AIML RESOURCES INC. (FORMERLY FIREBIRD RESOURCES INC.)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED JANUARY 31, 2020

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of AIML Resources Inc. (formerly Firebird Resources Inc.) (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

AIML Resources Inc. (formerly Firebird Resources Inc.)

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

	As at January 31, 2020	As at April 30, 2019
ASSETS		
Current assets		
Cash and cash equivalents	**$ 1,298**	$ 3,815
Marketable securities (note 3)	**32,250**	17,917
Amounts receivable	**4,172**	1,858
Loan receivable (note 4)	**17,064**	17,064
Total current assets	**54,784**	40,654
Non-current assets		
Exploration and evaluation asset (note 5)	**143,782**	115,980
Total assets	**$ 198,566**	$ 156,634
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	**$ 988,611**	$ 934,492
Notes payable (note 7)	**456,496**	422,000
Amount due to a related company (note 8)	**801,320**	734,820
Total liabilities	**2,246,427**	2,091,312
Equity		
Share capital (note 9)	**19,524,482**	19,524,482
Share-based payment reserve (note 10)	**2,894,941**	2,894,941
Equity portion of convertible debt	**231,092**	231,092
Deficit	**(24,698,376)**	(24,585,193)
Total equity	**(2,047,861)**	(1,934,678)
Total equity and liabilities	**$ 198,566**	$ 156,634

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

Nature of operations and going concern (note 1)
Subsequent event (note 12)

Approved on behalf of the Board:

(Signed) "Ken Ralfs" Director

(Signed) "John Cook" Director

AIML Resources Inc. (formerly Firebird Resources Inc.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended January 31, 2020	Three Months Ended January 31, 2019	Nine Months Ended January 31, 2020	Nine Months Ended January 31, 2019
Operating expenses				
General and administrative (note 8)	**$ 9,644**	$ 2,174	**$ 17,943**	$ 8,940
Management fees (note 8)	**18,000**	18,000	**54,000**	54,000
Professional fees	**4,108**	5,131	**9,123**	6,381
Total Operating expenses	**(31,752)**	(25,305)	**(81,066)**	(69,321)
Interest expense	**(10,344)**	(9,379)	**(29,614)**	(28,132)
Interest income	**413**	2,065	**1,239**	1,239
Unrealized gain (loss) on marketable securities (note 3)	**7,167**	(14,333)	**14,333**	(21,500)
Foreign exchange difference	**(607)**	-	**(18,075)**	-
Loss before income taxes	**(35,123)**	(46,952)	**(113,183)**	(117,714)
Total comprehensive loss for the period	**$ (35,123)**	$ (46,952)	**$ (113,183)**	$ (117,714)
Basic and diluted net loss per share (note 11)	**$ (0.00)**	$ (0.01)	**$ (0.01)**	$ (0.01)
Weighted average number of common shares outstanding	**8,101,026**	8,101,026	**8,101,026**	8,101,026

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

AIML Resources Inc. (formerly Firebird Resources Inc.)

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

	Nine Months Ended January 31, 2020	Nine Months Ended January 31, 2019
Operating activities		
Net loss for the period	**$ (113,183)**	$ (117,714)
Adjustments for:		
Unrealized (gain) loss on marketable securities	**(14,333)**	21,500
Changes in non-cash working capital items:		
Amounts receivable	**(2,314)**	(1,535)
Amounts payable and other liabilities	**54,119**	35,566
Due to related party	**66,500**	55,840
Net cash used in operating activities	**(9,211)**	(6,343)
Investing activities		
Exploration and evaluation expenditure	**(27,802)**	(19,945)
Net cash used in investing activities	**(27,802)**	(19,945)
Financing activities		
Proceeds from loans	**34,496**	-
Net cash provided by financing activities	**34,496**	-
Net change in cash and cash equivalents	**(2,517)**	(26,288)
Cash and cash equivalents, beginning of period	**3,815**	30,908
Cash and cash equivalents, end of period	**$ 1,298**	$ 4,620

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AIML Resources Inc. (formerly Firebird Resources Inc.)

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

	Share capital	Share-based payments reserve	Equity component of convertible debt	Deficit	Total
Balance, April 30, 2018	**$ 19,524,482**	**$ 2,894,941**	**$ 231,092**	**$ (24,418,497)**	**$ (1,767,982)**
Net loss for the period	-	-	-	(117,714)	(117,714)
Balance, January 31, 2019	**$ 19,524,482**	**$ 2,894,941**	**$ 231,092**	**$ (24,536,211)**	**$ (1,885,696)**
Balance, April 30, 2019	**$ 19,524,482**	**$ 2,894,941**	**$ 231,092**	**$ (24,585,193)**	**$ (1,934,678)**
Net loss for the period	-	-	-	(113,183)	(113,183)
Balance, January 31, 2020	**$ 19,524,482**	**$ 2,894,941**	**$ 231,092**	**$ (24,698,376)**	**$ (2,047,861)**

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

1. Nature of operations and going concern

Firebird Resources Inc. (the "Company") was incorporated under the Canada Business Corporations Act and is listed on the TSX Venture Exchange. The Company is an exploration stage company that is in the process of exploring its mineral properties located in Canada and the United States of America and has not yet determined whether these properties contain reserves that are economically recoverable. The Company's registered office is located at Suite 1000, 925 West Georgia Street, Vancouver, BC, V6C 3L2. The Company's head office and mailing address is 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

On May 20, 2016, the Company entered into an Asset Purchase Agreement (the "Agreement") with Pancontinental Gold Corporation ("Pancon") pursuant to which the Company sold its 70% interest in the Jefferson Gold Project for proceeds of $71,667 and the issuance of 71,667 common shares of Pancon with a fair value of $53,750.

Subsequent to the three and nine months ended January 31, 2020, the Company's name was changed to AIML Resources Inc. and the Company completed the consolidation of the issued and outstanding shares of the Company on a 1 (one) new share for each 10 (ten) old shares (see note 12). The number of shares has been adjusted accordingly to reflect the exchange.

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at January 31, 2020, the Company has not generated any revenues from operations, has an accumulated deficit of $24,698,376 (April 30, 2019 - accumulated deficit $24,585,193) and has a working capital deficit of $2,191,643 (April 30, 2019 - working capital $2,050,658). The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that it has sufficient working capital to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing may be required but will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These unaudited condensed interim consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. 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 consolidated 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 consolidated financial statements are based on IFRS's issued and outstanding as of March 30, 2020, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended April 30, 2019. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending April 30, 2020 could result in restatement of these unaudited condensed interim consolidated financial statements.

2. Significant accounting policies (continued)

New accounting standards adopted

IFRS 16 Leases

IFRS 16 was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. The application of the new standard had no impact on the unaudited condensed interim consolidated financial statements as at January 31, 2020.

3. Marketable securities

On May 20, 2016, the Company received 71,667 common shares of Pancon with a fair value of $53,750 as part of the consideration for the sale of the Jefferson Property. The common shares are held-for-trading and as of January 31, 2020, the fair value of the common shares was $32,250 (April 30, 2019 - $17,917). During the nine months ended January 31, 2020, the Company recorded an unrealized loss of $14,333 (nine months ended January 31, 2019 – $21,500) which has been recorded in the consolidated statements of operations.

4. Loan receivable

On July 18, 2011, the Company provided a loan to Velocity Data Inc. (formerly GTO Resources Inc.) ("Velocity Data") for $700,000. Under the terms of the loan, the amount is unsecured, bears interest at Royal Bank of Canada prime rate plus 3% per annum, compounded semi-annually, and is due on demand. In addition, the loan is convertible into common shares of Velocity Data using a weighted average closing price of the first ten trading days following Velocity Data's listing of their common shares, subject to a minimum conversion price of $0.10 per share.

The Company recorded the initial value of loan receivable at an amortized cost of $608,697, using a discount rate of 15%, which is management's estimate of the prevailing market rate for a company of similar size and operations. As at January 31, 2020, the principal balance outstanding is $17,064 (April 30, 2019 - $17,064). During the nine months ended January 31, 2020, the Company recorded interest income of $1,239 (nine months ended January 31, 2019 - $1,239). The Company is currently pursuing legal action to collect all amounts outstanding, including accrued interest.

5. Exploration and evaluation assets

(a) Mountain of Gold Property, Ontario

Pursuant to a mineral property option agreement dated May 4, 2005, the Company was granted an option to acquire a 100% undivided interest in two claims in the Turnbull area of Ontario. In order to keep the option granted to the Company in good standing, the Company was obligated to:

(i) issue 50,000 common shares on regulatory approval of the agreement;
(ii) issue 50,000 common shares by May 4, 2006; and
(iii) issue 100,000 common shares by May 4, 2007.

The Company has earned a 100% interest in the property, subject to retention by the vendor of a 1% net smelter royalty if the Company commences commercial production on the claims. The Company has the option and right to purchase and cancel 100% of the net smelter royalty at any time for $1,000,000.

On December 22, 2011, the Company signed a property option agreement with each of Wedona Resources Inc., a private corporation, and Clydesdale Resources Inc. (collectively the “Optionees”), a public company (together, the “Agreements”), whereby the Optionees each can earn a 50% interest in the Mountain of Gold property by incurring $250,000 in exploration expenditures and paying cash of $125,000 (or in Clydesdale Resources Inc.’s case, capital stock of equivalent value) over a three year period until December 31, 2013. The Company received $25,000 relating to the agreement. During the year ended April 30, 2015, the Company received notification that the optionees had decided not to complete the option agreement.

(b) Buzzard Property, South Carolina

Pursuant to a mineral lease agreement dated September 1, 2008, the Company was granted an exclusive lease of all mineral exploration rights relating to approximately sixty-eight acres located in South Carolina. In order to keep the lease agreement granted to the Company in good standing, the Company is obligated to:

(i) pay US$3,000 per year for each of the third and fourth years of the lease (paid);
(ii) pay US$4,000 per year for each of the fifth, sixth, and seventh years of the lease (paid);
(iii) pay US$5,000 per year for each of the eighth and ninth years of the lease (paid);
(iv) upon the earlier of commercial production or the tenth year of the lease, a minimum annual advanced royalty of US$15,000 per year (paid); and
(v) production royalty of 3.5% of the gross returns on any mining production.

(Expressed in Canadian Dollars)

5. Exploration and evaluation assets (continued)

The Company's exploration and evaluation assets consist of the following:

	Mountain of Gold Property	Buzzard Property	Total
Balance, April 30, 2018	$ 3,024	$ 58,011	$ 61,035
Acquisition Costs			
Lease payments	-	19,945	19,945
	-	19,945	19,945
Balance, January 31, 2019	**$ 3,024**	**$ 77,956**	**$ 80,980**

	Mountain of Gold Property	Buzzard Property	Total
Balance, April 30, 2019	**$ 3,024**	**$ 112,956**	**$ 115,980**
Acquisition Costs			
Advance royalty payment	-	19,802	19,802
	-	19,802	19,802
Engineering and geological fees	-	8,000	8,000
	3,024	132,758	135,782
Balance, January 31, 2020	**$ 3,024**	**$ 140,758**	**$ 143,782**

6. Accounts payable and accrued liabilities

	As at January 31, 2020	As at April 30, 2019
Trade payables	**$ 699,283**	$ 671,792
Accrued liabilities	**7,200**	8,700
Interest payable	**282,128**	254,000
Total accounts payable and accrued liabilities	**$ 988,611**	$ 934,492

7. Notes payable

(a) On December 10, 2009, the Company completed a convertible debenture financing for proceeds of $255,000. The convertible debenture is unsecured, bears interest at 10% per annum, and matured on December 11, 2014. The debenture is convertible into common shares of the Company at $0.10 per common share at the option of the holder for the duration of the term. The convertible feature expired on December 11, 2014 and convertible debenture was reallocated to notes payable. In addition, the debenture holder was issued 2,550,000 detachable common share purchase warrants exercisable at $0.10 per share for a period of five years. In connection with this financing, the Company issued 255,000 units with a fair value of $16,575 as finder's fees. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.10 per share for a period of five years. The warrants expired on December 31, 2014.

The Company split the proceeds of the convertible debenture between debt and equity, based on the relative fair values of the debt, conversion option, and warrants. The amount attributable to the debt was $23,908 and the amount attributable to the conversion option and warrants was $231,092. This amount represented a deemed discount on the debt issuance, which is being accreted in the statement of operations using the effective interest rate method over the five year term of the debt. As at January 31, 2020 and April 30, 2019, the carrying value of the note payable is $255,000.

(b) On May 15, 2014, the Company received a loan from an unrelated company for $35,000, which is unsecured, bears interest at 10% per annum, and due on demand.

(c) On June 13, 2014, the Company received a loan from an unrelated company for $25,000, which is unsecured, bears interest at 10% per annum, and due on demand.

(d) On August 12, 2014, the Company received a loan from an unrelated company for $20,000, which is unsecured, bears interest at 10% per annum, and due on demand.

(e) On January 20, 2015, the Company received a loan from an unrelated company for $12,000, which is unsecured, bears interest at 10% per annum, and due on demand.

(f) On April 23, 2015, the Company received a loan from an unrelated company for $25,000, which is unsecured, bears interest at 10% per annum, and due on demand.

(g) On May 31, 2017, the Company received a loan from a director of the Company for $50,000, which is unsecured, non-interest bearing, and due on demand.

(h) During the three and nine months ended January 31, 2020, the Company received a loan from an unrelated company for $33,009, which is unsecured, bears interest at 12% per annum, and due on demand.

(Expressed in Canadian Dollars)

8. Related party transactions

(a) The Company entered into the following transactions with related parties:

During the three and nine months ended January 31, 2020, the Company incurred management fees of $18,000 and $54,000, respectively, (three and nine months ended January 31, 2019 - $18,000 and $54,000, respectively), and rent of $1,500 and $4,500, respectively, (three and nine months ended January 31, 2019 - $1,500 and $4,500, respectively), to a company controlled by the Chief Executive Officer of the Company.

(b) Related party balances

As at January 31, 2020, the Company owed $791,150 (April 30, 2019 - $724,650) to a company controlled by the Chief Executive Officer of the Company for management fees and expenses. The amount owing is unsecured, non-interest bearing, and due on demand.

As at January 31, 2020, the Company owed $10,170 (April 30, 2019 - $10,170) to a company controlled by common directors, which is unsecured, non-interest bearing, and due on demand.

As at January 31, 2020, the Company owed $50,000 (April 30, 2019 - $50,000) to a officer of the Company, which is unsecured, non-interest bearing, and due on demand.

9. Share capital

a) Authorized share capital

The authorized share capital consisted of unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

Subsequent to the three and nine months ended January 31, 2020, the Company completed the consolidation of the issued and outstanding shares of the Company on a 1 (one) new share for each 10 (ten) old shares (see note 12). The number of shares has been adjusted accordingly to reflect the exchange.

	Number of common shares	Amount
Balance, April 30, 2018, January 31, 2019, April 30, 2019 and January 31, 2020	**8,101,026**	**$ 19,524,482**

10. Stock options

The Company has adopted a stock option plan pursuant to which options may be granted to directors, officers, employees, and consultants of the Company to a maximum of 10% of the issued and outstanding common shares, and not exceeding 5% granted to any individual. The stock options have a maximum term of five years and cannot be assigned or transferred.

As at January 31, 2020, the Company does not have any issued and outstanding stock options (April 30, 2019 – nil).

11. Loss per share

For the three and nine months ended January 31, 2020, basic and diluted loss and income per share has been calculated based on the loss attributable to common shareholders of $35,123 and $113,183, respectively (three and nine months ended January 31, 2019 - $46,952 and $117,714, respectively) and the weighted average number of common shares outstanding of 8,101,026 and 8,101,026, respectively (three and nine months ended January 31, 2019 - 8,101,026 and 8,101,026, respectively).

12. Subsequent event

a) On February 10, 2020, the Company announced the following:
   - the Company's name was being changed to AIML Resources Inc.
   - The Company completed the consolidation of the issued and outstanding shares of the Company on a 1 (one) new share for each 10 (ten) old shares (see note 12).
   - The Company's common shares are expected to begin trading on the TSX Venture Exchange (the "Exchange") under the symbol "AIML" on or about February 12, 2020.

b) On February 18, 2020, the Company completed a non-brokered private-placement offering comprised of 3,000,000 units at a price of $0.11 per unit for gross proceeds of $330,000. Each unit consists of one common share and one transferable warrant exercisable at 15 cents common share for a period of 12 months from closing, and at $0.20 for the following 12 months. A finder's fee of $1,350, representing 1% in cash and 135,000 warrants (10% of the number of subscribed units) exercisable at $0.35 per share for a period of 6 months, was issued to two brokerage firms in connection with a portion of the placement

c) Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.