PETRO VIKING ENERGY INC.

FINANCIAL STATEMENTS

For the six and three months ended June 30, 2019 and 2018

(Expressed In Canadian Dollars)

Petro Viking Energy Inc.
Statements of Financial Position
As at June 30
(in Canadian dollars)

	2019	2018
	$	$
Assets		
Current assets		
Cash	**60**	-
Sales taxes receivable	**11,800**	-
Total assets	**11,860**	**-**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities *(Note 4)*	**382,280**	68,880
Current portion of debenture and promissory notes payable *(Note 5)*	**-**	945,710
Total current liabilities	**382,280**	**1,014,589**
Long-term liabilities		
Debentures *(Note 5)*	**480,947**	-
Total long-term liabilities	**480,947**	-
Total liabilities	**863,227**	1,014,589
Shareholders' equity		
Share capital (*Note 7)*	**5,049,204**	4,525,520
Contributed surplus	**1,617,760**	1,617,760
Convertible debenture *(Note 6)*	**30,000**	-
Deficit	**(7,548,331)**	(7,157,870)
Total shareholders' deficiency	**(851,367)**	(1,014,590)
Total liabilities and shareholders' deficiency	**11,860**	**-**

Going concern *(Note 1)*

Basis of preparation *(Note 2)*

Subsequent events (Note 15)

Approved on behalf of the directors:

"signed"

Essam Zhagloul, CEO

"signed"

Lars Glimhagen, CFO

Petro Viking Energy Inc.
Statements of Loss and Comprehensive Loss
For the six month and three month period ended June 30
(in Canadian dollars)

	Three months ended June 30,		Six months ended June 30,	
	2019	**2018**	**2019**	2018
			$	$
Revenue	**-**	-	**-**	-
	-	-	**-**	-
Expenses and other income				
Management fees	**9,000**	-	**48,205**	-
Professional fees	**32,979**	-	**49,692**	-
Interest expense	**17,280**	11,008	**38,150**	27,721
Listing fees	**-**	-	**2,081**	-
General and administration	**10,073**	-	**10,465**	3,352
	69,332	11,008	**148,592**	31,073
Net loss and comprehensive loss for the period	**(69,332)**	(11,008)	**(148,592)**	(31,073)
Net loss per share, basic and diluted *(Note 8)*	**(0.01)**	(0.00)	**(0.02)**	(0.01)
Weighted average number of shares, basic and diluted	**8,099,632**	3,026,970	**8,099,632**	3,026,970

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

Petro Viking Energy Inc.
Statements of Cash Flows
For the six month period ended June 30
(in Canadian dollars)

	2019	2018
	$	$
Operating Activities		
Net loss and comprehensive loss for the period	**(148,592)**	(55,543)
Adjustments for non-cash items		
Accrued interest expense	**38,150**	3,351
Accrued management fees		
	(110,442)	(52,192)
Changes in non-cash working capital *(Note 9)*		
Other receivables	**(3,688)**	-
Accounts payable and accrued lliabilities	**114,190**	52,192
Cash flow from operating activities	**60**	-
Change in Cash	**60**	-
Cash, beginning of the year	**-**	-
Cash, end of the year	**60**	-

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

Petro Viking Energy Inc.

Statements of Changes in Shareholders' Deficiency

As at June 30

(Unaudited - Expressed in Canadian dollars except for number of shares)

	Note	Common Shares Number	Common Shares Amount	Share Issue Costs	Contributed Surplus	Convertible Debenture	Deficit	Shareholders' Equity
			$		$	$	$	$
Balance, December 31, 2017		3,025,971	5,455,427	(929,907)	1,617,760		(7,130,148)	(986,868)
Net loss and comprehensive loss for the year			-				(27,721)	(27,721)
Balance, June 30, 2019		3,025,971	5,455,427	(929,907)	1,617,760		(7,157,870)	(1,014,590)
Balance, December 31, 2018		3,025,971	5,455,427	(929,907)	1,617,760		(7,399,739)	(1,256,459)
Issued convertible debenture	6					30,000		30,000
Shares issued for debt conversions		4,473,661	523,684					523,684
Net loss and comprehensive for the year							(148,592)	(148,592)
Balance, June 30, 2019		7,499,632	5,979,111	(929,907)	1,617,760	30,000	(7,548,331)	(851,367)

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

NOTICE OF NO AUDIT REVIEW OF INTERIM CONDENSED 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 condensed financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by the auditor. The accompanying unaudited interim condensed 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 auditors have not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants for a review of the interim financial statements by the entity's auditors.

1. Corporate information

Petro Viking Energy Inc. ("Petro Viking" or the "Company") is incorporated under the laws of the province of Alberta with shares previously listed on the TSX Venture Exchange.

The records office and principal address is located at 5940 Macleod Trail, Suite 500, Calgary, Alberta, T2H 2G4.

The Company currently is not engaged in any activities and is currently reviewing a number of business opportunities and projects that are NI51-101 compliant that will allow the Company to be re-listed. Subsequent to year end, the Company entered into a letter of intent to acquire assets of a privately held company in the energy sector (Note 13).

These condensed financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to going concern, which assumes continuity of operation and realization of assets and settlement of liabilities in the normal course of business. As at June 30, 2019, the Company reported a loss of $148,590, a cumulative deficit of $7,548,331 and a negative working capital of $370,420. The Company's ability to continue as a going concern is dependent upon its ability to and raise equity capital which will allow for acquiring assets that will provide the Company with a revenue stream. Even if the Company has been successful in the past in doing so, there is no assurance that it will manage to obtain additional financing in the future. These factors indicate the existence of a material uncertainty regarding the ability of the Company to continue as a going concern.

These condensed financial statements have been prepared in accordance with the International Accounting Standards ("IAS 34") using accounting polices consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IRRIC")

These interim financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed financial statements be read in conjunction with the audited financial statements of the Company for the most recent year ended December 31, 2018.

2. Basis of presentation

Statement of compliance

These financial statements have been prepared in accordance to IFRS as issued by the IASB and in the interpretations of the IFRIC in effect at the closing date of December 31, 2018.

The financial statements were authorized by the Board of Directors for issue on August 28, 2019.

Basis of measurement

The financial statements have been prepared under the historical cost method. The financial statements are presented in Canadian dollars which is also the Company's functional currency. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

(Unaudited – expressed in Canadian Dollars)

3. Summary of significant accounting policies

Significant estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgements and assumptions regarding the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted prospectively in the period in which the estimates are revised.

Significant judgements

The preparation of financial statements in accordance with IFRS requires the Company to make judgements, apart from those involving estimates, in applying accounting policies. The most significant judgements in applying the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

New accounting standards issued but not yet applied

At the date of the approval of the financial statements, a number of standards and interpretations were in issue but not yet effective. The Company considers that these new standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Accounts payable and accrued liabilities

Significant components of Accounts Payable and Accrued Liabilities	**2019**	2018
	$	**$**
Accounts payable	**237,355**	41,158
Accrued liabilities	**144,925**	52,192
	382,280	93,350

5. Debenture and promissory notes payable

	2019	**2018**
	$	$
Debenture due December 31, 2021 bearing interest at 10% per annum compounded monthly. Secured by future assets of the Company	**480,947**	895,080
Unsecured promissory notes due December 31, 2021 bearing interest at 10% per annum compounded monthly	**-**	50,629
	480,947	945,709

(Unaudited – expressed in Canadian Dollars)

On January 30, 2019, $300,000 of the Debenture, including $28,767 in interest, was converted to 6,000,000 (600,000 post-consolidated) common shares of the Company at $0.05 per share.

On June 7, 2019, $$75,000 of the Debenture, including $9,801 in interest, was assigned and converted to 1,500,000 shares of the Company at $0.05 per share.

On June 28, 2019, $90,000 of the Debenture, including $15,600 in interest, was converted to $1,800,000 shares of the Company at $0.05 per share.

On June 28, 2019, $58,683.05 of the Promissory Notes, including $8,053 in interest, were converted to 1,173,661 shares of the Company at $0.05 per share.

6. Convertible debentures

On November 20, 2018, the Company received cash proceeds of $30,000 for the issuance of convertible debentures; the debentures were issued on February 1, 2019 and are unsecured and bear simple interest at 15% per annum with principal and interest payable on maturity being two years from the date of issuance. The debentures will be convertible into units at a conversion price of $0.05 per share at any time during the term of the debentures. Each unit will be comprised of one common share and one common share purchase warrants exercisable for common share at a price of $0.05 per warrant for a period of 60 months.

7. Equity

Share capital

a. Authorized

Unlimited number of common shares, without nominal or par value

b. Issued and outstanding common shares

	2019		2018	
	Number	**Amount**	Number	Amount
		$		$
Balance, beginning of year	3,025,970	4,525,520	3,025,970	4,525,520
Conversion of debt	5,073,662	523,684	-	-
Balance, end of year	8,099,632	5,049,204	3,025,970	4,525,520

(Unaudited – expressed in Canadian Dollars)

7. Equity - continued

On January 30, 2019, $300,000 of the Debenture including $28,767 in interest was converted to 6,000,000 (600,000 post-consolidated) common shares of the Company at $0.05 per share.

On June 7, 2019, $$75,000 of the Debenture including $9,801 in interest was assigned and converted to 1,500,000 shares of the Company at $0.05 per share.

On June 28, 2019, $90,000 of the Debenture, including $15,600 in interest, was converted to $1,800,000 shares of the Company at $0.05 per share.

On June 28, 2019, $58,683.05 of the Promissory Notes, including $8,053 in interest, were converted to 1,173,661 shares of the Company at $0.05 per share.

As at August 28, 2019 there were 13,449,632 shares issued by the Company.

Share-based payments

The Company has a stock option plan under which the Board of Directors may grant options to directors, officers, other employees and key consultants. The Company may also grant options to agents. Under the plan, the number of shares reserved for issuance pursuant to the exercise of all options under the plan may not exceed 10% of the issued and outstanding common shares at any time. The options expire not more than five years from the date of grant or earlier if the individual ceases to be associated with the Company, and vest over terms determined at the time of grant. The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model.

As at June 30,	**2019**		**2018**	
	Options	**Weighted-average exercise price**	Options	Weighted-average exercise price
Opening	-	-	475,501	.20
Expired	-	-	475,501	.20
Closing	-	-	-	-

8. Net loss per share

Basic and diluted earnings per common share are calculated as follows:

	2019	2018
Net loss and comprehensive loss	$ (148,592)	$ (31,073)
Weighted average number of shares (basic and diluted)	8,099.32	3,026,970
Loss per share:	$	$
Basic	(0.01)	(0.01)
Diluted	(0.01)	(0.01)

(Unaudited – expressed in Canadian Dollars)

9. Change in non-cash working capital

	2019	2018
	$	$
Sales taxes receivable	**(3,688)**	-
Accounts payable and accrued liabilities	**114,190**	31,074
Total	**110,502**	31,074
Operating	**64,465**	3,352
Financing	**46,039**	27.721
Total	**110,502**	31,074

10. Related party disclosures

	2019	2018
Key management personnel compensation:	**$**	**$**
Management and consulting fees	**48,205**	2,800
(Key management personnel are comprised of the Company's directors and officers.)		
Other related party transactions:		
Interest expense on debenture and promissory notes payable held by an officer of the Company and companies controlled by an officer of the Company (1)	**-**	27,721

Amount owing to related parties	2019	2018
	$	$
Accounts payable and accrued liabilities including management fees and interest (1)	**68,205**	72,231
Debenture – Principal outstanding. (2)	-	472,854
Promissory notes payable – Principal outstanding.	**-**	40,505
	68,205	585,590

(1) *Related parties include a Directors and Officers of the Company.*

(2) *Mr. Irvin Eisler, a former director of the company passed away on August 23,2018 and the shares of his company Eisler Holdings Ltd. have been transferred to Mrs. Olga Eisler who is not related to the Company. As a result, all interest paid to Eisler Holdings Ltd. since August 24, 2018 and any amounts owing as at June 30, 2019 are not considered related-party items.*

11. Financial instruments and financial risk management

The Company's risk management policies are established by the Board of Directors to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's policy.

11. Financial instruments and financial risk management (continued)

Financial Instruments

On January 1, 2018, the Company adopted IFRS 9 - Financial Instruments ("IFRS 9") which replaced IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking 'expected loss' impairment model. IFRS 9 also includes significant changes to hedge accounting.

The Company adopted the standard using the retrospective approach outlined in the standard. IFRS 9 did not impact the Company's measurement and carrying amounts of financial assets and liabilities at the transition date.

The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial Assets/Liabilities	Original classification under IAS 39	New classification under IFRS 9
Cash	None in prior year	Financial assets at amortized cost
Sales taxes receivable	Other financial assets at amortized cost	Financial assets at amortized cost
Accounts payable and accrued liabilities	Other financial liabilities at amortized cost	Financial liabilities at amortized cost
Subscriptions to convertible debentures	Other financial liabilities at amortized cost	Financial liabilities at amortized cost
Debentures and promissory notes payable	Other financial liabilities at amortized cost	Financial liabilities at amortized cost

Measurement – initial recognition

Financial assets and financial liabilities are recognized in the Company’s statement of financial position when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, all financial assets and financial liabilities are recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as at fair value through profit or loss (“FVTPL”). The directly attributable transaction costs of financial assets and liabilities classified as at FVTPL are expensed in the period in which they are incurred.

Subsequent measurement of financial assets and liabilities depends on the classifications of such assets and liabilities.

Classification of financial assets

Amortized cost:

Financial assets that meet the following conditions are measured subsequently at amortized cost:

(i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. Interest income is recognized using the effective interest method.

Fair value through other comprehensive income ("FVTOCI"):

Financial assets that meet the following conditions are measured at FVTOCI:

(i) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

11. Financial instruments and financial risk management (continued)

Financial assets measured subsequently at fair value through profit or loss ("FVTPL"):

By default, all other financial assets are measured subsequently at FVTPL.

Financial assets measured at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship.

Classification of financial liabilities and equity:

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Classification of financial liabilities

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading or designated as at FVTPL, are measured at amortized cost using the effective interest method.

Impairment

The Company recognizes a loss allowance for expected credit losses on its financial assets. The amount of expected credit losses is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instruments

12. Liquidity risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. Accounts payable and accrued liabilities and debenture and promissory notes payable have an expected maturity of less than one year resulting in their current classification on the statement of financial position. The Company currently has minimal assets and is unable to discharge its liabilities until financing is obtained (Note 1).

13. Risk Management

Market risk is the risk that changes in market factors, such as foreign exchange rates, commodity prices, and interest rates will affect the Company's cash flows, net loss and comprehensive loss, liquidity or the value of financial instruments. The objective of market risk management is to mitigate market risk exposures where considered appropriate and maximize returns.

Liquidity Risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. Accounts payable and accrued liabilities and debenture and promissory notes payable have an expected maturity of less than one year resulting in their current classification on the statement of financial position. The Company currently has minimal assets and is unable to discharge its liabilities until financing is obtained.

13. Risk Management - continued

Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to meet their obligation payments, thus this risk is primarily attributable to cash. As at June 30, 2019, there were no financial instruments held by counterparties; therefore, the Company has incurred no credit risk as at date or for the year then ended.

Interest rate risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate risk on its debt as they bear a fixed interest rate.

14. Capital Management

The Company's objective when managing capital is to maintain a flexible capital structure which will allow it to execute its current strategy to get the Company listed again.

The Company considers its capital structure to include share capital, contributed surplus and debenture and promissory notes payable.

In order to maintain or adjust the capital structure, from time to time the Company may issue common shares, debt or other securities, sell assets or adjust capital spending to manage current and projected debt levels.

At June 30, 2019, the Company's capital structure was not subject to external restrictions.

15. Subsequent events

On July 18, 2019, $205,000 of the debenture, including $29,880 in interest, was converted to 4,100,000 shares of the Company at $0.05 per share.

On July 29, 2019, $255,000 of the debenture, including $37,167 in interest, was converted to 5,100,000 shares of the Company at $0.05 per share.

On August, 20, 2019, $12,500 of the debenture, including $1,822 in interest, was converted to 250,000 shares of the Company at $0.05.

On August 22, 2019 the Company commenced a non-brokered private placement offering of shares of the Company for $500,000 by the issuance of 5,000,000 units comprised of one common share in the Company and one half of a common share purchase warrant, each whole warrant entitling its holder to purchase one additional common share at a price of $0.15 for a period of 18 months following the closing. An amount of 8% cash and 8% Warrants as a finder's fee or commission to eligible brokers.