CLASS 1 NICKEL AND TECHNOLOGY LIMITED (FORMERLY LAKEFIELD MARKETING CORP.)

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim financial statements of Class 1 Nickel and Technology Limited (formerly Lakefield Marketing Corp.) (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

Class 1 Nickel and Technology Limited (formerly Lakefield Marketing Corp.)

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

		As at September 30, 2019		As at December 31, 2018
ASSETS				
Current assets				
Cash and cash equivalents	**$**	**352,339**	$	-
Mining interest (note 4)		**-**		2
Accounts receivable		**1,202**		-
Prepaid expenses		**7,900**		-
Total assets	**$**	**361,441**	$	2
EQUITY AND LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (note 5)	**$**	**53,074**	$	6,000
Loans payable		**22,008**		-
Total liabilities		**75,082**		6,000
Shareholder's deficiency				
Share capital (note 5)		**1,695,586**		2
Deficit		**(1,409,227)**		(6,000)
Total shareholder's deficiency		**286,359**		**(5,998)**
Total shareholder's deficiency and liabilities	**$**	**361,441**	$	2

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)
Commitments (note 7)

Class 1 Nickel and Technology Limited (formerly Lakefield Marketing Corp.)
Condensed Interim Statements of Income (Loss) and Comprehensive Income (loss)
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Operating expenses				
Professional fees	**$ 2,658**	$ -	**$ 7,158**	$ -
Management fees	**1,145,000**		**1,145,000**	-
General and administrative	**21,109**		**21,109**	-
Interest and accretion	**2,480**		**2,480**	-
Research and development	**227,480**		**227,480**	-
	1,398,727	-	**1,403,227**	-
Net loss and comprehensive loss for the period	**$ 1,398,727**	$ -	**$ 1,403,227**	$ -
Basic and diluted net income (loss) per share	**$ 0.120**	$ 0.000	**$ 0.189**	$ 0.000
Weighted average number of common shares outstanding	**11,700,592**	5,250,000	**7,423,826**	5,250,000

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Class 1 Nickel and Technology Limited (formerly Lakefield Marketing Corp.)

Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Operating activities		
Net loss for the period	**$ (1,403,227)**	$ -
Changes in non-cash working capital items:		
Amounts receivable and sales tax receivable	**(1,202)**	-
Loans payable	**22,008**	-
Prepaid expenses	**(7,900)**	-
Amounts payable and other liabilities	**47,076**	-
Net cash used in operating activities	**(1,343,245)**	-
Financing activities		
Proceeds from issuance of units in private placement	**350,000**	-
Shares issued in debt settlement	**1,145,000**	-
Shares issued in connection with RTO	**200,584**	-
Net cash provided by financing activities	**1,695,584**	-
Net change in cash and cash equivalents	**352,339**	-
Cash and cash equivalents, beginning of period	**-**	-
Cash and cash equivalents, end of period	**$ 352,339**	$ -

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Class 1 Nickel and Technology Limited (formerly Lakefield Marketing Corp.)

Condensed Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)
Unaudited

	Shares		Share capital		Deficit		Total
Balance, December 31, 2017	**5,250,000**	**$**	**2**	**$**	**(4,590)**	**$**	**(4,588)**
Net loss for the period			-		-		-
Balance, September 30, 2018	**5,250,000**	**$**	**2**	**$**	**(4,590)**	**$**	**(4,588)**

	Shares		Share capital		Deficit		Total
Balance, December 31, 2018	**5,250,000**	**$**	**2**	**$**	**(6,000)**	**$**	**(5,998)**
Shares issued in private placement	17,500,000		350,000		-		17,850,000
Shares issued for settlement of debt	57,250,000		1,145,000		-		58,395,000
Shares issued in connection with RTO	10,029,209		200,584		-		10,229,793
Net loss for the period			-		(1,403,227)		(1,403,227)
Balance, September 30, 2019	**90,029,209**	**$**	**1,695,586**	**$**	**(1,409,227)**	**$**	**286,359**

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

1. Nature of operations and going concern

Nature of business

Class 1 Nickel and Technology Limited (formerly Lakefield Marketing Corp.) ("Class 1" or the "Company") was incorporated on September 22, 2000, under the laws of the Province of Ontario. The principal business of the Company is mining exploration and development of minerals and precious metals in Canada. The corporate head office of the Company is located at 44 Victoria Street, Suite #1060, Toronto, Ontario.

Going concern uncertainty

At each reporting period, management assesses the basis of preparation of the financial statements. These financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These financial statements do not include any adjustments to amounts and classifications of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

For the three and nine months ended September 30, 2019, the Company incurred a net loss of $1,398,727 and $1,403,227 respectively (September 30, 2018 - $nil and $nil) and had negative operating cash flows of $1,343,245 (September 30, 2018 - $nil). The Company has an accumulated deficit of $1,409,227 since inception (December 31, 2017 - $6,000) and does not have sufficient cash as at September 30, 2019 to meet its expected obligations over the next twelve months. These factors raise significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to generate cash flows from operations and to complete negotiations to obtain and successfully close additional funding from debt financing, equity financings or through other arrangements. These conditions indicate the existence of a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern. 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.

2. Reverse take-over transaction

On September 23, 2019, the Company completed a business combination (the "Transaction") with Legendary Ore Mining Corporation ("Legendary") by way of a "three-cornered amalgamation", resulting in the reverse take-over of the Company by Legendary's former shareholders.

The Transaction was completed in accordance with the terms of an amalgamation agreement (the "Amalgamation Agreement") between the Company, Legendary and Bloom Retail Management Inc. ("Lakefield Subco"), a wholly-owned subsidiary of the Company. On closing of the Transaction, Legendary amalgamated with Lakefield Subco to form a new corporation, which became a wholly-owned subsidiary of the Company continuing under the name "Legendary Ore Mining Corporation". In exchange for all of the issued and outstanding common shares of Legendary, the Company issued 80 million common shares of the Company to the former Legendary shareholders. As a result, on closing, the former Legendary shareholders held approximately 89% of the 90,029,209 total outstanding shares of the Company.

Immediately prior to the Transaction taking effect, the Company changed its name to "Class 1 Nickel and Technologies Inc.". Upon the completion of the Transaction, the former directors and officers of the Company resigned from all offices with the Company and new directors and officers were appointed. The following is a description of each of the Company's newly appointed directors and officers.

(Expressed in Canadian Dollars)

2. Reverse take-over transaction (continued)

A summary of the costs in regards to the Transaction are listed below:

Net assets of Lakefield

	Amount
Net assets of Lakefield	
Cash	$ 873
Accounts payable, accrued liabilities and loans payable	(27,769)
	(26,896)
Consideration given by Legendary	
10,029,209 shares of Legendary at a value of $0.02 per share	$ 200,584
	200,584
Listing expense	**$ 227,480**

3. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of November 26, 2019, the date the Board of Directors approved the statements.

New standards adopted

(a) Leases and right-of-use assets

In January 2016, the IASB issued IFRS 16 - Leases ("IFRS 16"), replacing IAS 17 - Leases. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its statement of financial position, providing the reader with greater transparency of an entity’s lease obligations.

At January 1, 2019, the Company adopted the following and there was no material impact on the Company's financial statements. The Company adopted IFRS 16 using the modified retrospective approach and accordingly the information presented for 2018 has not been restated. It remains as previously reported under IAS 17 and related interpretations.

3. Significant accounting policies (continued)

New standards adopted (continued)

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognized where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortized over the remaining (revised) lease term.

The Company adopted this standard and there was no impact to the unaudited interim condensed interim financial statements.

(Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

New standards adopted (continued)

(b) Uncertainty over Income Tax Treatments

On June 7, 2017, the IASB issued IFRIC Interpretation 23 Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. The Company adopted this standard at January 1, 2019 and there was no material impact on the Company's unaudited condensed interim consolidated financial statements.

4. Mining interest

	As at September 30, 2019	As at December 31, 2018
Alexo-Dundonald Project mining interest	**$ 2**	$ 2
	$ 2	$ 2

The “Alexo-Dundonald Project” is an exploration stage, past-producing nickel-copper-cobalt sulphide project, located approximately 45 kilometers northeast of the city of Timmins, Ontario, Canada. Ontario. The Alexo-Dundonald Project combines the Alexo-Kelex and Dundonald properties and consists of 29 patented claims (19 with both mining and surface rights, nine with mining rights only and one with surface rights only), 40 leased claims (31 with both mining and surface rights and nine with mining rights only), 21 single cell mining claims and five boundary cell mining claims.The Company owns all the outstanding equity of Legendary Ore Mining Corporation, which holds a 100% interest in the mining claims, leases and properties comprising the Alexo-Dundonald Project, subject to certain tenure agreements and any rights or claims asserted in connection with historic royalty agreements granted in respect of the Alexo-Kelex and Dundonald properties.

The Alexo deposit was discovered in 1907, and between the years 1913 to 1919, 51,851 tonnes grading 4.5% nickel and 0.7% copper was extracted and sent to Sudbury, Ontario, for processing. Most recently, Canadian Arrow Mines Ltd shipped 6,000 tonnes grading 2.46% nickel, 0.31% copper, and 0.07% cobalt as part of a 10,000 tonne bulk sample permit held at the time, and started the reclamation of the project as part of a Closure Plan approved in 2004 and amended in 2011.

In addition, the Company has an option (the “Somanike Option”) to acquire a 100% interest in the rights held by Vanicom Resources Limited, in an option to acquire the Somanike property, an exploration stage nickel-copper mine project, including the past-producing Marbridge Nickel Sulphide Mine located near Val d’Or, Quebec. The Company is concentrated on advancing the Alexo Project for the current time being and will continue to evaluate this option on an on-going basis.

(Expressed in Canadian Dollars)

5. Share capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares without par value. All issued shares are fully paid.

	Number of common shares		Amount
Balance,December 31, 2017, September 30, 2018, and	5,250,000	$	2
Balance, December 31, 2018	5,250,000	$	2
Private placement (i)	17,500,000		350,000
Issued for settlement of debt (ii)	57,250,000		1,145,000
issued in connection with RTO (iii)	10,029,209		200,584
Balance, September 30, 2019	90,029,209	$	1,695,586

(i) During the nine months ended September 30, 2019, the Company completed a non-brokered private placement of 17,500,000 common shares of the Company for aggregate proceeds of $350,000. There were no warrants attached to the issuance of these shares.

(ii) During the nine months ended September 30, 2019, the Company issued 57,250,000 common shares of the Company to settle debt of $1,145,000. There was no gain or loss reported as a result of this transaction as it was completed at exchange value. There were no warrants attached to the issuance of these shares.

(iii) During the nine months ended September 30, 2019, the Company issued 10,029,209 common shares of the Company to the shareholders of Lakefield with a listed per unit price of $0.02. The shares were issued in connection with the RTO transaction resulting in the amalgamated entity of Class 1 Nickel and Technology Limited (formerly Lakefield Marketing Corp.). See note 2.

6. Related party transactions

The Chief Financial Officer ("CFO") of the Company is a senior employee of Marrelli Support Services Inc. ("MSSI"). During the three and nine months ended September 30, 2019, the Company paid or accrued professional fees of $2,250 and $6,750 (three and nine months ended September 30, 2018 - $nil) to MSSI. These services were incurred in the normal course of operations for general accounting and financial reporting matters. MSSI also provides bookkeeping services to the Company. As at September 30, 2019, MSSI was owed $847 (December 31, 2018 - $nil) with respect to services provided. The balance owed was recorded in the statement of financial position in accounts payable.

7. Commitments

The Company has entered into a lease to rent office space with a related party, for $950 a month for a term of 12 months ending July 1, 2020.