



STAMPER OIL & GAS CORP.

Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian Dollars)

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited interim financial statements for the quarter ended September 30, 2019.

STAMPER OIL & GAS CORP.
Consolidated Statement of Financial Position
(Expressed in Canadian dollars)

	September 30, 2019	June 30, 2019
	\$	\$
ASSETS		
CURRENT		
Cash	552	559
Prepaid expense	-	-
Receivables	2,255	3,320
	2,807	3,879
LIABILITIES		
CURRENT		
Accounts payable	442,880	397,372
Accrued liabilities	29,961	30,827
Loans payable (Note 5)	338,650	338,650
	811,491	766,849
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share capital	50,361,313	50,361,313
Additional paid-in capital	4,859,665	4,859,665
Deficit	(56,029,662)	(55,983,948)
	(808,684)	(762,970)
	2,807	3,879

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)

APPROVED ON BEHALF OF THE BOARD on November 27, 2019:

(signed) Bryson Goodwin
 Bryson Goodwin, Director

(signed) Philip Kwong
 Philip Kwong, Director

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

STAMPER OIL & GAS CORP.
Consolidated Statement of Operations
(Expressed in Canadian dollars)

	Three months ended September 30,	
	2019	2018
GENERAL & ADMINISTRATIVE		
Auditing and legal	\$ 6,788	\$ 1,098
Management & consulting fees	\$ 30,000	120,000
Regulatory costs	\$ 1,001	8,327
Rent	\$ 7,500	15,000
Communications	\$ -	1,170
Salaries and wages	\$ -	4,605
Travel	\$ -	6,148
Office and other	\$ 425	3,906
Loss before other items	\$ 45,714	\$ 160,254
OTHER ITEMS		
New project investigations	\$ -	\$ 5,375
LOSS (INCOME) FOR THE YEAR	\$ 45,714	\$ 165,629
LOSS (EARNINGS) PER SHARE		
Basic and fully diluted	\$ 0.00	\$ 0.00
Weighted average number of common shares used to calculate loss per share	34,599,022	34,599,022

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

STAMPER OIL & GAS CORP.**Consolidated Statement of Changes in Shareholder's Equity (Deficiency)****(Expressed in Canadian dollars)**

	Shares	Share Capital Amount	Subscriptions Received in Advance	Additional Paid-in Capital	Deficit	Total Shareholders' Equity (Deficiency)
Balance June 30, 2018	34,599,022	\$ 50,361,313	\$ -	\$ 4,859,665	\$(56,003,163)	\$ (782,185)
Income for the year	-	-	-	-	19,215	19,215
Balance June 30, 2019	34,599,022	50,361,313	-	4,859,665	(55,983,948)	(762,970)
Loss for the period	-	-	-	-	(45,714)	(45,714)
Balance September 30, 2019	34,599,022	\$ 50,361,313	\$ -	\$ 4,859,665	\$(56,029,662)	\$ (808,684)

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

STAMPER OIL & GAS CORP.
Consolidated Statement of Cash Flows
(Expressed in Canadian dollars)

	Three months ended September 30,	
	2019	2018
OPERATING ACTIVITIES		
Loss for the period	\$ (45,714)	\$ (165,629)
Add non-cash items		
Net change in non-cash working capital (Note 8)	45,707	163,640
NET CASH USED IN OPERATING ACTIVITIES	(7)	(1,989)
NET CASH (OUTFLOW) INFLOW	(7)	(1,989)
CASH, BEGINNING OF YEAR	559	18,678
CASH, END OF YEAR	\$ 552	\$ 16,689
CASH BALANCE CONSISTS OF:		
Bank indebtedness	\$ -	\$ -
Cash	552	18,678

Supplemental disclosure with respect to cash flow (Note 7)

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

STAMPER OIL & GAS CORP.
Notes to Consolidated Financial Statements
Period ended September 30, 2019 and 2018
(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Stamper Oil & Gas Inc., (the “Company”) (formerly Panorama Petroleum Inc.) is an exploration stage company incorporated under the laws of British Columbia on September 18, 1984. The company is in the process of acquiring and exploring natural resource properties and has not yet determined whether the properties contain ore or gas reserves that are economically recoverable.

The Company’s head office, principal address and registered and records office is 310 – 221 West Esplanade, North Vancouver, British Columbia, Canada, V7M 3J3.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations rather than through a process of forced liquidation. The Company has incurred operating losses over the past several years and does not have a current source of revenue or sufficient financial resources to sustain operations in the long term.

The Company continues to be dependent upon its ability to finance its operations and exploration programs through financing activities that may include issuances of additional debt or equity securities. The Company’s ability to continue as a going concern, is dependent upon the existence and economic recovery of reserves, the ability to raise financing to complete the development of future properties, and upon future profitable production or, alternatively, upon the Company’s ability to dispose of its interest on an advantageous basis, all of which are uncertain.

While the Company has been successful in obtaining its required financing in the past, mainly through non-arms-length demand loans, there is no assurance that such financing will be available or be available on favourable terms. These material uncertainties may cast significant doubt on the ability of the Company to continue as a going concern. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. STATEMENT OF COMPLIANCE

These consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These consolidated financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The Company’s presentation currency is Canadian dollars. Reference herein of \$ is to Canadian dollars. Reference herein to US\$ is to United States dollars.

3. SIGNIFICANT ACCOUNTING POLICIES

Consolidation

These condensed interim consolidated financial statements include the financial statements of the Company and its 100%-owned subsidiary, Maverick Mining (Pvt) Ltd., a Pakistan-incorporated company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All inter-company transactions have been eliminated.

STAMPER OIL & GAS CORP.
Notes to Consolidated Financial Statements
Period ended September 30, 2019 and 2018
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Use of estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation and judgment uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

The determination of deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases (“temporary differences”), and losses carried forward. The determination of the ability of the Company to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether it is “probable” that the Company will benefit from these prior losses and other deferred tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilizing the losses.

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company’s stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Exploration and evaluation assets

Costs directly related to the exploration and evaluation of mineral properties are capitalized to exploration and evaluation assets once the legal rights to explore the mineral properties are acquired or obtained. When the technical and commercial viability of a mineral resource have been demonstrated and a development decision has been made, the capitalized costs of the related property are transferred to mining assets and depreciated using the units of production method on commencement of commercial production.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined that there is an impairment in value, the property is written down to its recoverable amount. Mineral properties are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

From time to time, the Company acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as exploration and evaluation assets or recoveries when the payments are made or received. After all costs relating to a property have been recovered, further payments received are recorded as a gain on option or disposition of exploration and evaluation assets.

STAMPER OIL & GAS CORP.
Notes to Consolidated Financial Statements
Period ended September 30, 2019 and 2018
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Provision for environmental rehabilitation

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of exploration and evaluation assets and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The increase in the provision due to the passage of time is recognized as interest expense.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operations and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of operations.

STAMPER OIL & GAS CORP.
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3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income (Loss) per share

Basic income (loss) per share is computed by dividing the income (loss) for the year by the weighted average number of common shares outstanding during the year. Diluted income (loss) per share is calculated based on the weighted average number of common shares outstanding during the year, plus the effects of dilutive common share equivalents. Common share equivalents include stock options and warrants. For this purpose, the “treasury stock method” is used with respect to stock options and warrants.

Income taxes

Deferred taxes relate to the expected future tax consequences of differences between the carrying amount of statement of financial position items and their corresponding tax values. Deferred tax assets, including those arising from unused loss carry-forwards and other deductions, are recognized only to the extent that, in the opinion of management, it is more likely than not that the deferred tax assets will be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment or substantive enactment.

Financial instruments

The Company has adopted new accounting standard IFR 9 – Financial Instruments, effective July 1, 2018. The new standard sets out requirements for classifying, recognizing and measuring financial assets and financial liabilities. This standard replaces IAS 39 – Financial Instruments: Recognition and Measurement.

IFRS 9 allows for an exemption from restating prior periods in respect of the standard’s classification and measurement requirements. The Company has chosen to apply this exemption upon initial adoption, although it was determined that the adoption of IFRS 9 had no impact on the comparative period’s financial statements.

IFRS 9 establishes three primary measurement categories for financial assets: fair value through profit and loss (“FVTPL”), fair value through other comprehensive income (“FVOCI”) and amortized cost. The basis for classification depends on the entity’s business model and the contractual cash flow characteristics of the instrument. For financial liabilities, the new standard retains most of the requirements of IAS 39, except that fair value changes due to changes in an entity’s own credit risk are recorded in other comprehensive income rather than in net earnings.

The following is the Company’s new accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of financial assets is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

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3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Equity investments at FVOCI. These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The Company's financial assets and liabilities are recorded and measured as follows:

Asset or liability	Category	Measurement
Cash	FVTPL	Fair value
Accounts Payable	Other liabilities	Amortized cost
Accrued Liabilities	Other liabilities	Amortized cost
Loans Payable	Other liabilities	Amortized costs

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3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash has been measured at fair value using Level 1 inputs.

New standards not yet adopted

The following new standards, amendments to standards and interpretations have been issued but are not effective during the period ended September 30, 2019:

- IFRS 16 New Leasing standard replacing IAS 17 for the classification and measurement of leases (effective for annual periods beginning on or after January 1, 2019). The Company is evaluating the impact of this standard on the consolidated financial statements.

4. EXPLORATION AND EVALUATION ASSETS

Block 25, Sudan

The Company entered into a Memorandum of Understanding with State Oil Corporation (“State”), a company controlled by a former director of the Company, on August 18, 2017 (the “State MOU”). Under the terms of the MOU the Company had the rights to acquire 100% of the issued and outstanding shares of State for 25,000,000 shares of the Company subject to regulatory approval. State entered into a Memorandum of Understanding for Cooperation with Sudapet Company Ltd. (“Sudapet”) on July 27, 2017 (the “Sudan MOU”). The term of this Sudan MOU was extended to April 30, 2018. During the year ended June 30, 2018, the Company determined the Sudan MOU would not be successful as originally contemplated and the Company abandoned the State MOU. The funds required to meet the terms and conditions of the Sudan MOU was approximately \$140 million. Prior to determining the deal would not be completed, in the Company’s efforts to raise the requisite funds, the Company spent \$Nil in 2019 (2018 - \$2,226,579) on promotional activities. These amounts included share issuances valued at \$820,000 (Note 7) and cash payments of \$1,406,579.

Barit-Hunkui Copper/Gold Project, Pakistan

The Company held one exploration and evaluation asset since 2013, the Barit-Hunkui Concession located in Pakistan. During the year ended June 30, 2018 the Company determined that it would not proceed with this project, and previously capitalized expenditures were written off.

STAMPER OIL & GAS CORP.
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5. LOANS PAYABLE

The following table summarized the Company's outstanding debt obligations. The loans are unsecured, due on demand, and with parties who transact with the Company on a non-arm's-length basis. Transactions between the related parties are approved by the Board of Directors.

	September 30, 2019	June 30, 2019
Related party loan (non-interest bearing)	\$ -	\$ -
Other short-term loans (non-interest bearing)	338,650	338,650
	\$ 338,650	\$ 338,650

6. SHARE CAPITAL AND ADDITIONAL PAID-IN CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Warrants

The following table summarizes the warrant activity for the current and previous fiscal year.

	Weighted Average Exercise Price	Expiry Date	Number of warrants
Outstanding and exercisable on June 30, 2018	\$ 0.58		4,770,500
Expired	0.40	Jan. 9, 2019	(45,000)
Expired	0.40	May 9, 2019	(77,000)
Expired	0.40	June 4, 2019	(61,000)
Outstanding and exercisable on June 30, 2019	\$ 0.59		4,587,500
Expired	\$ 0.75	July 11, 2019	(625,000)
Outstanding and exercisable on September 30, 2019	\$ 0.56		3,962,500

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6. SHARE CAPITAL AND ADDITIONAL PAID-IN CAPITAL *(continued)*

(c) Stock options

The following table summarizes the stock option activity for the current and prior fiscal years:

	Number of options	Expiry Date	Weighted average exercise price
Outstanding and Exercisable, June 30, 2018	2,650,000		\$ 0.480
Expired	(2,650,000)		\$ 0.480
Outstanding and Exercisable, June 30, 2019	-		\$ -
Outstanding and Exercisable, September 30, 2019	-		\$ -

7. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOW

Net change in non-cash operating working capital items

	Three months ended September 30,	
	2019	2018
Accounts receivable	\$ 2,255	\$ 10,830
Prepaid expenses	-	7,594
Accounts payable	442,880	144,933
Accrued liabilities	29,961	283
	\$ 475,096	\$ 163,640

8. RELATED PARTY TRANSACTIONS

During the period ended September 30, 2019, significant related party transactions and balances not disclosed elsewhere are as follows:

- (a) The following payments were made to key management personnel (directors, officers and former directors and officers of the Company as well as other management personnel having a significant role in the decision making process): \$24,000 (September 30, 2018 - \$120,000) for consulting fees included in operating costs.
- (b) Included in accounts payable at September 30, 2019 is \$56,337 (June 30, 2019 - \$67,437) due to companies with a common director and/or key management personnel.

9. SEGMENTED INFORMATION

The Company currently operates in one industry segment, that being the acquisition, exploration, development and operation of oil and gas assets.

STAMPER OIL & GAS CORP.
Notes to Consolidated Financial Statements
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10. FINANCIAL RISK FACTORS

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of receivables, accounts payable, loans payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Cash is carried at fair value using a level 1 fair value measurement.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Company if the counter-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2019, the Company had a cash balance of \$559 (2018 - \$18,678) to settle current liabilities of \$766,849 (2017 - \$873,782). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The risk to the going concern assumption is presented in Note 1.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at September 30, 2019, the Company did not have any investments in investment-grade short-term deposit certificates.

The Company currently has no financial liabilities exposed to interest rate risk (Note 5). The Company does not use derivative instruments to reduce its exposure to interest rate risk.

b) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies; however, the Company currently has virtually no foreign currency denominated liabilities or assets.

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10. FINANCIAL RISK FACTORS *(continued)*

Fluctuations in the foreign currencies will, consequently, have little impact upon the Company's profitability and the value of the Company's liabilities. As at September 30, 2019, the impact of a 10% change in rate of exchange on the US Dollar compared to the Canadian dollar would result in virtually no change on the Company's loss for the year. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

c) Price risk

The Company is exposed to price risk with respect to commodity and 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. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

11. CAPITAL MANAGEMENT

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the exploration and development of its oil and gas interests. Capital is comprised of the Company's shareholders' equity (deficiency). As at September 30, 2019, the Company's shareholders' deficiency was \$808,684 (June 30, 2019 - \$762,970). The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There were no changes to the way the Company manages its capital in the current year.