MAJESTA MINERALS INC.
Index to Financial Statements
For the Six Months Period Ended June 30, 2018
(Unaudited)

Contents

NOTICE OF NO AUDITORS' REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of Majesta Minerals Inc. have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

Calgary, Alberta
Dated August 9, 2018

MAJESTA MINERALS INC.
Statement of Financial Position
as at December 31, 2017 and June 30, 2018
(Unaudited)

Assets	June 30, 2018	December 31, 2017
Current		
Cash	-.	-
GST Receivable	$ 1,812	$ 12,542
Exploration and evaluation assets (Note 6)	------	577,577
Total Assets	$ 1,812	$ 590,119
Liabilities and Shareholders' Equity		
Current		
Accounts payable and accrued liabilities (Note 7)	$ 13,054	$ 175,467
Due to related parties (Note 8)	----	599,039
Total Liabilities	$ 13,054	$ 774,506
Shareholders' Equity		
Share capital (Note 9)	1,362,939	$ 1,178,552
Contributed surplus (Note 10)	142,767	142,767
Deficit	$ (1,516,948)	$ (1,505,706)
	$ (11,242)	$ (184,387)
	$ 1,812	$ 590,119

ON BEHALF OF THE BOARD
Signed "Randy Studer" Director
Randy Studer Director

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

MAJESTA MINERALS INC.
Statement of Comprehensive Income/Loss
For the Periods Ended June 30, 2017 and June 30, 2018

	THREE MONTHS ENDED		SIX MONTHS ENDED	
Expenses	June 30, 2017	June 30, 2018	June 30, 2017	June 30, 2018
Interest expense	$ 3,456	$ 867	$ 5,400	$ 3,543
Professional fees	12,000	26,388	48,100	49,588
Other G & A	16,048	2,940	24,048	4,323
Total Expenses	$ 31,504	$ 30,195	$ 77,548	$ 57,454
Loss Before Debt Settlement	(31,504)	(30,195)	(77,548)	(57,454)
Debt Settlement		46,212		46,212
Income/Loss After Debt Settlement		$ 16,017		$ (11,242)
Loss per share (basic and diluted)		$0.001		$(0.001)
Number of shares outstanding	10,228,156	13,915,502	10,228,256	13,915,502
Weighted average				

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

MAJESTA MINERALS INC.
Statement of Changes in Shareholders' Equity
For the Year ended December 31, 2017 and the Six Month Period Ended June 30, 2018
(Unaudited)

	Common shares	Share capital	Contributed surplus	Deficit	Total equity
Balances at December 31, 2015	9,228,156	$1,208,640	$21,434	$(42,701)	$ 1,187,373
Shares issued during the year	1,000,000	45,000			45,000
Warrants issued during the year		(23,509)	23,509		-
Modification of warrants		(16,989)	16,989		-
Options issued during the year		0	35,931		35,931
Comprehensive loss for the year		0		(187,070)	(187,070)
Balances at December 31, 2016	10,228,156	$1,213,142	$97,863	$(229,771)	$ 1,081,234
Transaction to end of twelve month period ended December 31, 2017					
Modification of Warrant		(34,590)	(34,590)		
Options Issued			10,314		10,314
Shares issued during the period	-----				
Cancellation of shares during period	------				
Warrants issued during the period	------				
Comprehensive loss for the period				(1,275,975)	(1,275,935)
Balances at December 31, 2017	10,226,156	$1,178,552	$142,767	(1,505,706)	$ (184,387)
Comprehensive income/loss				(11,242)	(11,242)
Options exercised	2,000,000	$100,000			100,000
Warrants exercised	1,687,746	$84,387			84,387
Warrants canceled	388,960	----	-----	-----	----
Balance at June 30, 2018	13,915,520	$1,362,939	$142,767	$(1,516,948)	1,812

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

MAJESTA MINERALS INC.
Statement of Cash Flows
For the Six Months Period Ended June 30, 2018
(Unaudited)

	June 30, 2018	June 30, 2017
Operating activities		
Comprehensive income/ loss	$ (11,242)	$ (77,540)
Items not affecting cash		
Impairment exploration & evaluations		
Stock based compensation		
Changes in non-cash working capital		
Debt settlement with Durama Enterprises Limited	(2,262)	
Accounts payable and accrued liabilities	13,504	77,540
	$ (11,242)	
GST Refunds	34,959	
Payment of Accounts Payable	(34,959)	
Subscription by Gregory J Leia Professional Corp	184,387	
Gregory J. Leia Professional Corp Debts	(184,387)	
Cash used by operating activities		
Cash and cash equivalents – beginning of year	0	100
Cash and cash equivalents – end of year	0	100

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

1. Nature of operations

Majesta Minerals Inc. ("**MMI**" or the "**Company**") was incorporated on August 6, 2014 under the laws of the Province of Alberta as 1839579 Alberta Ltd. The Company changed its name on December 22, 2014 from 1839579 Alberta Ltd. to Majesta Mineral Inc. The principal and registered office of the Company is located at 203, 221 — 10th Avenue SE Calgary, Alberta.

The Board of Directors approved the financial statements on August 9, 2018.

2. Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern. The use of these principles assumes that MMI will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operations. The company has sold its exploration properties. As at June 30, 2018, the Company has a working capital deficiency of $11,242 (June 30, 2017 - $306,773) With no assets there is significant doubt about MMI's ability to continue as a going concern. Therefore, the Company's continuance as a going concern is dependent on its ability to obtain adequate financing and profitable levels of operations. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operation.

If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these financial statements.

3. Basis of presentation

Statement of compliance

The Company's financial statements have been prepared in accordance with and using accounting policies in full compliance with the International Financial Reporting Standards ("**IFRS**") and International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board ("**IASB**") and Interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**").

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Functional and presentation currency

The financial statements are presented in Canadian dollars, which is also the Company's functional currency.
Use of estimates and judgments

3. Basis of Presentation (continued)

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results.

Key estimates that are used in the preparation of these financial statements are: valuation of exploration and evaluation assets, completeness of accounts payable and accrued liabilities, valuation of stock-based compensation (share options) and share purchase warrants, recoverability of the Company's deferred tax assets, and assumptions used regarding the Company's ability to continue as a going concern.
Summary of significant accounting policies

4. Changes in Accounting Policies - Policies under Review

(a) IFRS 15 Revenue from Contracts with Customers:

As of January 1, 2018, the Company has adopted IFRS 15 Revenue from Contracts with Customers. The new standard replaces 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 Services. The new standard dictates the recognition and measurement requirements for reporting the nature, amount, timing and uncertainty of revenue resulting from an entity’s contracts with customers. No adjustments were required to the interim financial statements.

(b) IFRS 9 Financial Instruments:

As of January 1, 2018, the Company has adopted IFRS 9 Financial Instruments, which replaces IAS 39 Financial Instruments: Recognition and Measurement. The new standard replaces the current multiple classification and measurement models for financial assets and liabilities with a single model that has two classification categories: amortized cost and fair value. In addition, updates have also been applied surrounding hedge accounting requirements which are now more aligned with an entity’s risk management activities. No adjustments were required to the interim financial statements.

(c) IFRS 16 Leases:

As of January 1, 2019, the Company will be required to adopt IFRS 16 Leases, which will replace IFRS 17 Leases. For lessees applying the new standard, a single recognition and measurement model for leases would apply, with required recognition of assets and liabilities for most leases. The Company is of the view that if IFRS 16 was adopted as of January 1, 2018, no adjustments would be required to the interim financial statements.

5. Financial Risk Management

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and commodity risk. These risks are managed as follows:

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. As at June 30, 2018, the Company currently has nominal cash at its disposal and has yet to commence active operations, as such the Company is expected raise capital through a private placement.

Commodity price risk

Commodity price risk is the risk of uncertainty arising primarily from possible commodity price movements and their impact on the future economic viability of the Company's projects as well as its ability to raise capital. These risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly. The Company has yet to commence active operations and therefore has limited exposure to this risk.

6. Exploration and evaluation assets

The exploration and evaluation assets are presented below:

Balance as at January 1, 2016	$ 1,379,974
Exploration costs incurred during 2016	7,933
Balance as at December 31, 2016	1,387,904
Exploration costs incurred during 2017	380,366
Impairment loss	(1,190,696)
Balance as at December 31, 2017	$ 577,577
Sale to Durama (effective April 30, 2018)	(577,577)
Balance June 30, 2018	0

On April 30, 2018, MMI entered into a conditional agreement effective April 30, 2018 ("**Durama/MMI Sale Agreement**") to sell all of its mineral claims to Durama Enterprises Limited ("**Durama**") for: (a) $1.00; (b) exchange of debt and debt forgiveness of $599,039 (as of December 31, 2017) and any debts accruing after that date; (c) release in favour of the company of all royalties and other obligations; and (d) a release from the Accent Credit Union of any all debts owed by MMI. The conditions were removed on June 26, 2018 and the transaction closed on June 26, 2018.

7. Accounts Payable and Accrued Liabilities

Accounts payable consist of the following:

	December 31, 2017	June 30, 2018
Gregory J Leia Professional Corporation	$163,467	$13,054
Auditor	12,000	---
total	$175,467	$13,054

8. Related party transactions

Transactions with Related Parties - Durama

Randy Studer was a shareholder, director and officer of MRI Holdings Ltd. ("**MRI**")(formerly Majesta Resources Inc.) prior to August 7, 2014. Randy Studer was a shareholder, director and officer of Durama prior to August 7, 2014. Randy Studer became an officer of MMI on August 8, 2014. Randy Studer became a director of MMI on October 21, 2015. Randy Studer, MRI, Durama and MMI have entered into a number of related party transactions since August 7, 2014.

1. Purchase/Option Agreement

By agreement dated August 7, 2014 ("**Purchase/Option Agreement**") MMI acquired a 25% interest in the Majesta Mineral Claims from MRI.

2. Debts arising from the Purchase/Option Agreement

On October 21, 2015, MMI exercised its option to purchase an additional 75% undivided right, title and interest in the Majesta Mineral Claims from MRI by providing the following consideration: (a) assumption of $150,000 of debt; and (b) issuance of 3,000,000 common shares at $0.15/share. The debt was exchanged as part of the Durama/MMI Sale Agreement transaction.

3. Royalty Interests – MRI (assigned to Durama) - Arising from the Purchase/Option Agreement

The following claims have Net Smelter Royalty (NSR) reserved by Durama.

	PROJECT NAME	CLAIM#	Claim Name	Royalty
1	Key Lake South West	S-113964	Huston	1.5% Net Smelter Royalty
2	Key Lake South West	S-110715	Wheeler R	1.5% Net Smelter Royalty
3	Key Lake South West	S-113963	Lav Creek	1.5% Net Smelter Royalty
4	Key Lake South West	S-110717	Seager N	1.5% Net Smelter Royalty
5	Key Lake South West	S-113962	Dunsmore	1.5% Net Smelter Royalty
6	Key Lake South West	S-113961	Seager S	1.5% Net Smelter Royalty
7	Key Lake South West	S-113960	Laszchuk	1.5% Net Smelter Royalty
8	Key Lake South West	S-111627	Lasky Lake	1.5% Net Smelter Royalty
9	Key Lake South West	S-112322	Thick Lake	1.5% Net Smelter Royalty

4. Loans

Durama has provided a loan to MMI for $19,200 in 2016 to assist in the operating expenses to be repaid in monthly blended payments of $1,200 over 18 months. The loan is subject to interest at 15% per annum. Durama paid for $21,400 in services or acquisitions in 2017. The debt was exchanged as part of the Durama/MMI Sale Agreement transaction.

5. Exploration Work

MMI owed Durama $380,366 for 2017 exploration work. Exploration work conducted in 2018 has not been billed. The debt was exchanged as part of the Durama/MMI Sale Agreement transaction.

6. Options

On September 26, 2016, MMI granted Randy Studer 1,000,000 options to acquire 1,000,000 common shares at an exercise price of $0.05 per common share expiring September 26, 2021. The options were assigned to GJLPC and exercised effective April 30, 2018.

8. Related party transactions (continued)

Transactions with Gregory J. Leia Professional Corporation ("GJLPC")

Gregory J. Leia is not an officer or director of MMI. Effective April 30, 2018, GJLPC owned 40.93% of the issued and outstanding shares. The legal fees owing to GJLPC (operating as Wolff Leia, Barristers and Solicitors) is secured by a general security agreement charging all the assets of MMI.

9. Share capital

Authorized:
Unlimited Common voting shares
Unlimited Preferred non-voting shares

Issued:

	December 31, 2017		**June 30, 2018**	
Common shares	Shares	Amount	Shares	Amount
Shares outstanding at the beginning of the period	10,228,156	$1,178,552	13,915,502	$1,362,939

On April 30, 2018, MMI and GJLPC entered into a series of conditional transactions (effective April 30, 2018). GJLPC acquired from Randy Studer: (a) the right to acquire 1,000,000 common shares upon exercise of an Option Agreement dated September 26, 2016 ("**RS Option Agreement**"); and (b) the right to acquire 444,280 common shares upon exercise of an warrant agreement dated October 21, 2015 ("**RS Warrant Agreement**"). GJLPC from Gregory J. Leia the right to acquire 1,000,000 common shares upon exercise of an option agreement dated September 26, 2016 ("**GJL Option Agreement**"). The conditions to the arrangement were removed on June 26, 2018 and GJLPC then acquired 3,687,340 common shares at $0.05 per common share for the aggregate consideration $184,367 consisting of the following individual transaction: (a) exercise of the right to acquire 1,602,026 common shares pursuant to a warrant agreement dated October 21, 2015 ("**GJLPC Warrant Agreement**"); (b) 1,000,000 common shares upon exercise of the RS Option Agreement; (c) 1,000,000 common shares upon exercise of the GJL Option Agreement; and (d) 58,320 common shares upon partial exercise of the RS Warrant Agreement. The subscription proceeds were used to repay the debts owing to GJLPC for legal fees incurred to April 30, 2018 under the trade name Wolff Leia, Barristers and Solicitors. MMI and GJLPC entered into a warrant termination agreement dated April 30, 2018 (effective April 30, 2018) to terminate the remaining 388,960 warrants under the RS Warrant Agreement. As of June 30, 2018, there were 13,915,502 common shares issued and outstanding. As of June 30, 2018, there were: (a) no outstanding options; and (b) 161,400 outstanding warrants to 161,400 purchase common shares at $0.05 per common share until October 21, 2020 (14,076,926 common shares fully diluted). Gregory J. Leia, indirectly through GJLPC, owns 5,695,862 common shares representing approximately 40.93% of the 13,915,502 common shares and issued and outstanding. GJLPC has no warrant rights.

10. Contributed surplus

The Company's contributed surplus consists of value assigned to issued warrants and options. The fair values of each option or warrant are established using the Black-Scholes option valuation model. The assumptions used in calculating the fair value of the options are:

Risk-free interest rate Expected volatility	1.00%
Expected dividend yield	100.00%
	0.00%

The following table reflects stock option activity from January 1, 2018 to June 30, 2018 and the weighted average exercise price.

	Year Ended December 31, 2017 ($)		Six Months Ended June 30, 2018 ($)	
	Number	exercise price	Number	exercise price
Outstanding at beginning of period	2,000,000 -	$0.05 -	2,000,000	$0.05
Issued			0	
Exercised	0		2,000,000	
Outstanding at end of period	2,000,000	$0.05	0	$0.05

Details of options outstanding at June 30, 2018 - nil

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Expected volatility considers the historical volatility of the Company's shares and any other features of the option grant that may impact the measurement of fair value such as market conditions. Change in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options.

The following table reflects share purchase warrants activity from January 1, 2018 to June 30, 2018 and the weighted average exercise price.

	December 31, 2017		June 30, 2018	
	Number	exercise price	Number	exercise price
Outstanding at beginning of period	-	-		
Modification of 2015 warrants	2,234,727	0.05		
Issued	1,100,000	0.05		
Outstanding at end of period	3,334,727	0.05		
Outstanding at January 1, 2018			3,334,727	0.05
Exercised			(1,660,346)	
Terminated/Expired			(1,488,960)	
Outstanding on March 31, 2018			161,421	$0.05

On April 30, 2018, 1,660,346 warrants were exercised which upon closing will net $84,387. Proceeds were used to pay debts owing to Gregory J. Leia Professional Corporation. On April 30, 2018, the rights to 388,960 warrants were terminated. On May 18, 2018, 1,100,000 warrants expired unexercised. As of June 30, 2018, there are 161,421 warrants which expire on October 21, 2020.