

Cardinal Capital Partners Inc.

**Consolidated Condensed Interim Financial Statements
(Unaudited)**

March 31, 2020

Management's Responsibility for Condensed Interim Financial Statements

The accompanying unaudited condensed interim financial statements of Cardinal Capital Partners Inc. (the "Company" or "Cardinal") are the responsibility of the Board of Directors.

The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34-Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim financial statements and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"signed Ryan Roebuck"
Ryan Roebuck
Chief Executive Officer

"signed Chris Carmichael"
Chris Carmichael
Chief Financial Officer

Toronto, Canada
May 28, 2020

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the three months ended March 31, 2020 have not been reviewed by the Company's auditors.

Cardinal Capital Partners Inc.
Consolidated Statements of Financial Position
(Unaudited)
(Expressed in Canadian dollars)

| | March 31 | December 31 |
|---|--------------|--------------|
| | 2020 | 2019 |
| Assets | | |
| Current | | |
| Cash | \$ 140,732 | \$ 140,738 |
| <hr/> | | |
| Liabilities | | |
| Current | | |
| Accounts payable and accrued liabilities (note 6) | \$ 64,886 | \$ 60,487 |
| <hr/> | | |
| Shareholders' Equity | | |
| Share capital (note 5(b)) | 8,328,310 | 8,328,310 |
| Contributed surplus (note 5(c)) | 15,391,132 | 15,391,132 |
| Deficit | (23,643,596) | (23,639,191) |
| <hr/> | | |
| | 75,846 | 82,251 |
| <hr/> | | |
| | \$ 140,732 | \$ 140,738 |
| <hr/> | | |

Going concern (note 1)
Risk Management and Financial Risks (note 8)
Subsequent event (note 9)

On Behalf of the Board

Signed: “” _____, Director

Signed: “” _____, Director

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

Cardinal Capital Partners Inc.

Consolidated Statements of Changes in Shareholders' Equity

For the three months ended March 31, 2020 and 2019

(Unaudited)

(Expressed in Canadian dollars)

| | Share Capital | Contributed Surplus | Deficit | Total |
|---------------------------------|--------------------------|--------------------------------|----------------|--------------|
| | \$ | \$ | \$ | \$ |
| Balance, January 1, 2019 | 8,328,310 | 15,391,132 | (23,620,135) | 99,307 |
| Net (loss) for the period | - | - | (4,558) | (4,558) |
| Balance, March 31, 2019 | 8,328,310 | 15,391,132 | (23,624,692) | 94,750 |

| | Share Capital | Contributed Surplus | Deficit | Total |
|---------------------------------|--------------------------|--------------------------------|----------------|--------------|
| | \$ | \$ | \$ | \$ |
| Balance, January 1, 2020 | 8,328,310 | 15,391,132 | (23,639,191) | 80,251 |
| Net (loss) for the period | - | - | (4,405) | (4,405) |
| Balance, March 31, 2020 | 8,328,310 | 15,391,132 | (23,643,596) | 75,846 |

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

Cardinal Capital Partners Inc.

Consolidated Statements of Loss and Comprehensive Loss

For the three months ended March 31, 2020 and 2019

(Unaudited)

(Expressed in Canadian dollars)

| | 2020 | 2019 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Expenses | | |
| General office and administration | <u>4,405</u> | <u>4,558</u> |
| Net income (loss) and comprehensive income (loss) for the period | <u>(4,405)</u> | <u>(4,558)</u> |
| Basic and diluted net income (loss) per share | <u>(0.00)</u> | <u>(0.00)</u> |
| Weighted average number of shares outstanding | <u>32,066,579</u> | <u>32,066,579</u> |

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

Cardinal Capital Partners Inc.

Consolidated Statements of Cash Flows

For the three months ended March 31, 2020 and 2019

(Unaudited)

(Expressed in Canadian dollars)

| | 2020 | 2019 |
|--|-------------------|-------------------|
| Operating activities | | |
| Net (loss) for the period | \$ (4,405) | \$ (4,558) |
| Forgiveness of debt | | - |
| Items not affecting cash: | | |
| Changes in accounts payable and accrued liabilities | 4,399 | 2,288 |
| Net cash flows (used in) operating activities | <u>(6)</u> | <u>(2,270)</u> |
| Increase (decrease) in cash | (6) | (2,270) |
| Cash , beginning of period | 140,738 | 173,220 |
| Cash , end of period | <u>\$ 140,732</u> | <u>\$ 170,950</u> |

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

Cardinal Capital Partners Inc.

Notes to Consolidated Financial Statements

For the Three Months ended March 31, 2020 and 2019

(Expressed in Canadian dollars)

1. Nature of Business and Going Concern

Cardinal Capital Partners Inc. ("the Company" or "Cardinal") was a merchant bank that assumed the role of participating lender in the acquisition, development, sales and management of real estate properties that met a predetermined set of guidelines within North American markets. On September 30, 2009 the Company ceased its operations upon the sale of its wholly-owned subsidiary Global Development Resources, Inc. (USA) ("GDR USA"). As a result of the sale of GDR USA, the Company no longer has continuing operations.

Cardinal is a publicly traded company incorporated and domiciled in Ontario. The Company's registered office is as follows: B2 – 125 The Queensway, Suite 217, Toronto, ON M8Y 1H6.

Since inception, the Company has incurred losses and net cash outflows from operations and has funded operations through common stock issuances and debt in order to meet its strategic objective. As at March 31, 2020, the Company had \$140,732 in assets to satisfy liabilities of \$64,886 and continues to sustain negative cash flows from operations. As a result of the foregoing, a material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern. Management is continuing to pursue additional financing and other business opportunities in order to secure sufficient working capital to meet its operational requirements and be able to pay its existing liabilities. However, there can be no assurance that the Company will be able to obtain sufficient funds to continue to fund its operations. These consolidated financial statements do not include any adjustments that might be necessary if the going concern assumption was not appropriate. These adjustments could be material.

2. Basis of Presentation

Statement of Compliance

These unaudited interim consolidated condensed financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and do not include all of the information required for full annual financial statements.

These consolidated financial interim statements are prepared using IFRSs in effect at May 28, 2020, the date of the Board of Directors approving the consolidated financial statements. Significant accounting policies used in the preparation of the consolidated financial statements are described in Note 3.

3. Summary of Significant Accounting Policies

Basis of Consolidation

All intercompany transactions and balances have been eliminated.

(i) Subsidiaries

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries: Eco Logic Chemical Technologies Inc. and Eco Logic Solutions Inc., both of which are inactive.

Use of Estimates

The preparation of these consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the reported amount expenses during the year. While management believes that the estimates and assumptions are reasonable, actual results may differ materially from those estimates.

Cardinal Capital Partners Inc.

Notes to Consolidated Financial Statements

For the Three Months ended March 31, 2020 and 2019

(Expressed in Canadian dollars)

3. Summary of Significant Accounting Policies - continued

Financial Instruments

IFRS 9 - Financial Instruments was issued by the IASB to establish principles for the financial reporting of financial assets and financial liabilities, including requirements for classification and measurement, impairment, and hedge accounting.

All of the Company's financial assets and liabilities are and measured at amortized cost.

Financial instruments measured at amortized cost are initially recognized at fair value, plus adjustments for transaction costs, and then subsequently measured at amortized cost using the effective interest rate method, with gains and losses recorded as a charge against earnings.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired.

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

A financial asset carried at amortized cost is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flow of that asset and that the estimated future cash flow of that asset can be estimated reliably. 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.

The following table summarizes the classification of the Company's financial assets and liabilities under IFRS 9.

| | Classification |
|--|----------------|
| Financial assets: | |
| Cash | Amortized cost |
| Financial liabilities: | |
| Accounts payable and accrued liabilities | Amortized cost |

Income Taxes

Income tax expense comprises current and deferred components.

Current income tax expense is the expected tax payable for the current year's taxable income based on rates enacted or substantively enacted at the end of the reporting period and any adjustments to previous estimates.

Deferred income taxes are calculated using the asset and liability method. Accordingly, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities from a change in expected future tax rates is recognized in net (loss) income in the year that includes the date of substantive enactment of the revised tax rates. Deferred tax assets are recognized to the extent that it is probable that they will be realized.

Cardinal Capital Partners Inc.

Notes to Consolidated Financial Statements

For the Three Months ended March 31, 2020 and 2019

(Expressed in Canadian dollars)

3. Summary of Significant Accounting Policies - continued

Earnings (loss) per Share

Basic earnings (loss) per share are calculated using the weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated by dividing net earnings available to common shareholders for the year by the diluted weighted average number of common shares outstanding during the year. The diluted weighted average number of shares includes the potential dilution from common shares issuable through stock options, if dilutive, using the treasury stock method. The treasury stock method assumes that the proceeds from any shares issued on the exercise of stock options are used by the Company to repurchase and cancel shares at the average market price of the Company's share price for the period. As such, where the strike price of stock options exceeds the average market price of the Company's shares for the reporting period, the inclusion of these shares under the treasury stock method would be anti-dilutive, so these shares are excluded from the calculation of the weighted average number of diluted common shares.

In years that the Company reports a net loss, loss per share is not presented on a diluted basis, as the result would be anti-dilutive.

Share-Based Payment Transactions

The fair value of share options granted to employees, officers and directors is recognized as an expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and the vesting period. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted.

4. Accounting Standards Adopted

IFRS 16 – Leases was adopted on January 1, 2019. There is no impact to the Company from the adoption of IFRS 16.

5. Share Capital

- a) Authorized
 - Unlimited common shares
 - Unlimited preferred shares
- b) Shares issued and outstanding

| | Number of Shares | Amount |
|---|---------------------|--------------|
| <hr/> | | |
| <u>Common shares</u> | | |
| Balance, December 31, 2018 and March 31, 2019 | 32,066,579 | \$ 8,348,310 |
| <hr/> | | |
| Balance, December 31, 2019 and March 31, 2020 | 32,066,579 | \$ 8,348,310 |
| <hr/> | | |

Cardinal Capital Partners Inc.

Notes to Consolidated Financial Statements

For the Three Months ended March 31, 2020 and 2019(Expressed in Canadian dollars)

5. Share Capital – continued

c) Stock Options Outstanding

Cardinal has a stock option plan (the “Plan”) which was approved by the Board of Directors of the Company. The total amount of shares reserved for issuance under the Plan is equal to 10% of the outstanding common shares.

The Plan is for the benefit of the employees, officers and directors and certain consultants of Cardinal and its subsidiaries. The Plan is administered by the Compensation Committee of the Board of Directors of the Company. The Compensation Committee may from time to time designate individuals to whom options to purchase shares of the capital stock of the Company may be granted and the number of shares to be optioned to each. The option price per share which is the subject of any option shall be fixed by the Board of Directors when such option is granted. The option price can be discounted according to the rules of the Exchange at the time the option is granted. It is Cardinal’s policy that options vest fully upon issuance. The period during which an option is exercisable shall not exceed five years from the date the option is granted. The options may not be assigned, transferred or pledged. Subject to any grace period allowed under the policies of the Exchange, the options will expire upon the termination of the employment or office with Cardinal or any of its subsidiaries or death of an individual. The total number of shares to be optioned to any one individual cannot exceed five percent of the total of the issued and outstanding shares.

On November 28, 2018, the Company granted to directors, officers and consultants of the Company incentive stock options to purchase a total of 3,000,000 common shares of the Company at an exercise price of \$0.01 per share, expiring November 28, 2023 and vesting immediately. The number of shares reserved for issuance under the plan is 3,206,657 of which, subsequent to this grant, 3,000,000 have been granted. On May 4, 2018, 800,000 options exercisable at \$0.05 expired.

The Company determined the fair value of these stock options at November 22, 2018 to be \$22,522 using the Black-Scholes option pricing model with the assumptions as follows:

| | |
|-------------------------|---------|
| Exercise price | \$0.01 |
| Stock price | \$0.01 |
| Risk-free interest rate | 2.20% |
| Expected life | 5 years |
| Expected volatility | 100% |
| Dividend rate | 0% |

The weighted average remaining contractual life and weighted average exercise price of options outstanding and of options exercisable as at March 31, 2020 are as follows:

| Exercise Price | Options Outstanding | | | Options Exercisable | |
|----------------|---------------------|---------------------------------|--|---------------------|---------------------------------|
| | Number Outstanding | Weighted-Average Exercise Price | Average Remaining Contractual Life (years) | Number Exercisable | Weighted-Average Exercise Price |
| \$0.01 | 3,000,000 | \$0.01 | 3.66 | 3,000,000 | \$0.01 |
| Total | 3,000,000 | \$0.01 | 3.66 | 3,000,000 | \$0.01 |

Cardinal Capital Partners Inc.

Notes to Consolidated Financial Statements

For the Three Months ended March 31, 2020 and 2019(Expressed in Canadian dollars)

6. Related Party Transactions and Balances

- a) At March 31, 2020, accounts payable and accrued liabilities included \$30,841 (December 31, 2019 - \$30,841) payable to officers and directors of the Company.

Compensation of key management personnel

The remuneration expense of directors and other members of key management personnel during the three months ended March 31, 2020 and 2019 were as follows:

| | | 2020 | | 2019 |
|--------------------------|----|-------------|----|-------------|
| Salaries and benefits | \$ | - | \$ | - |
| Share-based compensation | | - | | - |
| Total | \$ | - | \$ | - |

7. Income Taxes

The estimated taxable income for the three months ended March 31, 2020 is \$Nil (March 31, 2019 - \$Nil). Based on the level of historical taxable income it cannot be reasonably estimated at this time if it is more likely than not the Company will realize the benefits from future income tax assets or the amounts owing from future income tax liabilities. Consequently, the future recovery or loss arising from differences in tax values and accounting values has been reduced by an equivalent estimated taxable temporary difference valuation allowance.

The estimated taxable temporary difference valuation allowance will be adjusted in the period in which it is determined that it is more likely than not that some portion or all of the future tax assets or future tax liabilities will be realized.

For further information on the Company's actual losses for tax purposes, refer to the December 31, 2019 audited financial statements. The benefit of these losses and the estimated loss for the period ended have not been recognized in these financial statements.

Cardinal Capital Partners Inc.

Notes to Consolidated Financial Statements

For the Three Months ended March 31, 2020 and 2019(Expressed in Canadian dollars)

8. Risk Management and Financial Risks*Capital Management*

The Company manages its shareholders' equity as capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue project opportunities for the benefit of its shareholders. 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. The Company may attempt to issue new shares or debt, or adjust the amount of cash. There can be no assurance that the Company will be able to obtain debt or equity capital in the case of operating cash deficits. The Company is not subject to any externally imposed capital requirements.

Financial Risks

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

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2020, the Company had current assets of \$140,732 (December 31, 2019 - \$140,738) to settle current liabilities of \$64,886 (December 31, 2019 - \$60,487). (See note 1).

Credit Risk

The credit risk relates to the cash on hand, which is held in a single financial institution.

COVID-19

During the period, there was a global outbreak of COVID-19 (coronavirus), which had a significant impact on businesses through restrictions put in place by the Canadian federal, provincial, and municipal governments regarding travel, business operations, and isolations/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate that this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages and increased government regulations, all of which may negatively impact the Company's business and financial condition.