

Meteorite Capital Inc.
Condensed Interim Financial Statements
September 30, 2018

Meteorite Capital Inc.

Contents

For the three and five month periods ending September 30, 2018

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NOTICE TO READER

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management of Meteorite Capital Inc.

The independent auditor has not performed a review of these unaudited interim financial statements in accordance with the Standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Meteorite Capital Inc.
Condensed Interim Statement of Financial Position
As at September 30, 2018
(Expressed in Canadian dollars)

2018

Assets

Current assets	
Cash	770,713
Sales taxes recoverable	11,071
Total assets	781,784

Liabilities and Shareholder's Equity

Current liabilities	
Accounts payable and accrued liabilities <i>(Note 7)</i>	58,051
Total liabilities	58,051

Equity

Share capital <i>(Note 6)</i>	776,233
Warrants <i>(Note 6)</i>	39,874
Deficit	(92,374)
Total equity	723,733
Total equity and liabilities	781,784

Approved on behalf of the Board

"signed"
Ivan Spector
Director

"signed"
Mitchell Greenspoon
Director

Meteorite Capital Inc.
Condensed Interim Statement of Loss and Comprehensive Loss
For the three and five month periods ending September 30, 2018
(Expressed in Canadian dollars)

	3 Months Ended September 30, 2018	5 Months Ended September 30, 2018
Expenses		
Professional fees	21,637	28,947
Listing fees	63,374	63,374
Bank charges	36	53
Net loss and comprehensive loss	(85,047)	(92,374)
Basic and fully diluted loss per share <i>(Note 6(c))</i>	(0.04)	(0.04)

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

Meteorite Capital Inc.
Condensed Interim Statement of Changes in Equity
For the five month period ending September 30, 2018
(Expressed in Canadian dollars)

	<i>Number of shares</i>	<i>Share Capital</i>	<i>Warrants</i>	<i>Deficit</i>	<i>Total equity</i>
Balance - April 27, 2018	-	-		-	-
Issuance of founder shares during the period <i>(Note 6)</i>	2,065,000	154,875		-	154,875
Issuance of shares under public offering <i>(Note 6)</i>	5,000,000	750,000			750,000
Share issuance costs <i>(Note 6)</i>	-	(128,642)	39,874		(88,768)
Net loss and comprehensive loss	-	-		(92,374)	(92,374)
Balance – September 30, 2018	7,065,000	776,233	39,874	(92,374)	723,733

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

Meteorite Capital Inc.
Condensed Interim Statement of Cash Flows
For the three and five month periods ending September 30, 2018
(Expressed in Canadian dollars)

**5 Months
Ended
September 30,
2018**

Cash flows (used in) provided by

Operating activities

Net loss	(92,374)
Net change in non-cash working capital items	
Taxes recoverable	(11,071)
Accounts payable and accrued liabilities	58,051
	(45,394)

Financing activities

Proceeds from issuance of common shares and net cash provided by financing activities, net of issue costs	816,107
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Net changes in cash, cash end of period **770,713**

Meteorite Capital Inc.
Notes to the Condensed Interim Financial Statements
As at September 30, 2018
(Expressed in Canadian dollars)

1. Nature of operations

Meteorite Capital Inc. ("the Company") was incorporated pursuant to the provisions of the Canada Business Corporations Act on April 27, 2018. The Company intends to carry on business as a "Capital Pool Corporation" ("CPC"), as such term is defined in TSX Venture Exchange Inc. (the "Exchange") Policy 2.4 - Capital Pool Companies ("Policy 2.4"). To date, the Company has no business operations and did not enter into any agreement to acquire an interest in businesses or assets. The Company's principal purpose is the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company's registered head office address is 1 Place Ville Marie, Suite 3900, Montreal, Québec H3B 4M7.

Where a Qualifying Transaction is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing. Under Exchange Policy 2.4, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or delist the Company's shares from trading should it not meet these requirements.

2. Basis of presentation

These condensed interim financial statements are prepared by the Company in accordance with IAS 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These condensed interim financial statements should be read in conjunction with the Company's audited 64-day period ended June 30, 2018 as they have been prepared using the same accounting policies including the assumption that the Company operates as a going concern. Furthermore, these condensed interim financial statements are presented in Canadian dollars which is the functional currency of the Company.

These condensed interim financial statements were authorized for issue by the Board of Directors on November 30, 2018.

3. Significant accounting policies

Financial assets and financial liabilities

Financial assets are classified and measured based on the business model in which assets are managed and their cash flow characteristics. The Company determines the classification of financial assets at initial recognition. Financial assets are classified and measured based on three categories: amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit and loss (FVTPL). Financial liabilities are classified and measured on two categories: amortized cost or FVTPL.

The Company's financial asset is cash. Cash is classified and measured at amortized cost.

Such assets are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired.

The Company's financial liabilities are accounts payable and accrued liabilities which are classified and measured at amortized cost.

As at September 30, 2018, there are no amounts measured at fair value.

3. Significant accounting policies (Continued from previous page)

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from share capital, net of any tax effects.

Warrants

The Company engages in equity financing transactions which may involve the issuance of common shares or share purchase warrants ("Warrants"). Depending upon the terms and conditions of each equity financing agreement, the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants are valued based on their fair value using the Black Scholes option pricing model and warrants that are issued as payment for an agency fee or other transaction cost may be accounted for as share based payments, depending on the terms of the issuance.

Use of estimates, assumptions and judgments

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

Accounting standards issued but not yet applied

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. In the current circumstances, it does not expect any of these to have a material impact on the financial statements.

4. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and ensure sufficient liquidity in order to become a CPC and complete a Qualifying Transaction so that it can provide adequate returns for shareholders. 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 defines capital as total equity. The Company is not subject to any externally imposed capital requirements.

Meteorite Capital Inc.
Notes to the Condensed Interim Financial Statements
As at September 30, 2018
(Expressed in Canadian dollars)

5. Financial instruments and risk management

Fair Values

At September 30, 2018, the Company's financial instruments consist of cash and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

The Company is exposed in varying degrees to a number of risks arising from financial instruments. Management's involvement in the operations allows for the identification of risks and variances from expectations. The Company does not participate in the use of financial instruments to mitigate these risks. The Board approves the risk management processes. The Board's main objectives for managing risks are to ensure liquidity, the fulfillment of obligations, the continuation of the Company's search for a Qualifying Transaction, and limited exposure to credit and market risks.

The types of risk exposure and the way in which such exposures are managed are as follows:

Credit risk

Credit risk is the risk of loss if a third party to a financial instrument fails to meet its commercial obligations. The Company believes its exposure to credit risk is not significant.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

6. Share capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	<i>Number of common shares</i>	<i>Amount \$</i>
Shares issuance – founder shares (i)	2,065,000	154,875
Shares issuance – public offering (ii)	5,000,000	621,358
<hr/>		
Balance, September 30, 2018	7,065,000	776,233

(i) On April 27, 2018, the Company issued an aggregate of 2,065,000 common shares at a price of \$0.075 per share for gross cash proceeds of \$154,875

(ii) On September 17, 2018, the Company completed a public offering of shares pursuant to an amended and restated (final) prospectus at a price of \$0.15 per share resulting in 5,000,000 shares being issued for total gross proceeds of \$750,000. Total Agent's fees, commissions and other directly related expenses of \$88,769 attributable to the issuance of shares was recorded as a reduction of shareholders' equity.

In connection with the offering, the Company issued 500,000 non-transferable warrants (the "Agent's Warrants") to Leede Jones Gable Inc. (the "Agent"), exercisable at \$0.15 until September 28, 2020. The fair value of the Agent's Warrants at issuance was estimated to be \$39,874 using the Black Scholes option pricing model with the following assumptions: share price - \$0.15, dividend yield - 0%; expected volatility 100%; risk free interest rate – 2.33%; and an expected life - 2 years.

Meteorite Capital Inc.
Notes to the Condensed Interim Financial Statements
As at September 30, 2018
(Expressed in Canadian dollars)

c) Basic and diluted loss per share is calculated as follows:

Net comprehensive loss for the period	\$92,374
Total shares outstanding (including contingently issuable shares)	2,129,103
Loss per share, basic and fully diluted	\$0.04

d) Warrants issued

	Number of Warrants	Fair value \$
Warrant issuance (b)(ii)	500,000	39,874
Balance, September 30, 2018	500,000	39,874

7. Related party transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

During the five month period ended September 30, 2018, a law firm of which an officer and shareholder of the Company is a partner, provided legal services in the amount of \$29,945, all of which was payable as at September 30, 2018 and is included with accounts payable and accrued liabilities.

8. Income taxes

Deferred tax assets have not been recognized in respect to deductible temporary differences of approximately \$92,374 which arise from non-capital losses. The non-capital losses expire in 2028.