plus about 180+ as listed in Appendix

Nutraceuticals: Development into nutraceuticals is growing - products that range from isolated nutrients, dietary supplements and herbal products, specific diets and processed foods such as cereals, soups, and beverages. A market research report produced in 2015 projected that the worldwide nutraceuticals market would reach US$250 billion by 2018 (KPMG 2015 report). A report by Markets and Research predicts a US $275 billion market for nutraceuticals by 2021. Current high value items are; ginseng, herbs, mushrooms, sea buckhorn, arnica, angelica, artmesia, mercola, lemon balm, tansy, and yarrow.

Foods with a perceived medical benefit include:

- Functional Foods (ie, vitamin enriched products)
- Nutritional Supplements
- Sports Drinks
- Medically Formulated Foods

Hemp: The Industrial Hemp market is situated to grow as regulations are loosened and industry develops new and innovative products. These products include, plastics that biodegrade much faster than standard current plastics, biofuel, industrial materials, and food products. Hemp demand in 2018 was $390M and is expected to reach $1.3B by 2022.

Tobacco: The recent increase in the demand for e-cigarettes and vapour-based tobacco products has additionally increased the demand for oil extraction equipment. This is compounded by the recent popularity of flavoured and multiple varieties of vapour based products. Estimated currently are that the e-cigarette market is at or about $11B USD per year and growing by $24B by 2024.

Selected Financial Information

The following financial data is derived from the Company's audited annual financial statements for the years ended March 31, 2019, 2018 and 2017 respectively.

Years Ended March 31,	2019	2018	2017
	$	$	$
Net revenues	**1,477,824**	**502,366**	**-**
Gross profit	**123,036**	**8,345**	**-**
Net income (loss)	**(467,550)**	**(162,732)**	**-**
Total assets	**541,700**	**651,774**	**-**
Basic and diluted gain (loss) per share	**(46..76)**	**(16.27)**	**-**
Cash dividends per share	**0.00**	**0.00**	**0.00**

Results of Operations for the years ended March 31, 2019 and 2018

For the year ended March 31, 2019, the Company had net revenues of $1,477,824 (2018 – $502,366) and incurred a net loss of $467,550 (2018 - $162,732). The Company's gross profit on sales was $123,036 (2018 - $8,345) for a gross profit margin of 8% (2018 – 2%). Some of the major expenses are as follows:

- Advertising and promotion $41,979 (2018 – $27,399);
- Office and administration $28,910 (2018 – $13,506);
- Rent and utilities $44,506 (2018 – $20,081);
- Repair and maintenance $20,500 (2018 - $3,315);
- Research and development $208,086 (2018 - $nil);
- Salaries and benefits $186,980 (2018 – $68,210); and
- Travel and accommodation $33,096 (2018 – $21,865)

Liquidity

As at March 31, 2019 the company had working capital deficiency of $631,613 (2018 – $164,942). The Company has a cash balance of 63,647 (2018 - $153,516). The Company does not have any material expenditure commitments over the near term or long term.

Contractual Obligations

The Company has no material contractual obligations.

Share Capital

As at March 31, 2019, the Company had 10,000 common shares issued and outstanding (2018 – 10,0000; 2017 – 10,000).

Warrants:

No warrants were issued during the years ended March 31, 2019, 2018 and 2017. There were no outstanding warrants as at March 31, 2019, 2018 and 2017.

Stock Options:

No stock options were issued during the years ended March 31, 2019, 2018 and 2017. There were no outstanding stock options as at March 31, 2019, 2018 and 2017.

Related Party Transactions

During the year ended March 31, 2019 a director and President owed $2,979 (2018 -$3,226) and a director and CEO owed $4,523 (2018 -$Nil) to the Company.

Advances and payables are non-interest bearing and payable upon demand.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the following:

	March 31, 2019	March 31, 2018
Director and President	92,708	36,250
Director and CEO	92,708	36,250
	$ 185,416	$ 72,500

These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties. Advances and payables are non-interest bearing and payable upon demand.

Risk and Uncertainties

The Company's business, results of operations, financial condition, and the trading price of its common shares could be materially adversely affected by any of the foregoing risks and by other risks, including risks related to development of mineral deposits, metal prices, title matters, reclamation costs, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, and share trading volatility. Any of these risks could have a material adverse effect on the business, operations or financial condition of the Company.

Critical Accounting Estimates

The financial statements were prepared in accordance with IFRS which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Significant areas requiring the use of management estimates relate to determination of impairment of assets, exploration and evaluation assets' carrying values, useful lives for depreciation and amortization, and the value of deferred income tax assets and liabilities. Actual results could differ from these estimates.

Off-Balance-Sheet Arrangements

The Company does not have any off-balance sheet transactions.

New and amended standards adopted by the Company

Effective for periods beginning on or after April 1, 2019

- **IFRS 16, Leases**

In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit or loss on a straight-line basis over the lease term.

Financial Instruments and Related Risks

All significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

The Company's financial instruments include cash and cash equivalents, receivables, and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. The fair value of cash and cash equivalents are measured based on level 1 input of the fair value hierarchy.

Management believes that the Company is not exposed to significant interest rate risk, currency risk and credit risk.

Subsequent Events

None

List of Directors and Officers
Hardin Jackson, President & Director
Mark VanSluytman, CEO & Director

The following discussion is management's assessment and analysis of the results of operations and financial conditions of Pure Extraction Ltd. (the "Company") and should be read in conjunction with the Company's unaudited condensed interim financial statements and related notes thereto for the six months ended September 30, 2019, which have been prepared in accordance with International Financial Reports Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). In addition, these interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable. Information on Pure Extraction is available on the Company's website: www.pureextraction.com. Readers of this MD&A are cautioned that information and statements derived from the Company's financial statements do not necessarily reflect the future financial performance of the Company. Statements in this MD&A that are not historical based facts are forward looking statements which are made subject to cautionary language on page 14 and involve known and unknown risks and uncertainties. Actual results could vary considerably from these statements. Readers are again cautioned not to put undue reliance on forward looking statements.

All amounts are in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is December 9, 2019.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Six Months Ended September 30, 2019

On November 29, 2019, the Company and the Fitch Street Capital Corp. extended the termination date of the Agreement to January 31, 2020. The Company has advanced $218,157 to Pure Extraction under a secured loan (the "Loan"). The Loan was also amended to have a due date at the earliest of the receipt of final approval of the TSX Venture Exchange of the Qualifying Transaction or January 31, 2020.

Overview

Description of the Business

The Company was incorporated under the Canada Business Corporations Act on February 15, 2017. Pure Extraction is a Canadian based manufacturer and service provider for the premium botanical oil extraction industry. Pure Extraction has a primary focus of building and selling oil extraction equipment for commercial oil production, with a secondary focus on providing support to the CO2 extraction industry with training and services to increase the value of owning such equipment.

Pure Extraction Ltd. uses CO_2 extraction technology to extract essential oils from botanicals through specific temperatures and pressures. This technology can be used to extract oils from products such as coffee, vanilla, tea, fruits and nuts. The extracted oil does not contain any residual petroleum particles and does not contain any flammable or explosive petroleum-based solvents. Pure Extraction's extraction process is carbon neutral, and multiple varieties of the end-product can be produced by varying the temperature, pressure and flow rate during the extraction process.

The CO_2 extraction systems range from entry-level to mid-level in size, with production scale options. Pure Extraction currently offers three (3) varieties of its CO_2 Extraction systems, from the "Semi-Automated" systems with smaller capacity input vessels used for small scale extraction and to test formulas, to the "Fully-Automated" single extractor systems with mid-level capacity inputs, to multi-extractor "fully-Automated" systems which is used for large scale extraction and allows for 24 hour continuous extraction.

Demand for Purity

Extraction of botanical oils has been a practice utilized for many years. Primarily for producing scents and flavour extracts, there is now a repurposed demand for the process for the medical marijuana market vertical.

Traditional extraction process currently utilized today are methods such as Butane Extraction ("BHO Extraction"). BHO Extraction uses chemicals such as light hydrocarbons to extract oil from botanicals. This chemical extraction process is less expensive to utilize, however, the final product is not organic nor does it provide the level of purity expected for medicinal use. A chemical extraction process runs counter to the expectations and demands of those individuals seeking and requiring medical grade and organically pure extract material.

Although a more intensive process, Supercritical CO2 Extraction provides a more organically pure medical extract. This process utilizes both temperature and pressure of carbon dioxide to extract oils, fats and lipids from organic matter. Although non-toxic and a neutral extraction method, to achieve the supercritical state for CO2 requires more complex and more expensive equipment.

Benefits of CO2 Extraction

- **Non-Toxic/ Non-Carcinogenic**: the extracted oil does not contain any residual petroleum particles.
- **Safe:** no potentially flammable or explosive petroleum based solvents, approved method by FDA and Health Canada.
- **Carbon-Neutral/ Environmentally Friendly:** does not contribute toward carbon emission increases in our atmosphere.
- **Tunable Solvent**: by varying and fine tuning the temperature, pressure, and the flow rate during the extraction process, multiple varieties of the end product can be produced.
- **Producing a Premium Product:** known as the highest quality oil extracts from products such as coffee, vanilla, tea, fruit and nut extracts and aromas, omega-3 oil, perfumes.

Pure Extraction specializes in the design, development, manufacturing, sales, and service of Supercritical CO2 Extraction solutions specifically tailored to the demand for medical marijuana.

Secondary Markets

Botanical Derived Medicinal: Finished products made from medicinal and aromatic plants are increasingly prescribed and bought over the counter. The global market for botanical and plant-derived drugs is therefore expected to increase from $19.5 billion in 2008 to $32.9 billion in 2013, an annual growth rate of 11.0%, according to a 2009 study by BCC Research.

- Echinacea herb & root
- Citronella essential Oil
- St. John‘s wort herb
- plus about 180+ as listed in Appendix

Nutraceuticals: Development into nutraceuticals is growing - products that range from isolated nutrients, dietary supplements and herbal products, specific diets and processed foods such as cereals, soups, and beverages. A market research report produced in 2012 projected that the worldwide nutraceuticals market would reach US$250 billion by 2018. Current high value items are; ginseng, herbs, mushrooms, sea buckhorn, arnica, angelica, artmesia, mercola, lemon balm, tansy, and yarrow.

Foods with a perceived medical benefit include:

- Functional Foods (ie, vitamin enriched products)
- Nutritional Supplements
- Sports Drinks
- Medically Formulated Foods

Hemp: The Industrial Hemp market is situated to grow as regulations are loosened and industry develops new and innovative products. These products include, plastics that biodegrade much faster than standard current plastics, biofuel, industrial materials, and food products. Currently BC is one of the largest producers of industrial hemp with the Canadian industry growing rapidly with estimates over $50M in sales in 2015.

Tobacco: The recent increase in the demand for e-cigarettes and vapour-based tobacco products has additionally increased the demand for oil extraction equipment. This is compounded by the recent popularity of flavoured and multiple varieties of vapour based products. Estimates currently are that the e-cigarette market is at or about $2Bn USD per year and growing.

Selected Financial Information

The following financial data is derived from the Company's audited annual financial statements for the years ended March 31, 2019, 2018 and 2017 respectively.

Years Ended March 31,	**2019**	**2018**	**2017**
	$	**$**	**$**
Net revenues	**1,477,824**	**502,366**	**-**
Gross profit	**123,036**	**8,345**	**-**
Net income (loss)	**(467,550)**	**(162,732)**	**-**
Total assets	**541,700**	**651,774**	**-**

Basic and diluted earnings (loss) per share	**(46.75)**	**(16.27)**	**-**
Cash dividends per share	**0.00**	**0.00**	**0.00**

Results of Operations for the three months ended September 30, 2019 and 2018

For the three months ended September 30, 2019, the Company had net revenues of $Nil (2018 – $59,751) and incurred net loss of $85,119 (2018 - $82,050). The Company's gross profit on sales was $Nil (2018 - $11,218) for a gross profit margin of 0% (2018 – 19%). Some of the major expenses are as follows:

- Advertising and promotion $5,645 (2018 – $984);
- Office and administration $8,115 (2018 – $8,643);
- Rent and utilities $12,548 (2018 – $10,420);
- Salaries and benefits $53,482 (2018 – $56,065);
- Travel and accommodation $1,436 (2018 – $5,329); and
- Research and development $1,037 (2018 - $9,781)

Results of Operations for the six months ended September 30, 2019 and 2018

For the six months ended September 30, 2019, the Company had net revenues of $333,615 (2018 – $659,232) and incurred net loss of $126,054 (2018 - $96,236). The Company's gross profit on sales was $58,653 (2018 - $117,385) for a gross profit margin of 18% (2017 – 18%). Some of the major expenses are as follows:

- Advertising and promotion $6,300 (2018 – $16,659);
- Office and administration $10,319 (2018 – $16,917);
- Rent and utilities $26,504 (2018 – $22,331);
- Salaries and benefits $74,165(2018 – $20,033);
- Travel and accommodation $1,470 (2018 – $16,244); and
- Research and development $6,354 (2018 - $34,535)

Liquidity

As at September 30, 2019 the company had working capital deficiency of $757,227 (March 31, 2019 – $631,613). The Company has a cash balance of $51,089 (March 31, 2019 - $63,647). The Company does not have any material expenditure commitments over the near term or long term.

Contractual Obligations

The Company has no material contractual obligations.

Share Capital

As at September 30, 2019, the Company had 10,000 common shares issued and outstanding.

Warrants:

No warrants were issued during the six months ended September 30, 2019 and 2018. There were no outstanding warrants as at September 30, 2019 and 2018.

Stock Options:

No stock options were issued during the six months ended September 30, 2019 and 2018. There were no outstanding stock options as at September 30, 2019 and March 31, 2019.

Related Party Transactions

Key Management Compensation

The Company's related parties include its significant shareholder, and key management personnel. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length. The remuneration of the Company's directors and other key management personnel during the period ended September 30, 2019 and 2018 are as follows:

	September 30, 2019	September 30, 2018
Mark VanSlutyman, CEO and Director	**$ 47,500**	$41,250
Hardin Jackson, President	**47,500**	41,250
	$ 95,000	$825000

As at September 30, 2019, two related parties were indebted to the Company for the amounts as below:

	September 30, 2019	March 31, 2019
Director and President	**-**	2,979
Director and CEO	**-**	4,523
	$ -	$ 7,502

These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties. Advances and payables are non-interest bearing and payable upon demand.

Risk and Uncertainties

The Company's business, results of operations, financial condition, and the trading price of its common shares could be materially adversely affected by any of the foregoing risks and by other risks, including risks related to development of mineral deposits, metal prices, title matters, reclamation costs, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, and share trading volatility. Any of these risks could have a material adverse effect on the business, operations or financial condition of the Company.

Critical Accounting Estimates

The financial statements were prepared in accordance with IFRS which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Significant areas requiring the use of management estimates relate to determination of impairment of assets, exploration and evaluation assets' carrying values, useful lives for depreciation and amortization, and the value of deferred income tax assets and liabilities. Actual results could differ from these estimates.

Off-Balance-Sheet Arrangements

The Company does not have any off-balance sheet transactions.

New and amended standards adopted by the Company

Effective for periods beginning on or after April 1, 2019

- **IFRS 16, Leases**

  In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor.

  The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit or loss on a straight-line basis over the lease term.

Financial Instruments and Related Risks

All significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

The Company's financial instruments include cash and cash equivalents, receivables, and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. The fair value of cash and cash equivalents are measured based on level 1 input of the fair value hierarchy.

Management believes that the Company is not exposed to significant interest rate risk, currency risk and credit risk.

Subsequent Events

On November 29, 2019, the Company and the Fitch Street Capital Corp. extended the termination date of the Agreement to January 31, 2020. The Company has advanced $218,157 to Pure Extraction under a secured loan (the "Loan"). The Loan was also amended to have a due date at the earliest of the receipt of final approval of the TSX Venture Exchange of the Qualifying Transaction or January 31, 2020.

List of Directors and Officers
Hardin Jackson, President & Director
Mark VanSluytman, CEO & Director

SCHEDULE "E"

Annual audited financial statements of Pure Extraction Inc. for the years ended March 31, 2019 and 2018 and interim unaudited financial statements of Pure Extraction Inc. for the six months ended September 30, 2019 and 2018.

See attached document

PURE EXTRACTION INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2019 and 2018 and 2017

(Expressed in Canadian Dollars)

SAM S. MAH INC.
Chartered Professional Accountant Tel: (604) 617-8858
2001-1177 West Hastings Street Fax: (604) 688-8479
Vancouver, B.C. V6E 3X2 E-Mail: sam_mah@telus.net

INDEPENDENT AUDITOR'S REPORT

To: The Director of
Pure Extraction Inc.

Opinion
I have audited the financial statements of Pure Extraction Inc. (the "Company"), which comprise the statements of financial position as at March 31, 2019, 2018 and 2017 and the statement of loss and comprehensive loss, statement of cash flows and statement of changes in shareholders' equity for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

Basis for Qualified Opinion on the Financial Performance and Cash Flows
I was appointed as auditor of the Company on March 25, 2019 and thus did not observe the counting of the physical inventories at the beginning of the year. I was unable to satisfy myself by alternative means concerning inventory quantities held at March 31, 2016. Since opening inventories enter into the determination of the financial performance and cash flows, I was unable to determine whether adjustments might have been necessary in respect of the loss for the year reported in the statement of loss and comprehensive loss and net cash flows from operating activities reported in the statement of cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Qualified Opinion on the Financial Performance and Cash Flows
In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the statement of loss and comprehensive loss and statement of cash flows presents fairly, in all material respects, the financial performance and cash flows of the Company for the years ended March 31, 2019 in accordance with IFRSs.

Opinion on the Financial Position
In my opinion, the statement of financial position presents fairly, in all material respects, the financial position of the Company as at March 31, 2019 in accordance with IFRSs.

Basis for Opinion
I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern
I draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $Nil during the year ended March 31, 2019 and, as of that date, the Company had not yet achieved profitable operations, had ,accumulated losses of $134,354 since its inception, and expects to incur further losses in the development of its business. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Other Information
Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I are required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

The engagement practitioner on the audit resulting in this independent auditor’s report is Sam S. Mah, CPA, CA.

“Sam S. Mah Inc.”

Chartered Professional Accountant

Suite 2001 – 1177 West Hastings Street
Vancouver, BC, Canada V6E 2K3
July 29, 2019

PURE EXTRACTION INC.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT MARCH 31

	2019	2018	2017
ASSETS			
Current assets			
Cash	**$ 5,055**	$ 5,055	$ 27,131
Accounts receivable	**-**	-	88,238
Due from related company (Note 3)	**156,004**	156,004	-
Prepaid expenses	**-**	-	2,500
	161,059	161,059	117,869
Total assets	**$ 161,059**	$ 161,059	$ 117,869
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable	**$ -**	$ -	$ 17,362
Income taxes payable	**21,000**	21,000	13,000
Due to shareholders (Note 5)	**5,354**	5,354	5,354
Total liabilities	**26,354**	26,354	$ 35,716
Equity			
Share capital	**351**	351	351
Retained earnings	**134,354**	134,354	81,802
Total equity	**134,705**	134,705	82,153
Total liabilities and equity	**$ 161,059**	$ 161,059	$ 117,869

Share Exchange Agreement – Note 4

Approved and authorized on behalf of the Board:

"Mark Van Sluytman", Director
Mark Van Sluytman

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

PURE EXTRACTION INC.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED MARCH 31,

	2019	2018	2017
SALES	$ -	$ 353,666	$ 374,981
COST OF GOODS SOLD	-	282,682	251,509
GROSS PROFIT	-	70,984	123,472
EXPENSES			
Advertising and promotion	$ -	$ 925	$ 1,099
Bank charges and interest	-	249	1,618
Insurance	-	1,391	852
Office and administration	-	2,199	3,623
Professional fees	-	-	12,748
Rent and utilities	-	(1,460)	-
Salaries and benefits (Note 5)	-	7,128	5,102
Sales commission	-	-	678
Telephone	-	-	942
Travel and accommodation	-	-	-
	-	10,432	26,662
NET INCOME BEFORE INCOME TAXES	-	60,552	96,810
INCOME TAX (Note 9)	-	8,000	13,000
NET AND COMPREHENSIVE INCOME FOR THE YEAR	$ -	$ 52,552	$ 83,810
Basic and diluted gain (loss) per share	$ -	$ 8.62	$ 13.74
Weighted average number of shares outstanding	6,100	6,100	6,100

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

PURE EXTRACTION INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED MARCH 31,

	2019	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES			
Net income for the year	**$ -**	$ 52,552	$ 83,810
Changes in non-cash working capital items:			
Accounts receivable	**-**	88,238	(88,238)
Inventory	**-**	-	9,295
Due to shareholders	**-**	-	3,294
Accounts payable and accrued liabilities	**-**	(17,362)	6,114
Income tax payable	**-**	8,000	13,000
Prepaid expenses	**-**	2,500	(2,500)
Due to related company	**-**	(156,004)	-
Net cash generated by operating activities	**-**	(22,076)	24,775
CASH FLOW FROM FINANCING ACTIVITIES			
Shares issued for cash	**-**	-	300
Net cash generated by operating activities	**-**	-	300
Change in cash for the year	**-**	(22,076)	25,075
Cash, beginning of year	**5,055**	27,131	2,056
Cash, end of year	**$ 5,055**	$ 5,055	$ 27,131

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

PURE EXTRACTION INC.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED MARCH 31, 2019, 2018, and 2017

	Share Capital			
	Common Shares	Amount	Retained Earnings	Total Equity
Balance, March 31, 2016	5,100	$ 51	$ (2,008)	$ (1,957)
Shares issued for cash	1,000	300	-	300
Net and comprehensive income	-	-	83,810	83,810
Balance, March 31, 2017	6,100	$ 351	$ 81,802	$ 82,153
Net and comprehensive income	-	-	52,552	52,552
Balance, March 31, 2018	6,100	$ 351	$ 134,354	$ 134,705
Net and comprehensive income	-	-	-	-
Balance, March 31, 2019	6,100	$ 351	$ 134,354	$ 134,705

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

1. Nature of Operations and Continuance of Business

Pure Extraction Inc. ("Pure Inc" or the "Company") was incorporated on January 28, 2016 under the Business Corporations Act (British Columbia). The Company is engaged in the business of manufacturing and selling extraction equipment in the botanical oil industry.

The Company's corporate office is located on 269 W 8th Ave., Vancouver, BC, Canada V5Y 1N3.

These financial statements were authorized for issuance by the Board of Directors on July 29, 2019.

Going Concern

While the Company's financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events cast significant doubt on the validity of this assumption. For the year ended March 31, 2019, the Company reported a net income of $Nil (2018 - $52,552**)** and as at that date had accumulated earnings of $134,354 (March 31, 2018 - $134,354). As of March 31, 2019, the Company has a net working capital of $ 134,705 (March 31, 2018 - $134,705). The Company expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material. The directors of the Company have approved these financial statements.

2. Summary of Significant Accounting Policies

Basis of Presentation

These financial statements and related notes are presented in accordance 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").

(a) Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

Significant areas having estimation uncertainty include revenue recognition, asset impairment, inventory provision, impairment loss (recoveries) on trade receivables, income taxes, impairment of financial assets at amortized cost impairment of long-term assets.

(b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, commercial accounts, and bank deposits. Items are considered to be cash equivalents if the original maturity is three months or less.

(c) Revenue Recognition

The Corporation generates revenues primarily from product sales. Product sales are derived primarily from standard product sales contracts. Under *IFRS 15*, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires judgment.

2. Summary of Significant Accounting Policies

On standard product sales contracts, revenues are recognized when customers obtain control of the product, that is when transfer of title and risks and rewards of ownership of goods have passed and when obligation to pay is considered certain. Invoices are generated and revenue is recognized at that point in time when the product is shipped.

Deferred revenue (i.e. contract liabilities) represents cash received from customers on uncompleted contracts.

(d) Inventory

Inventories are recorded at the lower of cost and net realizable value. The cost of inventories is based on the first- in first-out principle. In the case of manufactured inventories and work in progress, cost includes materials and labor based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. In establishing any impairment of inventory, management estimates the likelihood that inventory carrying values will be affected by changes in market demand, technology and design, which would impair the value of inventory on hand.

(e) Income Taxes

The Company accounts for income taxes using the asset and liability method, which provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

(f) Foreign Currency Translation

The Company’s functional and reporting currency is the Canadian dollar.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated at rates of exchange in effect at the date of the transaction. Average monthly rates are used to translate revenues and expenses. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income.

(g) Financial Instruments

The Company has adopted IFRS 9, Financial Instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income (“FVOCI”), or through profit or loss (FVTPL)), and those to be measured at amortized cost.

2. Summary of Significant Accounting Policies (continued)

(h) Financial Instruments-cont'd

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI. The Company has classified its cash at fair value through profit or loss. The company has classified its due from related company at amortized cost.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period which it arises.

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. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of income (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.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost. A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition.

2. Summary of Significant Accounting Policies (continued)

Directly attributable transaction costs are recognized costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, loans payable and due to related parties are classified as financial liabilities held at amortized cost.

Other financial liabilities - Financial liabilities other than those classified as fair value through profit or loss are classified as other financial liabilities. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

(i) Property and Equipment

Equipment is stated at cost and is amortized over the estimated useful life on a straight-line basis:

Machinery and equipment	5-10 years
Computer equipment and software	3 years

(j) Impairment of Long-Lived Assets

The Company tests long-lived assets for recoverability when events or changes in circumstance indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset, significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss.

(k) Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regards to previous years. Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect both accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

2. Summary of Significant Accounting Policies (continued)

(l) Recent Accounting Pronouncements

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which became effective during the year ended March 31, 2019:

Effective for periods beginning on or after January 1, 2018

- IFRS 9, *Financial Instruments – Classification and Measurement*

  IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and measurement.*

  IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. This standard has been adopted without material effect to these financial statements.

- IFRS 15, *Revenue from Contracts with Customers*

  IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from and entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts,* IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service.* This standard has been adopted without material effect to these financial statements.

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which are not yet mandatory during the year ended March 31, 2019:

Effective for periods beginning on or after January 1, 2019

- IFRS 16, *Leases*

  In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard is effective for annual periods beginning on or after January 1, 2019.

2. Summary of Significant Accounting Policies (continued)

(m) Share capital

The cost of incentive share options and other equity-settled share-based compensation and payment arrangements is recorded based on the estimated fair-value at the grant date and charged to earnings over the vesting period. Where incentive share options are subject to vesting, each vesting tranche is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by a charge to earnings, with a corresponding increase to contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

(n) Basic earnings/loss per share

Basic earnings/loss per share is computed by dividing the net income or loss attributable to common shareholders of the Company by weighted average number of common shares outstanding for the relevant period. Diluted earnings/loss per share is computed by adjusting the net income or loss attributable to common shareholders dividing by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments such as warrants and options were exercised.

(o) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of the discount is recognized as a finance expense.

3. Due from Related Company

At as March 31, 2019, the Company was owed $156,004 (2018 - $156,004) from Pure Extraction Ltd., a company with common directors and officers. The amounts owed bear no interest and are payable on demand.

4. Share Exchange Agreement

On October 2, 2018, the Company, Pure Extraction Ltd., a related company (together known as the "Targetcos" or "Pure Extraction"), the shareholders of Pure Extraction Ltd., and the shareholders of the Company entered into a Letter of Intent (the "LOI") with Fitch Street Capital Corp. ("Fitch") to sell all of the shares of the Targetcos.

On December 17, 2018, Fitch entered into a definitive Share Exchange Agreement (the "Agreement") with the Targetcos, the shareholders of the Company, and the shareholders of Pure Extraction Ltd. with respect to the proposed acquisition of the Targetcos by Fitch (the "Transaction").

Summary of the Transaction

Under the terms of the Transaction, Fitch will acquire all of the issued and outstanding shares of the Targetcos (the "Pure Shares") from the shareholders of Targetcos. In consideration for the Pure Shares, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 3,000,000 common shares of the Company (the "Fitch Shares") at a deemed value of $0.165 per share. In addition, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 1,000,000 Fitch Shares if the Targetcos generate cumulative gross revenues greater than $2,000,000 within 18 months from execution of the Agreement at a deemed value of $0.165 per share.

The Transaction is subject to a number of conditions precedent, including the approval of the TSX Venture Exchange (the "Exchange").

(Expressed in Canadian Dollars)

4. Share Exchange Agreement-cont'd

Upon closing, the name of Fitch will be changed to "Pure Extraction Corp." or such other name which is acceptable to the directors of Fitch and the Targetcos, the Exchange and the registrar of companies for British Columbia.

All Fitch Shares issued pursuant to the Transaction will be subject to restrictions on resale as set out in the Agreement and may be subject to Exchange-imposed restrictions on resale. Some of the Fitch Shares to be issued to the shareholders of the Targetcos pursuant to the Transaction may also be subject to time escrow provisions imposed pursuant to the policies of the Exchange.

The Transaction is expected to qualify as the Company's Qualifying Transaction (the "Qualifying Transaction"). Since Fitch and the Targetcos are arm's length to each other, Fitch is not required to obtain shareholder approval for the Transaction.

Concurrent Financing

Concurrent with the closing of the Transaction, Fitch intends to complete a concurrent financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,815 units (each a "Unit") at $0.135 per unit. Each Unit will consist of one Fitch Share and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one Fitch Share at $0.60 per share for two years from closing, with an expiry acceleration clause to be determined.

The net proceeds of the Concurrent Financing will be used to fund the acquisition of the Targetcos', costs associated with the Qualifying Transaction and to provide general working capital.

Finders' Fee and Consulting Fee

Subject to Exchange approval, Fitch anticipates issuing an aggregate of 400,000 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies.

5. Related party transactions

During the year ended March 31, 2019 a director was owed $5,354 (2018 -$5,354, 2017 - $5,354).

Advances and payables are non-interest bearing and payable upon demand.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the following:

	March 31, 2019	March 31, 2018	March 31, 2017
Director	-	7,128	5,128
		$ 7,128	$ 5,128

These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties.

6. **Financial instruments and financial risk management**.

The Company's risk exposure and impact on the Company's financial instruments are summarized below:

a. Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash and accounts receivable. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company is not subject to significant credit risk on cash held with banks, as it is held on deposit with credit worthy financial institutions. The Company extends credit in the normal course of business. The Company's risk on accounts receivable was assessed as medium due to potential non-payments.

b. Liquidity risk

Liquidity risk is the risk that a company or bank may be unable to meet short term financial demands. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its working capital, loans from related parties and contributions from members. Liquidity risk is assessed as high.

c. Market risk

i. Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risks on cash is not considered significant.

ii. Price risk

Price risk is the risk of a decline in the value of a security or a portfolio due to a decline in asset prices. The Company is not exposed to price risk.

iii. Currency risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rate. The Company is not exposed to foreign currency exchange risk.

d. Fair value

The recorded value of the Company's financial assets and liabilities approximate their fair values due to their demand nature and their short term to maturity.

The Company provides information about financial instruments that are measured at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

The three levels of the fair value hierarchy are:

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

(Expressed in Canadian Dollars)

6. Financial instruments and financial risk management-cont'd

The following table presents the financial instruments recorded at fair value in the statement of financial position, classified using the fair value hierarchy:

	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial Assets				
Cash	$ 5,055	$ -	$ -	$ 5,055
	$ 5,055	$ -	$ -	$ 5,055

7. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash held by the Company.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

The Company does not have sufficient capital resources to carry out all of its obligations and, accordingly, will attempt to raise additional capital when necessary. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

8. Share Capital

Authorized: 10,000 Class A Common Shares without Par Value.

	2019	2018	2017
Issued:			
6,100 Common Shares	**$ 351**	$ 351	$ 351

(Expressed in Canadian Dollars)

9. Income taxes

Reconciliation to statutory rates - The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates of 12.00% (2018: 12%; 2017: 12%):

		2019		2018		2017
Net income (loss) for the year	$	-	$	60,552	$	96,810
Expected income tax		-		8,000		13,000
Effect of reduction in statutory rate		-		-		-
Amortization, net		-		-		-
Valuation allowance		-		-		-
	$	-	$	8,000	$	13,000

Non-capital losses – The Company has non-capital losses of $Nil available to offset future taxable income.

PURE EXTRACTION INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2019 and 2018

(Expressed in Canadian Dollars)

CONDENSED INTERIM FINANCIAL STATEMENTS

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

PURE EXTRACTION INC.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	September 30, 2019	(Audited) March 31, 2019
ASSETS		
Current assets		
Cash	**$ 5,055**	$ 5,055
Due from related company (Note 3)	**156,004**	156,004
	161,059	161,059
Total assets	**$ 161,059**	$ 161,059
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	**$ -**	$ -
Income taxes payable	**21,000**	21,000
Due to shareholders (Note 5)	**5,354**	5,354
Total liabilities	**26,354**	26,354
Equity		
Share capital	**351**	351
Retained earnings	**134,354**	134,354
Total equity	**134,705**	134,705
Total liabilities and equity	**$ 161,059**	$ 161,059

Share Exchange Agreement – Note 4

Approved and authorized on behalf of the Board:

"Mark Van Sluytman", Director
Mark Van Sluytman

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

PURE EXTRACTION INC.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30,

	Three Months Ended September 30, **2019**	Three Months Ended September 30, 2018	Six Months Ended September 30, **2019**	Six Months Ended September 30, 2018
SALES	$ -	$	$ -	$ -
COST OF GOODS SOLD	-	-	-	-
GROSS PROFIT	-	-	-	-
EXPENSES				
Advertising and promotion	$ -	$ -	$ -	$ -
Bank charges and interest	-	-	-	-
Insurance	-	-	-	-
Office and administration	-	-	-	-
Professional fees	-	-	-	-
Rent and utilities	-	-	-	-
Salaries and benefits (Note 5)	-	-	-	-
Sales commission	-	-	-	-
Telephone	-	-	-	-
Travel and accommodation	-	-	-	-
	-	-	-	-
NET INCOME BEFORE INCOME TAXES			-	
INCOME TAX	-	-	-	-
NET AND COMPREHENSIVE INCOME FOR PERIOD	$ -	$ -	$ -	$ -
Basic and diluted earnings (loss) per share				
Weighted average number of shares outstanding	6,100	6,100	6,100	6,100

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

PURE EXTRACTION INC.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE SIX MONTHS ENDED SEPTEMBER 30,

	September 30, 2019	September 30, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period	**$ -**	$ -
Changes in non-cash working capital items:		
Accounts receivable	**-**	-
Inventory	**-**	-
Due to shareholders	**-**	-
Accounts payable and accrued liabilities	**-**	-
Income tax payable	**-**	-
Prepaid expenses	**-**	-
Due to related company	**-**	-
Net cash generated by operating activities	**-**	-
CASH FLOW FROM FINANCING ACTIVITIES		
Shares issued for cash	**-**	-
Net cash generated by operating activities	**-**	-
Change in cash for the period	**-**	-
Cash, beginning of period	**5,055**	5,055
Cash, end of period	**$ 5,055**	$ 5,055

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

PURE EXTRACTION INC.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2019 and 2018

	Share Capital						
	Common Shares		Amount		Retained Earnings		Total Equity
Balance, March 31, 2018	6,100	$	351	$	134,354	$	134,705
Net and comprehensive income	-		-		-		-
Balance, September 30, 2018	6,100	$	351	$	134,354	$	134,705
Balance, March 31, 2019	6,100	$	351	$	134,354	$	134,705
Net and comprehensive income	-		-		-		-
Balance, September 30, 2019	6,100	$	351	$	134,354	$	134,705

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

1. Nature of Operations and Continuance of Business

Pure Extraction Inc. ("Pure Inc" or the "Company") was incorporated on January 28, 2016 under the Business Corporations Act (British Columbia). The Company is engaged in the business of manufacturing and selling extraction equipment in the botanical oil industry.

The Company's corporate office is located on 269 W 8th Ave., Vancouver, BC, Canada V5Y 1N3.

These financial statements were authorized for issuance by the Board of Directors on December 9, 2019.

Going Concern

While the Company's financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events cast significant doubt on the validity of this assumption. For the six months ended September 30, 2019, the Company reported a net income of $Nil (2018 - $nil**)** and as at that date had accumulated earnings of $134,354 (March 31, 2019 - $134,354). As of September 30, 2019, the Company has a net working capital of $ 134,705 (March 31, 2019 - $134,705). The Company expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material. The directors of the Company have approved these financial statements.

2. Summary of Significant Accounting Policies

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards **(**"IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of the condensed interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the audited annual financial statements for the period ended March 31, 2019 which have been prepared in accordance with IFRS as issued by the IASB.

(a) Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

Significant areas having estimation uncertainty include revenue recognition, asset impairment, inventory provision, impairment loss (recoveries) on trade receivables, income taxes, impairment of financial assets at amortized cost impairment of long-term assets.

(b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, commercial accounts, and bank deposits. Items are considered to be cash equivalents if the original maturity is three months or less.

(c) Revenue Recognition

The Corporation generates revenues primarily from product sales. Product sales are derived primarily from standard product sales contracts. Under *IFRS 15*, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires judgment.

2. Summary of Significant Accounting Policies

On standard product sales contracts, revenues are recognized when customers obtain control of the product, that is when transfer of title and risks and rewards of ownership of goods have passed and when obligation to pay is considered certain. Invoices are generated and revenue is recognized at that point in time when the product is shipped.

Deferred revenue (i.e. contract liabilities) represents cash received from customers on uncompleted contracts.

(d) Inventory

Inventories are recorded at the lower of cost and net realizable value. The cost of inventories is based on the first- in first-out principle. In the case of manufactured inventories and work in progress, cost includes materials and labor based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. In establishing any impairment of inventory, management estimates the likelihood that inventory carrying values will be affected by changes in market demand, technology and design, which would impair the value of inventory on hand.

(e) Income Taxes

The Company accounts for income taxes using the asset and liability method, which provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

(f) Foreign Currency Translation

The Company's functional and reporting currency is the Canadian dollar.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated at rates of exchange in effect at the date of the transaction. Average monthly rates are used to translate revenues and expenses. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income.

(g) Financial Instruments

The Company has adopted IFRS 9, Financial Instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income ("FVOCI"), or through profit or loss (FVTPL)), and those to be measured at amortized cost.

2. Summary of Significant Accounting Policies (continued)

(h) Financial Instruments-cont'd

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI. The Company has classified its cash at fair value through profit or loss. The company has classified its due from related company at amortized cost.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in the entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measures at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through OCI ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period which it arises.

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. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of income (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.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and amortized cost. A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition.

2. Summary of Significant Accounting Policies (continued)

Directly attributable transaction costs are recognized costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities, loans payable and due to related parties are classified as financial liabilities held at amortized cost.

Other financial liabilities - Financial liabilities other than those classified as fair value through profit or loss are classified as other financial liabilities. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

(i) Property and Equipment

Equipment is stated at cost and is amortized over the estimated useful life on a straight-line basis:

Machinery and equipment	5-10 years
Computer equipment and software	3 years

(j) Impairment of Long-Lived Assets

The Company tests long-lived assets for recoverability when events or changes in circumstance indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset, significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss.

(k) Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regards to previous years. Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect both accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

2. Summary of Significant Accounting Policies (continued)

(l) Recent Accounting Pronouncements

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which became:

Effective for periods beginning on or after January 1, 2018

- IFRS 9, *Financial Instruments – Classification and Measurement*

  IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and measurement.*

  IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. This standard has been adopted without material effect to these financial statements.

- IFRS 15, *Revenue from Contracts with Customers*

  IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from and entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts,* IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service.* This standard has been adopted without material effect to these interim financial statements.

At the date of authorization of these financial statements, the IASB and International Financial Reporting Committee ("IFRIC") have issued the following revised and new standards, amendments and interpretations which are:

Effective for periods beginning on or after January 1, 2019

- IFRS 16, *Leases*

  In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor. The new standard has been adopted without material effect to these interim financial statements.

2. Summary of Significant Accounting Policies (continued)

(m) Share capital

The cost of incentive share options and other equity-settled share-based compensation and payment arrangements is recorded based on the estimated fair-value at the grant date and charged to earnings over the vesting period. Where incentive share options are subject to vesting, each vesting tranche is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by a charge to earnings, with a corresponding increase to contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

(n) Basic earnings/loss per share

Basic earnings/loss per share is computed by dividing the net income or loss attributable to common shareholders of the Company by weighted average number of common shares outstanding for the relevant period. Diluted earnings/loss per share is computed by adjusting the net income or loss attributable to common shareholders dividing by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments such as warrants and options were exercised.

(o) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of the discount is recognized as a finance expense.

3. Due from Related Company

At as March 31, 2019, the Company was owed $156,004 (2018 - $156,004) from Pure Extraction Ltd., a company with common directors and officers. The amounts owed bear no interest and are payable on demand.

4. Share Exchange Agreement

On October 2, 2018, the Company, Pure Extraction Ltd., a related company (together known as the "Targetcos" or "Pure Extraction"), the shareholders of Pure Extraction Ltd., and the shareholders of the Company entered into a Letter of Intent (the "LOI") with Fitch Street Capital Corp. ("Fitch") to sell all of the shares of the Targetcos.

On December 17, 2018, Fitch entered into a definitive Share Exchange Agreement (the "Agreement") with the Targetcos, the shareholders of the Company, and the shareholders of Pure Extraction Ltd. with respect to the proposed acquisition of the Targetcos by Fitch (the "Transaction").

Summary of the Transaction

Under the terms of the Transaction, Fitch will acquire all of the issued and outstanding shares of the Targetcos (the "Pure Shares") from the shareholders of Targetcos. In consideration for the Pure Shares, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 3,000,000 common shares of the Company (the "Fitch Shares") at a deemed value of $0.165 per share. In addition, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 1,000,000 Fitch Shares if the Targetcos generate cumulative gross revenues greater than $2,000,000 within 18 months from execution of the Agreement at a deemed value of $0.165 per share.

The Transaction is subject to a number of conditions precedent, including the approval of the TSX Venture Exchange (the "Exchange").

(Expressed in Canadian Dollars)

4. Share Exchange Agreement-cont'd

Upon closing, the name of Fitch will be changed to "Pure Extraction Corp." or such other name which is acceptable to the directors of Fitch and the Targetcos, the Exchange and the registrar of companies for British Columbia.

All Fitch Shares issued pursuant to the Transaction will be subject to restrictions on resale as set out in the Agreement and may be subject to Exchange-imposed restrictions on resale. Some of the Fitch Shares to be issued to the shareholders of the Targetcos pursuant to the Transaction may also be subject to time escrow provisions imposed pursuant to the policies of the Exchange.

The Transaction is expected to qualify as the Company's Qualifying Transaction (the "Qualifying Transaction"). Since Fitch and the Targetcos are arm's length to each other, Fitch is not required to obtain shareholder approval for the Transaction.

Concurrent Financing

Concurrent with the closing of the Transaction, Fitch intends to complete a concurrent financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,815 units (each a "Unit") at $0.135 per unit. Each Unit will consist of one Fitch Share and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one Fitch Share at $0.60 per share for two years from closing, with an expiry acceleration clause to be determined.

The net proceeds of the Concurrent Financing will be used to fund the acquisition of the Targetcos', costs associated with the Qualifying Transaction and to provide general working capital.

Finders' Fee and Consulting Fee

Subject to Exchange approval, Fitch anticipates issuing an aggregate of 400,000 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies.

5. Related party transactions

During the six months ended September 30, 2019 a director was owed $5,354 (March 31, 2018 -$5,354).

Advances and payables are non-interest bearing and payable upon demand.

<u>Key Management Compensation</u>

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the following:

	September 30, 2019	March 31, 2019
Director	-	-
	$ -	$ -

These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties.

6. **Financial instruments and financial risk management**.

The Company's risk exposure and impact on the Company's financial instruments are summarized below:

a. Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash and accounts receivable. The Company limits its exposure to credit loss by placing its cash with major financial institutions. The Company is not subject to significant credit risk on cash held with banks, as it is held on deposit with credit worthy financial institutions. The Company extends credit in the normal course of business. The Company's risk on accounts receivable was assessed as medium due to potential non-payments.

b. Liquidity risk

Liquidity risk is the risk that a company or bank may be unable to meet short term financial demands. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its working capital, loans from related parties and contributions from members. Liquidity risk is assessed as high.

c. Market risk

i. Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risks on cash is not considered significant.

ii. Price risk

Price risk is the risk of a decline in the value of a security or a portfolio due to a decline in asset prices. The Company is not exposed to price risk.

iii. Currency risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rate. The Company is not exposed to foreign currency exchange risk.

d. Fair value

The recorded value of the Company's financial assets and liabilities approximate their fair values due to their demand nature and their short term to maturity.

The Company provides information about financial instruments that are measured at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

The three levels of the fair value hierarchy are:

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

(Expressed in Canadian Dollars)

6. **Financial instruments and financial risk management-cont'd**

The following table presents the financial instruments recorded at fair value in the statement of financial position, classified using the fair value hierarchy:

	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial Assets				
Cash	$ 5,055	$ -	$ -	$ 5,055
	$ 5,055	$ -	$ -	$ 5,055

7. **Capital management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash held by the Company.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

The Company does not have sufficient capital resources to carry out all of its obligations and, accordingly, will attempt to raise additional capital when necessary. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

8. **Share Capital**

Authorized: 10,000 Class A Common Shares without Par Value.

	September 30, 2019	March 31, 2019
Issued:		
6,100 Common Shares	**$ 351**	$ 351

9. **Subsequent Events**

On November 29, 2019, the Company and the Fitch Street Capital Corp. extended the termination date of the Agreement to January 31, 2020. The Company has advanced $218,157 to Pure Extraction under a secured loan (the "Loan"). The Loan was also amended to have a due date at the earliest of the receipt of final approval of the TSX Venture Exchange of the Qualifying Transaction or January 31, 2020.

SCHEDULE "F"

Management's Discussion and Analysis of Pure Extraction Inc. for the years ended March 31, 2019 and 2018 and interim management's discussion and analysis of Pure Extraction Inc. for the six months ended September 30, 2019 and 2018.

See attached document

The following discussion is management's assessment and analysis of the results of operations and financial conditions of Pure Extraction Inc. (the "Company") and should be read in conjunction with the Company's audited financial statements and related notes thereto for the years ended March 31, 2019, 2018 and 2017, which have been prepared in accordance with International Financial Reports Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable. Information on Pure Extraction is available on the Company's website: www.pureextraction.com. Readers of this MD&A are cautioned that information and statements derived from the Company's financial statements do not necessarily reflect the future financial performance of the Company. Statements in this MD&A that are not historical based facts are forward looking statements which are made subject to cautionary language and involve known and unknown risks and uncertainties. Actual results could vary considerably from these statements. Readers are again cautioned not to put undue reliance on forward looking statements.

All amounts are in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is July 29, 2019.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Overview

Description of the Business

The Company was incorporated under the Canada Business Corporations Act on January 28, 2016. Pure Extraction is a Canadian based manufacturer and service provider for the premium botanical oil extraction industry. Pure Extraction had a primary focus of building and selling oil extraction equipment for commercial oil production, with a secondary focus on providing support to the CO_2 extraction industry with training and services to increase the value of owning such equipment. Currently, the Company's business is inactive.

Selected Financial Information

The following financial data is derived from the Company's audited annual financial statements for the years ended March 31, 2019, 2018 and 2017 respectively.

Years Ended March 31,	2019	2018	2017
	$	$	$
Net revenues	-	353,666	374,981
Gross profit	-	70,984	123,472
Net income	-	52,552	83,810
Total assets	161,059	161,059	117,869
Basic and diluted gain (loss) per share	-	8.62	13.74
Cash dividends per share	-	-	-

Results of Operations for the years ended March 31, 2019, 2018 and 2017

For the year ended March 31, 2019, the Company incurred net income of $nil (2018 - $52,552; 2017 - $83,810). The Company's gross profit on sales was $nil (2018 - $70,984; 2017 - $123,472); gross profit margin is 0% for 2019 (2018 – 20.1%; 2017 – 32.9%). Some of the major expenses are as follows:

- Office and administration $nil (2018 - $2,199; 2017 - $3,623);
- Professional fees $nil (2018 - $nil; 2017 - $12,748);
- Salaries and benefits $nil (2018 - $7,128; 2017 - $5,102);
- Income tax $nil (2018 - $8,000; 2017 - $13,000);

Liquidity

As at March 31, 2019 the company had working capital of $134,705 (2018 – $134,705; 2017 - $82,153). The Company has a cash balance of $5,055 (2018 - $5,055; 2017 - $27,131). The Company does not have any material expenditure commitments over the near term or long term.

Contractual Obligations

The Company has no material contractual obligations.

Share Capital

As at March 31, 2019, the Company had 6,100 common shares issued and outstanding (2018 – 6,100; 2017 – 6,100).

Warrants:

No warrants were issued during the years ended March 31, 2019, 2018 and 2017. There were no warrants outstanding warrants as at March 31, 2019, 2018 and 2017.

Stock Options:

No stock options were issued during the years ended March 31, 2019, 2018 and 2017. There were no outstanding stock options as at March 31, 2019, 2018 and 2017.

Related Party Transactions

During the year ended March 31, 2019 a director was owed $5,354 (2018 -$5,354, 2017 - $5,354).

Advances and payables are non-interest bearing and payable upon demand.

Key Management Compensation

The Company's related parties include its significant shareholder, and key management personnel. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length.

	March 31, 2019	March 31, 2018	March 31, 2017
Director	-	7,128	5,128
		$ 7,128	$ 5,128

These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties.

Risk and Uncertainties

The Company's business, results of operations, financial condition, and the trading price of its common shares could be materially adversely affected by any of the foregoing risks and by other risks, including risks related to development of mineral deposits, metal prices, title matters, reclamation costs, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, and share trading volatility. Any of these risks could have a material adverse effect on the business, operations or financial condition of the Company.

Critical Accounting Estimates

The financial statements were prepared in accordance with IFRS which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Significant areas requiring the use of management estimates relate to determination of impairment of assets, exploration and evaluation assets' carrying values, useful lives for depreciation and amortization, and the value of deferred income tax assets and liabilities. Actual results could differ from these estimates.

Off-Balance-Sheet Arrangements

The Company does not have any off-balance sheet transactions.

New and amended standards adopted by the Company

Effective for periods beginning on or after April 1, 2019

- **IFRS 16, Leases**

  IFRS 16 applies to the recognition, classification, measurement and disclosure of leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease is for a term of 12 months or less or the underlying asset has a low value. IFRS 16 supersedes IAS 17, Leases, IFRIC 4, Determining whether an Arrangement contains a Lease, SIC-

15, Operating Leases – Incentives, and SIC-27, Evaluating the Substance of Transactions Involving the Legal Form of a Lease

Financial Instruments and Related Risks

All significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

The Company's financial instruments include cash and cash equivalents, receivables, and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. The fair value of cash and cash equivalents are measured based on level 1 input of the fair value hierarchy.

Management believes that the Company is not exposed to significant interest rate risk, currency risk and credit risk.

Subsequent Events

None

List of Directors and Officers
Mark VanSluytman, CEO & Director

The following discussion is management's assessment and analysis of the results of operations and financial conditions of Pure Extraction Inc. (the "Company") and should be read in conjunction with the Company's unaudited condensed interim financial statements and related notes thereto for the six months ended September 30, 2019, which have been prepared in accordance with International Financial Reports Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). In addition, these interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable. Information on Pure Extraction is available on the Company's website: www.pureextraction.com. Readers of this MD&A are cautioned that information and statements derived from the Company's financial statements do not necessarily reflect the future financial performance of the Company. Statements in this MD&A that are not historical based facts are forward looking statements which are made subject to cautionary language on page 14 and involve known and unknown risks and uncertainties. Actual results could vary considerably from these statements. Readers are again cautioned not to put undue reliance on forward looking statements.

All amounts are in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is December 9, 2019.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Overview

Description of the Business

The Company was incorporated under the Canada Business Corporations Act on January 28, 2016. Pure Extraction is a Canadian based manufacturer and service provider for the premium botanical oil extraction industry. Pure Extraction had a primary focus of building and selling oil extraction equipment for commercial oil production, with a secondary focus on providing support to the CO_2 extraction industry with training and services to increase the value of owning such equipment. Currently, the Company's business is inactive.

Selected Financial Information

The following financial data is derived from the Company's audited annual financial statements for the years ended March 31, 2019, 2018 and 2017 respectively.

Years Ended March 31,	2019	2018	2017
	$	$	$
Net revenues	-	353,666	374,981
Gross profit	-	70,984	123,472
Net income	-	52,552	83,810
Total assets	161,059	161,059	117,869
Basic and diluted earnings (loss) per share	-	8.62	13.74
Cash dividends per share	-	-	-

Results of Operations for the six months ended September 30, 2019 and 2018

For the six months ended September 30, 2019, the Company incurred net loss of $nil (2018 - $nil). The Company's gross profit on sales was $nil (2018 - $nil).

Liquidity

As at September 30, 2019 the company had working capital of $134,705 (March 31, 2019 – $134,705). The Company has a cash balance of $5,055 (March 31, 2019 - $5,055). The Company does not have any material expenditure commitments over the near term or long term.

Contractual Obligations

The Company has no material contractual obligations.

Share Capital

As at September 30, 2019, the Company had 6,100 common shares issued and outstanding.

Warrants:

No warrants were issued during the six months ended September 30, 2019 and 2018. There were no outstanding warrants as at September 30, 2019 and 2018.

Stock Options:

No stock options were issued during the six months ended September 30, 2019 and 2018. There were no outstanding stock options as at September 30, 2019 and March 31, 2019.

Related Party Transactions

Key Management Compensation

The Company's related parties include its significant shareholder, and key management personnel. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length. There were no related transactions incurred in three months ended September 30, 2019 and 2018.

Risk and Uncertainties

The Company's business, results of operations, financial condition, and the trading price of its common shares could be materially adversely affected by any of the foregoing risks and by other risks, including risks related to development of mineral deposits, metal prices, title matters, reclamation costs, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, and share trading volatility. Any of these risks could have a material adverse effect on the business, operations or financial condition of the Company.

Critical Accounting Estimates

The financial statements were prepared in accordance with IFRS which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Significant areas requiring the use of management estimates relate to determination of impairment of assets, exploration and evaluation assets' carrying values, useful lives for depreciation and amortization, and the value of deferred income tax assets and liabilities. Actual results could differ from these estimates.

Off-Balance-Sheet Arrangements

The Company does not have any off-balance sheet transactions.

New and amended standards adopted by the Company

Effective for periods beginning on or after April 1, 2019

- **IFRS 16, Leases**

  IFRS 16 applies to the recognition, classification, measurement and disclosure of leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease is for a term of 12 months or less or the underlying asset has a low value. IFRS 16 supersedes IAS 17, Leases, IFRIC 4, Determining whether an Arrangement contains a Lease, SIC-15, Operating Leases – Incentives, and SIC-27, Evaluating the Substance of Transactions Involving the Legal Form of a Lease

Financial Instruments and Related Risks

All significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

The Company's financial instruments include cash and cash equivalents, receivables, and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. The fair value of cash and cash equivalents are measured based on level 1 input of the fair value hierarchy.

Management believes that the Company is not exposed to significant interest rate risk, currency risk and credit risk.

Subsequent Events

On November 29, 2019, the Company and the Fitch Street Capital Corp. extended the termination date of the Agreement to January 31, 2020. The Company has advanced $218,157 to Pure Extraction under a secured loan (the "Loan"). The Loan was also amended to have a due date at the earliest of the receipt of final approval of the TSX Venture Exchange of the Qualifying Transaction or January 31, 2020.

List of Directors and Officers
Mark VanSluytman, CEO & Director

SCHEDULE "G"

Pro forma condensed consolidated financial statements as at September 30, 2019.

See attached document

FITCH STEET CAPITAL CORP.

PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2019

(Expressed in Canadian Dollars)

(Unaudited)

FITCH STREET CAPITAL CORP.
PRO FORMA STATEMENT OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)
As at September 30, 2019

	Fitch Street Capital Corp.	Pure Extraction Inc	Pure Extraction Ltd.	Note	Pro Forma Adjustments	Pro Forma Consolidated
ASSETS						
Current						
Cash	$ 434,126	$ 5,055	$ 51,089	a), b)	$ 1,740,000	$ 2,230,270
Other receivables	233,173	156,004	505	d)	(364,161)	25,521
Inventory	-	-	668,380		-	668,380
	667,299	161,059	719,974		1,375,839	2,924,171
Property and equipment	-	-	892		-	892
	$ 667,299	$ 161,059	$ 720,866		$ 1,375,839	$ 2,925,063
LIABILITIES						
Current						
Accounts payable	$ 1,849	$ -	$ 246,738	d)	$ 5,354	$ 253,941
Accrued liabilities	85,400	-	156,004	d)	(156,004)	85,400
Income taxes payable	-	21,000	-		-	21,000
Due to Shareholders		5,354	-	d)	(5,354)	-
Short-term loan	-	-	208,157	d)	(208,157)	-
Deferred revenue	-	-	866,302		-	866,302
	87,249	24,644	1,477,201		(364,161)	1,226,643
SHAREHOLDERS' EQUITY						
Share capital	1,334,731	351	1	a), b), c)	2,289,625	3,624,708
Contributed surplus	491,892	-	-		-	491,892
Retained earnings (deficit)	(1,246,573)	134,705	(735,336)	a)	(549,625)	(2,418,180)
	$ 667,299	$ 161,059	$ 720,866		$ 1,375,839	$ 2,925,063

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

FITCH STREET CAPITAL CORP.
PRO FORMA CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)
For the Six Months ended September 30, 2019

	Fitch Street Capital Corp	Pure Extraction Inc	Pure Extraction Ltd	Note	Pro Forma Adjustments	Pro Forma Consolidated
Revenue	$ -	$ -	$ 333,615		$ -	$ 333,615
Cost of sales	-	-	274,962		-	274,962
	-	-	58,653		-	58,653
Expenses						
Accounting, audit & legal	14,800	-	-		-	14,800
Advertising/marketing	-	-	6,300		-	6,300
Amortization	-	-	440		-	440
Listing and filing fees	8,945	-	-	a)	1,026,630	1,035,575
Office and admin	10,868	-	42,242		-	53,110
Repair and maintenance	-	-	255		-	255
Research and development	-	-	6,354		-	6,354
Sales commission	-	-	-		-	-
Stock-based compensation	221,000				-	221,000
Transaction costs	245,980	-	-	b), c)	144,625	390,605
Transfer agent	2,076	-	-		-	2,076
Travel and accommodation	-	-	1,470		-	1,470
Wages and benefits	-	-	127,646		-	127,646
	503,669	-	184,707		1,171,255	1,859,631
Net income (loss)	$ (503,669)	$ -	$ (126,054)		$(1,171,255)	$(1,800,978)

1. Basis of Presentation and Preparation

The accompanying pro forma consolidated financial statements have been prepared by management of Fitch Street Capital Corp. ("Fitch Street") and Pure Extraction Inc. ("Pure Inc") and Pure Extraction Ltd. ("Pure Ltd", for illustrative purpose only, to show the effect of the proposed business combination transaction (the "Proposed Transaction") under IFRS 3, Business Combinations between Fitch Street and Pure Inc and Pure Ltd, on the basis of the assumptions described in Note 3 below. All financial amounts are shown in Canadian dollars.

2. International Financial Reporting Standards

The pro forma consolidated financial statements have been derived from the unaudited financial statements of Fitch Street for the six months ended September 30, 2019 and the unaudited financial statements of Pure Extraction Inc for the six months ended September 30, 2019 and Pure Extraction Ltd for the six months ended September 30, 2019. Fitch Street is considered the acquirer under the Transaction.

The pro forma consolidated financial statements have been prepared in accordance with International Financial Reporting Standards. The unaudited pro forma consolidated statement of financial position and is not necessarily indicative of the financial position of Fitch Street on the date of completion of the proposed Transaction.

3. Proposed Transaction

On December 17, 2018, the Company entered into a definitive Share Exchange Agreement (the "Agreement") with the Targetcos, the shareholders of Pure Extraction Ltd., and the shareholders of Pure Extraction Inc. with respect to the proposed acquisition of the Targetcos by the Company (the "Transaction").

Summary of the Transaction

Under the terms of the Transaction, Fitch will acquire all of the issued and outstanding shares of the Targetcos (the "Pure Shares") from the shareholders of Targetcos. In consideration for the Pure Shares, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 3,000,000 common shares of the Company (the "Fitch Shares") at a deemed value of $0.165 per share. In addition, Fitch will issue to the shareholders of the Targetcos pro rata an aggregate of 1,000,000 Fitch Shares if the Targetcos generate cumulative gross revenues greater than $2,000,000 within 18 months from execution of the Agreement at a deemed value of $0.165 per share.

The Transaction is subject to a number of conditions precedent, including the approval of the TSX Venture Exchange (the "Exchange"). Upon closing, the name of Company will be changed to "Pure Extraction Corp." or such other name which is acceptable to the directors of Fitch and the Targetcos, the Exchange and the registrar of companies for British Columbia.

All Fitch Shares issued pursuant to the Transaction will be subject to restrictions on resale as set out in the Agreement and may be subject to Exchange-imposed restrictions on resale. Some of the Fitch Shares to be issued to the shareholders of the Targetcos pursuant to the Transaction may also be subject to time escrow provisions imposed pursuant to the policies of the Exchange.

The Transaction is expected to qualify as the Company's Qualifying Transaction (the "Qualifying Transaction"). Since Fitch and the Targetcos are arm's length to each other, Fitch is not required to obtain shareholder approval for the Transaction.

(Unaudited - Expressed in Canadian Dollars)

3. Proposed Transaction – continued

Bridge Financing

Fitch Street completed a bridge financing for gross proceeds of $500,000 through the issuance of 3,703,703 common shares at a price of $0.135 per Fitch Street share. The net proceeds will be used to facilitate its qualifying transaction, including the payment of existing payables. A finders' fee consisting of $40,000 cash and 296,296 brokers' options, each option allowing the holder to acquire one common share at a price of $0.135 for a period of 24 months.

Concurrent Financing

Concurrent with the closing of the Transaction, Fitch intends to complete a concurrent financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,815 Fitch Street shares at $0.135 per share.

The net proceeds of the Concurrent Financing will be used to fund the acquisition of the Targetcos', costs associated with the Qualifying Transaction and to provide general working capital.

Finders' Fee and Consulting Fee

Subject to Exchange approval, Fitch anticipates issuing an aggregate of 400,000 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies.

Secured Loan

Subject to prior acceptance of the Exchange and the satisfaction of all conditions of the Exchange in respect of the same, Fitch has agreed to provide a secured loan to the Targetcos in the principal amount up to $225,000 (the "Loan"). The proceeds of the Loan shall be used by the Targetcos to fund its operating expenses. The Loan shall accrue interest at a rate of 10% per annum, compounded annually and will become due at the earliest of the receipt of final approval of the Exchange of the Qualifying Transaction or June 1, 2019 unless sooner determined due to the occurrence of an event or default, or extended by the Lender as set out in the loan agreement dated November 21, 2018 between the Targetcos and Fitch. The Loan will be secured by a general security agreement and any other security that Fitch may reasonably require from the Targetcos from time to time.

4. Pro Forma Adjustments and Assumptions

The unaudited pro forma consolidated financial statements reflects the following adjustments:

a) Consideration paid and fair value of net assets acquired:

The consideration paid and the fair value of the net assets (liabilities) of Pure Extraction Inc and Pure Extraction Ltd as at September 30, 2019, prior to the Transactions were:

Consideration paid:	**Amount($)**
Common shares	3,000,000
Price per share	0.135
	$ 405,000
Less: Fair Value of net assets (liabilities) of Pure Inc and Pure Ltd	
Cash	56,144
Other receivables	505
Inventory	668,380

(Unaudited - Expressed in Canadian Dollars)

4. Pro Forma Adjustments and Assumptions – continued

a) Consideration paid and fair value of net assets acquired - continued

Property and equipment	892
Accounts payable	(246,738)
Income tax payable	(21,000)
Due to shareholders	(5,354)
Short-term loan	(208,157)
Deferred revenue	(866,302)
Net liabilities acquired	(621,630)
Listing expense	$ 1,026,630

b) Concurrent Financing

Concurrent with the closing of the Transaction, Fitch intends to complete a concurrent financing to raise up to $2,000,000 (the "Concurrent Financing") through the issuance of up to 14,814,815 Fitch Street share at $0.135 per share. The Concurrent Financing will be subject to a 8% cash commission.

The net proceeds of the Concurrent Financing will be used to fund the acquisition, costs associated with the Qualifying Transaction and to provide general working capital.

c) Finders' Fee and Consulting Fee

Subject to Exchange approval, Fitch anticipates issuing an aggregate of 270,454 Fitch Shares to certain arm's length third parties as finders' fees and consulting fees payable in connection with the Transaction in accordance with Exchange policies. The Company has estimated the fair value of these shares to be $44,625.

d) Elimination Entries

Inter-company amounts between Pure Extraction Inc and Pure Extraction Ltd have been eliminated, along with the secured loan between Fitch Street and Pure Ltd.