

GOLDEN LAKE EXPLORATION INC.
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED FEBRUARY 28, 2019
(UNAUDITED)

Notice of No Auditor Review of Interim Financial Statements

The accompanying unaudited financial statements have been prepared by management and approved by the Audit Committee.

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

GOLDEN LAKE EXPLORATION INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	February 28, 2019 (Unaudited)	November 30, 2018 (Audited)
ASSETS		
CURRENT		
Cash	\$ 32,425	\$ 76,113
Amounts receivable	1,302	864
	33,727	76,977
DEFERRED FINANCING COSTS	10,000	10,000
EXPLORATION AND EVALUATION ASSET (Note 5)	98,745	91,285
	\$ 142,471	\$ 178,262
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 14,205	\$ 13,766
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 6)	242,001	242,001
CONTRIBUTED SURPLUS	55,440	22,500
DEFICIT	(169,175)	(100,005)
	128,266	164,496
	\$ 142,471	\$ 178,262

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the Board on April 29, 2019

"Dusan Berka " Director

"Mark Lotz " Director

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

GOLDEN LAKE EXPLORATION INC.
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

(Unaudited)

	Three months ended February 28, 2019	Period ended November 30, 2018
EXPENSES		
Advertising and promotion	\$ 3,126	\$ 6,835
Consulting	–	19,700
Management fees	9,000	21,000
Office and miscellaneous	3,078	6,709
Professional fees	7,200	13,612
Rent	5,180	9,649
Share-based payments	32,940	22,500
Transfer agent and filing fees	8,646	–
NET LOSS AND COMPREHENSIVE LOSS	\$ 69,170	\$ (100,005)
LOSS PER SHARE (basic and diluted)	\$ (0.01)	\$ (0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	8,650,001	4,981,213

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GOLDEN LAKE EXPLORATION INC.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

(Unaudited)

	Common Shares		Contributed Surplus	Deficit	Total
	Number of Shares	Amount			
		\$	\$	\$	\$
Balance, November 30, 2018	8,650,001	242,001	22,500	(100,005)	164,496
Share-based payments	–	–	32,940	–	32,940
Net loss for the year	–	–	–	(69,170)	(69,170)
Balance, February 28, 2019	8,650,001	242,001	55,440	(169,175)	128,266

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

GOLDEN LAKE EXPLORATION INC.
CONDENSED INTERIM STATEMENT OF CASH FLOWS
(Expressed in Canadian dollars)

(Unaudited)

	Three months ended February 28, 2019	Period ended November 30, 2018
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	\$ (69,170)	\$ (100,005)
Item not involving cash:		
Share-based payments	32,940	22,500
	(36,230)	(77,505)
Changes in non-cash working capital balances:		
Increase in amounts receivable	(438)	(864)
Decrease in accounts payable and accrued liabilities	440	13,766
Cash used in operating activities	(36,228)	(64,603)
INVESTING ACTIVITIES		
Exploration and evaluation asset	(7,460)	(91,285)
FINANCING ACTIVITIES		
Deferred financing costs	–	(10,000)
Issuance of common shares	–	242,001
Cash provided by financing activities	–	232,001
DECREASE IN CASH	(43,688)	76,113
CASH, BEGINNING OF PERIOD	76,113	–
CASH, END OF PERIOD	\$ 32,425	\$ 76,113
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	\$ –	\$ –
Income taxes paid	\$ –	\$ –

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

GOLDEN LAKE EXPLORATION INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTH PERIOD ENDED FEBRUARY 28, 2019

(Expressed in Canadian dollars)

(Unaudited)

1. NATURE OF OPERATIONS

Golden Lake Exploration Inc. (the "Company") was incorporated on May 17, 2018 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 200-551 Howe Street, Vancouver, V6C 2C2, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at February 28, 2019, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a deficit of \$169,175 as at February 28, 2019, which has been funded by the issuance of equity. 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 these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) 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 November 30, 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").

The financial statements were authorized for issue by the Board of Directors on April 29, 2019.

GOLDEN LAKE EXPLORATION INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THREE MONTH PERIOD ENDED FEBRUARY 28, 2019

(Expressed in Canadian dollars)

(Unaudited)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and estimates of amounts reported in the Company's November 30, 2018 annual financial statements.

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

New accounting standards effective for annual periods on or after January 1, 2019:

IFRS 16 – Leases

In June 2016, the IASB issued IFRS 16 – Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact of IFRS 16 on its consolidated financial statements.

The Company does not expect the adoption of these standards to have significant impact on the consolidated financial statements.

5. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	Exploration Costs	Total
	\$	\$	\$
Balance, incorporation	-	-	-
Additions	5,000	86,285	91,285
Balance, November 30, 2018	5,000	86,285	91,285
Additions	-	7,460	7,460
Balance, Forward February 28, 2019	5,000	93,745	98,745

Golden Lode Project

Pursuant to an option agreement dated July 4, 2018 (the "Agreement"), with Rich River Exploration and Craig A. Lynes, collectively, the "Optionors", the Company was granted an option to acquire a 100% undivided interest in the Golden Lode Project (the "Property") located north of Christina Lake area in Nanaimo, British Columbia.

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5. EXPLORATION AND EVALUATION ASSET (continued)

Golden Lode Project (continued)

In accordance with the Agreement, the Company has the option to acquire first 51% undivided interest (earned) in the Property by paying \$5,000 (paid) in cash upon execution of the Agreement. The Company has the option to earn the remaining 49% interest in the Property by issuing a total of 600,000 common shares of the Company to the Optionors, making cash payments totaling \$155,000, and incurring a total of \$500,000 in exploration expenditures as follows:

	Common Shares	Cash	Exploration Expenditures
	#	\$	\$
Upon execution of the Agreement (paid)	-	5,000	-
Upon listing of the Company's common shares on a Canadian Stock Exchange (the "Listing")	100,000	5,000	-
On or before the first anniversary of the Listing	100,000	20,000	100,000
On or before the second anniversary of the Listing	100,000	30,000	100,000
On or before the third anniversary of the Listing	300,000	100,000	300,000
Total	600,000	160,000	500,000

The Property is comprised of five mineral claims.

The Optionors will retain a 3% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for \$750,000 and the remaining 2% for \$1,000,000 at any time prior to the commencement of commercial production.

6. SHARE CAPITAL

a) Authorized:

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

b) Escrow Shares:

The Company entered into an escrow agreement, whereby common shares will be held in escrow and are scheduled for release at 10% on the listing date and 15% on every six month from date of listing. At February 28, 2019, there were 1,500,000 common shares held in escrow.

c) Issued and Outstanding:

During the period ended November 30, 2018, the Company had the following share capital transactions:

- (i) The Company issued an incorporation share for \$1.
- (ii) The Company issued 1,500,000 common shares at a price of \$0.005 per share for gross proceeds of \$7,500. The fair value of the 1,500,000 common shares was estimated to be \$30,000. Accordingly, the Company recorded share-based payments of \$22,500 and a corresponding increase to contributed surplus.

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6. SHARE CAPITAL (continued)

c) Issued and Outstanding:

- (iii) The Company issued 4,000,000 flow-through common shares at a price of \$0.02 per share for gross proceeds of \$80,000.

For the purposes of the calculating the tax effect of any premium related to the issuance of the flow-through shares, the Company reviewed recent financings and compared it to determine if there was a premium paid on the shares. As a result of the review the Company did not recognize any premium on the flow-through shares issued.

- (iv) The Company issued 100,000 common shares at a price of \$0.02 per share for gross proceeds of \$2,000 and 3,050,000 common shares at a price of \$0.05 per share for gross proceeds of \$152,500.

d) Stock options

During the period ended February 28, 2019, the Company adopted a Stock Option Plan (the "Plan"). Under the Plan, the Company can issue up to 10% of the issued and outstanding common shares as incentive stock options to directors, officers, employees and consultants to the Company. The Plan limits the number of stock options which may be granted to any one individual to not more than 5% of the total issued common shares of the Company in any 12 month period. The Plan also limits the stock options which may be granted to any one individual if the exercise would result in the issuance of common shares more than 2% in any 12 month period. The number of options granted to any one consultant or a person employed to provide investor relations activities in any 12 month period must not exceed 2% of the total issued common shares of the Company. As well, stock options granted under the Plan may be subject to vesting provisions as determined by the Board of Directors.

On December 14, 2018, the Company granted 400,000 stock options to certain directors and officers of the Company at an exercise price of \$0.10 for a period of five years from the date of grant. The fair value of these options was calculated to be \$32,940. The remaining expected life as at February 28, 2019 is 4.87years.

A continuity of the options outstanding as at February 28, 2019:

	Number	Weighted average exercise price \$
Balance, November 30, 2018	—	—
Issued	400,000	0.10
Balance, February 28, 2019	400,000	0.10

The inputs used in the Black-Scholes calculation for the 2018 stock options are as follows:

	2018
Share price	\$0.10
Risk-free dividend rate	2.04%
Expected life of options	5 years
Dividend rate	0.00%
Annualized volatility	120%

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7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company has incurred the following key management personnel cost from related parties:

	Three months period ended February 28, 2019	Period ended November 30, 2018
	\$	\$
Share-based payments	32,940	22,500
Total	32,940	22,500

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer.

As at February 28, 2019, included in the accounts payable was the amount of \$Nil (2018 - \$Nil) due to related parties.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair Value of Financial Instruments

The Company's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's condensed interim statements of financial position as at February 28, 2019 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	\$	\$	\$	\$
Cash	32,425	-	-	32,425

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at February 28, 2019 because of the demand nature or short - term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. 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 and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short - term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *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 risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

10. COMMITMENTS

- (i) The Company is committed to certain cash payments, common share issuances and exploration expenditures as described in Note 5.
- (ii) The Company entered into an agency agreement with Haywood Securities Inc. (the "Agent") whereby the Agent has agreed to raise on commercially reasonable efforts up to \$350,000 in an initial public offering ("IPO") by the issuance of up to 3,500,000 common shares of the Company at a price of \$0.10 per common share.

Pursuant to the terms of the agency agreement, the Company has agreed to pay to the Agent a cash commission of 10% of the gross proceeds of the IPO. The Company has also agreed to grant Agent options (the "Agent's Option") which will entitle the Agent to purchase up to 10% of the common shares sold under the IPO, at a purchase price that is equal to the price per share offered in the IPO. The Agent's Options are exercisable until 24 months from the Listing date. In addition, the Company has agreed to pay a corporate finance fee of \$40,000 of which \$10,000 will be paid for in common shares. In addition, the Company will pay the Agent's legal fees incurred, and any other reasonable expenses of the Agent pursuant to the IPO. The Company had paid a security deposit of \$10,000, and has not completed the financing as of April 29, 2019.