Plank Ventures Ltd.
(formerly 0968998 B.C. Ltd.)

Condensed Consolidated Interim Financial Statements
(Unaudited)

(EXPRESSED IN CANADIAN DOLLARS)

For the Nine Months Ended April 30, 2019 and 2018

Index

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The Company's auditors have not reviewed or been involved in the preparation of these condensed consolidated interim financial statements.

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

In accordance with National Instrument 51-102 Section 4.3(3)(a) released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants Canada for a review of condensed consolidated interim financial statements by an entity's auditor, for the nine-month periods ended April 30, 2019 and 2018.

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

PLANK VENTURES LTD.

(Formerly 0968998 B.C. Ltd.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(Unaudited - Expressed in Canadian Dollars)

	Notes		April 30, 2019		July 31, 2018
ASSETS					
Current Assets					
Cash		$	320,442	$	55
Accounts receivable			1,642		-
Prepaid expenses			9,594		-
Digital currencies			12,049		-
			343,727		55
Non-Current Assets					
Equipment	5		28,258		-
Goodwill	6		128,179		-
Investments	7		1,764,585		-
TOTAL ASSETS		$	2,264,749	$	55
LIABILITIES					
Current Liabilities					
Trade payables and accruals	8	$	70,042	$	269,382
Loans payable	10		70,314		-
			140,356		269,382
Due to former parent company	9		6,543,110		5,451,816
Long-term loans payable	10		1,010,668		-
			7,553,778		5,451,816
TOTAL LIABILITIES			7,694,134		5,721,198
SHAREHOLDERS' DEFICIENCY					
Share capital	11		536,521		536,521
Equity portion of debt	10		165,983		-
Deficit			(6,131,889)		(6,257,664)
TOTAL DEFICIENCY			(5,429,385)		(5,721,143)
TOTAL LIABILITIES AND DEFICIENCY		$	2,264,749	$	55
Nature of operations and going concern uncertainty	1				

Approved on behalf of the board

"Michael Edwards"

Michael Edwards, Director

"Laurie Baggio"

Laurie Baggio, Director

See accompanying notes to the condensed consolidated interim financial statements.

PLANK VENTURES LTD.

(Formerly 0968998 B.C. Ltd.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(Unaudited - Expressed in Canadian Dollars)

	Notes	Three months ended April 30, 2019	Three months ended April 30, 2018	Nine months ended April 30, 2019	Nine months ended April 30, 2018
REVENUE					
Cryptomining		1,988	-	3,561	-
EXPENSES					
Depreciation	5	10,472	-	20,943	-
Management and consulting fees	13	13,402	-	17,758	-
Professional fees		1,810	-	4,093	-
Office and administration		8,328	117	11,608	462
Regulatory and filing fees		649	-	649	-
Foreign exchange		5,716	8,278	(28,018)	7,105
		40,377	8,395	27,033	7,567
Finance costs	10	48,620	-	79,807	-
Accounts payable write-off	8	-	-	(222,223)	-
Other income		(300)	-	(4,399)	-
Unrealized gain on fair value of digital currencies		(5,061)	-	(2,432)	-
		43,259	-	(149,247)	-
Net income (loss) and comprehensive income (loss) for the period		$ (81,648)	$ (8,395)	$ 125,775	$ (7,567)
Basic and diluted earnings (loss) per share		$ (0.00)	$ (0.00)	$ 0.01	$ (0.00)
Weighted average number of common shares outstanding for the period, basic and diluted		32,740,703	15,265,212	20,962,349	15,265,212

See accompanying notes to the condensed consolidated interim financial statements.

PLANK VENTURES LTD.
(Formerly 0968998 B.C. Ltd.)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIENCY
(Unaudited - Expressed in Canadian dollars)

Nine Months ended April 30, 2019 and 2018

	Share capital				
	Number of shares	Amount	Equity portion of debt	Deficit	Total
Balance at July 31, 2017	15,265,212	$ 536,521	$ -	$ (6,244,077)	$ (5,707,556)
Loss for the period	-	-	-	(7,567)	(7,567)
Balance at April 30, 2018	15,265,212	536,521	$ -	(6,251,644)	(5,715,123)
Balance at July 31, 2018	15,265,212	$ 536,521	$ -	$ (6,257,664)	$ (5,721,143)
Return to treasury	(1)	-	-	-	-
Cancellation of shares on plan of arrangement	(15,265,211)	-	-	-	-
Issue of new shares on plan of arrangement	38,137,546	-	-	-	-
Equity portion of debt	-	-	165,983	-	165,983
Income for the period	-	-	-	125,775	125,775
Balance at April 30, 2019	38,137,546	$ 536,521	$ 165,983	$ (6,131,889)	$ (5,429,385)

See accompanying notes to the condensed consolidated interim financial statements.

PLANK VENTURES LTD.

(Formerly 0968998 B.C. Ltd.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Unaudited - Expressed in Canadian Dollars)

Nine months ended April 30,		2019		2018
OPERATING ACTIVITIES				
Net income (loss) for the period	$	125,775	$	(7,567)
Items not affecting cash				
Depreciation		20,943		-
Unrealized foreign exchange losses		19,645		7,105
Accounts payable write-off		(222,223)		-
Gain on fair value of digital currencies		(2,432)		-
Cryptomining revenue		(3,561)		-
Accrued interest income		(4,099)		-
Accrued interest expense		79,807		-
Net changes in non-cash working capital				
Accounts receivable		(1,642)		-
Prepaid expenses		(9,594)		-
Trade payables and accruals		(2,845)		-
Net cash used in operating activities		(226)		(462)
INVESTING ACTIVITIES				
Acquisition of subsidiary		(49,236)		-
Cash investments made		(775,000)		-
Net cash used in investing activities		(824,236)		-
FINANCING ACTIVITIES				
Proceeds from loans		1,144,605		-
Due to parent company		244		431
Net cash provided by financing activities		1,144,849		431
NET CASH FLOW FROM OPERATING, INVESTING, AND FINANCING ACTIVITIES		320,387		(31)
CASH, BEGINNING OF THE PERIOD		55		86
CASH, END OF THE PERIOD	$	320,442	$	55

See accompanying notes to the condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY

Plank Ventures Ltd. (formerly 0968998 B.C. Ltd.) (the "Company") was incorporated on May 1, 2013, under the Business Corporations Act. On February 22, 2019, the Company completed a plan of arrangement ("Plan of Arrangement") with its former parent, Mobio Technologies Inc. ("Mobio"), cancelling 15,265,211 common shares owned by Mobio and issuing 38,147,546 common shares to the shareholders of Mobio pursuant to the arrangement agreement between Mobio and the Company.

The Company invests in business opportunities in the technology arena. The target investments are early-stage start-ups that already have developed a customer and revenue base and are seeking funding for expansion.

These condensed consolidated interim financial statements have been prepared using the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. As at April 30, 2019, the Company has an accumulated deficit of $6,131,889 and currently has minimal revenue generating activities. These conditions raise significant doubt about the Company's ability to continue as a going concern.

The continuing operations of the Company are dependent upon its ability to develop profitable operations in the future and to raise adequate financing, if necessary. The application of the going concern concept is dependent on the Company's ability to achieve viable operations and access financing. Management is of the opinion that additional working capital can be obtained from internal and external sources to meet the Company's liabilities and commitments.

There can be no assurance that the Company will be successful in achieving profitability or raising additional cash to finance operations. The condensed consolidated interim financial statements do not include any adjustments relating to the recoverability of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

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

Statement of Compliance
These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements do not include all of the information required for full annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company for the years ended July 31, 2018, and 2017.

Basis of Measurement
These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss, which are stated at their fair values. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting.

2. BASIS OF PRESENTATION (CONT'D)

Use of estimates and judgments

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. An area subject to significant estimates is the impairment of financial and non-financial assets. Actual results could differ from those estimates.

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its condensed consolidated interim financial statements for the nine months ended April 30, 2019 and 2018. Management prepares the condensed consolidated interim financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, current working capital levels, and potential sources of replacement financing.

As a result of the assessment and as described in Note 1 – Nature of Operations and Going Concern Uncertainty, management concluded the going concern basis of accounting is appropriate based on its cash flow forecast and expectations with respect to access to financing for the next twelve months.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3. NEW ACCOUNTING STANDARDS AND POLICIES

Financial instruments

The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of August 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilize a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application.

The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

<u>(i) Classification</u>

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

3. NEW ACCOUNTING STANDARDS AND POLICIES (CONT'D)

Financial instruments (cont'd)

financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. 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.

(ii) 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 are 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.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) 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.

(iv) Derecognition

Financial assets
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.

3. NEW ACCOUNTING STANDARDS AND POLICIES (CONT'D)

Financial instruments (cont'd)

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Investments

Investments are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company's management estimates the fair value of its investments based on the criteria below and records such valuations in the financial statements directly in net loss:

- There has been a significant new equity financing with arms-length investors at a valuation above or below the current fair value of the investee company, in which case the fair value of the investment is adjusted to the value at which the financing took place; or
- Based on financial information received from the investee company it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern, in which case the fair value of the investment is adjusted downward; or
- There have been significant corporate, operating, technological or economic events affecting the investee company that, in the Company's opinion, have a positive or negative impact on the investee company's prospects and, therefore, its fair value; or
- The investee company is placed into receivership or bankruptcy.

In addition to the circumstances described above, the Company will take into account general market conditions when determining if an adjustment to the fair value of an investment is warranted at the end of each reporting period. In the absence of the occurrence of any of these events, or any significant change in general market conditions, the fair value of the investment is left unchanged.

Application of the valuation techniques described above may involve uncertainties and determinations based on the Company's judgment, and any value estimated from these techniques may not be realized.

For those investments in which the Company has significant influence the Company uses the equity method of accounting whereby an equity investment is initially recorded at cost and subsequently adjusted to reflect the investor's share of the net profit or loss of the investee. Any distributions received from the investee company reduce the carrying amount of the investment.

The Company has determined that it does not have significant influence over any of its investments.

Digital Currencies

Digital currencies consist of cryptocurrencies and are initially recorded at cost. Changes in the fair value of digital currencies are recorded in profit and loss.

3. NEW ACCOUNTING STANDARDS AND POLICIES (CONT'D)

Goodwill

Goodwill is recognized as the excess cost of an acquired entity over the net amount assigned to assets acquired and liabilities assumed. Goodwill is not amortized, but rather tested for impairment on an annual basis and more often if circumstances require. Impairment losses are recognized whenever the implied fair value of goodwill is less than its carrying value.

Equipment

Equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive loss.

Depreciation is calculated on a straight-line method to write off the cost of the assets to their residual values over their estimated useful lives. The depreciation rates applicable to each category of equipment are as follows:

Class of property, plant and equipment	Depreciation rate
Cryptomining equipment	50%
Computer equipment	33%

Accounting standards issued but not yet applied

Leases

On January 13, 2016, the IASB published a new standard, IFRS 16, eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. The main provision of IFRS 16 is the recognition of lease assets and lease liabilities on the balance sheet by lessees for those leases that were previously classified as operating leases. Under IFRS 16, a lessee is required to do the following: (i) recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on the balance sheet; and (ii) recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant, as the right-of-use asset is depreciated and the lease liability is accreted using the effective interest method. The new standard also requires qualitative disclosures along with specific quantitative disclosures. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The Company has determined that this new standard will not have a material impact on its financial statements as it has no leases.

(Unaudited - Expressed in Canadian Dollars)

4. ACQUISITION OF EXAHASH CRYPTOMINING CORP.

On November 7, 2018, the Company acquired 100% of the issued and outstanding common shares of Exahash Cryptomining Corp. ("Exahash"), a cryptomining company, for $50,000. The acquisition was treated as a business combination. In accordance with IFRS 3 "Business Combinations", the assets acquired, and liabilities assumed are measured at their fair value at the acquisition date and the excess value of the consideration above the fair value of the net assets acquired is recognized as goodwill.

The acquisition was recorded as follows:

Fair value of consideration		
Cash	$	50,000
Assets acquired		
Cash		763
Digital currencies		6,461
Cryptomining equipment		48,478
Computer equipment		723
Accounts payable		(25,728)
Intercompany loan		(108,876)
		(78,179)
Goodwill	$	128,179

5. EQUIPMENT

		Cryptomining Equipment		Computer Equipment		Total
Cost						
Balance August 1, 2018	$	-	$	-	$	-
Acquisition of subsidiary (Note 4)		48,478		723		49,201
Balance April 30, 2019	$	48,478	$	723	$	49,201
Amortization						
Balance August 1, 2018	$	-	$	-	$	-
Additions		20,776		167		20,943
Balance April 30, 2019	$	20,776	$	167	$	20,943
Net book value						
Balance July 31, 2018	$	-	$	-	$	-
Balance April 30, 2019	$	27,702	$	556	$	28,258

(Unaudited - Expressed in Canadian Dollars)

6. INVESTMENTS

On August 30, 2018, the Company purchased 945,945 units of ThinkCX Technologies Inc. ("ThinkCX"), for $350,000. Each unit consisted of one Series 1 Class A preferred share and one Series 1 Class A preferred share purchase warrant. Each share purchase warrant entitles the Company to purchase an additional Series 1 Class A preferred share of ThinkCX at a price of $0.37 until August 23, 2019.

On January 19, 2019, the Company received 333,140 Series 1 seed preferred shares of SiteMax Systems Inc. ("SiteMax") with a fair value of $276,507 from Mobio in connection with a plan of arrangement agreement between the Company and Mobio.

On January 29, 2019, the Company entered into an agreement to purchase 337,301 Series 2 seed preferred shares of SiteMax for $600,000. The Company has paid $425,000 and is committed to advance an additional amount of $175,000 upon SiteMax achieving $80,000 in monthly recurring revenue.

On February 22, 2019, in accordance with the Plan of Arrangement, Mobio transferred various investments with a fair value of $705,666 to the Company.

Investments transactions for the period ended April 30, 2019 are as follows:

	Opening Balance	Transferred from Mobio	Purchases	Accrued Interest	Foreign Exchange Gain	Fair Value
Investments	$ -	$ 982,173	$ 775,000	$ 4,099	$ 3,313	$ 1,764,585

7. TRADE PAYABLES AND ACCRUED LIABILITIES

	April 30, 2019	July 31, 2018
Trade payables	$ 32,841	$ 269,382
Due to previous shareholder of Exahash	37,145	-
Accrued liabilities	56	-
Total trade payables and accruals	$ 70,042	$ 269,382

Included in trade payables is an amount of $624 (July 31, 2018 - $Nil) owing to an officer of the Company. Amounts due to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

8. LOANS PAYABLE

Short term loans

On November 8, 2018, the Company received a loan in the amount of $64,777 (US $50,000) from a company controlled by an officer. The loan is unsecured, due on demand and bears interest at 10%. During the period ended April 30, 2019, the Company recorded $3,160 (period ended

(Unaudited - Expressed in Canadian Dollars)

8. LOANS PAYABLE (CONT'D)

Short term loans (cont'd)

April 30, 2018 - $Nil) in interest on the loan. The balance of the loan at April 30, 2019, including an exchange loss of $2,378, is $70,315. (See Note 11 – Related Party Transactions).

Long term loans

On August 30, 2018, the Company received a loan in the amount of $379,828 (US$300,000) from a company controlled by an officer. The loan is unsecured and bears interest at 10%. Principal and any unpaid interest are due on August 30, 2020. The loan was originally recorded at face value of $379,828 less the value of the equity component of the loan, determined by discounting the loan at an appropriate market rate of interest, of $57,836. During the period ended April 30, 2019, the Company recorded $46,792 (period ended April 30, 2018 - $Nil) in interest and accretion on the loan. The balance of the loan at April 30, 2019, including an exchange loss of $20,175 is $388,959. (See Note 11 – Related Party Transactions).

On January 29, 2019, the Company received a loan in the amount of $700,000 from a company with a common director and a common officer. The loan is unsecured and bears interest at 10%. Principal and any unpaid interest are due on January 29, 2021. The loan was originally recorded at face value of $700,000 less the value of the equity component of the loan, determined by discounting the loan at an appropriate market rate of interest, of $108,147. During the period ended April 30, 2019, the Company recorded $29,855 (period ended April 30, 2018 - $Nil) in interest and accretion on the loan. The balance of the loan at April 30, 2019 is $621,708. (See Note 11 – Related Party Transactions).

The loans are made up as follows:

	Liability component	Equity component
Balance, July 31, 2018	$ -	$ -
Increases	978,622	165,983
Accrued interest and accretion	79,807	-
Foreign exchange loss	22,553	-
Balance, April 30, 2019	$ 1,080,982	$ 165,983

Short-term loans	$ 70,314
Long-term loans	1,010,668
	$ 1,080,982

9. DUE TO FORMER PARENT COMPANY

Amounts due to Mobio are unsecured, non-interest bearing and have no specified terms of repayment. Repayment will not be required within the next twelve months.

(Unaudited - Expressed in Canadian Dollars)

10. SHARE CAPITAL

Authorized:
Unlimited number of common shares without par value.
Issued:
38,137,546 common shares (July 31, 2018 – 15, 265,212)

During the period ended April 30, 2019, one share was returned to treasury, 15,265,211 shares were cancelled, and 38,137,546 shares were issued pursuant to the Plan of Arrangement.

11. RELATED PARTY TRANSACTIONS

During the period ended April 30, 2019, the Company received $444,608 (US $350,000) from a company controlled by an officer and $700,000 from a company with a common director and a common officer. The loans are unsecured and bear interest at 10%. (See Note 8 – Loans Payable).

Interest and accretion recorded on related party loans are as follows:

Period ended April 30		**2019**		**2018**
Interest and accretion on loans payable to companies with a common director and officer or to companies controlled by directors and/officers	$	79,807	$	-

Payments to key management and directors during the periods ended April 30, 2019 and 2018 were as follows:

		2019		**2018**
Fees paid to a company controlled by the CFO	$	15,345	$	-

Fees paid to directors and officers are included in the line item "Management and consulting fees" in the Company's Condensed Consolidated Interim Statements of Comprehensive Income.

Included in trade payables is an amount of $624 (July 31, 2018 - $Nil) owing to an officer of the Company. Amounts due to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

12. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, investments, accounts payable, loans payable and amounts due to former parent company. As at April 30, 2019, there were no significant differences between the carrying amounts of these items and their estimated fair values. The carrying value of these items approximates their fair values.

Fair Value
Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable.

12. FINANCIAL INSTRUMENTS (CONT'D)

The three levels of the fair value hierarchy are:

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

As of April 30, 2019, the Company classified cash as Level 1 and investments as Level 3.

The Board of Directors approves and monitors the risk management processes. The Company has exposure to the following risks from its use of financial instruments:

- Interest rate risk
- Credit risk
- Liquidity risk
- Currency risk

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. All of the Company's loans payable and investments have a fixed interest rate therefore the Company is not currently exposed to interest rate risk.

Credit Risk
Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash. Management believes that the credit risk with respect to cash is minimal as balances are held with a high-credit quality financial institution.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

Market Risk
The Company's exposure to financial market risk is limited, as it presently does not have any investments where value fluctuates as a result of changes in prices quoted in open markets.

Currency risk
The Company is headquartered in Canada and its functional reporting currency is the Canadian dollar. At April 30, 2019, the Company has $350,000 in US dollar denominated loans and $211,109 in US dollar denominated investments. As such, the Company's results of operations are subject to foreign currency fluctuation risks and these fluctuations may adversely affect the financial position and operating results of the Company. As of April 30, 2019, the Company does not use derivative instruments to reduce its exposure to currency risk. At April 30, 2019, a ten percent change in the US dollar to the Canadian dollar exchange rate would impact the Company's net income by $18,643.

13. CAPITAL MANAGEMENT

The Company defines capital as an aggregate of cash and common shares. The Company manages its capital structure to ensure it has sufficient capital to meet its obligations as they come due.