NAMEX EXPLORATIONS INC.
(An Exploration Stage Company)

Financial Statements

For the years ended
September 30, 2018, 2017, 2016, 2015 and 2014

(RESTATED AND AMENDED)

(Expressed in Canadian dollars)

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Namex Explorations Inc.

We have audited the accompanying financial statements of Namex Explorations Inc. which comprise the statements of financial position as at September 30, 2018, 2017, 2016, 2015 and 2014, and the statements of comprehensive loss, changes in deficiency and cash flows for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained based on our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Namex Explorations Inc. as at September 30, 2018, 2017, 2016, 2015 and 2014, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Restatement

Without modifying our opinion, we draw attention to Note 12 in the financial statements as at September 30, 2018 and for the year then ended which indicates that these financial statements have been restated from those on which we originally reported on May 14, 2019 and more extensively describes the reasons for the restatement.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Namex Explorations Inc. to continue as a going concern.

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
May 14, 2019, except as to Note 12, which is as of August 28, 2019

NAMEX EXPLORATIONS INC.
Statements of Financial Position
As at September 30, 2018, 2017, 2016, 2015 and 2014
(Expressed in Canadian Dollars)

	Note	**2018**	**2017**	**2016**	**2015**	**2014**
		$	$	$	$	$
Assets						
Current						
Cash		-	-	-	-	1,172
Amounts receivable		1,718	1,718	1,718	1,718	1,718
Marketable securities	5	-	-	-	-	12,500
		1,718	**1,718**	**1,718**	**1,718**	**15,390**
Liabilities						
Current						
Bank indebtedness		484	484	484	484	-
Accounts payable and accrued liabilities	7	31,613	31,613	31,613	31,613	49,217
Due to related parties	7	30,000	30,000	30,000	30,000	30,000
		62,097	62,097	62,097	62,097	79,217
Deficiency						
Share capital	8	20,365,918	20,365,918	20,365,918	20,365,918	20,365,918
Contributed Surplus		1,716,049	1,716,049	1,716,049	1,716,049	1,716,049
Deficit		(22,142,346)	(22,142,346)	(22,142,346)	(22,142,346)	(22,145,794)
		(60,379)	(60,379)	(60,379)	(60,379)	(63,827)
		1,718	**1,718**	**1,718**	**1,718**	**15,390**

Nature of Operations and Going Concern (Note 1)
Subsequent Events (Note 12)

Approved by the Board:

"George Gale"
………………………………………………. Director
George Gale

"John Schillinger"
………………………………………………. Director
John Schillinger

NAMEX EXPLORATIONS INC.
Statements of Comprehensive Loss
For the years ended September 30, 2018, 2017, 2016, 2015 and 2014
(Expressed in Canadian Dollars)

	Note	**2018**	**2017**	**2016**	**2015**	**2014**
		$	$	$	$	$
EXPENSES						
Office and miscellaneous		-	-	-	-	553
Professional fees		-	-	-	-	1,632
Regulatory and filing fees		-	-	-	-	9,321
Exploration expense		-	-	-	-	11,361
Bank charges		-	-	-	102	-
Loss before other items					102	22,867
Other items					-	
Impairment of exploration and evaluation assets	6	-	-	-	-	364,110
Gain on write-off of accounts payable		-	-	-	-	(16,238)
Gain on debt settlement	5,8	-	-	-	(3,550)	(2,000)
NET INCOME (LOSS) AND NET COMPREHENSIVE INCOME (LOSS)		-	-	-	3,448	(368,739)
LOSS PER SHARE – Basic and diluted		(0.00)	(0.00)	(0.00)	(0.00)	(0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		17,242,808	17,242,808	17,242,808	17,242,808	16,841,542

NAMEX EXPLORATIONS INC.
Statements of Changes in Deficiency
For the years ended September 30, 2018, 2017, 2016, 2015 and 2014
(Expressed in Canadian Dollars)

	Common Shares				
	Number of Shares	**Amount**	**Contributed Surplus**	**Deficit**	**Total**
		$	$	$	$
Balance, September 30, 2013	14,058,848	20,207,486	1,716,049	(21,777,055)	146,480
Shares issued for settlement of debt (Note 8)	1,483,960	74,198	-	-	74,198
Shares issued under land option agreement (Note 8)	1,700,000	85,000	-	-	85,000
Share issuance costs (Note 8)	-	(766)	-	-	(766)
Net loss for the year	-	-	-	(368,739)	(368,739)
Balance, September 30, 2014	17,242,808	20,365,918	1,716,049	(22,145,794)	(63,827)
Net income for the year	-	-	-	3,448	3,448
Balance, September 30, 2015, 2016, 2017 and 2018	17,242,808	20,365,918	1,716,049	(22,142,346)	(60,379)

See accompanying notes to the financial statements.

NAMEX EXPLORATIONS INC.
Statements of Cash Flows
For the years ended September 30, 2018, 2017, 2016, 2015 and 2014
(Expressed in Canadian Dollars)

	2018	**2017**	**2016**	**2015**	**2014**
	$	$	$	$	$
CASH PROVIDED BY (USED IN):					
OPERATING ACTIVITIES					
Net income (loss) for the period	-	-	-	3,448	(368,739)
Item not involving cash:					
Impairment of exploration and evaluation assets	-	-	-	-	364,110
Gain on write-off of accounts payable	-	-	-	-	(16,238)
Gain on debt settlement	-	-	-	(3,550)	(2,000)
Changes in non-cash working capital balances:					
Amounts receivable	-	-	-	-	(353)
Prepaid expenses	-	-	-	-	1,530
Accounts payable and accrued liabilities	-	-	-	(1,554)	16,174
Cash used in operating activities		-	-	(1,656)	(5,516)
INVESTING ACTIVITIES					
Exploration and evaluation assets expenditures	-	-	-	-	(1,692)
Cash used in investing activities		-	-	-	(1,692)
Decrease in cash	-	-	-	(1,656)	(7,208)
Cash (bank indebtedness), beginning of year	(484)	(484)	(484)	1,172	8,380
Cash (bank indebtedness), end of year	(484)	(484)	(484)	(484)	1,172
Supplemental disclosures:					
Interest paid	$ -	$ -	$ -	$ -	$ -
Income taxes paid	$ -	$ -	$ -	$ -	$ -
Non-cash transactions:					
Shares issued for settlement of debt	-	-	-	-	$ 158,432
Marketable securities transferred	-	-	-	$12,500	-

1. NATURE OF OPERATIONS AND GOING CONCERN

Namex Explorations Inc. (the "Company") was incorporated in Canada pursuant to the Canada Business Corporation Act. The Company's head office is 450 Bonner Avenue Winnipeg, MB R2G 1C3.

The Company is a public company whose principal business activities were the exploration and development of natural resources in Canada. The Company's common shares were listed for trading under the symbol NME. During the fiscal year 2014, the Company's common shares have been halted for failure to file its annual financial statements. As a result, the Company's securities have been suspended.

These financial statements have been prepared on a going concern basis, which assumes the realization of assets and discharge of liabilities in the normal course of business. At September 30, 2018, the Company reported a working capital deficiency of $60,379 (2017 - $60,379) and an accumulated deficit of $22,142,346.

The Company's ability to continue as a going concern is dependent on the Company being able to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its exploration and evaluation assets, the attainment of profitable mining operations and/or the receipt of proceeds from the disposition of its resource property interests. Many factors influence the Company's ability to raise funds, including the climate for exploration investment.

These conditions indicate the existence of material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern.

Management is pursuing all possible sources of financing. While the Company has been successful in raising funds in the past, it is uncertain whether it will be able to raise sufficient funds in the future. If the Company is unable to secure additional financing, repay liabilities as they come due, negotiate suitable joint venture agreements and/or continue as a going concern, then material adjustments would be required to the carrying value of assets and liabilities and the statement of financial position classifications used. These financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These financial statements have been prepared in accordance the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on August 28, 2019.

(b) Presentation

These financial statements are prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 4. The financial statements are presented in Canadian dollars unless otherwise noted. The functional currency of the Company is the Canadian dollar.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

3. RECENT ACCOUNTING PRONOUNCEMENTS

(a) Accounting standards

The Company did not adopt any new or revised accounting standards on the reported years that affected the Company's financial statements.

(b) New accounting standards and amendments 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.

The following accounting policies will be adopted by the Company effective October 1, 2018:

IFRS 2 *Share-based payments* – In September 2016, the IASB issued the final amendments to IFRS 2 that clarify the classification and measurement of share-based payment transactions. This includes the effect of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based payment transactions with a net settlement feature for withholding tax obligations, and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments are to be applied prospectively and are effective for annual periods beginning on or after January 1, 2018, with earlier application permitted. The Company does not expect the adoption of this standard to have a significant impact on its financial statements.

IFRS 9 *Financial Instruments* – This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 *Financial Instruments: recognition and Measurement* for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit and loss or at fair value through other comprehensive income. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

3. RECENT ACCOUNTING PRONOUNCEMENTS (continued)

(b) New accounting standards and amendments issued but not yet effective (continued)

IFRS 15 *Revenue from Contracts with Customers* - In May 2014, the IASB issued IFRS 15 which supersedes IAS 11 – *Construction Contracts*, IAS 18 – *Revenue*, IFRIC 13 – *Customer Loyalty Programmes*, IFRIC 15 – *Agreements for the Construction of Real Estate*, IFRIC 18 – *Transfers of Assets from Customers*, and SIC 31 – *Revenue – Barter Transactions Involving Advertising Services*. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

The following standard will be adopted by the Company effective July 1, 2019:

IFRS 16 *Leases* - IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

The Company has not early adopted these new and amended standards. The Company is currently assessing the impact, if any, that adopting these standards will have on its financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and cash equivalents

Cash and cash equivalents includes cash and term deposits with original maturities of less than three months that can be redeemed for known amounts of cash on demand, and bank indebtedness. Bank indebtedness is shown in current liabilities on the statement of financial position.

(b) Exploration and evaluation assets

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

All exploration and evaluation expenditures incurred after the legal title and rights in mineral claims are secured are capitalized as exploration and evaluation assets and are classified as intangible assets. Such expenditures include, but are not limited to, mineral title maintenance expenditures, acquisition costs per option agreements, evaluation costs including drilling costs directly attributable to a property, and directly attributable general and administrative costs including share-based payments to geologists. General exploration costs not related to specific exploration and evaluation property are expensed as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

Recorded costs of mineral properties and deferred exploration costs are not intended to reflect present or future values of resource properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount. Exploration and evaluation assets are tested for impairment and no amortization is taken during the exploration and evaluation phase.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Exploration and evaluation assets (continued)

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, capitalized costs of the related property are reclassified as mining assets. Upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves.

Exploration costs renounced due to flow-through share subscription agreements remain capitalized, however, for corporate income tax purposes, the Company has no right to claim these costs as tax deductible expenses.

The Company's entitlement to mineral exploration tax credits are accounted for on an accrual basis and reduce the exploration and evaluation costs.

Realization of assets

The investment in and expenditures on exploration and exploration assets comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

Environmental

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its property interests and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former property interests that may result in material liability to the Company.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Exploration and evaluation assets (continued)

Title to resource property interests

Although the Company has taken steps to verify the title to resource properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by an undetected defect.

Impairment

Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present; the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned or budgeted, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications that in an area with development likely to proceed the carrying amount is unlikely to be recovered in full be development or sale. The related property costs are written down to management's estimate of their net recoverable amount.

The recoverability of the carrying amount of mineral properties is dependent on successful development and commercial exploitation or alternatively the sale of the respective areas of interest.

Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or on-going production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset.

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arises during production, are charged against operating profit. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. To date the Company does not have any decommissioning liabilities.

(c) Income taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Income taxes (continued)

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for table temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting not taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(d) Basic and diluted loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method for calculating diluted loss per share. Under this method, the dilutive effect on loss per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

(e) Share-based payment transactions

The Company grants share options to acquire common shares of the Company to directors, officers, employees and consultants. The fair value of share-based payments to employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period for employees using the graded method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of goods and services received cannot be reliably measured, the share-based payment is measured at the fair value of the equity instruments issued using the Black-Scholes option pricing model.

For both employees and non-employees, the fair value of share-based payments is recognized as either an expense or as mineral property interests with a corresponding increase in option reserves. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise of stock options is recorded in capital stock and the related share-based payment in option reserves is transferred to capital stock. For those options that expire or are forfeited after vesting, the recorded value is transferred to deficit.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Share issuance cost

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

(g) Financial instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash, amounts receivable, bank indebtedness, accounts payable and due to related parties. The Company does not use any derivative or hedging instruments. Transaction costs related to financial instruments other than at FVTPL are capitalized as part of the cost of the financial instrument.

At initial recognition management has classified financial assets and liabilities as follows:

i) Financial assets

The Company has classified its cash at FVTPL. A financial instrument is classified at FVTPL if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at FVTPL are measured at fair value and changes therein are recognized in income.

Amounts receivable are recognized as loans and receivable. Loans and receivables are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Loans and receivables and other financial liabilities are measured at amortized cost, using the effective interest method less any impairment loss.

ii) Financial liabilities

The Company has classified its bank indebtedness as FVTPL and accounts payable and due to related parties as other financial liabilities. Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost using the effective interest rate method. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method. Other financial liabilities are classified as current or non-current based on their maturity date.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial instruments (continued)

iii) Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

(h) 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 the 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. 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.

(i) Use of estimates

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Significant areas requiring the use of management estimates include the determination of impairment of exploration and evaluation assets, and estimates used in determining financial instruments and provisions related to renouncement of exploration expenditures, decommissioning liabilities, and deferred income tax assets and liabilities. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

(j) Use of judgments

Critical accounting judgements are accounting policies that have been identified as being complex or involving subjective judgments or assessments with a significant risk of material adjustment in the next year.

(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Use of judgments (continued)

(i) Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgement. The Directors monitor future cash requirements to assess the Company's ability to meet these future funding requirements. Further information regarding going concern is outlined in Note 1.

5. MARKETABLE SECURITIES

Marketable securities consist of equity securities over which the Company does not have control or significant influence. Marketable securities are designated as fair value through profit or loss. Unrealized gains and losses due to period end revaluation to fair value are included in profit and loss for the period. As at September 30, 2015, the Company transferred 250,000 common shares of Fancamp Exploration Ltd. to settle debt of $16,050, resulting in gain on debt settlement of $3,550.

	2015 $	2014 $
Marketable securities – fair value	-	12,500
Marketable securities - cost	-	12,500

6. EXPLORATION AND EVALUATION ASSETS

	PEN Property	Miminiska Property	Total
	$	$	$
Deferred exploration costs			
Balance, September 30, 2013	10,836	256,082	266,918
Acquisition costs:			
Cash option payment	-	51,500	51,500
Shares issued	-	44,000	44,000
Exploration costs	-	1,692	1,692
Impairment	(10,836)	(353,274)	(364,110)
Balance, September 30, 2014, 2015, 2016, 2017 and 2018	-	-	-

7. RELATED PARTY TRANSACTIONS

As at September 30, 2018, 2017, 2016, 2015 and 2014, accounts payable includes $30,317 (2017 – 2015 $30,317 and 2014 - $44,371) for amounts due to directors and management. The Company is indebted $30,000 (2017 – 2014 $30,000) to former directors. The amounts are non-interest bearing, unsecured and are due on demand.

All of the above transactions and balances are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value

(b) Issued

There were 17,242,808 shares issued and outstanding at September 30, 2018, 2017, 2016, 2015, and 2014

During the years ended September 30, 2018, 2017, 2016, 2015, the Company did not issue common shares. During the year ended September 30, 2014, the Company issued the following number of shares:

	Number of common shares	**Amount** $
Balance, September 30, 2013	14,058,848	20,207,486
Shares issued for settlement of debt (i)	1,483,960	74,198
Shares issued under land option agreement (ii)	1,700,000	85,000
Share issuance costs	-	(766)
Balance, September 30, 2014	17,242,808	20,365,918

(i) On November 15, 2013, the Company issued 1,483,960 common shares to extinguish debt to contractors and a related party. The debt settlement resulted in a gain of $2,000.

(ii) On November 15, 2013, the Company issued 1,700,000 common shares under a land option agreement relating to the Miminiska property. The fair value of the common shares issued was $85,000.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (continued)

(c) Stock options

The Company has no stock options outstanding or exercisable as at September 30, 2018, 2017, 2016, 2015 and 2014.

No options were granted, vested, or exercised during the year ended September 30, 2018, 2017, 2016, 2015 and 2014. Accordingly, no share-based compensation was recognized during these years.

(d) Warrants

There were no warrants outstanding or exercisable as at September 30, 2018, 2017, 2016, 2015 and 2014.

9. INCOME TAXES

	2018	2017	2016	2015	2014
	$	$	$	$	$
Net loss for the year	-	-	-	3,448	(368,739)
Canadian statutory income tax rate	27%	27%	27%	27%	27%
Expected income tax recovery	-	-	-	931	(99,560)
Permanent difference and other	-	-	-	(44,820)	53,560
Deferred tax assets not recognized	-	-	-	43,889	46,000
Deferred income tax recovery	-	-	-	-	-

The significant components of deferred income tax assets and liabilities are as follows:

	2018	2017	2016	2015	2014
	$	$	$	$	$
Deferred income tax assets					
Non-capital loss carry-forwards	178,000	178,000	178,000	178,000	222,000
Mineral property	66,000	66,000	66,000	66,000	66,000
Deferred income tax asses not recognized	(244,000)	(244,000)	(244,000)	(244,000)	(288,000)
Net deferred tax assets	-	-	-	-	-

(Expressed in Canadian Dollars)

9. INCOME TAXES (continued)

The non-capital losses that may be carried forward to apply against future years' income for Canadian income tax purposes will expire as follows:

Available to	$
2026	138,000
2027	294,000
2028	96,000
2039	34,000
2030	9,000
2031	27,000
2032	1,000
2033	52,000
2034	7,000
	658,000

10. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's financial instruments are categorized in 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).

The Company's financial instruments include cash, amounts receivable, bank indebtedness, accounts payable and amounts due to related parties.

The fair value of cash and bank indebtedness is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. As at September 30, 2018, the Company believes that the carrying values of accounts payable, bank indebtedness and amounts due to related parties approximate their fair values because of their nature and relatively short maturity dates or durations.

(Expressed in Canadian Dollars)

10. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as of September 30, 2018, 2017, 2016, 2015 and 2014 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)
	$	$	$
Financial Assets:			
2018 – Bank indebtedness	(484)	-	-
2017 – Bank indebtedness	(484)	-	-
2016 – Bank indebtedness	(484)	-	-
2015 – Bank indebtedness	(484)	-	-
2014 - Cash	1,172	-	-

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk exists with respect to the Company's cash and cash equivalents, and short-term investments as all are placed with two major Canadian financial institutions. The Company is not exposed to significant credit risk on its cash.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's cash equivalents may be redeemed upon demand without significant penalty but its reclamation deposits are restricted. At September 30, 2018, the Company had a bank indebtedness balance of $484. The Company has insufficient funds to meet the business requirements for the coming year. The Company is in process of trying to finding investors and trying to raise equity.

c) Interest Rate Risk - The Company is not subject to interest rate risk.

d) Foreign Currency Risk - The Company is not subject to currency risk.

e) Commodity Price Risk - The Company is not exposed to price risk with respect to commodity prices.

11. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's exploration activities on its resource properties. To effectively manage the Company's capital requirements, the Company needs to raise capital. The Company's primary source of funds comes from the issuance of capital stock. Although the Company has been successful at raising funds in the past through the issuance of common stock, it is uncertain whether it will continue this financing due to uncertain economic conditions. The Company does not usually use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations. The Company is not subject to any externally imposed capital requirements. There have been no changes to the Company's approach to capital management during the years ended September 30, 2018, 2017, 2016, 2015 and 2014.

12. SUBSEQUENT EVENTS AND RESTATEMENT

- The Company restated its financial statements as at September 30, 2018 to include material subsequent events that had occurred prior to the approval of the financial statements but were not included in the Notes to the Financial Statements. The restatement has no effect on opening deficit or any accounts on the statement of financial position as at September 30, 2018 and for the year then ended.

- The Company decided to discontinue its exploration and mining operation and enter the wellness industry which will include the cultivation and harvesting of hemp as well as extraction of CBD.

- Cultivation Agreement – On March 30, 2019, the Company signed a binding Letter of Agreement ("LOA") with 2683859 ONTARIO LTD. ("2683859"), whereby the principals of 2683859 agree to provide expertise and oversee the day to day activities of both the cultivation of hemp and the extraction of CBD and other products in an extraction plant facility. The principals of 2683859 also are committed to supervising the establishment of an EU GMP certified extraction plant in Jamaica, where the Company intends to the operation of the plant. The Company promised to issue 10 million common shares to 2683859 as payment in consideration for entering into the Cultivation Agreement. Subsequent to the signing of the LOA, the Company's Board of Directors invited Michael Mak, a principal of 2683859 to become a Director of the Company.

- Property Agreement – On April 6, 2019, the Company entered into a Letter of Agreement with Dion Tetrault, the holder of 25% issued and outstanding shares of Gillespie Farmers Delight Company Limited ("GFDCL"). The Company has agreed to purchase 25% of GFDCL by the issuance of 13.5 million units ("Units") of the Company. Each Unit consists of one common share and one stock purchase warrant. Each stock purchase warrant is exercisable to purchase one common share at an exercise price of $0.10, expiring in five years. GFDCL has a lease-to-purchase agreement for a 269-acre parcel of land in Jamaica. The Company has also agreed to pay a Finder's Fee of 1,000,000 common shares for assistance in finding the property.

12. SUBSEQUENT EVENTS (continued)

- On July 30, 2019 the Company completed the Jamaican Joint Venture Agreement (the “JV Agreement”) with Errol A. Gillespie, who owns 52.5% of GFDCL, and Preferred Dental Technologies Inc. (PDTI), which owns 22.5% of joint venture. By virtue of its purchase of the Dion Tetrault shares, (the ‘Property Agreement’), the Company will own 25% of the joint venture (the “Joint Venture”). The Company will be 100% responsible for, and in control of, the operation and production of hemp and hemp products on the lease-to-purchase land in Jamaica. This quality controlled operation is to be accomplished through the expertise of the experts that are party to the Cultivation Agreement, its officers and future employees. Pursuant to the JV Agreement, the Company will receive 50% of the profits from the growth of hemp and extraction of products from the hemp.

- The Company has advanced USD $51,000 to GFDCL. Under the terms of the Jamaican Joint Venture Agreement, the Company is committed to advance up to $3 million to facilitate initial activities related to growing, cultivating, and processing of industrial hemp at the highest standards. The advances are in the form of interest-free loans and are to be repaid from future profits.

- Management entered into a verbal agreement with Kelly Grijalva to provide administrative and office management services to the Company during a period when management were investigating various reorganization options. The Company did not at that time have any financial resources and indicated that it would provide compensation in the form of Company Units. On April 1, 2019, after a number of different attempts to resurrect the Company, an invoice of $20,000 was presented to management and it was mutually agreed that the invoice would be settled with the issuance of 1 million units of the Company when, and if, the CTO was revoked. Each unit comprises one common share and one share purchase warrant to purchase one additional share at a price of $0.25 for 2 years.

- DeLion Holdings Inc. provided consulting services to the Company during its efforts to find an alternative business in 2018. It was verbally agreed that compensation would be paid by issuance of 1 million units of the Company, if the Company was able to find a viable non-mining business. Each unit comprises one common share and one share purchase warrant to purchase one additional share at a price of $0.25 for 2 years. After entering into the agreements to pursue the cultivation of hemp in Jamaica the Company formalized the verbal agreement with DeLion Holdings Inc. and an invoice of $20,000 for services rendered was received on April 1, 2019.

- On May 6, 2019, the Company entered into a financial services agreement with an arms-length party to provide certain services in order to assist the Company in raising capital. As compensation the Company paid a retainer of USD $7,200 for the first month of services and USD $7,700 for the second month of services. The Company also agreed to pay cash payment of 7.4% of any financings the arms-length party assisted with, issue share purchase warrants equal to 3% of the common shares sold in any financings and reimburse the arms-length party for any out of pocket expenses. The agreement expired on July 6, 2019. The Company has negotiated the renewal of the agreement to September 6, 2019.

- All the transactions noted above are conditional on revocation of the Cease Trade Order imposed against the Company.

- The Company received loans of $192,000 in promissory notes (the “Notes”). The Notes are unsecured, non-interest bearing and are due on or before November 30, 2019. In the event that the Notes are not repaid on or before the due date, an interest rate of 6% per annum will be charged on the amount of the Notes from the day the amounts are advanced.

12. SUBSEQUENT EVENTS (continued)

- The Company has submitted applications for the revocation of its CTO to regulators.