WESTCOT VENTURES CORP.

(Formerly Sparrow Ventures Corp.)

Condensed Interim Financial Statements
Three Months Ended April 30, 2018 and 2017

(Expressed in Canadian Dollars)

(Unaudited)

WESTCOT VENTURES CORP.
(Formerly Sparrow Ventures Corp.)

(the "Company")

CONDENSED INTERIM FINANCIAL STATEMENTS

Three months ended April 30, 2018 and 2017

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The management of Westcot Ventures Corp. (formerly Sparrow Ventures Corp.) is responsible for the preparation of the accompanying unaudited condensed interim financial statements. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of condensed interim financial statements and are in accordance with IAS 34 - Interim Financial Reporting.

The Company's auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

June 28, 2018

WESTCOT VENTURES CORP.
(Formerly Sparrow Ventures Corp.)
Condensed Interim Statements of Financial Position
(Unaudited – prepared by management)
As at April 30, 2018 and January 31, 2018
(Expressed in Canadian Dollars)

	Note	April 30, 2018	January 31, 2018
		$	$
ASSETS			
CURRENT			
Cash		125,602	195,515
GST receivable		1,882	11,733
Prepaid expenses	4	125,834	200,867
		253,318	408,115
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	5	54,115	43,962
Loans payable	6	26,253	25,960
Current portion of accrued interest on convertible debentures	7	8,470	17,935
		88,838	87,857
NON-CURRENT			
Accrued interest on convertible debentures	7	7,493	9,056
		96,331	96,913
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	8	2,010,618	1,998,618
Reserves		105,298	105,298
Deficit		(1,958,929)	(1,792,714)
		156,987	311,202
		253,318	408,115

Nature of operations and going concern (Note 1)

Approved on behalf of the board:

"Michael Young"
Michael Young, Director

"Anastase Maragos"
Anastase Maragos, Director

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

WESTCOT VENTURES CORP.

(Formerly Sparrow Ventures Corp.)
Condensed Interim Statements of Operations and Comprehensive Loss
(Unaudited – prepared by management)
For the Periods Ended April 30, 2018 and 2017
(Expressed in Canadian Dollars)

	Note	2018	2017
EXPENSES			
Accounting, audit and legal		$ 10,068	$ 6,658
Consulting fees	10	125,917	79,667
Directors fees	10	5,000	2,500
Office, rent and administration		160	383
Regulatory fees		1,264	(983)
Transfer agent and shareholder information		492	442
Travel and promotion		22,049	-
LOSS BEFORE OTHER ITEMS		(164,950)	(88,667)
OTHER ITEMS			
Gain on forgiveness of debt		-	19,324
Finance costs	7	(1,265)	(2,962)
		(1,265)	16,362
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		(166,215)	(72,305)
BASIC AND DILUTED LOSS PER SHARE		$ (0.02)	$ (0.05)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUSTANDING – BASIC AND DILUTED		9,430,970	1,365,830

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

WESTCOT VENTURES CORP.
(Formerly Sparrow Ventures Corp.)
Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)
(Unaudited – prepared by management)
For the Periods Ended April 30, 2018 and 2017
(Expressed in Canadian Dollars)

	Note	Number of Common Shares	Share Capital	Reserves	Deficit	Total
			$	$	$	$
Balance, January 31, 2017		1,365,830	1,010,618	105,298	(1,369,331)	(253,415)
Equity component of debt		-	-	497	-	497
Net loss for the period		-	-	-	(72,305)	(72,305)
Balance, April 30, 2017		1,365,830	1,010,618	105,795	(1,441,636)	(325,223)
Balance, January 31, 2018		8,752,148	1,998,618	105,298	(1,792,714)	311,202
Shares issued for convertible debt	8	92,307	12,000	-	-	12,000
Net loss for the period		-	-	-	(166,215)	(166,215)
Balance, April 30, 2018		8,844,455	2,010,618	105,298	(1,958,929)	156,987

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

WESTCOT VENTURES CORP.
(Formerly Sparrow Ventures Corp.)
Condensed Interim Statements of Cash Flows
(Unaudited – prepared by management)
For the Periods Ended April 30, 2018 and 2017
(Expressed in Canadian Dollars)

	2018	2017
	$	$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net loss for the period	(166,215)	(72,305)
Items not involving cash:		
Finance costs	1,265	2,962
Gain on forgiveness of debt	-	(19,324)
Changes in non-cash working capital accounts:		
GST receivable	9,851	(1,592)
Prepaid expenses	75,033	(3,833)
Accounts payable and accrued liabilities	10,153	28,071
NET CASH USED IN OPERATING ACTIVITIES	(69,913)	(66,022)
FINANCING ACTIVITIES		
Proceeds from loans	-	177,241
NET CASH PROVIDED BY FINANCING ACTIVITIES	-	177,241
INCREASE (DECREASE) IN CASH	(69,913)	111,219
Cash, beginning of period	195,515	301
CASH, END OF PERIOD	125,602	111,520

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

NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN

Westcot Ventures Corp. (formerly Sparrow Ventures Corp.) (the “Company”) was incorporated on July 4, 2006, under the laws of the Business Corporations Act (British Columbia). Effective June 17, 2014, the Company’s listing was transferred to the NEX board of the TSX Venture Exchange (the “Exchange”) due to the Company’s failure to maintain the requirements for a TSX Venture Tier 2 company. Effective June 29, 2015, trading in the shares of the Company was suspended due to the Company’s failure to maintain the services of a transfer agent in accordance with the policies of the Exchange. In addition, effective October 6, 2015, and October 26, 2015, the British Columba Securities Commission and the Ontario Securities Commission, respectively, issued cease trade orders that all trading in the securities of the Company cease until it files all necessary continuous disclosure records. These cease trade orders were revoked in February 2017 after the Company filed all requisite continuous disclosure documents in December 2016. In September 2017, the Company’s shares were reinstated for trading on the NEX board of the Exchange.

The head office, principal address, and records office of the Company are located at Suite 1080, 789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2. The Company’s registered office address is located at Suite 700, 1199 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3T5.

These financial statements have been prepared on the basis that the Company is a going concern and will be able to meet its obligations and continue its operations for the next twelve months. Several conditions as set out below cast significant doubt on the Company’s ability to continue as a going concern.

The Company’s ability to continue as a going concern is dependent upon the identification and acquisition of resource properties, financial support from its creditors, shareholders, and related parties, its ability to obtain financing to fund working capital requirements and upon the attainment of future profitable operations.

The Company has not yet achieved profitable operations, has incurred significant operating losses and negative cash flows from operations, and has been reliant on external debt and equity financing. As at April 30, 2018, the Company has accumulated losses of $1,958,929 since inception. There is no assurance that the Company will be successful in generating and maintaining profitable operations or in securing future debt or equity financing for its working capital and development activities.

These financial statements do not reflect any adjustments to the amounts and classifications of assets and liabilities, which would be necessary should the Company be unable to continue as a going concern.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The financial statements were authorized for issue on June 28, 2018, by the Directors of the Company. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of Presentation

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standards 34, “Interim Financial Reporting” (“IAS 34”), using accounting policies consistent 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”). The accounting policies and methods of computation applied by the Company in these condensed interim financial statements are the same as those applied in the Company’s annual financial statements as at and for the year ended January 31, 2018.

The condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company’s annual financial statements for the year ended January 31, 2018.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued

(b) Significant Accounting Judgments, Estimates and Assumptions

In the preparation of financial statements in conformity with IFRS, management is required to make judgments, estimates, and assumptions that affect the amounts reported and disclosed in the condensed interim financial statements and related notes. There has been no significant change to the Company's estimation and judgment from those disclosed in note 2 to the audited financial statements for the year ended January 31, 2018.

These condensed interim financial statements have been prepared on a historical cost basis in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

NOTE 3 – NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Financial Instruments
The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of January 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilize a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application.

The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit on January 1, 2018.

Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of operations and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of operations and comprehensive loss in the period in which they arise.

(Expressed in Canadian Dollars)

NOTE 3 – NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (Continued)

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit losses. The Company shall recognize in the statements of operations and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of operations and comprehensive loss.

Accounting Standards Issued But Not Yet Applied

Leases
On January 13, 2016, the IASB published a new standard, IFRS 16, eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. The main provision of IFRS 16 is the recognition of lease assets and lease liabilities on the balance sheet by lessees for those leases that were previously classified as operating leases. Under IFRS 16, a lessee is required to do the following: (i) recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet; and (ii) recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant, as the right-of-use asset is depreciated and the lease liability is accreted using the effective interest method. The new standard also requires qualitative disclosures along with specific quantitative disclosures. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier adoption permitted. The Company continues to assess the impact of adopting this standard on its financial statements.

Other accounting pronouncements with future effective dates are either not applicable or are not expected to have a material impact on the Company’s financial statements.

NOTE 4 – PREPAID EXPENSES

Prepaid expenses consist of $125,000 of prepaid consulting fees on contracts of a one-year duration and prepaid regulatory fees of $834.

NOTE 5 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	April 30, 2018 $	January 31, 2018 $
Trade payables	28,698	14,735
Accrued liabilities	25,417	29,227
	54,115	43,962

(Expressed in Canadian Dollars)

NOTE 5 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (Continued)

Included in trade payables are amounts due to related parties of $4,450 (January 31, 2018 - $4,500) and included in accrued liabilities are amounts due to related parties of $18,667 (January 31, 2018 - $9,167). Refer to Note 9. These payables are unsecured, non-interest bearing and due on demand.

NOTE 6 – LOANS PAYABLE

	April 30, 2018 $	January 31, 2018 $
Loan payable of $20,326 at 12% (a)	15,559	15,559
Loan payable of $10,000 at 12% (b)	10,694	10,401
	26,253	25,960

(a) The Company entered into loan agreements dated May 28, 2014 (the "Loans"), with its former Chief Executive Officer and a former director of the Company ("the Lenders") for the total principal amount of $20,326. The Loans are unsecured and bear interest at 12% per annum. In consideration for the Loans, the Company issued an aggregate of 67,800 common shares to the Lenders at a fair value of $3,390 which was recorded as finance cost during the year ended January 31, 2016.

During the year ended January 31, 2018, the Loan from the former Chief Executive Officer, in the amount of $13,824, was forgiven and the forgiveness of debt was included in the statement of operations and comprehensive loss for the current year. During the period ended April 30, 2018, the Company accrued $Nil (2017 - $404) in interest expense on the Loan which remains outstanding as at April 30, 2018. (Note 14).

(b) On October 7, 2017, the Company entered into a loan agreement for $10,000. The loan is unsecured, bears interest at 12% per annum and matures on October 7, 2018. During the period ended April 30, 2018, the Company accrued $293 in interest on the loan.

NOTE 7 – CONVERTIBLE DEBENTURES

	Debentures carried at amortized cost $	**Derivative liability** $	**Interest accrued** $	**Total** $	**Equity component** $
Balance at January 31, 2018	11,659	-	15,332	26,991	6,584
Interest expense	-	-	631	631	-
Accretion expense	341	-	-	341	-
Conversion to common shares	(12,000)	-	-	(12,000)	-
Balance at April 30, 2018	**-**	**-**	**15,963**	**15,963**	**6,584**
Current portion				**8,470**	
Long-term portion				**7,493**	

On March 28, 2018, debentures with a face vale of $12,000 were converted to 92,307shares and 92,307 warrants.

(Expressed in Canadian Dollars)

NOTE 8 – SHARE CAPITAL

(a) Authorized

The Company is authorized to issue an unlimited number of voting common shares without par value.

(b) Issued and Outstanding Share Capital

As at January 31, 2018, the Company has 8,844,455 common shares issued and outstanding**.**

On March 28, 2018, convertible debentures with a face value of $12,000 were converted to 92,307 common shares and 92,307 share purchase warrants. The warrants are exercisable into one common share of the Company at a price of $0.13 per share and expire one year from the date of issuance. The warrants were valued at $Nil using the residual value method**.**

(c) Stock Options

The Company adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, at its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees, and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Stock options and charitable options will be exercisable for a year of up to 10 years from the date of grant.

In connection with the foregoing, the number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days, or, in the case of an optionee providing investor relations activities, the 30th day following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or consulting arrangement was by reason of death, the option may be exercised within a maximum year of six months after such death, subject to the expiry date of such option.

A summary of the status of the options outstanding is as follows:

	Number of Options	Weighted Average Exercise Price $
Balance, April 30, 2018 and January 31, 2018	39,000	0.50

The following table summarizes the stock options outstanding as at April 30, 2018:

Exercise Price $	Number of Options Outstanding	Expiry Date	Number of Options Exercisable
0.50	6,000	May 27, 2021	6,000
0.50	33,000	June 17, 2024	33,000
	39,000		39,000

(Expressed in Canadian Dollars)

NOTE 8 – SHARE CAPITAL (Continued)

(d) Charitable options

During the period ended April 30, 2018, 10,500 charitable options, exercisable at $1.00, expired.

(e) Warrants

On March 28, 2018, convertible debentures with a face value of $12,000 were converted to 92,307 common shares and 92,307 share purchase warrants. The warrants are exercisable into one common share of the Company at a price of $0.13 per share and expire one year from the date of issuance. The warrants were valued at $Nil using the residual value method.

The following table summarizes warrants outstanding as at April 30, 2018:

Exercise Price $	Number of Warrants Outstanding	Expiry Date
0.13	1,830,763	October 10, 2018
0.18	5,555,555	November 21, 2018
0.13	92,307	March 28, 2019
	7,478,625	

NOTE 9 – RELATED PARTY TRANSACTIONS

Details of transactions between the Company and related parties are described as follows.

(a) Related Party Transactions

The Company incurred the following transactions with officers or companies controlled by officers during the periods ended April 30, 2018 and 2017:

	2018 $	2017 $
Interest on debenture to the CEO (Note 7)	(6)	-
Interest on loan to the former CEO (Note 6)	-	(404)
Gain on forgiveness of debt (former CEO) (Note 6)	-	13,824
Consulting fees to the CEO	(15,000)	(14,667)
Consulting fees to the CFO	(4,500)	-
Directors fees	(5,000)	-
	(24,506)	(1,247)

(Expressed in Canadian Dollars)

NOTE 9 – RELATED PARTY TRANSACTIONS (Continued)

(b) Related Party Balances

The following related party amounts were reflected in the statement of financial position as at April 30, 2018 and January 31, 2018:

	April 30, 2018	January 31, 2018
	$	$
Interest payable to the CEO (Note 8)	243	237
Accounts payable to the company controlled by the CFO (Note 6)	4,450	4,500
Accrued liability to the company controlled by the CFO (Note 6)	4,500	-
Accrued liabilities to the Directors (Note 5)	14,167	9,167
Loans payable (former director) (Note 7)	-	15,559
	23,360	29,463

NOTE 10 – FINANCE AND OTHER COSTS

Period ended	April 30, 2018	April 30,2017
	$	$
Accretion of discount on debt (Note 7)	341	859
Interest expense (Note 6 and 7)	924	2,103
	1,265	2,962

NOTE 12 – FINANCIAL RISK MANAGEMENT

(a) Fair Value of Financial Instruments

The Company's financial instruments consist of cash, GST receivable, accounts payable, and loans payable. The carrying values of cash, GST receivable, accounts payable, and loans payable approximate their fair values because of their short-term nature and/or the existence of market related interest rates on the instruments.

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of hierarchy are:

Level 1: Quoted prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

NOTE 12 – FINANCIAL RISK MANAGEMENT (Continued)

(b) Financial Instruments Risk

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes:

(i) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company limits its exposure to credit loss for cash by placing its cash with high quality financial institutions. The credit risk for cash is considered negligible since the counterparties are reputable banks with high quality external credit ratings.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company ensures, as far as reasonably possible, that it will have sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. There can be no assurance that the Company will be successful with generating and maintaining profitable operations or will be able to secure future debt or equity financing for its working capital and development activities (Note 1).

(iii) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest on the Company's loans payable and Debentures is based on a fixed rate, and as such, the Company is not exposed to significant interest rate risk.

NOTE 13 – CAPITAL MANAGEMENT

The Company manages its share capital as capital, which as at April 30, 2018, was $2,010,618 (January 31, 2018 - $1,998,618). The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for shareholders and benefits for other stakeholders. The management of the capital structure is based on the funds available to the Company in order to pursue the development and expansion of its business and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, or return capital to its shareholders.

To effectively manage the entity's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its objectives. The Company may issue new shares or seek debt financing to ensure that there is sufficient working capital to meet its short-term business requirements. The Company is not subject to externally imposed capital requirements.

There were no changes in the Company's management of capital during the period ended April 30, 2018.

NOTE 14 – SUBSEQUENT EVENT

On May 25, 2018, the Company repaid the loan payable of $15,559 owing to a former Director of the Company.