

Big Dougie Capital Corp.
Condensed Interim Financial Statements

(Unaudited)

For the nine months ended September 30, 2018

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed these unaudited condensed interim financial statements for the period ended September 30, 2018.

NOTICE TO READER OF THE INTERIM FINANCIAL STATEMENTS

The condensed interim financial statements of Big Dougie Capital Corp. comprising the accompanying condensed statement of financial position as at September 30, 2018 and the condensed statement of loss and comprehensive loss, changes in equity and cash flows for the period then ended are the responsibility of the Company's management.

These financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company, MNP LLP. The condensed interim financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these condensed interim financial statements in accordance with International Financial Reporting Standards.

November 23, 2018

signed "Al Kroontje"

Al Kroontje, Chief Executive Officer

signed "John McMahon"

John McMahon, Chief Financial Officer

Big Dougie Capital Corp.
Condensed Interim Statement of Financial Position
As at,

	September 30, 2018 (Unaudited)	January 15, 2018 (Audited)
Assets		
Current		
Cash	\$ 585,751	\$ 479,500
Other receivable	3,750	-
Deferred financing costs	-	25,000
Total assets	\$ 589,501	\$ 504,500
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 1,000	\$ 4,500
Shareholders' Equity		
Share capital (Note 4)	\$ 574,154	\$ 500,000
Contributed surplus	132,472	-
Deficit	(118,125)	-
Total shareholders' equity	588,501	500,000
Total liabilities and shareholders' equity	\$ 589,501	\$ 504,500

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

Big Dougie Capital Corp.
Condensed Interim Statement of Loss and Comprehensive Loss
(Unaudited)

	Notes	Three and Nine months ended	
	1	September 30, 2018	
Expenses			
Share-based compensation		\$	118,125
Net loss and comprehensive loss for the period		\$	118,125
Loss per share	4	\$	(0.01)

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

Big Dougie Capital Corp.
Condensed Interim Statement of Changes in Shareholders' Equity
(Unaudited)

	Note	Share Capital (\$)	Contributed Surplus (\$)	Deficit (\$)	Shareholders' Equity (\$)
As at January 15, 2018		500,000			500,000
Issuance of common shares	4	200,000			200,000
Share issuance costs	4	(111,499)			(111,499)
Share-based compensation			118,125		118,125
Fair value of broker warrants	4	(14,347)	14,347		-
Net loss for the period				(118,125)	(118,125)
As at September 30, 2018		574,154	132,472	(118,125)	588,501

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

Big Dougie Capital Corp.
Condensed Interim Statement of Cash Flows
For the nine months ended September 30,
(Unaudited)

		2018
Cash provided by the following activities:		(note 1)
Operating activities		
Net loss	\$	(118,125)
Share-based compensation		118,125
Change in non-cash working capital:		
Accounts receivable & deferred financing costs		17,524
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Cash flows provided by operating activities	\$	17,524
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Financing activities		
Issuance of common shares	\$	200,000
Share issue costs		(111,499)
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Cash flows provided by financing activities		88,727
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Change in cash and cash equivalents	\$	106,251
Cash, January 15, 2018		479,500
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Cash, end of period	\$	585,751

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

Big Dougie Capital Corp.

Condensed Interim Notes to the Financial Statements

For the three and nine months ended September 30, 2018

1. Incorporation and operations

Big Dougie Capital Corp. (the "Company") was incorporated on December 14, 2017 by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta). The Company is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising of an option or by any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules.

The head office and registered office of the Company is located at 900, 903 – 8th Avenue SW, Calgary Alberta, T2P 0P7.

The Company issued 10,000,000 common shares for an amount of \$500,000 on January 9, 2018; and on April 16, 2018, the Company's prospectus for an Initial Public Offering ("IPO") of the Company's common shares was received by the regulatory authorities.

Where an acquisition or participation is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments may be dependent upon the ability of the Company to obtain additional financing.

There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's shares from trading.

The Company had no operations during 2017 and accordingly there are no comparative figures for the period ending December 31, 2017.

2. Basis of preparation

Statement of compliance

The condensed interim financial statements for the three and nine months ended September 30, 2018 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), including IAS 34 Interim Financial Reporting. 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 January 15, 2018 audited financial statements.

These financial statements and the policies applied herein, were authorized for issue by the directors on November 23, 2018.

Basis of measurement

These condensed interim financial statements are stated in Canadian dollars which is the Company's functional currency and were prepared on a going concern basis, under the historical cost convention.

Use of estimates and judgments

The preparation of condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates and judgements are significant to the condensed interim financial statements are disclosed in Note 3.

Big Dougie Capital Corp.
Condensed Interim Notes to the Financial Statements

For the three and nine months ended September 30, 2018

3. Significant accounting policies

These condensed interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as the Company's audited financial statements dated January 15, 2018.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the condensed interim financial statements are:

Fair value of financial instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

Share-based compensation

In determining share-based compensation expense, the Company uses the Black-Scholes option pricing model, which requires a number of assumptions to be made, including the risk-free interest rate, volatility, dividend yield, forfeiture rate and expected option life.

Financial instruments

The Company is required to classify its various financial instruments into certain categories for the financial instruments' initial and subsequent measurement. This classification is based on management's judgement as to the purpose of the instrument and to which category is most applicable.

4. Share capital

Authorized

Unlimited number of voting Common Shares

Unlimited number of non-voting Preferred shares issuable in series

Issued Common Shares	Number of Shares	\$
Issued on incorporation at \$0.05 per share	1	-
Issued at \$0.05 per share ⁽ⁱ⁾	9,999,999	500,000
Issued at \$0.10 per share ⁽ⁱⁱ⁾	2,000,000	200,000
Share issuance costs ⁽ⁱⁱⁱ⁾		(125,846)
As at September 30, 2018	12,000,000	574,154

Big Dougie Capital Corp.

Condensed Interim Notes to the Financial Statements

For the three and nine months ended September 30, 2018

- (i) The Company has issued 10,000,000 Common Shares for cash proceeds of \$500,000 subject to an escrow agreement whereby 10% of the shares will be released upon completion and approval of the Company's qualifying transaction. An additional 15% of the escrowed Common shares will be released on each six-month anniversary thereafter unless otherwise permitted by the Exchange. Common Shares issued upon the exercise of options held by officers and directors are subject to the same escrow conditions. These Common Shares, which are considered contingently issuable until the Company completes a Qualifying Transaction, are not considered to be outstanding for the purpose of the loss per share calculation.
- (ii) On July 11, 2018, the Company completed its initial public offering and raised gross proceeds of \$200,000 through the issuance of 2,000,000 Common Shares at a price of \$0.10 per share. Included in the total share issue costs of \$125,846 are cash expenditures of \$111,499 and the fair value of broker warrants of \$14,347.
- (iii) The Company granted Agent's Options (the "Agent's Options") which entitles the Agent to purchase in aggregate up to 200,000 Common Shares at an exercise price \$0.10 per Common Share. The Agent's Options will expire 24 months from the date the Common Shares were listed on the TSX Venture. The Agent also received a cash commission equal to 10% of the gross proceeds of the Offering, a corporate finance fee of \$10,000 and was reimbursed for its legal fees and reasonable expenses.

Share-based payments

The Company has adopted an incentive stock option plan which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. However, other than in connection with a Qualifying Transaction, during the time that the Company is a CPC, the aggregate number of Common Shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the Common Shares of the Company issued and outstanding at the closing of the Company's initial public offering. Such options will be exercisable for a period of up to ten years from the date of grant and vest immediately in accordance with the terms of their grant.

<i>Options</i>	Number of options (#)	Weighted average exercise price (\$)
As at January 15, 2018	-	-
Issued to directors and officers	12,000,000	0.10
As at September 30, 2018	12,000,000	0.10

<i>Broker Warrants</i>	Number of warrants (#)	Weighted average exercise price (\$)
As at January 15, 2018	-	-
Issued to agents	200,000	0.10
As at September 30, 2018	200,000	0.10

The fair value of the stock options and broker warrants has been estimated at the date of grant using the Black-Scholes option pricing model on the following assumptions:

	Stock Options	Broker Warrants
Dividend yield	0%	0%
Expected volatility	150%	150%
Risk-free interest rate	2.48%	2.04%
Forfeiture rate	nil	0%
Fair value per warrant	\$ 0.10	\$ 0.07

Big Dougie Capital Corp.
Condensed Interim Notes to the Financial Statements

For the three and nine months ended September 30, 2018

The stock options were granted on July 11, 2018 with an exercise price of \$0.10 per common share, a term of ten years and vested upon issuance.

The broker warrants were issued on July 11, 2018 with an exercise price of \$0.10 per common share and expire two years from the date of issuance.

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares issued during the year excluding ordinary shares purchased by the Company and held as treasury shares. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Company has dilutive instruments outstanding, which consist of stock options and broker warrants. The dilutive impact of these instruments using the treasury stock method results in anti-dilution as a result of the Company incurring losses during the periods presented. As a result, diluted loss per share and the impact of these instruments on the weighted average number of shares outstanding is not presented in the financial statements.

4. Capital disclosures

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete an acquisition or other transaction as disclosed in Note 1.

The Company is not subject to any externally or internally imposed capital requirements at period-end apart from the capital requirements of the Exchange.

5. Financial instruments

The Company, as part of its operations, carries financial instruments consisting of cash and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.