VOLATUS CAPITAL CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED JULY 31, 2019

(UNAUDITED)

Notice of No Auditor Review of 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 interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

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

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

VOLATUS CAPITAL CORP.
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	July 31, 2019 (Unaudited)	January 31, 2019 (Audited)
ASSETS		
CURRENT		
Cash	$ 69,002	$ 128,584
Amounts receivable	2,317	5,312
	71,319	133,896
DEFERRED FINANCING COSTS	10,000	10,000
EXPLORATION AND EVALUATION ASSET (Note 4)	98,978	92,996
	$ 180,297	$ 236,892
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 20,048	$ 15,388
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 5)	254,001	254,001
CONTRIBUTED SURPLUS	96,171	30,000
DEFICIT	(189,923)	(62,497)
	160,249	221,504
	$ 216,456	$ 236,892

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
COMMITMENTS (Note 10)
SUBSEQUENT EVENTS (Note 11)

Approved and authorized for issue on behalf of the Board on September 18, 2019

"James Walchuck"	Director	*"Christopher Little"*	Director
James Walchuck		Christopher Little	

The accompanying notes are an integral part of these financial statements

VOLATUS CAPITAL CORP.
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended July 31, 2019	Six months ended July 31, 2019
EXPENSES		
Management fees	$ 9,000	$ 18,000
Office and miscellaneous	451	1,569
Professional fees	6,410	16,110
Rent	7,832	15,601
Share-based payments	66,171	66,171
Transfer agent and filing fees	9,975	9,975
NET LOSS AND COMPREHENSIVE LOSS	$ 99,839	$ 127,426
LOSS PER SHARE (basic and diluted)	$ (0.01)	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	9,700,001	9,700,001

The accompanying notes are an integral part of these financial statements

VOLATUS CAPITAL CORP.
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian dollars)
(Unaudited)

	Common Shares				
	Number of Shares	**Amount**	**Contributed Surplus**	**Deficit**	**Total**
		$	$	$	$
Balance, January 31, 2019	9,700,001	254,001	30,000	(62.497)	221,504
Share-based payments	–	–	66,171	–	66,171
Net loss for the period	–	–	–	(127,426)	(127,426)
Balance, July 31, 2019	9,700,001	254,001	96,171	(189,923)	160,249

VOLATUS CAPITAL CORP.
CONDENSED INTERIM STATEMENT OF CASH FLOWS
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended July 31, 2019	Six months ended July 31, 2019
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	$ (99,839)	$ (127,426)
Item not involving cash:		
Share-based payments	66,171	66,171
	(33,668)	(61,255)
Changes in non-cash working capital balances:		
Amounts receivable	(217)	2,995
Accounts payable and accrued liabilities	(2,491)	4,660
Cash used in operating activities	(36,376)	(53,600)
INVESTING ACTIVITIES		
Exploration and evaluation asset	–	(5,982)
DECREASE IN CASH	(36,376)	(59,582)
CASH, BEGINNING OF PERIOD	105,378	128,584
CASH, END OF PERIOD	$ 69,002	$ 69,002
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	$ –	$ –
Income taxes paid	$ –	$ –

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

Volatus Capital Corp. ("the Company") was incorporated on November 6, 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, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at July 31, 2019, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset 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 $189,923 as at July 31, 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

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the Financial Reporting Interpretations Committee ("IFRIC"). These interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements of the Company and notes thereto as of and for the period ended January 31, 2019.

These unaudited condensed interim financial statements were approved by the Board of Directors on September 18, 2019.

b) Basis of presentation

These unaudited condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These unaudited condensed interim financial statements follow the same accounting policies and methods of application as the annual audited financial statements of the Company for the period ended January 31, 2019. The adoption of new accounting standards has had no material impact on the financial statements.

(Expressed in Canadian dollars)

3. NEW ACCOUNTING STANDARDS ADOPTED EFFECTIVE FEBRUARY 1, 2019

IFRS 16 – *Leases*

IFRS 16 – replaces the current standards IAS 17, "Leases", and its associated interpretative guidance. Early adoption is permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. A lessee can choose to apply IFRS 16 using either a full retrospective approach or a modified retrospective approach.

The adoption of IFRS 16 did not impact the Company's classification and measurement of leases as the Company does not have any lease obligation.

4. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	**Exploration Costs**	**Total**
	$	$	$
Balance, incorporation November 6, 2018	-	-	-
Additions	5,000	*87,996	92,996
Balance, January 31, 2019	5,000	87,996	92,996
Addition	–	5,982	5,982
Balance, July 31, 2019	5,000	93,978	98,978

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Exploration costs include labour costs of $43,800, assay costs of $7,737, data and reporting of $6,276, truck and equipment rentals of $9,800, travel and fuel costs of $1,986, meal and accommodation of $12,640 and management fees of $5,757

Sunset Copper Star Project

Pursuant to an option agreement dated November 16, 2018 (the "Agreement"), with Rich River Exploration Ltd. and Craig A. Lynes (collectively, the "Optionors"), the Company was granted an option to acquire a 100% undivided interest in the Sunset Copper Star project (the "Property") located north of Campbell River area in the Nanaimo Mining Division, British Columbia.

In accordance with the Agreement, the Company has acquired a 51% undivided interest in the Property by paying $5,000. 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**
	Number	$	$
Upon the closing of the initial public offering of the Company	100,000	5,000	-
On or before the first anniversary of the Company's common shares listed on the Canadian Securities Exchange (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	155,000	500,000

4. EXPLORATION AND EVALUATION ASSET (continued)

The Property is comprised of two 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.

5. 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 months from date of listing. At July 31, 2019, there were 2,100,000 common shares held in escrow.

c) Issued and Outstanding as at July 31, 2019: 9,700,001 common shares.

During the year ended January 31, 2019, the Company had the following share capital transactions:

(i) The Company issued an incorporation share for $0.01.

(ii) The Company issued 2,000,000 common shares at a price of $0.005 per share for $10,000, of which $5,000 is recorded as share subscriptions. The fair value of the 2,000,000 common shares was estimated to be $40,000. Accordingly, the Company recorded share-based payments of $30,000 and a corresponding increase to contributed surplus.

(iii) The Company issued 600,000 common shares at a price at $0.02 per share and 3,000,000 common shares at $0.05 per share for total gross proceeds of $162,000.

(iv) The Company issued 4,100,000 flow-through common shares at a price of $0.02 per share for gross proceeds of $82,000, which the Company was committed to spend in Qualifying Canadian Exploration Expenditures (“CEE”). None of the Qualifying CEE will be available to the Company for future deduction from taxable income.

As at January 31, 2019, the Company has incurred and renounced $82,000 in CEE.

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.

There were no share capital transaction for the six month period ended July 31, 2019.

(Expressed in Canadian dollars)

5. SHARE CAPITAL - continued

d) Stock Options:

During the period ended July 31, 2019, the Company adopted a Stock Option Plan (the "Plan") for directors, officers, employees and consultants of the Company. Under the Plan, the Company may grant options to incentive stock options to directors, officers, employees and consultants to the Company, as determined by the Board of Directors of the Company at the fair market value on the date the option is granted. The maximum number of shares which may be issuable under the Plan cannot exceed 10% of the total number of shares issued and outstanding on a non-diluted basis.

On May 1, 2019, the Company granted 800,000 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 $66,171. The remaining expected life as at July 31, 2019 is 4.75 years.

As at July 31, 2019, the Company had options outstanding enabling holders to acquire the following:

	Option Outstanding	**Weighted-Average Exercise Price**	**Weighted-Average Remaining Contractual Life (years)**
Outstanding and exercisable January 31, 2019	–	$ –	–
Option granted	800,000	$ 0.10	5
Outstanding and exercisable, July 31, 2019	800,000	$ 0.10	4.75

The inputs used in the Black-Scholes calculation for the 2019 stock options are as follows:

	2019
Share price	$0.10
Risk-free dividend rate	1.55%
Expected life of options	5
Dividend rate	0.00%
Annualized volatility	120%

6 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.

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

During the three month period ended July 31, 2019, the Company incurred $66,171 in share-based payments to directors and officers.

7. 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.

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

IFRS 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).

Fair Value of Financial Instruments

The Company's financial assets include cash and are 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.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at July 31, 2019 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	69,002	–	–	69,002

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at July 31, 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.

(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

The Company is committed to certain cash payments, common share issuances and exploration expenditures as described in Note 4.

11. SUBSEQUENT EVENTS

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.

The Agency Agreement grants the Agent an over-allotment option (the "Over-Allotment Option"), exercisable up to 48 hours prior to Closing of the Offering, to purchase additional common shares of the Company equal to 15% of the common shares issued pursuant to the offering. If the Over-Allotment Option is exercised by the Agent, the Company will issue up to 525,000 additional common shares for a purchase price equal to the offering price which would result in aggregate gross proceeds of $402,500.

Pursuant to the terms of the agency agreement, the Company has agreed to pay the Agent a commission of 10% of the gross proceeds of the IPO. The Company has also agreed to grant Agent options (the "Agent's Options") 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 of the Company's common shares on the Canadian Securities Exchange. In addition, the Company has agreed to pay the Agent a corporate finance fee of $40,000, of which $10,000 will be paid for in common shares. The Company will also pay the Agent's legal fees incurred and any other reasonable expenses pursuant to the IPO. As July 31, 2019, the Company has paid a security deposit of $10,000 which was recorded as deferred financing costs on the statement of financial position.

The Company completed the IPO subsequent to July 31, 2019.