
**CITY VIEW GREEN HOLDINGS INC.
(FORMERLY ICON EXPLORATION INC.)
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2019
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

Notice To Reader

The accompanying unaudited condensed interim financial statements of City View Green Holdings Inc. (formerly Icon Exploration Inc.) (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars)

Unaudited

	As at September 30, 2019	As at December 31, 2018
ASSETS		
Current assets		
Cash and cash equivalents	\$ 91,969	\$ 143,463
Subscription receivable (note 13)	-	78,000
Amounts receivable	186,061	115,261
Prepaid rent and deposit	101,576	40,329
Promissory notes receivable (note 6)	366,706	100,761
Total current assets	746,312	477,814
Non-current assets		
Plant (note 7)	207,044	63,881
Right-of-use assets (note 8)	3,586,541	-
Investments (note 9)	5,719,080	-
Total assets	\$ 10,258,977	\$ 541,695
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 626,921	\$ 90,941
Promissory note payable (note 10)	461,096	-
Total current liabilities	1,088,017	90,941
Non-current liabilities		
Lease liabilities (note 11)	3,668,134	-
Total liabilities	4,756,151	90,941
Equity		
Share capital (note 13)	25,225,009	4,531,663
Shares to be issued (note 20)	170,100	-
Contributed surplus (note 14)	1,993,237	285,955
Deficit	(21,885,520)	(4,366,864)
Total equity	5,502,826	450,754
Total equity and liabilities	\$ 10,258,977	\$ 541,695

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

Nature of operations and going concern (note 1)

Commitments (note 12)

Subsequent events (note 20)

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Condensed Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

Unaudited

	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Expenses				
Consulting (notes 13 and 16)	\$ 149,343	\$ 88,181	\$ 629,643	\$ 377,629
Professional fees	26,671	13,026	128,933	46,768
Rent	102,694	117,046	374,597	300,310
General and administration	24,628	1,971	226,883	9,462
Debt issue costs (note 15)	134,844	-	444,328	-
Share-based compensation (notes 14 and 16)	426,306	4,589	1,484,939	21,119
Travel	-	16,300	26,561	16,300
Research and development (note 13)	-	2,400,000	-	2,400,000
Depreciation (notes 7 and 8)	82,478	3,078	159,620	4,823
Advertising and promotion	38,191	-	114,642	-
Interest expense on loan payable (note 10)	-	-	11,096	-
Interest expense on lease liabilities (note 11)	102,634	-	244,129	-
Foreign exchange loss	-	244	-	244
	1,087,789	2,644,435	3,845,371	3,176,655
Net loss before interest and other income	(1,087,789)	(2,644,435)	(3,845,371)	(3,176,655)
Interest income	6,838	-	15,945	-
Gain on lease modification	126,933	-	126,933	-
Forgiveness of debt	(123,674)	-	(123,674)	-
Gain on debt settlement (note 13)	121,114	-	121,114	-
Listing expense	-	-	(13,735,141)	-
Net loss for the period	\$ (956,578)	\$ (2,644,435)	\$ (17,440,194)	\$ (3,176,655)
Basic and diluted net loss per share	\$ (0.01)	\$ (0.03)	\$ (0.11)	\$ (0.03)
Weighted average number of common shares outstanding - basic and diluted	177,041,561	99,961,536	160,277,519	94,842,560

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

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Condensed Interim Statements of Cash Flows

(Expressed in Canadian Dollars)

Unaudited

	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Operating activities		
Net loss for the period	\$ (17,440,194)	\$ (3,176,655)
Adjustments for:		
Depreciation	159,620	4,823
Share-based compensation	1,484,939	21,119
Issuance of common shares for services	-	2,550,000
Accrued interest	(15,945)	-
Interest expense on lease liabilities	244,129	-
Interest expense on loan payable	11,096	-
Gain on lease modification	(126,933)	-
Forgiveness of debt	(123,674)	-
Gain on debt settlement	121,114	-
Listing expense	13,553,817	-
Fair value of warrants issued	244,900	-
Changes in non-cash working capital items:		
Subscription receivable	78,000	20,000
Amounts receivable	(70,800)	(82,715)
Prepaid rent and deposit	62,427	(37,425)
Amounts payable and other liabilities	873,770	67,908
Net cash used in operating activities	(943,734)	(632,945)
Investing activities		
Purchase of plant	(177,681)	(61,560)
Net cash used in investing activities	(177,681)	(61,560)
Financing activities		
Proceeds from issuance of common shares, net of share issue costs	990,000	972,982
Repayment of promissory note	-	(25,000)
Proceeds from options exercised	48,987	8,333
Loans advanced	(350,000)	-
Repayment of lease liabilities	(239,166)	-
Proceeds from promissory note	450,000	-
Shares to be issued	170,100	-
Net cash provided by financing activities	1,069,921	956,315
Net change in cash and cash equivalents	(51,494)	261,810
Cash and cash equivalents, beginning of period	143,463	30,596
Cash and cash equivalents, end of period	\$ 91,969	\$ 292,406

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City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Condensed Interim Statements of Changes in Equity

(Expressed in Canadian Dollars)

Unaudited

	Share capital					
	Number of shares	Amount	Shares to be issued	Contributed surplus	Deficit	Total
Balance, December 31, 2017	66,080,000	\$ 369,375	\$ -	\$ 7,081	\$ (281,552)	\$ 94,904
Common shares issued for cash	5,533,334	1,037,500	-	-	-	1,037,500
Share issuance cost	-	(64,518)	-	-	-	(64,518)
Common shares issued for services	36,800,000	2,550,000	-	-	-	2,550,000
Issued on exercise of stock options	133,339	8,568	-	(235)	-	8,333
Share-based payments	-	-	-	21,119	-	21,119
Net loss for the period	-	-	-	-	(3,176,655)	(3,176,655)
Balance, September 30, 2018	108,546,673	\$ 3,900,925	\$ -	\$ 27,965	\$ (3,458,207)	\$ 470,683
Balance, December 31, 2018	115,293,340	\$ 4,531,663	\$ -	\$ 285,955	\$ (4,366,864)	\$ 450,754
Impact of adoption of IFRS 16	-	-	-	-	(78,462)	(78,462)
Adjusted balance, December 31, 2018	115,293,340	\$ 4,531,663	\$ -	\$ 285,955	\$ (4,445,326)	\$ 372,292
Common shares issued for cash	5,333,339	1,000,000	-	-	-	1,000,000
Share issuance cost	-	(10,000)	-	-	-	(10,000)
Common shares issued for debt settlement	3,671,238	458,905	-	-	-	458,905
Issued on exercise of stock options	783,787	71,544	-	(22,557)	-	48,987
Common shares issued for investment	29,968,427	5,619,080	-	-	-	5,619,080
Fair value of warrants issued	-	-	-	244,900	-	244,900
Purchase of shares on RTO transaction	26,446,473	13,553,817	-	-	-	13,553,817
Share-based payments	-	-	-	1,484,939	-	1,484,939
Shares to be issued	-	-	170,100	-	-	170,100
Net loss for the period	-	-	-	-	(17,440,194)	(17,440,194)
Balance, September 30, 2019	181,496,604	\$ 25,225,009	\$ 170,100	\$ 1,993,237	\$ (21,885,520)	\$ 5,502,826

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

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Notes to Condensed Interim Financial Statements

Year Ended September 30, 2019 Period from Incorporation August 3, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

Unaudited

1. Nature of operations and going concern

City View Green Holdings Inc. (formerly Icon Exploration Inc.) ("the Company") was incorporated pursuant to the Canada Business Corporations Act on February 5, 2008. The Company continued into British Columbia from the jurisdiction of Canada, under the BCBCA, on February 18, 2011. On February 27, 2019, the Company completed a reverse take-over business combination with 2590672 Ontario Inc wherein the Company acquired 100% of the issued and outstanding common shares of 2590672 Ontario Inc. and began trading on the Canadian Securities Exchange ("Exchange") under the symbol "CVGR".

These unaudited condensed interim financial statements reflect the continuation of the financial position, operating results and cash flows of the Company's legal subsidiary, 2590672 Ontario Inc.

The unaudited condensed interim financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due. As at September 30, 2019, the Company is still in the development stage, has accumulated losses of \$21,885,520 since its inception and expects to incur further losses in the development of its business, which casts significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. While the Company is continuing its best efforts to achieve the above plans, there is no assurance that any such activity will generate funds for operations. The unaudited condensed interim financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments may be material.

As at September 30, 2019, the Company is an applicant for a Cannabis Licence with Health Canada to cultivate, produce and sell its products for either medical or recreational use and which is under review.

2. Basis of presentation

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of November 28, 2019, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2018 except as noted in note 3. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2019 could result in restatement of these unaudited condensed interim financial statements.

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Notes to Condensed Interim Financial Statements

Year Ended September 30, 2019 Period from Incorporation August 3, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

Unaudited

3. Significant accounting policies

New accounting standard adopted

IFRS 16 Leases

IFRS 16 requires lessees to recognize most leases on the balance sheet to reflect the right to use an asset for a period of time and the associated liability for payments. The Company has adopted IFRS 16 using the modified retrospective method, under which the cumulative effect of the initial application is recognized in retained earnings at January 1, 2019.

On transition to IFRS 16, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases and applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 Leases were not reassessed for whether a lease existed. The Company also elected to not recognize right of use assets and lease liabilities that have a lease term of 12 months or less and leases of low-value assets. The 2018 information presented has not been restated for this standard.

Lease liabilities were measured at the present value of the remaining lease payments discounted at the incremental borrowing rate as at January 1, 2019.

On transition to IFRS 16, the Company recognized an additional \$2,103,944 of right-of-use assets and \$2,182,406 of lease liabilities, recognizing the difference of \$78,462 in retained earnings.

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at January 1, 2019. The weighted-average rate applied is 13%.

4. Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

5. Capital risk management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and financial markets in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, or adjusting spending. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital structure to consist of share capital, contributed surplus, and deficit, which at September 30, 2019 totaled \$5,502,826 (December 31, 2018 - \$450,754). The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company is not subject to any capital requirements imposed by a lending institution.

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Notes to Condensed Interim Financial Statements

Year Ended September 30, 2019 Period from Incorporation August 3, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

Unaudited

6. Promissory notes receivable

(i) On November 5, 2018, the Company entered into a loan agreement with a company operating in the cannabis retail space ("Retailco"). The loan bears interest rate of Prime Bank Rate (defined below) plus 1% per annum, calculated monthly not in advance. The loan is repayable on or before May 5, 2019. Prime Bank Rate means the commercial lending rate of interest, quoted or published by the Bank of Montreal.

During the nine months ended September 30, 2019, the Company received 500,000 common shares of Retailco with a deemed value of \$0.20 per share to settle \$100,000 of balance owed. As at September 30, 2019, the Company was owed \$nil (December 31, 2018 - \$100,761) including accrued interest.

(ii) On March 5, 2019, the Company entered into a loan agreement with 11103016 Canada Inc. ("11103016 Canada"). The loan is secured by 11103016 Canada's inventory and equipment, and bears interest rate of Prime Bank Rate plus 5% per annum, calculated monthly not in advance. The loan is repayable on or before March 5, 2020. As at September 30, 2019, the Company was owed \$310,249 (December 31, 2018 - \$nil) including accrued interest.

(iii) On April 12, 2019, the Company entered into a loan agreement with Retailco. The loan bears interest rate of 8% per annum, calculated monthly not in advance. The loan is repayable on or before April 12, 2020. As at September 30, 2019, the Company was owed \$56,457 (December 31, 2018 - \$nil) including accrued interest.

7. Plant

Cost	Leasehold improvements
Balance, December 31, 2017	\$ -
Additions	72,320
Balance, December 31, 2018	72,320
Additions	177,681
Balance, September 30, 2019	\$ 250,001

Accumulated depreciation	Leasehold improvements
Balance, December 31, 2017	\$ -
Depreciation for the year	8,439
Balance, December 31, 2018	\$ 8,439
Depreciation for the period	34,518
Balance, September 30, 2019	\$ 42,957

Carrying value	Leasehold improvements
Balance, December 31, 2018	\$ 63,881
Balance, September 30, 2019	\$ 207,044

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Notes to Condensed Interim Financial Statements

Year Ended September 30, 2019 Period from Incorporation August 3, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

Unaudited

8. Right-of-use assets

Cost	Brantford facility
Balance, December 31, 2017 and December 31, 2018	\$ -
Additions	2,103,944
Additions - Lease modification	1,543,386
Balance, September 30, 2019	\$ 3,647,330

Accumulated depreciation	Brantford facility
Balance, December 31, 2017 and December 31, 2018	\$ -
Depreciation for the period	60,789
Balance, September 30, 2019	\$ 60,789

Carring value	Brantford facility
Balance, December 31, 2018	\$ -
Balance, September 30, 2019	\$ 3,586,541

9. Investments

On November 5, 2018, the Company entered into an agreement with Retailco whereby the Company and Retailco will conduct a mutual share exchange consisting of the Company owning 19.9% of Retailco, and Retailco owning 19.9% of the Company. In connection with this transaction, the Company issued 29,968,427 shares valued at \$0.19 per share. The transaction closed on January 31, 2019.

10. Promissory note payable

On May 31, 2019, the Company issued a promissory note of \$450,000 to Rydan Financial Inc. The note bears interest rate of 20% per annum and due on May 31, 2020.

11. Lease liabilities

	Brantford facility
Balance, December 31, 2018	\$ -
Additions	2,182,406
Modification to lease terms	1,480,765
Interest expense	244,129
Lease payments	(239,166)
Balance, September 30, 2019	\$ 3,668,134

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Notes to Condensed Interim Financial Statements

Year Ended September 30, 2019 Period from Incorporation August 3, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

Unaudited

12. Commitments

On February 8, 2018, the Company entered into a lease agreement with 1985588 Ontario Inc. with respect to its Brantford, Ontario facility, expiring on January 31, 2023. The lease was terminated on July 30, 2019 on the exercise of purchase option and the property transfer to 2705279 Ontario Inc. A new lease was entered between the new landlord for a term of 10 years commencing July 30, 2019 and ending July 31, 2029 with the following terms:

	1 year	2 years	3 years	4 years	5 years	After 5 years
Lease obligations	\$ 608,333	\$ 660,000	\$ 660,000	\$ 660,000	\$ 660,000	\$ 3,376,187

The Company has 2 renewal options of 5 years each and a right of first refusal in the event the landlord receive any bona fide offer for the property.

13. Share capital

(a) Authorized share capital

Unlimited number of common shares, with no par value.

(b) Common shares issued

	Number of common shares	Amount
Balance, December 31, 2017	66,080,000	\$ 369,375
Common shares issued for cash (i)	5,533,334	1,037,500
Share issuance cost (i)	-	(64,518)
Common shares issued for services (ii)(iii)	36,800,000	2,550,000
Issued on exercise of stock options	133,339	8,568
Balance, September 30, 2018	108,546,673	\$ 3,900,925
Balance, December 31, 2018	115,293,340	\$ 4,531,663
Common shares issued for cash (iv)	5,333,339	1,000,000
Share issuance cost (iv)	-	(10,000)
Common shares issued pursuant to mutual share exchange (note 9)	29,968,427	5,619,080
Purchase of shares on RTO transaction	26,446,473	13,553,817
Common shares issued for debt settlement (v)	3,671,238	458,905
Issued on exercise of stock options	783,787	71,544
Balance, September 30, 2019	181,496,604	\$ 25,225,009

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Notes to Condensed Interim Financial Statements

Year Ended September 30, 2019 Period from Incorporation August 3, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

Unaudited

13. Share capital (continued)

(b) Common shares issued (continued)

- (i) During the nine months ended September 30, 2018, the Company issued 5,533,334 common shares for aggregate gross proceeds of \$1,037,500 with share issuance costs of \$64,518.
- (ii) On January 1, 2018, the Company issued 24,000,000 common shares valued at \$0.00625 per common share to Quinsam Capital Corp. ("Quinsam") as a finder's fee for arranging for the introduction of 1985588 Ontario Inc. to the Company to enter into a commercial lease agreement.
- (iii) During the nine months ended September 30, 2018, the Company issued 12,800,000 common shares valued at \$0.1875 per common share for research and development.
- (iv) In January 2019, the Company closed a private placement wherein the Company issued 666,667 common shares at \$1.50 per share for gross proceeds of \$1,000,000 with share issuance costs of \$10,000.
- (v) On July 30, 2019, the Company issued 3,671,238 common shares to certain creditors of the Company to settle an aggregate debt of \$580,019. The common shares issued had a deemed price of \$0.125 based on the fair value. As a result, the Company recorded a loss on debt settlement of \$121,114.

14. Stock options

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of ten years with vesting requirements at the discretion of the Board of Directors.

Company records a charge to the statement of loss and comprehensive loss using the Black-Scholes fair valuation option pricing model with respect to a share option grant. The valuation is dependent on a number of estimates, including the risk free interest rate, the level of share volatility, together with an estimate of the level of forfeiture. The level of share volatility is calculated with reference to the historic traded daily closing share price at the date of issue. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

	Number of stock options	Weighted average exercise price
Balance, December 31, 2017	8,000,000	\$ 0.25
Exercised	(66,667)	0.25
Balance, September 30, 2018	7,933,333	\$ 0.25
Balance, December 31, 2018	11,173,332	\$ 0.55
Granted (i)(ii)	3,000,000	0.16
Acquired on RTO	2,430,187	0.27
Exercised	(783,787)	0.06
Balance, September 30, 2019	15,819,732	\$ 0.43

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Notes to Condensed Interim Financial Statements

Year Ended September 30, 2019 Period from Incorporation August 3, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

Unaudited

14. Stock options (continued)

- (i) On June 3, 2019, the Company granted incentive stock options to its directors, employees and consultants to purchase up to an aggregate of 2,700,000 common shares of the Company. The options are exercisable for a period of five years at a price of \$0.15 per share. The fair value of the 2,700,000 stock options granted is estimated at \$268,650 using the Black-Scholes model for option pricing. The assumptions underlying the fair value of the share purchase options were as follows: risk free interest rate - 1.50%; dividend yield - 0%; expected stock volatility - 154% and an option life - 5 years.
- (ii) On July 24, 2019, the Company granted 300,000 stock options to a consultant of the Company exercisable at \$0.18 per common share. The options vest immediately and expire in 5 years. The grant date fair value of \$36,480 was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: share price of \$0.125, expected dividend yield of 0%, expected volatility of 202%, risk-free rate of return of 1.36% and an expected maturity of 5 years. For the three and nine months ended September 30, 2019, \$36,480 (three and nine months ended September 30, 2018 - \$nil) was expensed to share-based compensation.

The following table reflects the actual stock options issued and outstanding as of September 30, 2019:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
October 29, 2021	0.75	2.08	600,000	150,000
August 3, 2022	0.25	2.84	5,360,000	5,360,000
January 9, 2023	0.375	3.28	1,646,400	1,646,400
November 1, 2023	0.75	4.09	5,213,332	-
June 3, 2024	0.15	4.68	2,700,000	2,700,000
July 24, 2024	0.18	4.82	300,000	300,000
	1.02	3.64	15,819,732	10,156,400

15. Warrants

In connection with the loan of \$450,000 from Rydan Financial Inc as referred to in note 10, the Company issued 3,000,000 warrants to the Lender. Each warrant is exercisable into one common share at a price of \$0.15 per share and expires on July 3, 2020. The fair value of \$123,300 was assigned to the warrants and has been estimated using the Black-Scholes model for pricing options under the following assumptions: risk free interest rate - 1.25%; dividend yield - 0%; expected stock volatility - 116% and an expected life of 13 months.

In connection with the new lease signed on July 30, 2019, the Company issued 1,000,000 warrants to the Lender. Each warrant is exercisable into one common share at a price of \$0.18 per share and expires in 5 years. The fair value of \$121,600 was assigned to the warrants and has been estimated using the Black-Scholes model for pricing options under the following assumptions: risk free interest rate - 1.46%; dividend yield - 0%; expected stock volatility - 202% and an expected life of 5 years.

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Notes to Condensed Interim Financial Statements

Year Ended September 30, 2019 Period from Incorporation August 3, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

Unaudited

16. Related party balances and transactions

Related parties include key management being the Company's executive officers, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The following related party transactions were conducted in the normal course of operations and were made on an arm's length basis:

	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Consulting	\$ 66,322	\$ -	\$ 247,572	\$ -
Share-based compensation	118,755	459	375,435	2,112
	\$ 185,077	\$ 459	\$ 623,007	\$ 2,112

As at September 30, 2019, \$25,789 (December 31, 2018 - \$2,104) included in accounts payable and accrued liabilities was payable to a key management personnel for expense reimbursement.

17. Loss per share

For the three and nine months ended September 30, 2019, basic and diluted loss per share has been calculated based on the loss attributable to common shares of \$956,578 and \$17,440,194, respectively (three and nine months ended September 30, 2018 - \$2,644,435 and \$3,176,655, respectively) and weighted average number of common shares outstanding of 177,041,561 and 160,277,519, respectively (three and nine months ended September 30, 2018 - 99,961,536 and 94,842,560, respectively). Diluted loss per share did not include the effect of stock options as they are anti-dilutive.

18. Capital management

The Company's capital is composed of share capital, reserves and deficit. The Company manages its capital within the following objectives:

- (a) to ensure that there is sufficient financial flexibility to achieve the ongoing business objectives; and
- (b) to maximize shareholder return through enhancing shareholder value.

Management periodically reviews its capital management approach and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management for the period ended September 30, 2019. The Company is not subject to externally imposed capital requirements.

City View Green Holdings Inc. (Formerly Icon Exploration Inc.)

Notes to Condensed Interim Financial Statements

Year Ended September 30, 2019 Period from Incorporation August 3, 2017 to December 31, 2017

(Expressed in Canadian Dollars)

Unaudited

19. Financial risk management

The Company's financial risk exposures and the impact on the Company's financial instruments are as follows:

(a) Credit risk

The Company's credit risk is primarily attributable to cash and accounts receivable. The Company has no significant concentration of credit risk arising from financial instruments.

(b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2019, the Company has a working capital deficiency of \$341,705 (December 31, 2018 - working capital of \$386,873). The Company had a cash balance of \$91,969 (December 31, 2018 - \$143,463) to settle current financial liabilities of \$1,088,017 (December 31, 2018 - \$90,941). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms, except short term loans.

(c) Fair Value

The carrying amount of each accounts payable and accrued liabilities and short-term loans approximates their fair value because of the short-term maturities of these items.

20. Subsequent events

On October 4, 2019, the Company granted 4,100,000 stock options to the directors, officers, and consultants of the Company with an exercise price of \$0.15. The options vest 1/2 each on 6 and 12 months from the grant date and expire in 5 years.

On November 15, 2019, the Company closed the first tranche of its non-brokered private placement, where the Company issued 2,001,333 units ("Unit") at \$0.15 per Unit for gross proceeds of \$300,200. Each Unit is comprised of one common share of the Company and one common share purchase warrant of the Company ("Warrant"). Each Warrant entitles the holder to purchase one additional common share of the Company at \$0.30 per share and expires in 3 years. In connection with the private placement, the Company paid a total of \$5,750 as finders' fees.