PETRO VIKING ENERGY INC.

FINANCIAL STATEMENTS

For the nine and three months ended September 30, 2019 and 2018

(Expressed In Canadian Dollars)

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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.

Petro Viking Energy Inc.
Statements of Financial Position
as at
(in Canadian dollars)

	Septemebr 30 2019	December 31, 2018
	$	$
Assets		
Current assets		
Cash	**447**	5,290
Sales taxes receivable	**10,974**	8,112
Total assets	**11,421**	**13,402**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities *(Note 4)*	**209,523**	294,151
Current portion of debenture and promissory notes payable *(Note 5)*	**-**	945,710
Total current liabilities	**209,523**	**1,239,861**
Long-term liabilities		
Debentures *(Note 5)*	**-**	-
Total long-term liabilities	**-**	-
Total liabilities	**209,523**	1,239,861
Shareholders' equity		
Share capital (*Note 7)*	**5,244,203**	4,525,520
Shares to be issued *(Note 7)*	**563,321**	-
Contributed surplus	**1,617,760**	1,617,760
Convertible debenture *(Note 6)*	**30,000**	30,000
Deficit	**(7,653,386)**	(7,399,739)
Total shareholders' deficiency	**(198,102)**	(1,226,459)
Total liabilities and shareholders' deficiency	**11,421**	**13,402**

Going concern *(Note 1)*
Basis of preparation *(Note 2)*
Contemplate Acquisition of Asset *(Note 4)*
Subsequent events (Note 16)

Approved on behalf of the directors:

"signed"
Lars Glimhagen, CEO

"signed"
Robert Rosner, CFO

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

Petro Viking Energy Inc.

Statements of Loss and Comprehensive Loss

For the nine month and three month period ended September 30

(in Canadian dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2019	**2018**	**2019**	2018
	$	$	**$**	$
Revenue	**-**	-	**-**	-
	-	-	**-**	-
Expenses and other income				
Management fees	**9,000**	19,000	**57,205**	19,000
Professional fees	**3,612**	29,418	**53,304**	29,418
Interest expense	**75,884**	25,431	**104,415**	77,621
Listing fees	**-**	-	**2,081**	-
General and administration	**16,559**	2,119	**27,023**	2,119
	105,055	75,968	**244,028**	128,159
Net loss and comprehensive loss for the period	**(105,055)**	(75,968)	**(244,028)**	(128,159)
Net loss per share, basic and diluted *(Note 8)*	**(0.01)**	(0.03)	**(0.02)**	(0.04)
Weighted average number of shares, basic and diluted	**17,755,111**	3,026,970	**17,755,111**	3,026,970

Petro Viking Energy Inc.

Statements of Cash Flows

For the nine month period ended September 30

(in Canadian dollars)

	2019	2018
	$	$
Operating Activities		
Net loss and comprehensive loss for the period	**(244,028)**	(158,159)
Cash flow from operating activities	**(244,028)**	-
Financing Activities		
Repayment of Debentures and Promissory Notes	**(284,499)**	-
Issue of shares on debt conversions and assignments	**523,684**	-
Total Financing Activities	**239,185**	
Change in Cash	**(4,843)**	-
Cash, beginning of the year	**5,290**	-
Cash, end of the year	**447**	-

Petro Viking Energy Inc.

Statements of Changes in Shareholders' Deficiency

As at September 30

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

	Note	Common Shares		Share Issue Costs	Contributed Surplus	Convertible Debenture	Deficit	Shareholders' Equity
		Number	Amount					
			$		$	$	$	$
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 year to date			-				(128,159)	(128,159)
Balance, September 30, 2018		3,025,971	5,455,427	(929,907)	1,617,760		(7,258,307)	(1,115,027)
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 period							(253,647)	(253,647)
Balance, September 30, 2019		7,499,632	5,979,111	(929,907)	1,617,760	30,000	(7,653,386)	(956,422)

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

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 15).

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 September 30, 2019, the Company reported a loss of $253,647, a cumulative deficit of $7,653,386 and a negative working capital of $198,102. 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 November 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. Contemplated Asset Acquisition

On September 30, 2019 the Company signed a Letter of Intent with a oil and gas producing company in Alberta to acquire a non-operating interest of fifty percent (50%) interest into a producing oil and gas property with a current NI 51-101 – Standards of Disclosure for Oil and Gas Activities compliant Technical Report. It is expected that the acquisition will be completed by November 30, 2019, or a date acceptable to both parties.

5. Accounts payable and accrued liabilities

Significant components of Accounts Payable and Accrued Liabilities	**2019**	2018
	$	**$**
Accounts payable	**167,523**	41,158
Accrued liabilities	**42,000**	52,192
	209,523	93,350

6. 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	**-**	895,080
Unsecured promissory notes due December 31, 2021 bearing interest at 10% per annum compounded monthly	**-**	50,629
	-	945,709

6. Debenture and promissory notes payable - continued

(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, was converted to 1,173,661 shares of the Company at $0.05 per share.

On July 29, 2019, $205,000 of the Debenture, including $27,958 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 $1,681 in interest, was converted for 250,000 shares of the Company at $0.05 per share.

7. 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.

8. 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	5,455,427	3,025,970	4,525,520
Conversion of debt	10,423,662	906,183	-	-
Balance, end of year	13,449,632	6,361,610	3,025,970	4,525,520

(Unaudited – expressed in Canadian Dollars)

8. 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.

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On July 29, 2019, $205,000 of the Debenture, including $27,958 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 $1,681 in interest, was converted for 250,000 shares of the Company at $0.05 per share.

On September 30, 2019, $563,321 of the Debenture, including $28,443.15 in interest, was converted for 4,305,472 shares of the Company. These shares are yet to be issued no later than November 29, 2019.

As at November 29, 2019 there were 17,755,111 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 September 30,	**2019**		**2018**	
	Options	**Weighted-average exercise price**	Options	Weighted-average exercise price
Opening	-	-	475,501	.20
Expired	-	-	475,501	.20
Closing	-	-	-	-

(Unaudited – expressed in Canadian Dollars)

9. Net loss per share

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

	2019	2018
Net loss and comprehensive loss	$ (253,647)	$ (31,073)
Weighted average number of shares (basic and diluted)	21,680,077	3,026,970
Loss per share:	$	$
Basic	(0.01)	(0.01)
Diluted	(0.01)	(0.01)

10. Change in non-cash working capital

	2019	2018
	$	$
Sales taxes receivable	**(2,862)**	-
Accounts payable and accrued liabilities	**(84,628)**	31,074
Total	**(84,790)**	31,074
Operating	**(84,790)**	3,352
Financing	**-**	27.721
Total	**(84,790)**	31,074

11. Related party disclosures

	2019	2018
Key management personnel compensation:	**$**	**$**
Management and consulting fees	**57,205**	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

(Unaudited – expressed in Canadian Dollars)

11. Related party disclosures - continued

Amount owing to related parties	**2019**	2018
	$	$
Accounts payable and accrued liabilities including management fees and interest [(1)]	**75,355**	72,231
Debenture – Principal outstanding. [(2)]	**-**	472,854
Promissory notes payable – Principal outstanding.	**-**	40,505
	75,355	585,590

[(1)] *Related parties include a Director and Officer 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.*

12. 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.

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.

12. Financial instruments and financial risk management - continued

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.

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

13. 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).

14. 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.

<u>Liquidity Risk</u>

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.

<u>Credit risk:</u>

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.

<u>Interest rate risk:</u>

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.

15. 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.

16. Subsequent events

The Company is offering a non-brokered $250,000 unsecured Convertible Debenture bearing an interest rate of 10% per annum. Each Debenture is convertible, at the option of the holder, into common shares of the Issuer at a price of $0.10 per common share.

On November 18, 2019 the Company signed a letter of agreement with Leede Jones Gable ("LJG") to act as the Company's exclusive agent on specific offerings of the Company. Once LJG completes its due diligent process, LJG and the Company will enter into an Agency Agreement. The terms of the Agreement includes an 8% cash commission and an issue of Agent Warrants at 8% of the units subscribed under each Offering.

The two Offerings will include 4,000,000 units comprised of one Common share at a price of $0.15 per common share and one-half of a common share purchase warrant (each a ("Warrant"), each whole Warrant entitling its holder to purchase one addition common share at a price of $0.20 for a period of 18 months following the closing of this Offering with gross proceeds of $600,000; and an Offering of 25,000,000 Flow Through shares at $0.20 for gross proceeds of $5,000,000.