

Northbridge Resources Corp.

Condensed Interim Financial Statements

For the six months ended January 31, 2020

Northbridge Resources Corp.

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Notice

The following unaudited condensed interim financial statements of the Company for the six months ended January 31, 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are the responsibility of the Company's management. The Company's independent auditors have not performed an audit or a review of these condensed interim financial statements.

Northbridge Resources Corp.

Condensed Interim Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

	As at January 31, 2020		As at July 31, 2019
ASSETS			
Current			
Cash	\$ 174,995	\$	129,541
Prepaid Expense	10,000		
Accounts receivable	12,444		2,694
	197,439		132,235
Exploration and evaluation assets (Note 4)	91,607		91,607
Patents and technology (Notes 5, 6)	480,000		215,000
Total assets	769,046		438,842
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable and accrued liabilities	41,415		31,593
Subscription advances (Note 7)	11,600		25,000
	53,015		56,593
Share capital (Note 8)	592,502		392,502
Special warrants (Note 8)	255,000		100,000
Deficit	(131,471)		(110,253)
Total liabilities and shareholders' equity	\$ 769,046	\$	438,842

Going concern (Note 1)

Approved on March 27, 2020 by the Board of Directors:

"Martin Cotter"

Martin Cotter, Director

"Neal Iverson"

Neal Iverson, Director

The accompanying notes form an integral part of these financial statements

Northbridge Resources Corp.**Condensed Interim Statements of Loss and Comprehensive Loss**(Unaudited - Expressed in Canadian Dollars)

	Three months ended January 31		Six months ended January 31	
	2020	2019	2020	2019
General and administrative expenses				
Office and administration	\$ 1,101	\$ 18	\$ 1,119	\$ 36
Investor relations - annual meeting	499	577	499	577
Professional fees	8,150	6,893	11,150	6,893
Regulatory fees	1,779	-	5,454	1,779
Transfer agent	1,813	5,460	2,995	6,090
	(13,342)	(12,948)	(21,218)	(15,375)
Net income loss and comprehensive loss for the period	\$ (13,342)	\$ (12,948)	\$ (21,218)	\$ (15,375)
Basic and diluted loss per common share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	20,048,154	2,816,292	17,548,154	3,774,375

The accompanying notes form an integral part of these financial statements

Northbridge Resources Corp.

Condensed Interim Statements of Changes in Equity

(Unaudited - Expressed in Canadian Dollars)

	Common Shares		Special	Deficit	Total
	Shares	Amount	Warrants		
Balance as at July 31, 2018	4,390,940	\$ 12,502	\$ -	(44,864) \$	(32,362)
Share consolidation	(3,951,846)	-	-	-	-
Shares issued to founder	2,250,000	45,000	-	-	45,000
Shares issued per mineral property agreement	500,000	10,000	-	-	10,000
Shares issued per patent & technology agreement	10,000,000	200,000	-	-	200,000
Shares issued per private placement	6,250,000	125,000	-	-	125,000
Special warrants issued	-	-	100,000	-	100,000
Net loss and comprehensive loss	-	-	-	(65,389)	(65,389)
Balance as at July 31, 2019	15,048,154	\$ 392,502	\$ 100,000	(110,253) \$	382,249
Shares issued per patent & technology agreement	10,000,000	200,000	-	-	200,000
Special warrants issued	-	-	155,000	-	155,000
Net loss and comprehensive loss	-	-	-	(21,218)	(21,218)
Balance as at January 31, 2020	25,048,154	\$ 592,502	\$ 255,000	(131,471) \$	716,031

The accompanying notes form an integral part of these financial statements

Northbridge Resources Corp.

Condensed Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	Six months ended January 31	
	2020	2019
Cash used in operating activities		
Net loss and comprehensive loss for the period	\$ (21,218)	\$ (15,375)
Changes in non-cash working capital items		
Increase in accounts receivable	(9,750)	-
Increase in prepaid expense	(10,000)	-
Increase in accounts payable and accrued liabilities	9,822	10,601
Cash used in operating activities	(31,146)	(4,774)
Cash used in investing activities		
Increase in patents and technology	(265,000)	-
Cash used in investing activities	(265,000)	-
Cash provided by financing activities		
Increase in share capital	200,000	11,250
Increase in special warrants	155,000	-
(Decrease) increase in subscription advances	(13,400)	3,750
Cash provided by financing activities	341,600	15,000
Increase in cash for the period	45,454	10,226
Cash, beginning of period	129,541	42,157
Cash, end of period	\$ 174,995	\$ 52,383
Non-cash investing and financing activities		
Issuance of share capital in connection with exploration and evaluation assets	-	-
Issuance of share capital in connection with patents and technology	-	-

The accompanying notes form an integral part of these financial statements

Northbridge Resources Corp.

Notes to the Condensed Interim Financial Statements

For the period ended January 31, 2020

(Unaudited - Expressed in Canadian Dollars)

1. Nature and Continuance of Operations and Going Concern

Northbridge Resources Corp. (the "Company") is a company incorporated on July 3, 2014 pursuant to the British Columbia *Business Corporations Act*. The registered and records office of the Company is 704 – 595 Howe Street, Vancouver, British Columbia, Canada V6C 2T5.

The Company is an early stage company with a mandate to explore for and develop high purity industrial minerals required by modern technologies for use in applications such as solar power production and battery storage technologies and engages principally in the acquisition, exploration and development of resource properties and the research and development of related technologies. The Company has yet to determine whether its mineral properties or research assets will prove to be economically viable and there is no guarantee that mineral deposits will be discovered in the future. The recoverability of the amounts shown for research and development of technology assets and for exploration and evaluation of resource property assets is dependent upon proving the viability of the technology or the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those assets and upon future profitable production and/or proceeds from the disposition thereof.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern with the assumption that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business for the next twelve months. Several conditions discussed below create a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern.

At January 31, 2020, the Company had not achieved profitable operations, had an accumulated deficit of \$131,437 since inception, and expects to incur further losses in the development of its business. The Company believes that, based on its cash flow forecasts, its ability to reduce certain expenditures, if required, and continued support from certain related parties and investors, it will be able to continue as a going concern for at least the next twelve months. Management recognizes that the Company will need to obtain additional financial resources in order to meet its planned business objectives. There are no assurances that the Company will be able to obtain additional financial resources and/or achieve positive cash flows or profitability. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations and exploration activities. Furthermore, failure to continue as a going concern would require that the Company's assets and liabilities be restated on a liquidation basis, whereby values and statement of financial position classifications would differ significantly from the going concern basis.

2. Basis of Presentation

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting* ("IAS-34") as issued by the International Accounting Standards Board ("IASB") and should be read in conjunction with the Company's audited financial statements for the year ended July 31, 2019. In particular, the Company's significant accounting policies are presented in Note 3 of the annual financial statements. These policies, judgements and estimates have been consistently applied in the preparation of these condensed interim financial statements.

These condensed interim financial statements for the period ended January 31, 2020 are presented in Canadian dollars and unless otherwise noted all figures are in Canadian dollars. These statements were authorized for issuance by the Board of Directors on March 27, 2020.

Northbridge Resources Corp.

Notes to the Condensed Interim Financial Statements

For the period ended January 31, 2020

(Unaudited - Expressed in Canadian Dollars)

3. Recent Accounting Pronouncements

The IASB has issued a number of revised and new International Accounting Standards, IFRS amendments and related interpretations which are effective for the Company's financial year beginning on or after August 1, 2019. None of the new or revised standards or amendments is expected to have a significant impact on the Company's financial statements.

4. Exploration and Evaluation Assets

The Company has entered into an option agreement, as amended, with a Company owned by a director of the Company granting the Company the exclusive right and option to acquire the Lac Simpson Graphite mineral claims (the "Claims") in consideration for a cash payment of \$2,500, the issuance, upon completion of a satisfactory 43-101 report, of 500,000 common shares of the Company and an additional 500,000 shares within 18 months. The claims are subject to a 3% NSR. During the financial year ended July 31, 2019, the Company issued 500,000 common shares and paid \$2,500 to exercise the option to acquire the Claims.

The Simpson property consists of 15 contiguous mineral claims comprising approximately 890 hectares located approximately 25 kilometres to the southwest of the town of Mont-Laurier in southern Québec. The Company intends to joint venture the further exploration of the Lac Simpson property having completed an initial exploration program consisting of a ground geophysical survey, trenching and sampling.

Where an acquisition or participation is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent on the ability of the Company to secure financing.

5. Patents and Technology

The Company has entered into an agreement with Kevin Allan Dooley Inc. ("KADI") to acquire all the intellectual property rights to a new process to refine and produce high purity silicon (the "Silicon Process"), subject to a 2% royalty, developed by Kevin Dooley and Elwood Morris (the "Inventors") and has agreed to finance a research and development program to complete the detailed design for the proof of concept prototype for the Silicon Process. The Company issued a total of 20,000,000 common shares to KADI at a deemed price \$0.02 per share in consideration for the acquisition of the Silicon Process, which shares are subject to time release escrow provisions as well as to certain performance escrow requirements.

This project is an early stage research and development project that may or may not reach the commercial production stage. Commercial production will depend upon the outcome of the feasibility stage based on the detailed system design and prototype. The Company is contracting with the Inventors to conduct the research and development program in accordance with an agreed expenditure budget that includes various project milestones.

On November 12, 2019, the Canadian patent for "A System And Method For Manufacturing High Purity Silicon" was granted.

6. Related Party Transactions

(a) Patents and Technology

As at January 31, 2020, the Company had advanced \$80,000 (July 31, 2019: \$15,000) to KADI Inc ("KADI") in funding for the research and development program with respect to the Silicon Process in accordance with the agreement with KADI. The two shareholders of KADI were appointed as officers of the Company in conjunction with the acquisition of the Silicon Process (Note 5).

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7. Subscription Advances

Amounts received in advance of issuing special share purchase warrants are non-interest bearing, unsecured and have no stated terms of repayment.

8. Share Capital

a) Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and Outstanding

As at January 31, 2020, the Company had 29,439,094 common shares issued and outstanding.

Year ended July 31, 2019:

On December 24, 2018 the Company consolidated its share capital on a 10 old for 1 new basis resulting in 439,094 shares outstanding.

On January 28, 2019, the Company issued 2,250,000 common shares at \$0.02 per share to the President of the Company. In order to reflect the fair value of \$45,000, share-based compensation of \$33,750 was recorded in operations. The founders' shares are subject to standard escrow provisions.

On April 24, 2019 the Company issued 500,000 common shares at a price of \$0.02 per share for fair value of \$10,000 pursuant to the option agreement, as amended, to acquire the graphite property.

On July 18, 2019 the Company issued 6,250,000 common shares at a price of \$0.02 per share for fair value of \$125,000 on conversion of all outstanding convertible debentures. Also on July 18, 2019 the Company issued an initial 10,000,000 common shares to KADI at a price \$0.02 per share in consideration for the acquisition of the Silicon Process, which shares are subject to time release escrow provisions as well as to certain performance escrow requirements.

On July 31, 2019 the Company issued 2,000,000 special warrants at a price of \$0.05 per special warrant. Each special warrant is exercisable by the holder to acquire one common share of the Company without any further action or payment and shall be deemed to have been exercised by the holder on the earliest of (a) the business day following the day on which a receipt for a (final) prospectus has been issued by or on behalf of the last of the securities regulatory authorities in the Province of British Columbia and such other jurisdictions as may be determined by the Company qualifying the distribution of the shares to be issued upon exercise of the special warrants, and (b) the tenth anniversary of the date of the holder's special warrant certificate.

Period ended January 31, 2020:

On January 20, 2020 the Company issued the final 10,000,000 common shares to KADI at a price \$0.02 per share in consideration for the acquisition of the Silicon Process, which shares are subject to time release escrow provisions as well as to certain performance escrow requirements.

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8. Share Capital (*cont'd*)

b) Issued and Outstanding

Period ended January 31, 2020:

On January 30, 2020 the Company issued 1,550,000 special warrants at a price of \$0.10 per special warrant. Each special warrant is exercisable by the holder to acquire one common share of the Company without any further action or payment and shall be deemed to have been exercised by the holder on the earliest of (a) the business day following the day on which a receipt for a (final) prospectus has been issued by or on behalf of the last of the securities regulatory authorities in the Province of British Columbia and such other jurisdictions as may be determined by the Company qualifying the distribution of the shares to be issued upon exercise of the special warrants, and (b) the tenth anniversary of the date of the holder's special warrant certificate.

c) Stock Options

Effective July 16, 2019, the Company adopted an incentive stock option plan (the "Option Plan"). The purpose of the Option Plan is to promote the interests of the Company by furnishing directors, officers, employees and consultants with an additional incentive and compensation, to provide an opportunity to directors, officers, employees and consultants to invest in the Company in a simple and cost effective manner and to better align the interests of directors, officers, employees and consultants with those of the Company and its shareholders through the ownership of common shares of the Company. The maximum number of shares reserved for issuance upon exercise of options granted shall not exceed 10% of the issued and outstanding common shares of the Company. The option period shall not exceed 10 years from the date of grant. Under the Option Plan, the subscription price in respect of any option shall be set in accordance with the any applicable stock exchange policies. The number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares in any twelve month period or any aggregate maximum of 1% if the optionee(s) are engaged in investor relations activities or if the optionee is a consultant, no more than 2% per consultant in any twelve month period. Vesting requirements with respect to options may be imposed by the directors.

As at January 31, 2020, no options had been issued under the Option Plan.

9. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the identification and evaluation of assets or businesses while maintaining a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company considers shareholders' equity as capital. Through ongoing management of its capital, the Company will modify the structure of its capital based on changing economic conditions and risk characteristics of the underlying assets. In doing so, the Company may issue new shares upon approval of the Board of Directors.

10. Financial Instruments and Risk Management

IFRS-7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of the inputs used in making measurements. The fair value hierarchy has the following levels:

Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities

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(Unaudited - Expressed in Canadian Dollars)

10. Financial Instruments and Risk Management (*cont'd*)

Level 2: inputs other than quoted direct prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Fair value of financial instruments

Carrying values of cash, accounts payable and accrued liabilities, convertible debenture advances, convertible debentures and due to related parties approximate fair value due to their short-term nature, and are classified as Level I financial instruments.

(a) Credit Risk

Credit Risk is such that a counterparty to a financial instrument will not discharge its obligations resulting in a financial loss to the Company. The Company has procedures in place to minimize its exposure to credit risk. Company management evaluates credit risk on an ongoing basis including counterparty credit rating and activities related to trade and other receivables and other counterparty concentrations as measured by amount and percentage.

(b) Liquidity Risk

Liquidity Risk is the risk that the Company will be unable to meet its financial liabilities as they fall due. The Company does not currently have any financial liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and its current cash flow position to meet current obligations by monitoring and maintaining sufficient cash and cash equivalents to meet its anticipated operational needs.

(c) Market Risk

Market Risk is potential that the fair value for assets will fluctuate due to changes in market conditions on items classified as held-for-trading, available-for-sale or future cash flows from assets or liabilities considered to be held-to-maturity, other financial liabilities and loans or receivables of a financial instrument. The Company evaluates market risk on an ongoing basis and has established policies and procedures for mitigating its exposure to any relevant foreign exchange fluctuations. The Company's exposure to interest rate risk is minimal as it does not typically hold debt balances and is not generally charged interest on accounts payable balances.

11. Subsequent Events

Subsequent to the period ended January 31, 2020, the Company granted options to directors, officers, employees and consultants of the Company to purchase up to 2,800,000 common shares in the capital of the Company at an exercise price of \$0.10 per share for a period of 2 years from the date of the grant.

Subsequent to the period ended January 31, 2020, the Company entered into an escrow agreement with AST Trust Company (Canada) and certain shareholders of the Company pursuant to which 25,750,000 common shares are held in escrow.