Condensed Interim Financial Statements of

DLV Resources Ltd.

Nine months ended August 31, 2019 and 2018
(Expressed in Canadian dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed interim financial statements of DLV Resources Ltd. (the "Company") have been prepared by and are the responsibility of the Company's management.

In accordance with National Instrument 51-102, the Company discloses that its independent auditor has not performed a review of these condensed interim financial statements.

DLV Resources Ltd.

Condensed Interim Statements of Financial Position

(Expressed in Canadian dollars)
(Unaudited)

	August 31, 2019	November 30, 2018
Assets		
Current assets		
Cash	**$ 2,459,378**	$ 2,552,577
Amounts receivable	**2,678**	2,043
	2,462,056	2,554,620
Total assets	**$ 2,462,056**	$ 2,554,620
Liabilities		
Current liabilities		
Amounts payable	**$ 37,142**	$ 39,300
Total liabilities	**37,142**	39,300
Equity		
Share capital (Note 4)	**20,705,484**	20,683,484
Equity reserve (Note 4)	**198,059**	198,059
Deficit	**(18,478,629)**	(18,366,223)
Total equity	**2,424,914**	2,515,320
Total liabilities and equity	**$ 2,462,056**	$ 2,554,620

Nature of operations (Note 1)

Approved by the Board of Directors and authorized for issue on October 25, 2019:

"Geir Liland" Director

"Larry Copeland" Director

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

DLV Resources Ltd.

Condensed Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)
(Unaudited)

	Three months ended August 31,		Nine months ended August 31,	
	2019	2018	**2019**	2018
Expenses				
Consulting and management	**$ 30,000**	$ 30,000	**$ 90,000**	$ 90,000
Office and administration	**13,786**	8,846	**38,935**	16,811
Professional fees	**2,500**	2,500	**11,672**	8,227
Regulatory and filing	**3,366**	8,820	**10,372**	811
	(49,652)	(50,166)	**(150,979)**	(115,849)
Interest income	**12,799**	8	**38,573**	25
Loss and comprehensive loss for the period	**$ (36,853)**	$ (50,158)	**$ (112,406)**	$ (115,824)
Basic and diluted loss per share for the period	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	**74,340,328**	74,066,198	**74,276,094**	61,175,729

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

DLV Resources Ltd.

Condensed Interim Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)
(Unaudited)

	Share Capital				Total equity
	Shares issued	Amount	Reserves	Deficit	(deficiency)
At November 30, 2017	34,000,328	$ 17,524,725	$ 198,059	$ (18,184,158)	$ (461,374)
Private placement	40,000,000	3,200,000	-	-	3,200,000
Share issue costs	-	(56,641)	-	-	(56,641)
Exercise of warrants	140,000	15,400	-	-	15,400
Loss and comprehensive loss for the period	-	-	-	(115,824)	(115,824)
At August 31, 2018	74,140,328	20,683,484	198,059	(18,299,982)	2,581,561
Loss and comprehensive loss for the period	-	-	-	(66,241)	(66,241)
At November 30, 2018	74,140,328	20,683,484	198,059	(18,366,223)	2,515,320
Exercise of warrants	200,000	22,000	-	-	22,000
Loss and comprehensive loss for the period	-	-	-	(112,406)	(112,406)
At August 31, 2019	74,340,328	$ 20,705,484	$ 198,059	$ (18,478,629)	$ 2,424,914

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

DLV Resources Ltd.

Condensed Interim Statements of Cash Flows

(Expressed in Canadian dollars)
(Unaudited)

	Nine months ended August 31,	
	2019	2018
Operating activities		
Loss for the period	**$ (112,406)**	$ (115,824)
Changes in non-cash working capital items:		
Amounts receivable	**(635)**	17,993
Amounts payable	**(2,158)**	(474,126)
	(115,199)	(571,957)
Financing activities		
Proceeds on shares issued, net of share issuance costs	**-**	3,143,359
Exercise of warrants	**22,000**	15,400
	22,000	3,158,759
Change in cash	**(93,199)**	2,586,802
Cash, beginning of period	**2,552,577**	4,212
Cash, end of period	**$ 2,459,378**	$ 2,591,014

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

1. NATURE OF OPERATIONS

The Company is listed on the TSX Venture Exchange ("TSX.V") under the symbol "DLV.H". The address of the Company's registered and records office is 25th Floor, 700 West Georgia Street, Vancouver, BC V7Y 1B3.

The Company has not generated significant revenues from operations. As at August 31, 2019, the Company had working capital of $2,424,914. The Company recorded a loss of $112,406 for the nine months ended August 31, 2019, and had an accumulated deficit of $18,478,629 as at August 31, 2019. The Company does not currently have a recurring source of revenue. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company.

2. BASIS OF PRESENTATION

Statement of compliance

The Company prepares its annual financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretation Committee. These unaudited condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting and follow the same accounting policies and methods of application as the Company's most recent annual financial statements. Accordingly, they should be read in conjunction with the Company's most recent annual financial statements.

3. EXPLORATION AND EVALUATION ASSETS

British Columbia Property

The Company owns a mineral property located in the Skeena Mining Division in North Western British Columbia.

As at August 31, 2019, the carrying value of this property was $nil.

4. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and fully paid

During the nine months ended August 31, 2019, 200,000 common shares were issued pursuant to the exercise of warrants for proceeds of $22,000.

During the nine months ended August 31, 2018, the Company issued 40,000,000 units at a price of $0.08 per unit for gross proceeds of $3,200,000. Each unit consists of one common share of the Company and one warrant, with each warrant being exercisable into one common share of the Company at a price of $0.11 until February 26, 2019. The Company allocated $nil value to the warrants. The Company incurred share issue costs of $56,641 during the year ended November 30, 2018, related to this unit financing.

In February 2019, 39,660,000 warrants expired.

4. SHARE CAPITAL (continued)

(c) Warrants

Following is a summary of changes in warrants outstanding:

	Warrants outstanding	Weighted average exercise price
Balance, November 30, 2017	-	$ -
Issued	40,000,000	0.11
Exercised	(140,000)	0.11
Balance, August 31, 2018 and November 30, 2018	39,860,000	0.11
Exercised	(200,000)	0.11
Expired	(39,660,000)	0.11
Balance, August 31, 2019	-	$ -

5. RELATED PARTY TRANSACTIONS

During the nine months ended August 31, 2019, the Company paid or accrued $nil (2018: $nil) to related parties.

As at August 31, 2019, $954 (August 31, 2018: $954) is included in amounts payable in the statement of financial position and due to a law firm where a former Company director and officer is a partner firm.

6. FINANCIAL INSTRUMENTS

Financial Risk Management and Fair Value Measurement

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, amounts receivable, and amounts payable. Cash, amounts receivable and amounts payable are held at carrying value which approximates fair value due to the short-term nature of these instruments.

Financial Instrument Risk Exposure

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

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company is exposed to credit risk on cash and amounts receivable. The Company reduces its credit risk on cash by maintaining its bank account with a large international financial institution. The maximum exposure to credit risk is equal to the carrying value of its cash.

6. FINANCIAL INSTRUMENTS (continued)

Liquidity Risk

The Company's cash is invested in bank accounts which are available on demand. The liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk through careful management of its financial obligations in relation to its cash position. Using budgeting processes, the Company manages its liquidity requirements based on expected cash flow to ensure there are adequate funds to meet the short term obligations during the period.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign currency and price risk.

a) *Interest Rate Risk*

The Company is nominally exposed to interest rate risk. The Company's cash earns interest at variable rates. The Company's future earned interest is exposed to short-term rate fluctuations. Interest rate exposure is considered to be insignificant.

b) *Foreign Currency Risk*

The Company is not exposed to currency risk as all transactions are denominated in Canadian dollars.

c) *Price Risk*

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

7. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions, business opportunity and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or return capital to its shareholders. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis. There was no change in the Company's management of capital policies during the nine months ended August 31, 2019.

8. COMPARATIVE FIGURES

Certain comparative data have been reclassified to conform with the presentation of the current period. The Company has grouped together certain expenses on the statements of loss and comprehensive loss. There is no net impact on the financial position, net loss, cash flows or loss per share in fiscal 2018 as a result of these reclassifications.