

NOVO19 CAPITAL CORP.
(formerly Parkside Resources Corporation)

INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED DECEMBER 31, 2019

Notice of disclosure of non-auditor review of consolidated interim financial statements pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators.

The accompanying condensed interim financial statements of the Company for the three months ended December 31, 2019 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards and are the responsibility of the Company's management.

The Company's auditors have not performed an audit or a review of these interim financial statements.

NOVO19 CAPITAL CORP. (FORMERLY PARKSIDE RESOURCES CORPORATION)
INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019
(expressed in Cdn \$)
UNAUDITED

ASSETS

	Dec 31 <u>2019</u>	Sept 30 <u>2019</u>
Current		
Cash	\$ 2,806	\$ 6,243
HST receivable	<u>11,146</u>	<u>10,757</u>
	<u>13,952</u>	<u>17,000</u>
Exploration and evaluation assets (<i>Note 3</i>)	<u>1</u>	<u>1</u>
	<u>\$ 13,953</u>	<u>\$ 17,001</u>

LIABILITIES

Current		
Accounts payable and accrued liabilities	<u>70,155</u>	<u>67,179</u>
	<u>70,155</u>	<u>67,179</u>

SHAREHOLDERS EQUITY (DEFICIENCY)

Capital Stock (<i>Note 6</i>)		
Common shares	2,339,183	2,339,183
Other reserves	1,127,900	1,127,900
Deficit	<u>(3,523,285)</u>	<u>(3,517,261)</u>
	<u>(56,202)</u>	<u>(50,178)</u>
	<u>\$ 13,953</u>	<u>\$ 17,001</u>

Nature of Operations and Going Concern - Note 1

Approved on behalf of the board:

"David Mitchell"
David Mitchell, Director

"Matthew Goldman"
Matthew Goldman, Director

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

NOVO19 CAPITAL CORP. (FORMERLY PARKSIDE RESOURCES CORPORATION)
INTERIM CONDENSED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019 AND 2018
(expressed in Cdn \$)
UNAUDITED

	Three months ended Dec. 31	
	<u>2019</u>	<u>2018</u>
Expenses		
Office and general	\$ 250	\$ 1,500
Professional fees	2,975	2,000
Shareholder services and related fees	<u>2,799</u>	<u>-</u>
Net loss and comprehensive loss for the period	<u>\$ (6,024)</u>	<u>\$ (3,500)</u>
Net loss per share - basic and diluted	<u>\$ -</u>	<u>\$ (0.001)</u>
Weighted average number of shares outstanding		
- basic and diluted	<u>12,905,335</u>	<u>3,089,273</u>

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

NOVO19 CAPITAL CORP.
INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019 AND 2018
(expressed in Cdn \$)
UNAUDITED

	<u>Common shares</u>	<u>Warrants</u>	<u>Other Reserves</u>	<u>Deficit</u>	<u>Total</u>
Balance - September 30, 2018	\$ 1,848,380	\$ 25,377	\$ 1,102,523	\$(3,434,351)	\$ (458,071)
Net loss for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,500)</u>	<u>(3,500)</u>
Balance, December 31, 2018	<u>\$ 1,848,380</u>	<u>\$ 25,377</u>	<u>\$ 1,102,523</u>	<u>\$(3,437,851)</u>	<u>\$ (461,571)</u>
Balance September 30, 2019	\$ 2,339,183	\$ -	\$ 1,127,900	\$(3,517,261)	\$ (50,178)
Net loss for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,024)</u>	<u>(6,024)</u>
Balance, December 31, 2019	<u>\$ 2,339,183</u>	<u>\$ -</u>	<u>\$ 1,127,900</u>	<u>\$(3,523,285)</u>	<u>\$ (56,202)</u>

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

NOVO19 CAPITAL CORP.
INTERIM CONDENSED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019 AND 2018
(expressed in Cdn \$)
UNAUDITED

	<u>2019</u>	<u>2018</u>
Cash provided by (used in) the following activities:		
Operating activities		
Net loss for the period	\$ (6,024)	\$ (3,500)
Add items not requiring an outlay of cash:		
Changes in Non-cash working capital:		
Taxes receivable	(389)	-
Accounts payable and accrued liabilities	<u>2,976</u>	<u>3,500</u>
	<u>(3,437)</u>	<u>-</u>
Net change in cash during the period	(3,437)	-
Cash, beginning of period	<u>6,243</u>	<u>-</u>
Cash, end of period	<u>\$ 2,806</u>	<u>\$ -</u>
Non-cash investing and financing activities:		
Interest paid in cash	\$ -	\$ -
Income taxes paid in cash	\$ -	\$ -
Common shares issued for for debt	\$ -	\$ -

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

NOVO19 CAPITAL CORP.
NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019
(Expressed in Canadian Dollars)
Unaudited

1. Nature of operations and going concern

Novo19 Capital Corp. (formerly Parkside Resources Corporation) (the "Company") was incorporated on November 21, 2005 under the Business Corporations Act of British Columbia. The Company is a junior resource exploration and development company and is in the exploration stage. The Company's principle asset is a mineral property which is not yet in commercial production. The Company has not determined whether or not its property contains economically recoverable resources.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at December 31, 2019, the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. The Company had working capital deficiency of \$56,203 (Sept. 2019 - \$50,178) and has incurred losses since inception, resulting in an accumulated deficit of \$3,523,285 (September 2019 - \$3,517,261). The Company's ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurances that the Company will be successful in this regard, and therefore, there is doubt regarding the Company's ability to continue as a going concern, and accordingly, the use of accounting principles applicable to a going concern. These financial statements do not reflect adjustments that would be necessary if the "going concern" assumption were not appropriate. If the "going concern" assumption were not appropriate for these financial statements, then adjustments to the carrying values of the assets and liabilities, the expenses and the statement of financial position classifications would be necessary as these adjustments could be material.

The recoverability of expenditures on its resource properties and related deferred exploration expenditures is dependent upon the existence of resources that are economically recoverable, confirmation of the Company's ownership interests in the claims, the ability of the Company to obtain necessary financing to complete the exploration and the development of the properties, and upon future profitable production or proceeds from disposition thereof.

During the prior year the cease-trade order against the Company was lifted, the Company consolidated its common shares on the basis of one post consolidation common share for every 10 pre-consolidation shares and the Company changed its name from Parkside Resources Corporation to Novo19 Capital Corp.

2. Significant accounting policies:

(a) Statement of compliance and basis of presentation

These unaudited condensed interim financial statements have been prepared for the three months ended December 31, 2019, including comparative figures, in accordance with International Accounting Standard ("IFRS"), and in particular in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). They have been prepared using the accounting policies the Company expects to adopt in its consolidated financial statements as at and for the financial year ending September 30, 2020.

These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's September 30, 2019 year end audited consolidated financial statements prepared in accordance with IFRS.

Accounting Standards Issued but not yet Effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2019 or later periods. There are currently no new standards that are expected to have a material impact on the Company in the next fiscal year.

NOVO19 CAPITAL CORP.
NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019
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Unaudited

3. Exploration and evaluation assets

Forester Lake Gold Property

In 2011, the Company entered into an option agreement and then subsequently acquired a 60% interest in the Forester Lake Gold Property from Benton Resources Corp. (“BTC”).

The Property is being carried at a nominal amount of \$1.

4. Related party transactions

Related Party	Item	Three months ended	
		Dec. 31, 2019	2018
Key Management Personnel			
	Salaries and fees charged to statement of loss	\$ -	\$ -
	Share-based payments charged to statement of loss	\$ -	\$ -

To the knowledge of the directors and officers of the Company as of December 31, 2019 2,915,960 common shares or 22.59% of the outstanding shares of the Company were held by Matthew Goldman, a director of the Company. An aggregate of 2,771,380 common shares representing 21.47% of the outstanding shares of the Company are held personally and through a company owned 100% by David Mitchell, Chief Executive Officer and a director of the Company. These holdings can change at any time at the discretion of the owners.

Included in accounts payable is \$Nil (2018- \$Nil) owing to directors and officers of the Company.

The above transactions were in the normal course of operations and were measured at the exchange amount, which are the amounts agreed to by the related parties.

5. Capital management

When managing capital, the Company’s objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary. The Board of Directors does 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.

The Company is dependent on external financing to fund its exploration activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. 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.

The capital structure of the Company consists of equity comprised of share capital, warrants, other reserves and deficit. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is appropriate.

NOVO19 CAPITAL CORP.
NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019
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Unaudited

6. Share capital

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued common shares:

	<u># of shares</u>	<u>\$ Amount</u>
Balance September 30, 2018 and December 31, 2018	30,892,731	\$ 1,848,380
Issued for cash (i)	12,000,000	60,000
Issued for debt (ii)	86,160,600	430,803
Share consolidation 10: 1	<u>(116,147,996)</u>	<u>-</u>
Balance September 30, 2019 and December 31, 2019	<u>12,905,335</u>	<u>\$ 2,339,183</u>

- i) In March 2019 the Company issued 12,000,000 common shares at \$0.005 per share for gross proceeds of \$60,000.
- ii) In March 2019 the Company issued 86,160,600 common shares at \$0.005 per share for debt totaling \$430,803 including \$15,255 for outstanding promissory notes and \$415,548 of outstanding accounts payable.
- iii) In June 2019 the Company has a share consolidation on the basis of 1 post-consolidation common share for every 10 pre-consolidation common shares

7. Stock options

The Board of Directors has approved a Stock Option Plan for directors and officers. Pursuant to the Stock Option Plan, options granted shall not exceed 10% of the number of Common Shares outstanding at the time of grant. The exercise price as determined by the Board in its sole discretion, must not be lower than the closing price of the Company's Common Shares traded through the facilities of the Exchange on the day preceding the date the Option is granted, less any discount permitted by the Exchange, or such other price as may be determined in accordance with the Stock Option Plan and the requirements of the Exchange, on which the shares are listed for trading.

NOVO19 CAPITAL CORP.
NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019
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7. Stock options (continued)

The Board may not grant options to any one person in any one year period which will, when exercised, exceed 5% of the issued and outstanding common shares or to any one consultant or to any one person employed by the Company who performs investor relations services within any one-year period shall exceed 2% of the issued and outstanding common shares at the time of the grant. Exchange policies require that the aggregate number of options granted to persons performing investor relations activities not exceed 2% of the issued and outstanding shares of the Company. Options are non-transferable and non-assignable. The Options vest as to 15% immediately and 25% from 90 days, 180 days and 270 days following the date of grant.

The following table reflects the continuity of stock options for the period ended December 31, 2019:

	Number of options	Wtd Avege ex. price
As at September 30, 2018 and December 31, 2018	300,000	\$ 0.05
Expired	(300,000)	\$ 0.05
As at September 30, 2019 and December 31, 2019	<u>-</u>	<u>\$ -</u>

8. Warrants

The following table reflects the continuity of warrants for the period ended December 31, 2019:

	Number of warrants	Wtd Avege ex. price
As at December 31, 2018	200,000	\$ 0.11
Expired	(200,000)	\$ 0.11
As at September 30, 2019 and December 31, 2019	<u>-</u>	<u>\$ -</u>

9. Management of financial risks

The Company's financial instruments are exposed to certain financial risks, including currency, credit, and liquidity risk.

Currency Risk

The Company is exposed to currently not exposed to any foreign currency risk. Management actively monitors movements in foreign currency to mitigate exposure to significant foreign currency losses.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. All of the Company's cash is held through a large Canadian financial institution with a high investment grade rating.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. As at December 31, 2019 the Company had working capital deficiency of \$56,203 (Dec. 2018 - \$461,572) The Company will need additional funds to meet its ongoing obligations. The Company continues to seek capital to fund working capital and its exploration and development projects. There is no assurance that additional funding will be available. Liquidity risk is therefore high.