La Jolla Capital Inc.

Condensed Interim Consolidated Financial Statements
(Unaudited)

For the three months ended September 30, 2019

(in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED 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 condensed interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the condensed interim financial statements.

The accompanying unaudited condensed interim financial statements of La Jolla Capital Corp. (the “Company”) 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 condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity’s auditor.

La Jolla Capital Inc.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As At	Notes	**September 30, 2019 (Unaudited)**	June 30, 2019 (Audited)
ASSETS			
Current			
Cash		**$ 8,948**	$ 1,093
Receivables		**437**	40
Total assets		**$ 9,385**	$ 1,133
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
Current			
Accounts payable and accrued liabilities		**$ 812,897**	$ 778,576
Loans payable	4	**121,838**	111,838
		934,735	890,414
SHAREHOLDERS' DEFICIENCY			
Share capital	5	**16,103,979**	16,103,979
Deficit		**(16,930,327)**	(98,069)
Accumulated other comprehensive loss		**(99,002)**	(16,895,191)
TOTAL SHAREHOLDERS' DEFICENCY		**(925,350)**	(889,281)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY		**$ 9,385**	$ 1,133

Nature of Operations and Going Concern (Note 1)

Approved on behalf of the Board of Directors:

"Eugene Beukman"
Director

"Aman Thindal"
Director

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

La Jolla Capital Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three-month periods ended September 30, 2019 and 2018
(Expressed in Canadian dollars – unaudited)

	Notes		Three months ended September 30, 2019		Three months ended September 30, 2018
Expenses					
Investor relations, agents and fees		$	575	$	-
Consulting, management and director fees	9		24,000		24,000
Office, premise and other			43		18
Professional fees	9		10,518		9,000
Net loss for the period			(35,136)		(33,018)
Foreign currency translation adjustment			(933)		1,334
Total loss and comprehensive loss for the period		$	(36,069)	$	(31,684)
Loss per share, basic and diluted		$	(0.01)	$	(0.01)
Weighted average number of common shares outstanding, basic and diluted			4,332,390		5,983,324

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

La Jolla Capital Inc.

Condensed Interim Consolidated Statements of Cash Flows
For the three months ended September 30, 2019 and 2018
(Expressed in Canadian dollars - unaudited)

		Three months ended September 30, 2019		Three months ended September 30, 2018
Cash provided by (used in):				
Operating Activities				
Net loss for the period	$	(35,136)	$	(33,018)
Items not involving cash:				
Unrealized foreign exchange		(933)		1,334
		(36,069)		(31,684)
Change in non-cash working capital:				
Receivables		(397)		-
Accounts payable and accrued liabilities		34,321		29,666
Cash Used in operating activities		(2,145)		(2,018)
Financing Activities				
Loans received		10,000		6,300
Cash received from financing activities		10,000		6,300
Increase in cash		7,855		4,282
Cash, beginning of the year		1,093		50
Cash, end of the period	$	8,948	$	4,332

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

La Jolla Capital Inc.
Condensed Interim Consolidated Statements of Changes in Equity
For the three months ended September 30, 2019 and 2018
(Expressed in Canadian dollars - unaudited)

	Shares		Amount		Deficit		Cumulative other comprehensive loss		Total
Balance, June 30, 2018	5,983,324	$	22,240,685	$	(22,896,478)	$	(98,553)	$	(754,346)
Loss for the period	-		-		(33,018)		-		(33,018)
Other comprehensive income	-		-		-		1,334		1,334
Balance, September 30, 2018	5,983,324	$	22,240,685	$	(22,929,496)	$	(97,219)	$	(786,030)
Balance, June 30, 2019	**4,332,390**	**$**	**16,103,979**	**$**	**(16,895,191)**	**$**	**(98,069)**	**$**	**(889,281)**
Loss for the period	**-**		**-**		**(35,136)**		**-**		**(35,136)**
Other comprehensive loss	**-**		**-**		**-**		**(933)**		**(933)**
Balance, September 30, 2019	**4,332,390**	**$**	**16,103,979**	**$**	**(16,930,327)**	**$**	**(99,002)**	**$**	**(925,350)**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

La Jolla Capital Inc., (formerly MicroCoal Technologies Inc.) (the "Company") was incorporated on April 6, 1990 under the laws of the Province of British Columbia and on June 19, 1997 the Company continued as a federal corporation under the Canada Business Corporation Act. On May 21, 2015, MicroCoal Technologies Inc. ("MicroCoal" or "MTI") completed a Plan of Arrangement (the "Plan of Arrangement" or "Arrangement") with a newly formed company called Targeted Microwave Solutions Inc. ("TMS") pursuant to the British Columbia Business Corporations Act. Under terms of the Arrangement, every MicroCoal shareholder received one share in the Company for every share held in MicroCoal at the effective date. The Company changed its name from MicroCoal Technologies Inc. to La Jolla Capital Inc. on May 21, 2015.

The Company's registered office is located at 810-789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

The Company`s principal business activity is the exploration and development of mineral properties.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the IASB have been condensed or omitted. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended June 30, 2019.

The accounting policies applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended June 30, 2019. The Company's interim results are not necessarily indicative of its results for a full year.

These financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on November 7, 2019.

(b) Going Concern

At September 30, 2019, the Company incurred a loss of $35,136 for the three month period ended (2018 - $33,018), had a working capital deficit of $925,350 (2019 - $889,281) and has accumulated losses of $16,930,327 (2019 - $16,895,191) since its inception. The Company expects to incur further losses in the development of its new business. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. These circumstances indicate the existence of material uncertainty related to events and conditions that may cast significant doubt about the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of accounting principles applicable.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue to realize its assets and discharge its obligations and commitments in the normal course of operations. These financial statements do not give effect to any adjustments required to realize it assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

2. BASIS OF PREPARATION (continued)

(c) Basis of Measurement

These unaudited condensed interim consolidated financial statements have been prepared on the historical cost basis, except for those assets and liabilities that are measured at fair value at the end of each reporting period. Certain comparative amounts have been re-presented to conform to the current year presentation.

In preparing the Company's unaudited condensed interim consolidated financial statements for the three months ended September 30, 2019, the Company applied the estimates regarding tax as disclosed in its audited consolidated financial statements for the year ended June 30, 2019.

(d) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. All intercompany transactions and balances between the Company and its subsidiaries are eliminated.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Changes in Accounting Standards

IFRS 16 – Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019.

The adoption of IFRS 16 did not have a material impact on the Company’s consolidated financial statements.

4. LOANS PAYABLE

As at September 30, 2019, the Company had loans payable of $82,734 (June 30, 2019 - $82,734) to unrelated parties and $39,104 (June 30, 2019 - $29,104) to related parties (Note 10). The loans are unsecured, non-interest bearing and are due on demand.

5. SHARE CAPITAL

(a) Authorized: Unlimited number of common shares, voting

(b) Issued and Outstanding

On October 29, 2018 and November 14, 2018, shareholders returned a total of 1,650,934 common shares to the treasury as a gift and these common shares were subsequently cancelled.

No shares were issued during the period ended September 30, 2019 and 2018.

6. FINANCIAL INSTRUMENTS

(a) Fair value information

As at September 30, 2019, the Company's financial instruments consist of cash, accounts payable and loans payable. The carrying values of these financial instruments approximate their fair values because of their current nature. All financial assets and financial liabilities are recorded at fair value on initial recognition. All financial assets and financial liabilities are recorded at fair value on initial recognition.

The categories of the fair value hierarchy that reflect the significance of inputs used in making fair value measurements are as follows:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity);

At September 30, 2019 and September 30, 2018, cash was classified in the fair value hierarchy as level 1. There were no transfers between levels during the three months period ended September 30, 2019.

(b) Financial instruments and related risks

Liquidity Risk

At September 30, 2019, the Company held cash of $8,948 (June 30, 2019 - $1,093), had negative working capital of $925,350 (June 30, 2019 - $889,281). At September 30, 2019, the Company expects that it will be able to obtain funding from investors in order to meet its obligations.

Interest rate Risk

Interest rate risk is the result that the fair values and future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company was not exposed to significant interest rate risk as loans payable were at fixed interest rates with short-term maturities.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company was mainly exposed to credit risk from holding cash, which it mitigates from holding balances with major financial institutions.

Currency Risks

The Company is exposed to currency risk related to certain accounts payable and accrued liabilities and other payable amounts which were denominated in US$. As at September 30, 2019, there were US$59,820 denominated in US$ (June 30, 2018 – US$59,820).

7. MANAGEMENT OF CAPITAL

The Company's objectives of capital management are to safeguard its ability to support the Company's normal operating requirements on an ongoing basis and to start to development its mining interest. The Company considers its capital to be share capital.

(Expressed in Canadian dollars - unaudited)

7. MANAGEMENT OF CAPITAL

The Company's is currently not generating any cash flows; as such, the Company is dependent on external and related party financing to fund its costs. The Company does not have any working capital and will need to raise additional amount in order to meet its obligations. Companies in this stage typically rely upon equity and debt financing to fund operations. The Company is not listed on a stock exchange at September 30, 2019. There is no certainty with respect to the Company's ability to raise capital.

At September 30, 2019, the Company expects that it will be able to obtain funding from investors in order to meet its obligations. Additional financing will need to be obtained for the planned development and exploration of the mining interest.

At September 30, 2019, there was no externally imposed capital requirement to which the Company is subject.

8. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

As at September 30, 2019, the Company owed $576,843 (June 30, 2019 - $543,843) to various directors and their companies, which is included in accounts payable and accrued liabilities.

As at September 30, 2019, the Company had loans payable of $39,104 (June 30, 2018 - $29,104) to directors of the Company (Note 5).

The remuneration of directors and key management personnel during the three months ended September 30, 2019 and 2018 are as follows:

		Three months ended September 30, 2019		Three months ended September 30, 2018
Management, consulting, directors' and professional fees	**$**	**33,000**	$	33,000
	$	**33,000**	$	33,000

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.