CRYSTAL BRIDGE ENTERPRISES INC.
(A Capital Pool Company)

Condensed Interim Financial Statements

For the three and six months ended January 31, 2020 and 2019
(Expressed in Canadian Dollars – Unaudited)

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NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

CRYSTAL BRIDGE ENTERPRISES INC.
(A Capital Pool Company)
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars – Unaudited)

	January 31, 2020	July 31, 2019
	$	$
ASSETS		
Current		
Cash (Note 3)	841,761	871,332
Prepaid expenses	2,250	2,730
TOTAL ASSETS	**844,011**	**874,062**
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 4)	23,195	44,172
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	931,017	925,116
Reserves (Note 6)	61,739	49,179
Accumulated deficit	(171,940)	(144,405)
	820,816	829,890
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**844,011**	**874,062**

Nature and continuance of operations (Note 1)

These condensed interim financial statements are authorized for issuance by the Board of Directors on March 30, 2020.

On behalf of the Board of Directors:

"Rajeev Bakshi"	"Kenneth A. Cawkell"
Director, CEO	Director, Secretary

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

CRYSTAL BRIDGE ENTERPRISES INC.
(A Capital Pool Company)
Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars – Unaudited)

	For the three months ended January 31,		For the six months ended January 31,	
	2020	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**
EXPENSES				
Advertising and promotion	-	-	-	407
Insurance	2,250	2,250	4,500	4,500
Office and general	121	16	184	1,176
Professional fees (Note 7)	2,925	3,334	6,720	19,061
Registrar and filing fees	2,475	100	8,083	2,726
Share based compensation (Note 7)	4,081	8,234	12,560	29,643
Travel and related	-	1,621	1,943	1,621
	(11,852)	(15,555)	(33,990)	(59,134)
Interest income	3,193	3,060	6,455	4,067
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	**(8,659)**	**(12,495)**	**(27,535)**	**(55,067)**
BASIC AND DILUTED LOSS PER SHARE	(0.00)	(0.00)	(0.00)	(0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	7,270,000	7,096,087	7,270,000	4,499,185

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

CRYSTAL BRIDGE ENTERPRISES INC.
(A Capital Pool Company)
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars – Unaudited)

	For the six months ended January 31, 2020	2019
	$	$
OPERATING ACTIVITIES		
Net loss for the period	(27,535)	(55,067)
Adjustments for non-cash items:		
Share based compensation	12,560	29,643
Changes in non-cash working capital items:		
Prepaid expenses	480	4,500
Accounts payable and accrued liabilities	(20,977)	(3,515)
Cash used in operating activities	(35,472)	(24,439)
FINANCING ACTIVITIES		
Proceeds from share issuances	-	702,000
Share issuance costs	5,901	(109,760)
Cash provided by financing activities	5,901	592,240
NET CHANGE IN CASH	(29,571)	567,801
CASH, BEGINNING OF PERIOD	871,332	326,965
CASH, END OF PERIOD	**841,761**	**894,766**
Supplemental Cash Flow Information:		
Interest paid in cash	-	-
Income taxes paid in cash	-	-

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

CRYSTAL BRIDGE ENTERPRISES INC.
(A Capital Pool Company)
Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars – Unaudited)

	Number of Shares Issued	Share Capital	Reserves: Warrants	Reserves: Share Options	Reserves: Total	Share Subscriptions Received	Accumulated Deficit	Total Shareholders' Equity
		$	$	$	$	$	$	$
Balance, July 31, 2018	**3,160,000**	**158,000**	**-**	**-**	**-**	**185,000**	**(42,260)**	**300,740**
Proceeds from share issuances	8,550,000	887,000	-	-	-	(185,000)	-	702,000
Share issuance costs	-	(119,504)	9,744	-	9,744	-	-	(109,760)
Share-based compensation	-	-	-	29,643	29,643	-	-	29,643
Comprehensive loss for the period	-	-	-	-	-	-	(55,067)	(55,067)
Balance, January 31, 2019	**11,710,000**	**925,496**	**9,744**	**29,643**	**39,387**	**-**	**(97,327)**	**867,556**
Share issuance costs	-	(380)	-	-	-	-	-	(380)
Share-based compensation	-	-	-	26,579	26,579	-	-	26,579
Stock options cancelled	-	-	-	(16,787)	(16,787)	-	16,787	-
Comprehensive loss for the period	-	-	-	-	-	-	(63,865)	(63,865)
Balance, July 31, 2019	**11,710,000**	**925,116**	**9,744**	**39,435**	**49,179**	**-**	**(144,405)**	**829,890**
Share issuance costs recovery	-	5,901	-	-	-	-	-	5,901
Share-based compensation	-	-	-	12,560	12,560	-	-	12,560
Comprehensive loss for the period	-	-	-	-	-	-	(27,535)	(27,535)
Balance, January 31, 2020	**11,710,000**	**931,017**	**9,744**	**51,995**	**61,739**	**-**	**(171,940)**	**820,816**

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Crystal Bridge Enterprises Inc. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on November 15, 2017. On September 18, 2018, the Company completed its Initial Public Offering (the "Offering") to be classified as a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. On September 21, 2018, the Company began trading its shares on the TSX-V under the trading symbol "CRYS". The principal business of the Company is the identification and evaluation of assets or a business and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities (the "Qualifying Transaction" ("QT")).

The Company's head office, principal address and registered and records office is located at 439 Helmcken Street, Vancouver, British Columbia, Canada, V6B 2E6.

These condensed interim financial statements have been prepared with the assumption that 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 has not generated any revenues to date and is currently unable to self-finance any future operations. The Company's continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such a transaction will be subject to regulatory approval and may be subject to shareholder approval. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These condensed interim financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern assumption was not appropriate for these condensed interim financial statements, adjustments would be necessary to the statement of financial position classifications used. Such adjustments could be material.

The Company has not generated revenues from its operations to date and as at January 31, 2020, had a deficit of $171,940 (July 31, 2019 - $144,405) which has been primarily financed by equity. Its continued existence will be dependent on equity financing on terms which are acceptable to the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of these condensed interim financial statements.

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB").

This condensed interim financial report does 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 this financial report be read in conjunction with the audited financial statements of the Company for the year ended July 31, 2019.

Basis of presentation

These condensed interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The condensed interim financial statements are presented in Canadian dollars unless otherwise noted.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

On August 1, 2019, the Company adopted IFRS 16 – Leases ("IFRS 16") which replaced IAS 17 – Leases and IFRIC 4 – Determining Whether an Arrangement Contains a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard is effective for annual periods beginning on or after January 1, 2019. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applied in IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less) and leases of low-value assets.

New accounting policy for leases under IFRS 16

The following is the accounting policy for leases as of August 1, 2019 upon adoption of IFRS 16:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement exists, and if the Company has the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit or loss.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit or loss on a straight-line basis over the lease term.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash is measured at FVTPL.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) at amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

As at January 31, 2020 and July 31, 2019, the Company did not have any derivative financial liabilities.

(Expressed in Canadian Dollars – Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant estimates and judgments

The preparation of condensed interim financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning 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 for prospectively in the period in which the estimates are revised. These condensed interim financial statements do not include any accounts that require significant estimates as the basis for determining the stated amounts.

The preparation of condensed interim financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's condensed interim 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.
- The valuation of share-based compensation, where the Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation and other equity based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.
- The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood or utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values.

Changes in accounting standard

The Company has adopted the following accounting standard effective August 1, 2019, which had no significant impact on the condensed interim financial statements:

- IFRIC 23 – Uncertainty Over Income Tax Treatments

3. CASH

	January 31, 2020	July 31, 2019
	$	$
Cash	836,095	869,634
Cash held in trust	5,666	1,698
	841,761	**871,332**

4. ACCOUNTS PAYABLE

	January 31, 2020	July 31, 2019
	$	$
Trade accounts payable	18,167	28,688
Accrued liabilities	5,028	15,484
	23,195	**44,172**

5. SHARE CAPITAL

Authorized Share Capital

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

Issued Shares

During the six months ended January 31, 2020:

There was no share issuance activity.

During the year ended July 31, 2019:

On September 18, 2018, the Company completed its Initial Public Offering ("IPO") of 2,000,000 common shares at a price of $0.10 per common share for gross proceeds of $200,000 pursuant to a prospectus dated August 31, 2018. The Company's agent engaged in connection with the IPO was paid a commission of $16,000, a corporate finance fee of $10,500, and reimbursed for its expenses of $13,929 incurred in connection with the IPO. The Company also granted 160,000 non-transferable warrants to its agents with an exercise price of $0.10 per share for a period of 24 months. The agents' warrants were valued at $9,744.

On September 18, 2018, the Company completed a non-brokered private placement of 3,350,000 common shares at a price of $0.10 per share for gross proceeds of $335,000.

On November 5, 2018, the Company completed a private placement of 3,200,000 common shares at a price of $0.11 per share for gross proceeds of $352,000. The Company's agent engaged in connection with the private placement was paid a commission of $28,160 and reimbursed for its expenses of $6,000 incurred in connection with the private placement.

The Company also incurred $35,551 for legal expenses that were included in share issuance costs in relation to the IPO and private placements during the year.

Escrow Shares

As at January 31, 2020, the Company has 4,440,000 shares subject to escrow restrictions. The escrowed shares will be released from escrow in tranches over 36 months from the Company completing a QT.

Basic and Diluted Loss per Share

The calculation of basic and diluted loss per share for the six months ended January 31, 2020 was based on the loss attributable to common shareholders of $27,535 (January 31, 2019 – $55,067) and the weighted average number of common shares outstanding of 7,270,000 (January 31, 2019 – 4,499,185).

Diluted loss per share for the six months ended January 31, 2020 did not include the effect of 4,440,000 (January 31, 2019 – 4,440,000) escrowed shares which are contingently returnable, or the 850,000 (January 31, 2019 – 850,000) outstanding stock options and 160,000 (January 31, 2019 – 160,000) outstanding warrants as the effect would be anti-dilutive.

(Expressed in Canadian Dollars – Unaudited)

6. RESERVES

Stock Options

The Company established a Stock Option Plan for its directors, officers, employees and consultants under which the Board of Directors of the Company may grant non-transferable stock options totalling in aggregate up to 10% of the Company's issued and outstanding common shares, exercisable for a period of up to ten years from the date of grant, and at an exercise price which is not less than that permitted by the TSX-V.

In September 2018, the Company granted 850,000 stock options to directors and officers of the Company at an exercise price of $0.10 per option for a period of five years, vesting as follows: 1/4th on the date of grant, 1/4th on the first anniversary, 1/4th on the second anniversary, and 1/4th on the third anniversary. The stock options were valued at $71,315, of which $35,056 was recognized during the year ended July 31, 2019 and $7,663 was recognized during the six months ended January 31, 2020, estimated using the Black-Scholes pricing model with the following assumptions: estimated life of five years, risk free interest rate of 2.19%, volatility of 100%, and nil forecasted dividend yield.

In July 2019, the Company granted 200,000 stock options to directors of the Company at an exercise price of $0.10 per option for a period of five years, vesting with the same schedule as options granted in September 2018. The stock options were valued at $14,100, of which $4,352 was recognized during the year ended July 31, 2019 and $4,924 was recognized during the six months ended January 31, 2020, estimated using the Black-Scholes pricing model with the following assumptions: estimated life of five years, risk free interest rate of 1.46%, volatility of 100%, and nil forecasted dividend yield.

A summary of the stock option activities is as follows:

	Number of options	**Weighted average exercise price**
		$
Balance, July 31, 2018	**-**	**-**
Granted	1,050,000	0.10
Cancelled	(200,000)	0.10
Balance, July 31, 2019 and January 31, 2020	**850,000**	**0.10**

A summary of the stock options outstanding and exercisable at January 31, 2020 is as follows:

Exercise Price	**Number Outstanding**	**Number Exercisable**	**Expiry Date**
$			
0.10	850,000	416,667	September 21, 2023

The weighted average life of the outstanding stock options is 3.64 years.

(Expressed in Canadian Dollars – Unaudited)

6. RESERVES (continued)

Warrants

On September 21, 2018, 160,000 agents' warrants were issued in connection with the IPO. Each agents' warrant entitles the holder to purchase one common share of the Company at a price of $0.10 for a period of two years from closing. The warrants were valued at $9,744 estimated using the Black-Scholes pricing model with the following assumptions: estimated life of two years, risk free interest rate of 2.19%, volatility of 100%, and nil forecasted dividend yield.

A summary of share purchase warrant activities is as follows:

	Number of warrants	Weighted average exercise price
	#	$
Balance, July 31, 2018	**-**	**-**
Issued	160,000	0.10
Balance, July 31, 2019 and January 31, 2020	**160,000**	**0.10**

A summary of the warrants outstanding and exercisable at January 31, 2020 is as follows:

Exercise Price	Number Outstanding	Expiry Date
$		
0.10	160,000	September 21, 2020

The weighted average life of the outstanding warrants is 0.64 years.

7. RELATED PARTY TRANSACTIONS AND BALANCES

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive and non-executive) of the Company. The Company considers its officers and directors to be its key management personnel.

Summary of key management personnel compensation:

	For the six months ended January 31, 2020	2019
	$	$
Professional fees	3,406	10,369
Share based compensation	12,560	29,645
	15,966	**40,014**

As at January 31, 2020, $781 (July 31, 2019 – $3,779) was included in accounts payable and accrued liabilities owing to officers, directors, and companies controlled by officers and directors of the Company for expense reimbursements.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's accounts payable approximates its carrying value. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) **Credit risk:**
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash account. Cash accounts are held with major banks in Canada. The Company has deposited its cash with a bank from which management believes the risk of loss is low.

(b) **Liquidity risk:**
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

(c) **Market risk:**
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

(d) **Interest rate risk:**
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

9. CAPITAL DISCLOSURE AND MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the completion of a Qualifying Transaction as defined in TSX-V Policy 2.4. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to include shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favorable terms and approved by the TSX-V.

As a CPC, the Company will be subject to externally imposed capital requirements as outlined in the TSX-V Policy 2.4 and summarized below:

(a) No salary, consulting, management fees or similar remuneration of any kind may be paid directly or indirectly to a related party of the Company or a related party of a QT;

(b) Gross proceeds realized from the sale of all securities issued by a CPC may only be used to identify and evaluate assets or businesses and obtain shareholder approval for a QT;

(c) No more than the lesser of $210,000 and 30% of the gross proceeds from the sale of securities issued by a CPC may be used for purposes other than to identify and evaluate a QT;

(d) After the completion of its IPO and until the completion of a QT, a CPC may not issue any securities unless written acceptance of the TSX-V is obtained before the issuance of the securities.

There were no changes in the Company's approach to capital management during the six months ended January 31, 2020.