

**Lido Minerals Ltd.**  
(formerly Commonwealth Cannabis Corp.)

Condensed Consolidated Interim Financial Statements

For the Six Months Ended March 31, 2020

*(Expressed in Canadian dollars)*

**Lido Minerals Ltd.** (formerly Commonwealth Cannabis Corp.)  
Condensed Interim Consolidated Statements of Financial Position

	As at March 31, 2020 \$ (unaudited)	As at September 30, 2019 \$
<b>Assets</b>		
<b>Current Assets</b>		
Cash	574,190	743,813
Sales tax receivable	12,668	5,105
Prepaid Expense	4,622	-
Investment (Note 4)	590,000	125,000
	<b>1,181,480</b>	<b>873,918</b>
<b>Non-Current Asset</b>		
Exploration and evaluation Assets (Notes 5 and 6)	200,000	-
<b>Total Assets</b>	<b>1,381,480</b>	<b>873,918</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable (Note 8)	8,870	5,298
Accrued liabilities	-	3,780
<b>Total Current and Total Liabilities</b>	<b>8,870</b>	<b>9,078</b>
<b>Shareholders' equity</b>		
Share capital (Note 7)	1,532,600	1,332,600
Deficit	(159,990)	(467,760)
<b>Total Shareholders' Equity</b>	<b>1,372,610</b>	<b>864,840</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,381,480</b>	<b>873,918</b>

*Nature and Continuance of Operations (Note 1)*

*Subsequent Event (Note 9)*

Approved on behalf of the Board on April 27, 2020:

*"Carl Chow"*

Carl Chow, CEO and Director

*"Wayne Soo"*

Wayne Soo, Director

*The accompanying notes are integral to these financial statements.*

**Lido Minerals Ltd.** (formerly Commonwealth Cannabis Corp.)  
Condensed Interim Consolidated Statement of Comprehensive Loss  
(Unaudited)

	<b>Three Months ended March 31, 2020</b>	Three Months ended March 31, 2019	<b>Six Months ended March 31, 2020</b>	Six Months ended March 31, 2019
	\$	\$	\$	\$
<b>Expenses</b>				
Administration (Note 8)	<b>73,185</b>	57,707	<b>122,904</b>	93,656
Management fees	-	3,000	-	7,000
Audit fees	<b>17,671</b>	10,789	<b>17,671</b>	10,798
Professional fees	<b>14,212</b>	30,440	<b>16,655</b>	42,093
	<b>(105,068)</b>	(101,936)	<b>(157,230)</b>	(153,547)
<b>Other item</b>				
Unrealized gain on investment (Note 4)	<b>465,000</b>	-	<b>465,000</b>	
<b>Net and comprehensive income (loss)</b>	<b>359,932</b>	(101,936)	<b>307,770</b>	(153,547)
<b>Basic and diluted loss per common share</b>	<b>\$ 0.03</b>	\$ (0.01)	<b>\$ 0.03</b>	\$ (0.03)
<b>Weighted average number of common shares outstanding</b> (Note 7)	<b>11,914,175</b>	7,182,476	<b>11,472,212</b>	4,448,249

*The accompanying notes are integral to these financial statements.*

**Lido Minerals Ltd.** (formerly Commonwealth Cannabis Corp.)  
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity  
(Unaudited)

	Share Capital		Special Warrants	Deficit	Total
	Number	Amount			
		\$			
<b>Balance, September 30, 2018</b>	<b>151,054</b>	<b>11,000</b>	<b>442,800</b>	<b>(33,042)</b>	<b>420,758</b>
Special Warrants Issued (Note 7)	-	-	23,600	-	23,600
Shares issued for private placement (Note 7)	8,552,000	855,200	-	-	855,200
Special warrants exercised (Note 7)	2,332,000	466,400	(466,400)	-	-
Net and comprehensive loss	-	-	-	(153,547)	(153,547)
<b>Balance, March 31, 2019</b>	<b>11,035,054</b>	<b>1,332,600</b>	<b>-</b>	<b>(186,589)</b>	<b>1,146,011</b>
Net and comprehensive loss	-	-	-	(281,171)	(281,171)
<b>Balance, September 30, 2019</b>	<b>11,035,054</b>	<b>1,332,600</b>	<b>-</b>	<b>(467,760)</b>	<b>864,840</b>
Shares issued to acquire property (Notes 5 and 7)	2,000,000	200,000	-	-	200,000
Net and comprehensive income	-	-	-	307,770	307,770
<b>Balance, March 31, 2020</b>	<b>13,035,054</b>	<b>1,532,600</b>	<b>-</b>	<b>(159,990)</b>	<b>1,372,610</b>

*The accompanying notes are integral to these financial statements.*

**Lido Minerals Ltd.** (formerly Commonwealth Cannabis Corp.)  
Condensed Interim Consolidated Statements of Cash Flows  
(Unaudited)

	<b>Six Months Ended March 31, 2020</b>	Six Months Ended March 31, 2019
	\$	\$
Net and comprehensive loss	<b>307,770</b>	(153,547)
Operating Activities:		
Unrealized gain on investment	<b>(465,000)</b>	-
Changes in non-cash working capital items:		
Sales tax receivable	<b>(7,563)</b>	(3,905)
Prepaid Expense	<b>(4,622)</b>	-
Accounts payable and accrued liabilities	<b>(208)</b>	1,850
Cash flows used in operating activities	<b>(169,623)</b>	(155,602)
Financing Activities:		
Proceeds from private placement	-	878,800
Proceeds from loan	-	100,000
Loans receivable	-	(240,540)
Cash flows provided by financing activities	-	738,260
Change in cash	<b>(169,623)</b>	582,658
Cash, beginning	<b>743,813</b>	423,173
Cash, ending	<b>574,190</b>	1,005,831

*The accompanying notes are integral to these financial statements.*

## **Lido Minerals Ltd. (formerly Commonwealth Cannabis Corp.)**

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

March 31, 2020

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### **1. Nature and Continuance of Operations**

Lido Minerals Ltd. (formerly Commonwealth Cannabis Corp.) was incorporated as 1093684 B.C. Ltd. (the "Company" or "Lido") on October 19, 2016 under the laws of British Columbia, Canada. On February 11, 2020 the Company changed its name to Lido Minerals Ltd. The Company's head office and registered office is located at 600 – 1090 West Georgia Street, Vancouver, BC V6E 3V7.

The Company is a publicly reporting issuer in the Provinces of British Columbia and Alberta. The Company formerly operated in the cannabis sector. In January of 2020, the Company changed its business to exploration and evaluation of mineral properties and intends to file a prospectus with the Canadian Securities Exchange as a resource issuer.

The financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's continuing operations, as intended, and its financial success may be dependent upon the extent to which it can successfully develop its business.

The development of the Company's business may take many years to be successful and the amount of resulting income, if any, is difficult to determine with any certainty. For the six months ended March 31, 2020, the Company net income of \$307,770 (2018: loss of \$153,547) and expects to incur losses in the development of its business, all of which casts material uncertainty about the Company's ability to continue as a going concern. Management believes its working capital will be sufficient to support operations for the next twelve months.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The Company's continuation as a going concern is dependent upon raising the necessary funds through the selling of investments and issuance of equity or debt sufficient to meet current and future obligations. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Company's ability to continue as a going concern as described above, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not include any adjustments relating to the realization of assets and liquidation of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

### **2. Basis of Presentation**

#### *Statement of Compliance –*

The financial statements for the six months ended March 31, 2020 with comparative figures for the six months ended March 31, 2019 were prepared in accordance with the International Accounting Standard 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 Financing Reporting Interpretations Committee ("IFRIC").

**2. Basis of Presentation (continued)**

**Basis of consolidation**

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiary. The financial statements of the subsidiary is included in the consolidated financial statements from the date that control commences until the date that control ceases. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

**Subsidiaries**

Subsidiaries are entities controlled by the Company. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Company.

The principal subsidiary of the Company as of March 31, 2020 is as follows:

<b>Name of subsidiary</b>	<b>Principal activity</b>	<b>Place of Incorporation</b>	<b>Ownership Interest March 31, 2020</b>	<b>Ownership Interest March 31, 2019</b>
Pacific West Exploration Services Inc. ("Pacific West")	Mineral exploration	Canada	100%	-

**3. Significant Accounting Policies**

New accounting standards adopted –

**IFRS 16 Leases:**

In January 2016, the IASB issued IFRS16 – Leases which replaces IAS 17 – Leases and its associated interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. The standard is effective for annual periods beginning on or after January 1, 2019. The Company adopted this new standard on October 1, 2019. This new standard did not have any impact on the Company’s financial statements because the Company does not have any leases.

**4. Investment**

On August 8, 2019, the Company subscribed to 1,000,000 units of Champignon Brands Inc. (“Champignon”), a publicly traded company (CSE: SHRM), for cash consideration of \$100,000. Each unit consists of one common share and one half of one share purchase warrant. Each whole warrant is exercisable into one common share at \$0.15 per share for a period of three years. At March 31, 2020, the fair value of this investment was \$590,000, which was based on the market price of the shares.

For the period ended March 31, 2020, the Company recorded an unrealized gain of \$465,000 related to the investment.

**5. Acquisition of Pacific West Exploration Services Inc. (“Pacific West”)**

On February 20, 2020, the Company entered into an agreement, pursuant to which the Company has acquired all the outstanding common shares of Pacific West, an arm’s length party (the “Acquisition”). Pacific West is a privately held mineral exploration company that holds an option to earn up to a 100% interest in the Nimpkish Property (Note 6). In consideration for the outstanding common shares of Pacific West, the Company issued 2,000,000 common shares with a fair value of \$200,000 (Note 7).

Pacific West does not meet the definition of a business under IFRS 3; therefore the acquisition of Pacific West was treated as an acquisition of exploration and evaluation assets. The fair value of the assets acquired, and liabilities assumed as at the date of acquisition were as follows:

<b>Net assets acquired</b>		
Exploration and evaluation assets	\$	<b>200,000</b>
<b>Consideration</b>		
Fair value of 2,000,000 common shares issued (Note 7)	\$	<b>200,000</b>

**6. Exploration and Evaluation Assets**

**Nimpkish Property**

On February 20, 2020, the Company completed its acquisition of Pacific West. Pacific West, as optionee, is party to an option agreement dated as of May 2, 2019 (the “Option Agreement”) with respect to the Nimpkish Property (the “Property”), under which Pacific West has the exclusive and irrevocable right to acquire a 100% interest in the Property from the registered owners of the Property (collectively, the “Optionor”).



**6. Exploration and Evaluation Assets (continued)**

To successfully exercise the option under the Option Agreement, Pacific West is required to:

Cash Payments: On or before May 1, 2020, Pacific West shall pay to the Optionor a cash payment in the aggregate amount of \$30,000.

Exploration Expenditures: Pacific West shall make an aggregate of \$425,000 in exploration expenditures on the Property on or before the following dates:

<b>Date</b>	<b>Amount of Exploration Expenditures</b>
December 31, 2020 (Completed)	\$ 75,000
December 31, 2021	\$ 100,000
December 31, 2022	\$ 100,000
December 31, 2023	\$ 150,000
	<u>\$ 425,000</u>

In addition, under the Option Agreement Pacific West shall grant to the Optionor a 2.0% Net Smelter Returns royalty (“NSR”) on the Property. Pacific West shall have the right at any time to repurchase one-half of the NSR from the Optionor by paying \$1,000,000 to the Optionor at any time before the commencement of commercial production on the Property. Beginning on December 31, 2023, and annually thereafter, Pacific West will make annual advanced minimum royalty (“AAMR”) payments of \$7,500 to the Optionor, and any such AAMR payments shall be deducted from future NSR payments.

**7. Share Capital**

**Common Shares**

Authorized:

Unlimited common shares without par value.

Issued:

On January 31, 2019, the Company issued 8,552,000 common shares at \$0.10 per share for total proceeds of \$855,200.

On February 20, 2020, the Company issued 2,000,000 common shares with a fair value of \$200,000 in relation to the purchase of Pacific West (Note 5).

**Special Warrants**

On October 1, 2018, the Company completed a non-brokered private placement of 2,332,000 Special Warrants of the Company at a price of \$0.20 per Special Warrant for total proceeds of \$466,400.

On February 4, 2019, all outstanding warrants were exercised, for no further consideration, into 2,332,000 of Company’s common shares.

**Lido Minerals Ltd.** (formerly Commonwealth Cannabis Corp.)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

March 31, 2020

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**8. Related Party Transactions**

During the period ended March 31, 2020, the Company paid the following advisory and consulting fees:

- \$10,000 (2019: \$6,000) to Lucas Birdsall, the CFO and director of the Company;
- \$3,000 (2019: \$Nil) to Patrick O’Flaherty, an independent director of the Company;
- \$40,000 (2019: \$Nil) to Obsydia Holdings Ltd., a corporation controlled by Wayne Soo, a director of the Company; and
- \$Nil (2019: \$1,000) to a former director.

At March 31, 2020, the Company owed \$1,575 (2019: \$Nil) in consulting fees to directors of the Company, which is included in accounts payable. These amounts are unsecured, bear no interest and are due on demand.

**9. Subsequent Event**

On April 6, 2020, the Company sold 175,000 shares of Champignon for total proceeds of \$124,120 in the open market.