COLLINGWOOD RESOURCES CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

THREE MONTHS ENDED JUNE 30, 2019 AND 2018

The accompanying notes are an integral part of these financial statements

COLLINGWOOD RESOURCES CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS AS AT
(Unaudited)

		June 30, 2019		March 31, 2019
ASSETS				
Current				
Cash	$	708,509	$	710,973
GST receivable		104		421
Prepaid expense		5,200		5,200
	$	713,813	$	716,594
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	11,590	$	13,872
Shareholders' equity				
Share capital (Note 4)		768,703		768,703
Reserves		30,258		30,258
Deficit		(96,738)		(96,239)
		702,223		702,722
	$	713,813	$	716,594

Nature and continuance of operations (Note 1)
On behalf of the Board on July 23, 2019:

"Scott Gibson" Director *"Brian Fagan"* Director

The accompanying notes are an integral part of these financial statements

COLLINGWOOD RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

	Three Month Period Ended June 30, 2019	Three Month Period Ended June 30, 2018
EXPENSES		
Filing fees	$ 2,743	$ 2,743
Professional fees	-	355
Office and miscellaneous	40	1,094
Share-based payments (Note 4)	-	13,500
Shareholder communications	287	578
	(3,070)	(18,270)
Interest Income	2,571	-
Loss for the period	(499)	(18,270)
Basic and diluted loss per common share	$ 0.00	$ 0.00
Weighted average number of common shares outstanding – basic and diluted	13,437,000	11,607,174

The accompanying notes are an integral part of these financial statements

COLLINGWOOD RESOURCES CORP.
CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)

	Shares	Share Capital	Reserves	Deficit	Total shareholders' equity
Balance, March 31, 2018	9,130,000	$ 444,100	$ -	($60,320)	$ 383,780
Loss for the period	-	-	-	(18,270)	(18,270)
Initial public offering	4,300,000	430,000	-	-	430,000
Share issuance cost	-	(82,972)	17,157	-	(65,815)
Share-based payments	-	-	13,500	-	13,500
Balance, June 30, 2018	13,430,000	791,128	30,657	(78,590)	743,195
Balance, March 31, 2019	13,437,000	$ 768,703	$ 30,258	($96,239)	$ 702,722
Loss for the period	-	-	-	(499)	(499)
Share issuance cost	-	-	-	-	-
Share-based payments	-	-	-	-	-
Balance, June 30, 2019	13,437,000	$ 768,703	$ 30,258	($96,738)	$ 702,223

The accompanying notes are an integral part of these financial statements

COLLINGWOOD RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Month Period Ended June 30, 2019	Three Month Period Ended June 30, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (499)	$ (18,270)
Items not affecting cash:		
Share-based payments	-	13,500
Changes in non-cash working capital items:		
GST Receivable	316	-
Prepaid Expense	-	4,650
Accounts payable and accrued liabilities	(2,281)	(5,000)
Net cash used in operating activities	(2,464)	(5,120)
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Proceeds from share issuance	-	430,000
Share issuance costs	-	(65,815)
Proceeds from warrant exercise	-	-
Net cash provided by financing activities	-	364,185
Increase (decrease) in cash for the period	(2,464)	359,065
Cash, beginning of period	710,973	383,780
Cash, end of period	$ 708,509	$ 742,845

SUPPLEMENTARY CASH FLOW INFORMATION:

Fair value of 301,000 warrants issued for Agent's IPO fee	$ -	17,157

The accompanying notes are an integral part of these financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Collingwood Resources Corp. (the "Company") has completed an Initial Public Offering ("IPO") on May 10th 2018. It is a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Company was incorporated as a private company by Certificate of Incorporation issued pursuant to the provisions of the *British Columbia Business Corporations Act* on December 7, 2011.

The Company's registered and records office address is 25th Floor, 700 W Georgia St Vancouver, BC, V7Y 1B3.

The statement of financial position of the Company is presented in Canadian dollars, which is the functional currency of the Company.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate an agreement to acquire an interest in a material asset or business within 24 months of listing on the TSX-V. Any acquisition or investment proposed by the Company will be subject to regulatory approval.

The Company has incurred ongoing losses and will continue to incur further losses in the course of its business operations. At June 30, 2019, the Company had a deficit of $96,738 (2018 - $78,590). The Company has been relying on the issuance of share capital to fund its operations. Although the Company has been successful in the past in raising equity financing, there is no assurance that such financing will be available with acceptable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

These condensed annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Estimates and Judgments

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Information about significant areas of estimation uncertainty and judgments made by management in preparing the financial statements are described below:

i) The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

ii) The Company uses the Black-Scholes option pricing model to determine the fair value of stock options. The Black-Scholes' fair value calculation requires management to make estimates and assumptions on future volatility of the stock price, risk-free interest rate, expected life, expected dividend yield and future forfeiture rate of options. Changes in any of these input assumptions could materially impact the share-based payment reserve and expense.

Financial instruments

Classification

Financial assets are classified at initial recognition as either: measured at amortized cost, Fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVTOCI"). The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income ("OCI").

Fair value through profit or loss ("FVTPL") – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

Fair value through other comprehensive income ("FVTOCI") – Financial instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the instrument.

Financial assets at amortized cost - A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or the Company has opted to measure at FVTPL.

Under IFRS 9, the Company classifies it's financial instruments as follows:

Cash	FVTPL
Accounts payable, Accrued liabilities	Amortized cost

Measurement

Financial assets and liabilities at FVTPL are initially recognized at fair value and transaction costs are expensed in the consolidated statement of income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets or liabilities held at FVTPL are included in the consolidated statement of loss in the period in which they arise. Where the Company has opted to designate a financial liability at FVTPL, any changes associated with the Company's credit risk will be recognized in OCI.

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost less any impairment.

Fair Value Hierarchy

Under IFRS 9, financial instruments disclosures require classification of fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

Impairment

The Company assesses on a forward looking basis the expected credit losses ("ECL") associated with financial assets measured at amortized cost, contract assets and debt instruments carried at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

New and Revised Standards and Interpretations

i. Revised accounting pronouncements adopted during the year

IFRS 9 Financial Instruments

IFRS 9 was issued by the IASB in November 2009 and replaced IAS 39, Financial Instruments: Recognition and Measurement. The Company adopted IFRS 9 effective January 1, 2018.

The adoption of IFRS 9 has had no significant impact on the financial statements other than classification of financial instruments. The following table outlines the classification of IFRS under IAS 39 and IFRS 9:

	IFRS 9	**IAS 39**
Cash	FVTPL	FVTPL
Accounts payable, Accrued liabilities	Amortized cost	Amortized cost

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of warrants attached to 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 Company considers the fair value of common shares issued in the private placements to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing market price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as contributed reserves.

Share-based Payments

The fair value of all stock options granted to employees and directors are determined using the Black-Scholes Option Pricing Model, and the resulting value is charged to operations over the vesting period. Volatility rate is determined based on the trading history of the Company's shares for the relevant period and interest rate is based on Canadian bond rates.

For non-employees, share-based compensation is measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The fair value is recorded at the earlier of the vesting date, or the date the goods or services are received.

A corresponding increase in equity, the reserve for equity settled share-based transactions, is recorded when stock options are expensed. When stock options are exercised, share capital is credited by the sum of the consideration paid and the related portion previously recorded in the reserve is reversed. At the time of grant, the expense is determined based on estimated forfeiture rate. The expense will be adjusted to recognize the effect of actual forfeitures as they occur. The fair value of warrants issued to agents for their finder's fee is based on the Black-Scholes and charged to share issuance costs.

Loss per share

Loss per share is calculated by dividing the loss for the period by the weighted average number of common shares outstanding during the period. The Company calculates the dilutive effect on loss per share by presuming the exercise of outstanding options and warrants. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. Accordingly, basic and diluted loss per share is the same for the years presented. Shares subject to escrow restrictions are excluded from the weighted average number of common shares unless their release is subject only to the passage of time.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the 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 statement of financial position liability method, providing for temporary difference, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor 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 statement of financial position 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.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

New accounting pronouncements

Certain new standards, interpretations and amendments to existing standards have been issued by the "IASB" or International Financial Reporting Interpretations Committee ("IFRIC") as of June 30, 2019 but are not applicable in preparing these financial statements. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

- IFRS 16 Leases: New standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model, effective for annual periods beginning on or after January 1, 2019.
- IFRIC 23 - Uncertainty over Income Tax Treatments: New standard to clarify the accounting for uncertainties in income taxes. The interpretation provides guidance and clarifies the application of the recognition and measurement criteria in IAS 12 "Income Taxes" when there is uncertainty over income tax treatments. The interpretation is effective for annual periods beginning on January 1, 2019. The Company is currently assessing the impact of IFRIC 23 on its consolidated financial statements.

The Company does not expect the impact of such changes on the financial statements to be material.

4. SHARE CAPITAL

Authorized:

Unlimited common shares with no par value and unlimited preferred shares with no par value.

Issuances:

On August 2, 2017, the Company closed a non-brokered private placement of 5,930,000 common shares at a price of $0.05 per share for gross proceeds of $296,500. Share issue cost of $7,400 were paid in connection with the private placement.

On May 10, 2018, the Company completed an Initial Public Offering of 4,300,000 common shares at a price of $0.10 per common share for gross proceeds of $430,000. Net share issue costs of $89,339 were paid in connection with the IPO.

On November 8, 2018, the Agent exercised share purchase warrants of 7,000 common shares at a price of $0.10 per common share for gross proceeds of $700.

Warrants:

Pursuant to the IPO, the Agent was granted non-transferable share purchase warrants to purchase up to 301,000 common shares of the Company at a price of $0.10 per common share, exercisable for period of 24 months from the date the common shares of the Company were listed for trading on the TSX-V.

The fair values of the finder's warrants issued of $17,157 was calculated using the Black-Scholes Option Pricing Model, based on the following weighted average assumptions at May 10, 2018: Exercise price - $0.10 Average risk-free interest rate - 1.97% Expected dividend yield - 0.00% Expected stock price volatility - 110% Expected life -2 years.

Stock options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option shall be determined by the directors but in no event will be less than the discount market price for the common shares. The options can be granted for a maximum term of 10 years and vest at the discretion of the board of directors.

The Company granted 300,000 options exercisable at $0.10, expiring April 11, 2027.

The fair values of the options issued were calculated using the Black-Scholes Option Pricing Model, based on the following weighted average assumptions at April 11, 2017: Exercise price -- $0.10 Average risk-free interest rate – 1.55% Expected dividend yield -- 0.00% Expected stock price volatility -- 110% Expected life – 10 years

5. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management includes executive and non-executive members of the Company's Board of Directors, the CEO and CFO.

During the quarter ended June 30, 2019 the Company incurred legal expenses of $nil (2018 - $nil) to a law firm of which a director of the Company is a partner.

Other than the legal fees incurred to a related party, the option grant in Note 4 is to officers and directors of the Company. No share based payments were recorded for the three months ended June 30, 2019 (2018 - $13,500)

As at June 30, 2019, the Company owed $4,091 (2018 - $nil) to related parties, which is included in accounts payable.

6. FINANCIAL INSTRUMENTS

Fair value

Cash is carried at fair value using a level 1 fair value measurement. The recorded value of the accounts payable and accrued liabilities approximate their fair values due to their demand nature and their short term to maturity.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash in trust.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Liquidity risk

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 positive working capital position.

Foreign currency risk

The Company may at times be exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency. As at June 30, 2019 and March 31, 2019, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

Price risk

The Company has limited exposure to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities.

7. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity. As at June 30, 2019, the Company's shareholders' equity was $702,223 (2018 - 743,195) and there was no long term debt outstanding. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital.