1169082 B.C. LTD.

FINANCIAL STATEMENTS

(Unaudited)

For the three moths ended August 31, 2019 (Q1)

(Expressed in Canadian Dollars)

1169082 B.C. Ltd.

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NOTICE OF NON-REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), 1169082 B.C. Ltd. (the "Company") hereby informs all readers that the accompanying unaudited condensed financial statements for the three months ended August 31, 2019 of the Company have not been reviewed the its auditor.

MANAGEMENT'S RESPONSIBILITY FOR INTERIM FINANCIAL REPORTING

The accompanying unaudited condensed interim financial statements ("financial statements") of 1169082 B.C. Ltd. have been prepared by and are the responsibility of management and Board of Directors for all financial statement information and reporting. are the responsibility of the management and Board of Directors. The financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the financial statement notes. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the consolidated financial statements have been prepared within acceptable limits of materiality and are compliant with *IAS 34 - Interim Financial Reporting* as issued by the International Accounting Standards Board.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Regards,
1169082 B.C. Ltd.

J. Scott Munro
Chief Executive Officer

Vancouver, BC
October 30, 2019

1169082 B.C. Ltd.

Statement of Financial Positions

As at

(Expressed in Canadian dollars)

	Note	August 31, 2019 $	May 31, 2019 $
Assets		**-**	**-**
Liabilities			
Accounts payable and accrued liabilities	4	**5,497**	**5,497**
Due to related parties		**352**	**352**
Current and Total Liabilities		**5,849**	**5,849**
Shareholders' Deficiency			
Share Capital	5	**1,000**	**1,000**
Deficit		**(6,849)**	**(6,849)**
Total Shareholders' Deficiency		**(5,849)**	**(5,849)**
Total Laibilities and Shareholders' Deficicency		**-**	**-**

The accompanying notes are integral to these financial statements

1169082 B.C. Ltd.

Statement of Loss and Comprehensive Loss

For the three months ended August 31, 2019 and for the period from June 21, 2018 (inception) to August 31, 2018

(Expressed in Canadian dollars)

	Three months ended August 31, 2019 $	**For the period from June 21, 2018 (inception) to August 31, 2018 $**
Operating Expenses:		
General and administration	-	**353**
Net loss and total comprehensive loss for the period	**-**	**(353)**
Basis and diluted loss per common share	(0.00)	(0.00)
Weighted average number of common shares outstanding	*8,502,104*	*790,893*

The accompanying notes are integral to these financial statements

1169082 B.C. Ltd.

Statement of Shareholders' Deficiency

For the three months ended August 31, 2019 and for the period from June 21, 2018 (inception) to August 31, 2018

(Expressed in Canadian dollars, except the number of shares)

	Common Shares			
	Number	Share Capital $	Deficit $	Total $
Issuance of incorporator shares	100	1	-	1
Shares reserved under the plan of arrangement	-	1,000	-	1,000
Loss for the period	-	-	(353)	(353)
Balance, August 31, 2018	**100**	**1,001**	**(353)**	**648**
Balance, May 31, 2019	8,502,104	1,000	(6,849)	(5,849)
Loss for the period	-	-	-	-
Balance, August 31, 2019	**8,502,104**	**1,000**	**(6,849)**	**(5,849)**

The accompanying notes are integral to these financial statements.

1169082 B.C. Ltd.

Statement of Cash Flows

For the three months ended August 31, 2019 and for the period from June 21, 2018 (inception) to August 31, 2018

(Expressed in Canadian dollars)

	Three months ended August 31, 2019 $	For the period from June 21, 2018 (inception) to August 31, 2018 $
Cash flows from operating activities		
Loss for the period	-	(353)
Change in non-cash working capital items:		
Accounts payable and accrued liabilities	-	352
Cash used in operating activities	-	(1)
Cash flows from financing activities		
Incorporator shares	-	1
Cash provided by financing activities	-	1
Net change in cash and cash equivalents for the period	-	-
Cash and cash equivalents, beginning of period	-	-
Cash and cash equivalents, end of period	-	-

Supplemental information:		
Interest paid	-	-
Taxes paid	-	-

The accompanying notes are integral to these financial statements.

1. Nature and Continuance of Operations

1169082 B.C. Ltd. (the "Company") was incorporated as a wholly-owned subsidiary of reporting issuer Hemagenetics Technologies Corp. ("HTC") on June 21, 2018 under the laws of British Columbia, Canada. The Company's head office is located at 5728 East Boulevard, Vancouver, BC V6M 4M4.

The Company is a reporting issuer in the provinces of Alberta and B.C. and does healthcare and technology sector.

2. Basis of Presentation

a. Statement of compliance

These unaudited condensed financial statements for the three months ended August 31, 2019 have been prepared in accordance with *IAS 34 - Interim Financial Reporting*. Significant accounting policies are described in the Note 3. Significant accounting estimates, judgments and assumptions used or exercised by management in the preparation of these financial statements are presented below.

b. Going-concern basis of presentation

These financial statements have been prepared using the historical cost convention except for some financial instruments that have been measured at fair value. All monetary references expressed in these notes are references to Canadian dollar amounts ("$").

Financial statements are required to be prepared on a going-concern basis unless management either intends to liquidate the Company or cease trading, or has no realistic alternative but to do so. The development of the Company's business may take many years to be successful, if ever, and the amount of resulting income, if any, is difficult to determine with any certainty.

As of August 31, 2019, the Company had not yet achieved profitable operations, had no profits and a deficit of $6,849 since inception and working capital deficit of $5,849 and expects to incur further losses and working capital deficits in the development of its business, all of which casts material uncertainty about the Company's ability to continue as a going concern.

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

2. Basis of Presentation (continued)

c. *Significant accounting judgments and estimates*

The preparation of these financial statements in conformity with *IAS 34 – Interim Financial Reporting* that requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates.

These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the 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:

(i) *Ability to continue as a going-concern*

Management assesses the Company's ability to continue as a going-concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events (as discussed in Note 1), whose subsequent changes could materially impact the validity of such an assessment.

(ii) *Impairment of financial assets*

The carrying value and the recoverability of financial assets, which are included in the statements of financial position are assessed at each reporting date to determine recoverability and whether there are any indications of impairment.

The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's financial assets. External sources of information considered are changes in the Company's economic, legal and regulatory environment which it does not control but affect the recoverability of its financial assets. Internal sources of information the Company considers include the manner in which intangible asset are being used or are expected to be used and indications of economic performance of the assets.

2. Basis of Presentation (continued)

d. *Significant accounting judgments and estimates (continued)*

(iii) *Income taxes*

The Company operates in British Columbia, Canada and subject to its provincial corporate tax rates and rules of taxation. The Company calculates deferred income taxes based upon temporary differences between the assets and liabilities that are reported in its consolidated financial statements and their tax bases as deferred tax assets or liabilities, when applicable, as determined under applicable tax legislation.

The future realization of deferred tax assets can be affected by many factors, including: current and future economic conditions, net realizable fair market value, and can either be increased or decreased where, in the view of management, such change is warranted. No deferred tax assets have been deemed probable to date.

These financial statements are made available on the System for Electronic Document Analysis and Retrieval ("SEDAR"; www.sedar.com).

3. Significant Accounting Policies

The accounting policies set out below are in effect for the three months ended August 31, 2019 and have been applied consistently to all periods presented in these financial statements.

a. *Cash and cash equivalents -*

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less.

The Company has no cash equivalents as of August 31, 2019 or prior year.

b. *Deferred income taxes -*

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax assets is reduced. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

3. Significant Accounting Policies (continued)

c. *Financial instruments* -

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. The initial measurement of financial assets and liabilities is fair value and their subsequent measurement is dependent on their classification as described below. Classification of a financial instrument depends on the purpose for which it was acquired or issued, their characteristics and the Company's designation of such instruments. Settlement date accounting is used.

Asset / Liability	Classification	Subsequent measurement
Cash and cash equivalents	Fair value through profit or loss	FVPL
Accounts payable	Other financial liabilities	Amortized cost

Financial assets or financial liabilities at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets typically acquired for resale prior to maturity or that are designated as held-for-trading. They are measured at fair value at the period end date. Fair value fluctuations including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in profit or loss.

Financial liabilities at fair value through profit or loss are those non-derivative financial liabilities that the Company elects to designate on initial recognition as financial instruments that it will measure at fair value.

Cash and cash equivalents are accounted for at fair value through profit or loss. The Company has not designated any non-derivative financial liabilities as financial liabilities at fair value through profit or loss.

Held-to-maturity

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and a fixed maturity, other than loans and receivables that an entity has the positive intention and ability to hold to maturity. These financial assets are measured at amortized cost using the effective interest method.

2. Significant Accounting Policies (continued)

c. Financial instruments – (continued)

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale, or that are not classified as loans and receivables, held-to-maturity or financial assets or financial liabilities at fair value through profit or loss investments. Except as mentioned below, available-for-sale financial assets are carried at fair value with unrealized gains and losses included in accumulated other comprehensive income until realized or deemed to be an other than temporary impairment when the cumulative loss is transferred to profit or loss.

Available-for-sale financial assets that do not have quoted market prices in an active market are recorded at cost. Interest on interest-bearing available-for-sale financial assets is calculated using the effective interest method.

Loans and receivables

Loans and receivables are accounted for at amortized cost using the effective interest method.

Other financial liabilities

Other liabilities are recorded at amortized cost using the effective interest method and include all financial liabilities, other than derivative instruments.

d. *Impairment of financial assets -*

Financial assets, other than those at fair value through profit or loss (FVTPL), are assessed for indicators of impairment at each period end.

Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- significant financial difficulty of the Company or counterparty;
- default or delinquency in interest or principal payments; or
- it has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of the estimated future cash flows, discounted at the financial asset’s original effective interest rate.

3. Significant Accounting Policies (continued)

d. *Impairment of financial assets – (continued)*

The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of available-for-sale (AFS) equity instruments, if, in a subsequent period, the amount of the impairment loss decreases, and the decrease relates to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

e. *Impairment of non-financial assets -*

The carrying amounts of non-financial assets are reviewed for impairment at each reporting date, or whenever events or changes in circumstances indicate the carrying amounts may not be recoverable. If there are indicators of impairment, a review is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. Reviews are undertaken on an asset-by-asset basis. If the carrying amount of a non-financial asset exceeds the recoverable amount, being the higher of its fair value less costs to sell and its value-in-use, an impairment loss is recognized in net earnings as the excess of the carrying amount over the recoverable amount.

Where the recoverable amount is assessed using discounted cash flow techniques, the resulting estimates are based on detailed production plans. The mine plan is the basis for forecasting production output in each future year and for forecasting production costs. For value-in-use calculations, production costs and output may be revised to reflect the continued use of the asset in its present form.

Non-financial assets that have suffered an impairment are tested for a possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. In these instances, the impairment loss is reversed to the recoverable amount but not beyond the carrying amount, net of amortization, that would have arisen if the prior impairment loss had not been recognized. Goodwill impairments are not reversed.

3. Significant Accounting Policies (continued)

f. *Share capital -*

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the Company's shareholders. Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in profit or loss as accrued.

g. Other comprehensive income -

Other comprehensive income (OCI), if any, is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholder and includes items that are not included in net profit. OCI consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges, and foreign exchange valuation adjustments on assets and liabilities during the period.

h. *Loss per share -*

Basic loss per share is computed by dividing the net comprehensive loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive ("in the money").

The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

3. Significant Accounting Policies (Continued)

i. *Provisions -*

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount receivable can be measured reliably.

j. *New standards and interpretations not yet applied -*

IFRS 9 “Financial Instruments” is effective for financial years starting after January 1, 2018 that replaces certain sections of IAS 39 “Financial Instruments: Recognition and Measurements” relating to the classification and measurement of financial instruments and hedge accounting.

IFRS 16 “Leases” is effective for annual reporting periods beginning on or after 1 January 2019 and 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 in the process of assessing the impact of this pronouncement.

The Company is currently assessing the effects of these new standards.

4. Accounts Payable and Accrued Liabilities

As at

	August 31, 2019 $	May 31, 2019 $
Accounts payable	**1,997**	**1,997**
Accrued liabilities	**3,500**	**3,500**
	5,497	**5,497**

5. Share Capital

Authorized — Unlimited Common shares, without par value
— Unlimited Preferred shares, without par value

Issued and Outstanding: 8,502,104 common shares as of August 31, 2019 and May 31, 2019
Reserved for issuance: nil (see Note 7)

On June 21, 2018, there were 100 common shares issued and immediately transferred to Hemagenetics Technologies Corp. ("HTC") as the Company was incorporated to conduct a plan of arrangement with HTC. The incorporator shares will be returned to treasury for cancellation immediately prior to the push out of the Company under the Plan of Arrangement.

On May 3, 2019, the Company issued 8,502,104 common shares with an aggregate fair value of $1,000 to eligible from HTC shareholders of record on October 15, 2018 and HTC returned its 100 incorporator shares with a fair market value of $1.00 to the Company treasury to complete the Arrangement. (see Note 7)

6. Related Party Transactions

On June 21, 2018, there were 100 common shares issued and immediately transferred to Hemagenetics Technologies Corp. ("HTC") from the incorporator as the Company was incorporated to conduct a plan of arrangement with HTC.

On April 29, 2019, the Company was spun out (divested) from HTC and became a reporting issuer in the provinces of B.C. and Alberta. (see Note 5 and 7)

During the three months ended August 31, 2019 there were no other related party transactions.

7. Plan of Arrangement

On June 26, 2018, the Company entered into a statutory arrangement with HemaGenetics Technologies Corp. ("HTC") under a plan of arrangement pursuant to an arrangement agreement (the "Arrangement") entered into between the Company, HTC, Agri Tech International Inc. (formerly 1169029 B.C. Ltd.), 1169071 B.C. Ltd., 1169077 B.C. Ltd., Mucho Cobre Resources Ltd. (formerly, 1169080 B.C. Ltd.), and 1169082 B.C. Ltd. Under the Arrangement, the effective date for the Arrangement can be set separately as between HTC and each of the other parties to the Arrangement. The Arrangement received final B.C. supreme court approval on July 19, 2018.

Effective April 29, 2019, the Company issued 8,502,104 common shares with an aggregate fair value of $1,000 to eligible from HTC shareholders of record on October 15, 2018 and HTC returned its 100 incorporator shares with a fair market value of $1.00 to the Company treasury to complete the Arrangement. As a result of the Company was spun out (divested) from HTC and as a result the Company became a reporting issuer in the Provinces of Alberta and British Columbia.

HTC invoiced the Company $1,000 for Arrangement related services that was offset against the deposit owing from HTC.

8. Capital Disclosures

The Company defines its capital as shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the business development. The Board of Directors do not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities.

In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

9. Financial Instruments

The Company has classified its financial instruments as follows:

Asset / Liability	Classification	Subsequent measurement
Accounts payable	Other financial liabilities	Amortized cost

The Company's financial instruments measured at fair value on the statement of financial position consist of cash and cash equivalents. Cash and cash equivalents are measured at level 1 of the fair hierarchy. The carrying value of accounts payable and accrued liabilities approximate their fair value because of the relatively short-term nature of these instruments.

<u>There are three levels of the fair value hierarchy as follows:</u>
Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The fair value of the Company's financial instruments has been classified within the fair value hierarchy as at May 31, 2019 as follows:

	Level 1 $	Level 2 $	Level 3 $	Total $
Financial Assets				
Cash	—	—	—	—
	—	—	—	—

The Company had no cash equivalents as of August 31, 2019 and May 31, 2019.

9. Financial Instruments (continued)

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk
The Company is not exposed to credit risk. The Company's cash will be held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company will maintain cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company is not exposed to any potential credit losses.

Interest rate risk
Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk
The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities.

Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

10. Segmented Information

The Company operates in one reportable operating segment, being in the development of payment processing technology for the Technology Sector in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.