MAINSTREAM MINERALS CORPORATION
(An Exploration Company)

Condensed Interim Consolidated Financial Statements

For the three and nine months ended August 31, 2019 and 2018

(in Canadian dollars, unless otherwise stated)

(unaudited)

Notice of No Auditor Review of Condensed Interim Consolidated Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements; they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Mainstream Minerals Corporation

Condensed Interim Consolidated Statements of Financial Position *(unaudited)*
(in Canadian dollars)

		August 31, 2019		November 30, 2018
Assets				
Current assets				
Cash and cash equivalents	$	**15,594**	$	16,460
Other receivables (Note 5)		**6,292**		14,833
Total assets	$	**21,886**	$	31,293
Liabilities				
Current liabilities				
Trade payables (Note 10)		**318,169**		273,594
Other payables (Note 7)		**91,107**		498,607
Demand promissory note payable (Note 8)		**22,350**		26,350
Total liabilities		**431,626**		798,551
Equity				
Share capital (Note 9)		**7,855,074**		7,355,074
Deficit		**(8,264,814)**		(8,122,332)
Total equity		**(409,740)**		(767,258)
Total liabilities and equity	$	**21,886**	$	31,293

Going concern of operations (Note 1)
Subsequent event (Note 13)

Approved on behalf of the board:

Director *"Lisa McCormack"*(signed)

Director *"Kelly Malcolm"* (signed)

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

Mainstream Minerals Corporation

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss *(unaudited)*
For the three and nine months ended August 31, 2019 and 2018 *(in Canadian dollars)*

	Three months ended August 31,		Nine months ended August 31	
	2019	2018	**2019**	2018
Expenses:				
Consulting fees	**$ 30,000**	$ 30,000	**$ 90,000**	$ 90,000
Interest and bank charges	**82**	254	**526**	455
Office	**24**	-	**1,312**	-
Professional fees	**13,488**	4,000	**34,458**	31,238
Regulatory filings	**8,742**	56,979	**16,186**	56,979
Net loss from operations before the following:	**(52,336)**	(91,233)	**(142,482)**	(178,672)
Change in fair value of short-term investment	**-**	(3,996)	**-**	153,622
Net income (loss) and comprehensive income (loss) for the period	**$ (52,336)**	$ (95,229)	**$ (142,482)**	$ (25,050)
Basic and diluted income (loss) per share (Note 9 (c))	**$ 0.00**	$ 0.00	**$ 0.00**	$ 0.00

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

Mainstream Minerals Corporation

Condensed Interim Consolidated Statements of Changes in Equity *(unaudited)*
For the three and nine months ended August 31, 2019 and 2018 *(in Canadian dollars)*

		2019		2018
Share capital				
Balance, beginning of period	$	**7,355,074**	$	7,355,074
Shares issued on private placement (Note 10)		**500,000**		-
Balance, end of period	$	**7,855,074**	$	7,355,074
Deficit				
Balance, beginning of period	$	**(8,122,332)**	$	(7,965,051)
Income (loss) and comprehensive income (loss) for the period		**(142,482)**		(25,660)
Balance, end of period	$	**(8,264,814)**	$	(7,990,711)
Total equity, end of period	$	**(409,740)**	$	(635,637)

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

Mainstream Minerals Corporation

Condensed Interim Consolidated Statements of Cash Flows *(unaudited)*
For the nine months ended August 31, 2019 and 2018 *(in Canadian dollars)*

		2019		2018
Operating activities				
Cash paid to suppliers	$	**(519,974)**	$	(4,216)
Cash received on sale of marketable securities		**-**		13,620
Cash received from receivables		**14,634**		-
Interest and bank charges paid		**(526)**		(455)
		(500,866)		8,949
Financing activity				
Proceeds from share issuance		**500,000**		-
Change in demand promissory note payable		**-**		500
		500,000		300
Increase (decrease) in cash and cash equivalents		**(866)**		9,449
Cash and cash equivalents, beginning of period		**16,460**		-
Cash and cash equivalents, end of period	$	**15,594**	$	9,449

Supplementary information:
The Company did not pay any income taxes during the above reporting periods.

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

1. Corporate information

Mainstream Minerals Corporation (the "Company") is incorporated in Canada pursuant to the Canada Business Corporations Act on July 19, 2006. The address of the Company's registered office is 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2. The Company is a mineral resource Company in the development stage that is engaged in the acquisition of interests in, and in the exploration of, mineral resource properties.

These condensed interim consolidated financial statements of the Company for the nine months ended August 31, 2019 were approved and authorized for issue by the Board of Directors of the Company on October 16, 2019.

2. Basis of presentation

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the Handbook of Chartered Professional Accountants of Canada applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting. These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual consolidated financial statements as at and for the year ended November 30, 2018.

There is doubt about the appropriateness of the use of the going concern assumption because the Company has experienced significant losses and has experienced negative cash flows from operations over a number of years.

The Company will need to raise additional working capital, as it does not have sufficient working capital to fund its operations. In the current financial environment, there is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company's ability to continue as a going-concern.

The ability of the Company to continue as a going concern and to be able to realize on its assets and discharge its liabilities is dependent upon the Company's ability to obtain sufficient funding for its operations and its current exploration expenditure commitments and is ultimately dependent on the recoverability of the amounts capitalized to exploration and evaluation assets. The Company has not yet determined whether its mineral properties contain reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. If the Company's exploration and development programs are successful, additional funds may

be required, and the Company may not have sufficient funds to conduct the mineral exploration required. The primary source of future funds available to the Company is through the sale of additional equity capital, which may dilute the interests of existing shareholders. There is no assurance that the Company will be successful in raising sufficient funds to meet its obligations. In the event where it cannot meet its obligations, it may lose its properties and incur other liabilities relating to flow-through share issuance commitments, if any.

These unaudited condensed interim consolidated financial statements do not reflect any adjustments to carrying values of assets and liabilities and the reported expenses and condensed interim consolidated statement of financial position classification 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 August 31, 2019 and 2018 (in Canadian dollars)

3. Summary of significant accounting policies, judgments and estimates

These condensed interim consolidated financial statements have been prepared using the same accounting policies and methods of computation as the annual consolidated financial statements of the Company as at and for the year ended November 30, 2018.

Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended November 30, 2018.

4. Newly adopted accounting policy

IFRS 9 - Financial Instruments - The standard was issued in its final version by the IASB in July 2014 bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39, "Financial instruments: recognition and measurement" ("IAS 39"). The standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018, with early adoption permitted. The adoption of this standard did not have a material impact on the Company's unaudited interim condensed financial statements.

IFRS 15 – Revenue from contracts with Customers – the standard requires entities to follow- a five-step model for the recognition of revenue upon the transfer of control of good or service to the customer. The five steps are: (1) contract is identified with the customer; (2) performance obligations are identified; (3) transaction price is determined; (4) transaction price is allocated; and (5) revenue is recognized when the performance obligation is satisfied. In addition, there are enhanced revenue disclosures to provide investors with a more comprehensive understanding of the nature, amount, timing and uncertainty of revenue and cash flows from contracts. This standard replaces IAS 18 "Revenue", IAS 11 "Construction Contracts" and related interpretations on revenue recognition. This standard is effective for annual period beginning on or after January 1, 2018. The adoption of this standard did not have a material impact on the Company's unaudited interim condensed financial statements.

5. Other receivables

The Company's other receivables are comprised of the following:

As at August 31,		2019		2018
Goods and services tax recoverable	$	6,292	$	9,841

6. Short-term investment

On February 8, 2018, 1,028,634 shares of War Eagle Mining Company Inc. ("WEMC") were received in exchange for 2,750,000Champagne Resources Limited common shares the Company held. At that time, WEMC common shares were valued at $0.17 each common share. Therefore, the Company recorded a gain of $174,868. During the period ended August 31, 2018, 925,000 common shares of WEMC were transferred to a related party as payment and recorded a loss of $17,250. On June 13, 2018, the Company sold the remaining 103,634 common shares of WEMC for net proceeds of $13,620 and recorded a loss of $3,996.

7. Other payables

The Company's other payables are comprised of the following:

As at August 31,		2019		2018
Accrued liabilities	$	91,107	$	454,500

For the three and nine months ended August 31, 2019 and 2018 (in Canadian dollars)

8. Demand promissory note payable

The demand promissory note payable is from shareholder of the Company, has a non-revolving credit limit of $140,000, and is non-interest bearing, has no fixed terms of repayment, and is due on demand. The balance utilized on this non-revolving demand promissory note at August 31, 2019 was $22,350 (November 30, 2018 - $26,350).

9. Share capital

a. Authorized

Authorized share capital consists of an unlimited number of common shares.

b. Changes in issued common shares during the period ended August 31, 2019:

	Number of common shares	Amount
Balance, November 30, 2017 and 2018	67,102,130	$ 7,355,074
Shares issued on private placement	50,000,000	500,000
Balance, August 31, 2019	117,102,130	$ 7,855,074

c. Loss per share

The calculation of basic and diluted loss per share, for the period ended August 31, 2019 and 2018 is based on the following losses and number of shares:

Nine months ended August 31,	2019	2018
Net loss and comprehensive loss for the period	$ 142,482	$ 25,050
Weighted average number of shares	108,525,487	67,102,130

10. Related party transactions

(a) Key management personnel compensation

The company did not pay employment based remuneration to directors, officers or other members of key management for the period ended August 31, 2019 and 2018. However, the Company did pay contract based remuneration to directors, officers and other members of key management as disclosed in Note 10(b).

(b) Other related party transactions

Included in these interim condensed consolidated financial statements are the following related party transactions, which have been determined by negotiation amongst the related parties. These transactions are in the normal course of operations and are measured at the same value as if the transactions had occurred with non-related parties.

	2019	2018
Consulting expenses	$ 90,000	$ 90,000

(c) Related party balances

Included in trade payables and other payables at August 31, 2019 is $87,000 (2018 – $450,000) due to related parties. Such amounts are due on demand, non-interest bearing and are unsecured.

For the three and nine months ended August 31, 2019 and 2018 (in Canadian dollars)

11. Financial instruments

(a) Risk management and hedging activities

In the normal course of operations the Company is exposed to various financial risks. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Company does not meaningfully participate in the use of financial instruments to control these risks. The Company has no designated hedging transactions. The financial risks and management's risk management objectives and policies are as follows:

(i) Currency risk

The Company does not hold any assets or liabilities denominated in a foreign currency.

(ii) Price risk

The Company is exposed to price risk with respect to commodity prices. As the Company is not a producing entity, this risk does not currently affect earnings; however, the risk could affect the completion of future equity transactions. The Company monitors commodity prices of precious metals and the stock market to determine the timing, nature and extent of equity transactions.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the entity. The Company is exposed to credit risk on cash and other receivables. Cash is held with an established Canadian bank and the Company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The Company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

The carrying amount of financial assets recorded in the financial statements in the amount of $21,886 (November 30, 2018 - $31,293) represents the maximum exposure to credit risk at the reporting date.

(iv) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the Company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at August 31, 2019, the Company has a working capital deficiency in the amount of $409,740 (November 30, 2018 - deficiency of $767,258). The contractual maturities of financial liabilities at August 31, 2019 and 2018, based on the earliest date on which payment can be required, were as follows:

As at August 31, 2019	Total amount	Six month or less	More than six months
Trade payables	$ 318,169	$ 318,169	$ -
Other payables	91,907	91,907	-
Demand promissory note payable	22,350	22,350	-
	$ 431,626	$ 431,626	$ -

As at August 31, 2018	Total amount	Six month or less	More than six months
Trade payables	$ 174,077	$ 174,077	$ -
Other payables	454,500	454,500	-
Demand promissory note payable	26,350	26,350	-
	$ 654,927	$ 654,927	$ -

11. Financial instruments (continued)

(v) Interest rate risk

The Company is not exposed to any meaningful interest rate risk due to the short-term nature of its interest generating asset.

(b) Sensitivity analysis

As at August 31, 2019, the Company has cash and cash equivalents subject to interest rate risk of approximately $15,600 (2018 - $9,449l). A 1% change in the primary interest rate would affect the reported net income, on an annualized basis, by an immaterial amount.

(c) Fair values, carrying amounts and changes in fair value

The fair values of the Company's financial instruments approximate their carrying value due to their short-term nature. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the statement of financial position, have been prioritized into the following three levels:

Level 1 includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 includes inputs that are observable other than quoted prices included in level 1.
Level 3 includes inputs that are not based on observable market data.

12. Capital management

As the Company is in the exploration stage, its principal source of capital is from the issuance of common shares. The Company's capital management objective is to obtain sufficient capital to maintain its exploration programs for the benefit of its stakeholders. To meet the objectives, management monitors the Company's ongoing capital requirements against unrestricted net working capital and assesses additional capital requirements on specific exploration properties on a case by case basis. The Company is not subject to externally imposed capital requirements. Management is of the opinion that the amounts and changes in the Company's capital is readily determinable in these financial statements.

13. Subsequent event

Subsequent to August 31, 2019, the Company was served with a statement of claim by a secured creditor seeking foreclosure on the Company's nine (9) patented mineral claims comprising its Bojo Property, in connection with the default of payments by the Company to the secured creditor under the terms of a secured Charge/Mortgage dated September 6, 2017, registered in the Land Registry Office for the Land Titles Division for the District of Kenora. As the Company does not currently have sufficient cash to make payment in respect of the demand, and does not expect to be able to raise sufficient capital in the short term to make payment, the Company does not anticipate being able to defend the action.