

TOCVAN VENTURES CORP.

FINANCIAL STATEMENTS

May 31, 2019

(Expressed in Canadian Dollars)

TOCVAN VENTURES CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

		May 31, 2019		August 31, 2018
ASSETS				
CURRENT				
Cash	\$	308,172	\$	60,631
GST receivable		4,654		2,324
Due from related party (Note 6)		7,238		–
Prepaid expenses		735		–
TOTAL CURRENT ASSETS		320,799		62,955
Exploration and evaluation assets (Note 4)		92,103		6,643
TOTAL ASSETS	\$	412,902	\$	69,598
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities	\$	51,059	\$	14,000
Due to related parties (Note 6)		266		–
TOTAL CURRENT LIABILITIES		51,325		14,000
SHAREHOLDERS' EQUITY				
Share capital (Note 5)		535,226		73,750
Reserves		53,417		–
Deficit		(227,066)		(18,152)
TOTAL SHAREHOLDERS' EQUITY		361,577		55,598
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	412,902	\$	69,598

Nature and continuance of operations (Note 1)

“Derek Wood”

Director

“Greg Ball”

Director

The accompanying notes are an integral part of these financial statements

TOCVAN VENTURES CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Three months ended May 31, 2019	Nine months ended May 31, 2019	Period from May 23, 2018 (inception) to August 31, 2018
EXPENSES			
Advertising and promotion	\$ 25,000	\$ 25,000	\$ 1,000
Audit and accounting	(1,029)	6,971	8,000
Consulting	9,000	27,000	3,000
Legal	1,625	35,318	3,000
Meals and entertainment	3,058	5,089	–
Office and miscellaneous	2,342	4,670	309
Registration and transfer fees	13,145	42,991	–
Stock-based compensation (Note 5)	–	53,417	–
Travel	2,240	8,458	2,843
Operating expenses	(55,381)	(208,914)	(18,152)
Net and comprehensive loss	\$ (55,381)	\$ (208,914)	\$ (18,152)
Loss per share, basic and diluted	\$ (0.01)	\$ (0.03)	\$ (0.01)
Weighted average number of shares outstanding – basic and diluted	10,286,957	6,633,791	2,373,000

The accompanying notes are an integral part of these financial statements

TOCVAN VENTURES CORP.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(expressed in Canadian dollars)

	Number of Shares	Share Capital	Reserves	Deficit	Total Equity
Balance at May 23, 2018	–	\$ –	\$ –	\$ –	–
Shares issued for cash	4,625,000	73,750	–	–	73,750
Loss for the period	–	–	–	(18,152)	(18,152)
Balance at August 31, 2018	4,625,000	73,750	–	(18,152)	55,598
Shares issued for cash	5,200,000	504,000	–	–	504,000
Shares issued for exploration property	500,000	60,000	–	–	60,000
Share issuance costs	–	(102,524)	–	–	(102,524)
Stock-based compensation	–	–	53,417	–	53,417
Loss for the period	–	–	–	(208,914)	(208,914)
Balance at May 31, 2019	10,325,000	\$ 535,226	\$ 53,417	\$ (227,066)	\$ 361,577

The accompanying notes are an integral part of these financial statements

TOCVAN VENTURES CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Nine months Ended May 31, 2019	For the period from May 23, 2018 (inception) to August 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	\$ (208,914)	\$ (18,152)
Items not involving cash:		
Reserves	53,417	–
Changes in non-cash working capital items		
Amounts receivable	(2,330)	(2,324)
Related party payable	(7,238)	–
Related party receivable	266	–
Prepaid expenses	(735)	–
Accounts payable and accrued liabilities	37,059	14,000
Net cash used in operating activities	(128,475)	(6,476)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of shares	401,476	73,750
Net cash from financing activities	401,476	73,750
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation asset expenditures	(25,460)	(6,643)
Net cash used in investing activities	(25,460)	(6,643)
Change in cash during the period	247,541	60,631
Cash, beginning of the period	60,631	–
Cash, end of the period	\$ 308,172	\$ 60,631

The accompanying notes are an integral part of these financial statements

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

1. NATURE AND CONTINUANCE OF OPERATIONS

Tocvan Ventures Corp. (the “Company”) was incorporated on May 23, 2018 under the Alberta Business Corporations Act. The Company is primarily engaged in the acquisition, exploration and development of mineral properties.

The Company’s head office address is Suite 820 – 1130 West Pender St., Vancouver, British Columbia V6E 4A4 Canada. The registered and records office address is Suite 730, 1015 – 4th Street SW, Calgary, Alberta, T2R 1J4 Canada.

At May 31, 2019, the Company had an accumulated deficit of \$227,066 and expects to incur further losses, and require additional equity financing in the development of its business and to meet its obligations. While the Company has been successful at raising additional equity financing in the past, there is no guarantee that it will continue to do so in the future, which casts significant doubt on the Company’s ability to continue as a going concern. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

2. BASIS OF PREPARATION

Statement of compliance

The financial statements are prepared in accordance with IAS 34 Interim Financial Reporting (“IAS34”) using accounting policies 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 (“IFRIC”). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended August 31, 2018.

The financial statements are prepared in accordance with accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretation of the International Financial Reporting Interpretation Committee (“IFRIC”).

These financial statements were authorized for issue by the Board of Directors on June 25, 2019.

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

2. BASIS OF PREPARATION (continued)

a) Going concern

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. To date, the Company has incurred losses and is unable to generate cash from operations. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

b) Functional currency

The functional and presentation currency of the Company is the Canadian dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance and basis of presentation

These financial statements have been prepared in accordance with 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 financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The financial statements of the Company are presented in Canadian dollars unless otherwise indicated, the functional currency of the Company.

b) Use of estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of impairment of exploration and evaluation assets and deferred exploration costs, share-based payments and deferred tax valuation allowance.

Significant assumptions about the future and other sources of estimated uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to the following:

- 1) the carrying value and the recoverability of exploration and evaluation assets, which are included in the statement of financial position; and
- 2) the inputs used in the accounting for the deferred tax assets / liabilities

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Use of estimates (continued)

Significant assumptions about the future and other sources of estimated uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to the following:

- 1) the carrying value and the recoverability of exploration and evaluation assets, which are included in the statement of financial position; and
- 2) the inputs used in the accounting for the deferred tax assets / liabilities

c) Exploration and evaluation assets

Pre-exploration costs are expensed in the period in which they are incurred.

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of mineral properties are capitalized by property. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs, are expensed in the period in which they occur.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the farmee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as “mines under construction.” Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

e) Impairment

The carrying amounts of the Company's non-financial assets, other than deferred tax assets if any, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Provision for closure and reclamation

The Company recognizes statutory, contractual or other legal obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset. Management has determined that there was no provision required for closure and reclamation as at May 31, 2019.

g) Share-based payments

The Company applies the fair value method to share-based payments and all awards that are direct awards of stock, that call for settlement in cash or other assets or are stock appreciation rights that call for settlement by the issuance of equity instruments. Compensation expense is recognized over the applicable vesting period with a corresponding increase in equity reserves. When the options are exercised, the exercise price proceeds together with the amount initially recorded in equity reserves are credited to share capital.

h) Basic and diluted loss per share

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of the diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method. The company has no dilutive instruments.

i) Flow-through shares

The Company will, from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and the premium is recognized as other income.

j) Share issue costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to operations.

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Financial instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company's financial instruments consist of cash, amounts receivable and accounts payable and accrued liabilities which are all classified at amortized cost.

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of net (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of net (loss) income in the period in which they arise.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of net (loss) income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of net (loss) income.

l) Recent Accounting Standards

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning after January 1, 2018, or later periods.

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 16, Leases

IFRS 16 specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. IFRS 16 is effective for years beginning on or after January 1, 2019. The Company does not anticipate the adoption of this standard to have a significant impact on the Company's consolidated financial statements.

4. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets

Title to exploration and evaluation asset interests involve certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to its exploration and evaluation asset and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers and rights of ownership may be affected by undetected defects.

Rogers Creek

On May 23, 2018, the Company entered into a purchase agreement with Carube Copper Corp. ("Carube" or "the Vendor") to earn an 80% interest in certain mineral claims known as the Rogers Creek property (the "Property") in the province of British Columbia. To acquire the 80% interest, the Company agreed to:

- (i) pay \$25,000 to the Vendor within five days after being listed on the Canadian Securities Exchange (the "Listing Date") (paid March 1, 2019);
- (ii) issue a total of 500,000 common shares to the Vendor on the Listing Date (issued March 7, 2019);
- (iii) issue 200,000 Common Shares to Carube, and complete \$200,000 in exploration within 30 days of the first anniversary of the Listing Date;
- (iv) issue 200,000 Common Shares to Carube, and complete \$300,000 in exploration within 30 days of the second anniversary of the Listing Date;
- (v) issue 200,000 Common Shares to Carube and complete \$400,000 in exploration within 30 days of the third anniversary of the Approval Date; and
- (vi) Issue 200,000 Common Shares to Carube and complete \$1,000,000 in exploration within 30 days of the fourth anniversary of the Approval Date.

If the Company determines that the Property is not economically viable after assessing the results of the \$200,000 expenditure, at the Company's sole discretion it can terminate the option to purchase by giving written notice to Carube at least 30 days before the first anniversary.

Once the Company has earned its 80% interest in the Property, the Company will have the option to participate with the Vendor in repurchasing any net smelter royalties ("NSRs") held by third parties. Should the Company and the Vendor decide to purchase third party NSRs, the Company will be required to fund 80% of the cost of repurchase.

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

5. SHARE CAPITAL

The authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of shares designated as preferred shares.

Share issuances

On May 23, 2018 the Company issued 1,250,000 common shares at a price of \$0.005 for proceeds of \$6,250.

On July 24, 2018 the Company issued 2,650,000 common shares at a price of \$0.02 for proceeds of \$53,000.

On August 15, 2018 the Company issued 725,000 common shares at a price of \$0.02 proceeds of \$14,500.

On October 15, 2018, the Company issued 200,000 common shares at \$0.02 per share for proceeds of \$4,000.

On February 28, 2019 the Company completed its IPO and issued 5,000,000 units at \$0.10 per unit for gross proceeds of \$500,000.

On March 7, 2019, the Company issued 500,000 common shares at \$0.12 per share, a fair value of \$60,000, as the first payment on the Rogers Creek property.

Stock Options

On October 16, 2018, the Company granted 482,500 fully vested stock options to certain directors and officers of the Company which entitle the holder to purchase one common share for each option held at a price of \$0.10 per share up to October 16, 2023. (Note 6)

In connection with this grant, the Company calculated stock-based compensation of \$8,872 using the Black Scholes option pricing model with the following assumptions: Share price - \$0.02; Exercise price - \$0.10; Expected life – 5 years; Expected volatility – 183.5%; risk free interest rate – 2.40%.

Warrants

On February 28, 2019 the Company issued 500,000 agents warrants to purchase 500,000 units at a price of \$0.10 per unit. Each unit consists of one common share and one share purchase warrant to purchase one common share at \$0.20.

In connection with these agent warrants, the Company calculated stock-based compensation of \$44,545 using the Black Scholes option pricing model with the following assumptions: Share price - \$0.10; Exercise price - \$0.10; Expected life – 3 years; Expected volatility – 183.5%; risk free interest rate – 1.78%

6. RELATED PARTY TRANSACTIONS

Key management compensation consists of stock-based compensation of \$8,872 resulting from 482,500 options granted to the directors of the Company (Note 5).

On May 23, 2018 the Company issued 500,000 common shares to a director of the Company, at a price of \$0.005 for proceeds of \$2,500.

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

6. RELATED PARTY TRANSACTIONS (continued)

On May 23, 2018 the Company issued 500,000 common shares to a director of the Company, at a price of \$0.005 for proceeds of \$2,500.

On May 23, 2018 the Company issued 250,000 common shares to a director of the Company, at a price of \$0.005 for proceeds of \$1,250.

On July 24, 2018 the Company issued 300,000 common shares to a director of the Company, at a price of \$0.02 for proceeds of \$6,000.

On August 15, 2018 the Company issued 200,000 common shares to a director of the Company, at a price of \$0.02 for proceeds of \$4,000.

At May 31, 2019 \$6,136 had been prepaid to the Company's CEO as an advance on expenses.

At May 31, 2019 \$266 was owed to a director of the Company for expenses.

At May 31, 2019 \$1,102 was owed to the Company by a company that is controlled by a director of the Company.

7. CAPITAL MANAGEMENT

The Company considers its capital to consist of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through debt and equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

8. FINANCIAL INSTRUMENTS**a) Fair Value**

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values because of their current nature.

The following table summarizes the carrying values of the Company's financial instruments:

	May 31, 2019
Financial assets at amortized cost (i)	\$ 11,892
Financial liabilities at amortized cost (ii)	\$ 51,325

(i) Amounts receivable and due from related parties

(ii) Due to related parties, accounts payable and accrued liabilities

TOCVAN VENTURES CORP.

Notes to the Financial Statements

(Expressed in Canadian Dollars)

for the three and nine months ended May 31, 2019

8. FINANCIAL INSTRUMENTS (continued)

b) Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuances when required. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

d) Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

e) Interest Rate Risk

The Company is not exposed to significant interest rate risk.

f) Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.