

Venerable Ventures Ltd.

Financial Statements

Presented in Canadian Dollars

For the Years Ended March 31, 2020 and 2019

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Venerable Ventures Ltd.

Opinion

I have audited the financial statements of Venerable Ventures Ltd. (the "Company"), which comprise the statements of financial position as at March 31, 2020 and 2019, the statements of operations and comprehensive loss, changes in equity, and cash flows for the years then ended, and the notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, these financial statements, present fairly, in all material respects, the financial position of the Company as at March 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained in my audit is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern

I draw attention to Note 1 of the financial statements, which indicates that the Company incurred a net loss of \$1,468,115 during the year ended March 31, 2020 and has accumulated losses to date of \$2,616,864. As stated in Note 1, these events and conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report included Management Discussion and Analysis.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of users take on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of managements use of the going concern basis of accounting and, based on the audit, evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditors report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditors report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonable be thought to bear on my independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Aaron Triplett.

Surrey, British Columbia
September 14, 2020

signed: A.R.T. Tax and Audit Ltd
Chartered Professional Accountant

Venerable Ventures Ltd.
Statements of Financial Position
Presented in Canadian Dollars
As at March 31, 2020

	2020		2019
Assets			
Current assets			
Cash	\$ 1,406	\$	11,906
Other receivable	1,931		1,116
Prepaid expenses (Note 5)	-		53,900
	3,337		66,922
Equipment (Note 6)	129		185
Exploration and evaluation assets (Note 7)	-		1,340,087
	\$ 3,466	\$	1,407,194
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	\$ 59,428	\$	46,519
Notes payable (Note 8)	178,483		127,005
	237,911		173,524
Shareholders' Equity			
Share capital (Note 9)	2,382,419		2,382,419
Deficit	(2,616,864)		(1,148,749)
	(234,445)		1,233,670
	\$ 3,466	\$	1,407,194

Note 1: Nature of Operations and Going Concern

Note 15: Subsequent Event

APPROVED ON BEHALF OF THE BOARD

(Signed) M. Miller

Marilyn Miller
 Director

(Signed) A. MacDonald

Alan MacDonald
 Director

See accompanying notes to the financial statements

Venerable Ventures Ltd.
Statements of Operations and Comprehensive Loss
Presented in Canadian Dollars
For the Years Ended March 31, 2020 and 2019

	2020	2019
Expenses		
Amortization (Note 6)	55	79
General exploration expenses	1,750	7,805
Listing and filing fees	14,315	9,979
Office and administration	87,205	143,584
Professional fees	6,000	6,420
Travel and expenses	18,703	7,272
Write down of exploration and evaluation assets (Note 7)	1,340,087	-
	1,468,115	175,139
Net loss and comprehensive loss	\$ 1,468,115	\$ 175,139
Basic and diluted loss per share (Note 11)	\$ 0.31	\$ 0.04
Weighted average number of common shares outstanding - Basic and diluted	4,712,937	4,712,937

See accompanying notes to the financial statements

Venerable Ventures Ltd.
Statements of Changes in Equity
Presented in Canadian Dollars
For the Years Ended March 31, 2020 and 2019

	Common Shares		Share Capital		Reserves		Deficit		Total
Balance, March 31, 2018	4,712,937	\$	2,382,419	\$	37,186	\$	(1,010,796)	\$	1,408,809
Expiry of stock options - Note 9(c)					(37,186)		37,186		-
Net loss and comprehensive loss	-		-		-		(175,139)		(175,139)
Balance, March 31, 2019	4,712,937	\$	2,382,419	\$	-	\$	(1,148,749)	\$	1,233,670
Net loss and comprehensive loss	-		-		-		(1,468,115)		(1,468,115)
Balance, March 31, 2020	4,712,937	\$	2,382,419	\$	-	\$	(2,616,864)	\$	(234,445)

Venerable Ventures Ltd.
Statements of Cash Flows
Presented in Canadian Dollars
For the Years Ended March 31, 2020 and 2019

	2020	2019
Operating Activities		
Net loss and comprehensive loss	\$ (1,468,115)	\$ (175,139)
Items not affecting cash		
Amortization	55	79
Write down of exploration and evaluation assets	1,340,087	
Net changes in non-cash working capital		
Other receivable	(815)	(441)
Prepaid expenses	53,900	110,000
Accounts payable and accrued liabilities	12,910	(32,724)
	(61,978)	(98,225)
Financing Activities		
Notes payable	51,478	104,128
	51,478	104,128
Net change in cash	(10,500)	5,903
Cash, beginning of the year	11,906	6,003
Cash, end of year	\$ 1,406	\$ 11,906

See accompanying notes to the financial statements

Venerable Ventures Ltd.
Notes to Financial Statements
Presented in Canadian Dollars
March 31, 2020 and 2019

1. NATURE OF OPERATIONS AND GOING CONCERN

Venerable Ventures Ltd. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on January 11, 2010. The principal business activity of the Company is the acquisition and exploration of mineral properties located in Canada. The Company is listed on the TSX Venture Exchange (“TSX-V”) under the symbol “VLV”.

The principal address of the Company is 666 Burrard Street, Suite 500, Vancouver, British Columbia, Canada, V3C 3P6.

These financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The ability of the Company to continue as a going concern and meet its commitments as they become due, including completion of the acquisition, exploration and development of its mineral properties, is dependent on the Company’s ability to obtain the necessary financing.

Several conditions cast significant doubt on the validity of the going concern assumption. For the year ended March 31, 2020, the Company has incurred an operating loss of \$1,468,115 (2019 - \$175,139), and as at March 31, 2020 has an accumulated deficit of \$2,616,864 (March 31, 2019 - \$1,148,749), limited resources, no source of operating cash flow and no assurance that sufficient funding will continue to be available to conduct further exploration and development of its mineral property interests.

The business of mining exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The recoverability of amounts shown for mineral property interests is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of mineral properties. The carrying value of the Company’s mineral property interests does not reflect current or future values. The financial statements do not include any adjustments to assets and liabilities should the Company be unable to continue as a going concern.

The financial statements of the Company were approved and authorized for issue by the Board of Directors on September 14, 2020.

The outbreak of the novel strain of coronavirus (“COVID-19”) has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

2. BASIS OF PREPARATION

Statement of Compliance

These financial statements and accompanying notes have been prepared in accordance with *International Financial Reporting Standards* (“IFRS”) as issued by the *International Standards Board* (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

Basis of Presentation

The financial statements have been prepared on a historical cost basis using the accrual basis of accounting, except for cash flow information. These financial statements are presented in Canadian Dollars, which is the functional currency of the Company.

Venerable Ventures Ltd.
Notes to Financial Statements
Presented in Canadian Dollars
March 31, 2020 and 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash

Cash consists of cash deposits with institutional banks.

Financial Instruments

Recognition and Classification

The Company recognized a financial asset or financial liability on the statements of financial position when it becomes party to the contractual provisions of the financial instrument.

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 debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

The following table shows the classification under IFRS 9

Cash	Amortized cost
Other receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Notes payable	Amortized cost

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.

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 the statements of operations and comprehensive 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. Gains and losses on derecognition are generally recognized in the statements of operations and comprehensive loss.

Venerable Ventures Ltd.
Notes to Financial Statements
Presented in Canadian Dollars
March 31, 2020 and 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets.

Disclosure and presentation

The Company follows IFRS 7 Financial Instruments – disclosures, which requires entities to provide disclosures in their financial statements that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the reporting date, and how the entity manages such risks. The quantitative disclosures provide information about the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel. Together, these disclosures provide an overview of the entity's use of financial instruments and the exposures to risks they create.

This IFRS disclosure also requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The accounting standard establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company discloses additional disclosures for this standard in Note 14.

The Company also follows IAS 32, Financial Instruments – Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset.

Equipment

Equipment is carried at cost, less accumulated amortization and any impairment in value. Amortization of equipment is calculated on a declining-balance basis at 30%.

Exploration and evaluation properties

The Company records its interest in exploration and evaluation properties at cost less accumulated impairment. Direct costs relating to the acquisition, exploration and development of mineral properties in which an interest is retained are deferred until such time as the properties are either put into commercial production, sold, determined not to be economically viable or abandoned. Pre-exploration costs are generally expensed unless it is probable that they will generate future economic benefits. When technical feasibility or commercial viability of the property has been determined, deferred costs would be amortized over the estimated life of the mineral property. Acquisition costs and related deferred exploration expenditures would be written off if an entire group of mining claims is disproven, sold or abandoned.

The amounts shown for mineral exploration properties represent costs incurred to date, less write-offs, and do not necessarily reflect the present or future values of the particular properties.

Venerable Ventures Ltd.
Notes to Financial Statements
Presented in Canadian Dollars
March 31, 2020 and 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation properties are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, or (ii) fact and circumstances suggest that the carrying amount exceeds the recoverable amount. The technical feasibility and commercial viability of extracting a mineral resource is considered to be determinable when proven resources are determined to exist, the rights of tenure are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area, or alternatively by sale of the property. Upon determination of proven reserves, intangible exploration and evaluation assets attributable to those reserves are first tested for impairment and then reclassified from exploration and evaluation assets to a separate category within tangible assets. Expenditures deemed to be unsuccessful are recognized in profit or loss immediately.

Impairment of non-financial assets

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.

Income Taxes

Income tax on profit or loss for the year comprises of current and deferred tax. Current tax is the expected tax paid or payable on the taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax paid or payable in respect of previous years.

Deferred tax is recorded by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognized only to the extent that it is probably that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probably that the related tax benefit will be realized. The effect on deferred tax assets and liabilities of a change in income tax rates is recognized in the period that includes the date of the enactments or substantive enactment of the change. Deferred tax assets and liabilities are presented separately except where there is a right of set-off within fiscal jurisdictions.

Venerable Ventures Ltd.
Notes to Financial Statements
Presented in Canadian Dollars
March 31, 2020 and 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign Currency Translation

Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At the statements of financial position's date, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the reporting date exchange rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in the statement of operations. Non-monetary items measured at historical cost are translated using the historical exchange rate. Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

Loss Per Share

Basic loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding during the year. Diluted loss per share amounts are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares assuming that proceeds received from the exercise of in-the-money stock options are used to repurchase common shares at the prevailing market value. For the years ended March 31, 2020 and 2019 the options and warrants are anti-dilutive.

Asset Retirement Obligations and Provisions

The Company recognizes provision for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of mineral properties and mineral assets under exploration and evaluation properties when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a provision for decommissioning costs is recognized at the present value of management's best estimate of expenditure required to settle the present obligation at the reporting date. Upon initial recognition of the liability, the corresponding decommissioning cost is added to the carrying amount of the related asset and the cost is amortized as an expense over the economic life of the asset using either the unit-of-production method or the straight-line method, as appropriate. Following the initial recognition of the decommissioning costs, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

The Company has no material decommissioning, restoration and similar liabilities as the disturbance to date is immaterial.

Stock-based Compensation

The Company accounts for stock-based compensation using the fair-value based method. The fair value as determined using the Black Scholes option pricing of each employee option is accounted for in the statements of operations, over the expected life of the options, and the related credit is included in contributed surplus.

For equity settled transactions with non-employees, the Company measures goods or services received at their fair value, unless that fair value cannot be estimated reliably, in which case, the Company measures their value by reference to the fair market value of the equity instruments granted.

Share Issuance Costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issue costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred share issue costs related to financing transactions that are not completed are charged to expenses.

Venerable Ventures Ltd.
Notes to Financial Statements
Presented in Canadian Dollars
March 31, 2020 and 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unit offerings

Proceeds received on the issuance of units, consisting of common shares and warrants are allocated using the residual method whereby proceeds are allocated first to capital stock based on the market trading price of the common shares at the time the units are priced, and any excess is allocated to warrants.

Adoption of new accounting standards

IFRS 16 – Leases (“IFRS 16”) was issued in January 2016 and replaces IAS 17 – Leases as well as some lease-related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The adoption of this accounting policy did not have an impact on the Company’s financial statements.

New and amended IFRS standards not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after April 1, 2020 or later periods. Many are not applicable to, or do not have a significant impact on, the Company and have therefore been excluded. The following have not been adopted and are being evaluated to determine their impact on the Company’s financial statements:

IAS 1 – Presentation of Financial Statements (“IAS 1”) and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”) were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020.

IFRS 3 – Business Combinations (“IFRS 3”) was amended in October 2018 to clarify the definition of a business. This amended definition states that a business must include inputs and a process and clarified that the process must be substantive, and the inputs and process must together significantly contribute to operating outputs. In addition it narrows the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs and added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. The amendments are effective for annual reporting periods beginning on or after January 1, 2020.

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

Venerable Ventures Ltd.
Notes to Financial Statements
Presented in Canadian Dollars
March 31, 2020 and 2019

4. SIGNIFICANT ESTIMATES AND JUDGMENTS

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Share based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Determining the fair value of such share based awards requires estimated as to the appropriate valuation model and the inputs for the model require assumptions including the rate of forfeiture of options granted, the expected life of the options, the Company's share price and its expected volatility, the risk-free interest rate and expected dividends.

Recovery of deferred tax assets

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement. At March 31, 2020, the Company has not recognized any deferred tax assets.

Provision for closure and reclamation

The Company assesses its provisions for closure and reclamation on an annual basis or when new material information becomes available. Provisions for closure and reclamation require management to makes estimates of the future costs of the work required to comply with legal or constructive obligations. Actual costs incurred may differ from those amounts estimated. At March 31, 2020, the Company has not recognized any provision for closure and reclamation.

Impairment of equipment and mineral properties

Assets or cash –generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's equipment and mineral properties.

In respect of costs incurred for its mineral properties, management has determined that exploratory drilling, evaluation, development and related costs incurred, which have been capitalized, are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic and metallurgic information, economics assessment/studies, accessible facilities and existing permits.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgment in applying the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- The classification of financial instruments

Venerable Ventures Ltd.
Notes to Financial Statements
Presented in Canadian Dollars
March 31, 2020 and 2019

5. PREPAID EXPENSES

	Mar. 31, 2020	Mar. 31, 2019
Advance for property exploration	\$ -	\$ 50,000
Other prepaid	-	3,900
	\$ -	\$ 53,900

6. EQUIPMENT

Cost	
As at March 31, 2019	\$2,653
Disposals	-
As at March 31, 2020	\$2,653
Accumulated Amortization	
As at March 31, 2019	2,469
Amortization	55
As at March 31, 2019	2,524
Carrying Value	
As at March 31, 2019	\$185
As at March 31, 2020	\$129

Venerable Ventures Ltd.
Notes to Financial Statements
Presented in Canadian Dollars
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7. EXPLORATION AND EVALUATION PROPERTIES

Amounts capitalized as mineral property costs are as follows:

	Trout Claims	Grub Property	Total
Balance, March 31, 2019	\$ 1,332,051	\$ 8,036	\$ 1,340,087
Write down during the year	(1,332,051)	(8,036)	(1,340,087)
Balance, March 31, 2020	\$ -	\$ -	\$ -

Trout Property

In 2011, the Company acquired an option (the "First Option") with Robert Carmichael and Landmark Geological Inc. (the "First Optionors") to acquire a 100% right, title and interest in and to certain mining claims known as the Trout Claims, located in the Nechako Plateau area, Omineca Mining Division, near Vanderhoof, British Columbia (the "Property"). The original agreement required initial cash payments and share issuances to the First Optionors and during the first three years, the Company paid an aggregate of \$255,000 and issued an aggregate 60,000 shares.

On May 15, 2014, the Company entered into an amended agreement with the First Optionors of the Property resulting in the addition of new claims and the extension of the option agreement. In consideration, the Company made additional payments totaling \$20,000 and issued 40,000 shares to the First Optionors.

On November 23, 2015, the Company entered into a Mineral Property Purchase Agreement (the "Purchase Agreement") with the First Optionors of the Trout Property that has completed the purchase of the Trout Property. Pursuant to the Purchase Agreement, the Company made a final payment of \$10,000 and issued 400,000 shares of the Company. The Property is subject to a 2% net smelter royalty and a repurchase agreement in the event of a change business or insolvency and other conditions.

As a result of these agreements, the Company has paid an aggregate of \$285,000 and issued an aggregate of 500,000 shares to the First Optionors.

On March 9, 2012, the Company signed an option agreement (the "Second Option") with BCT Mining Corp. (the "Second Optionors"), whereby the Company could earn up to a 100% right, title and interest in and to mining claims known as the Trout Claims, located adjacent to the Property. The Company completed the option agreement by paying an aggregate of \$60,000 and issuing an aggregate of 22,500 shares.

During the year ended March 31, 2020, the Company wrote down all costs associated with this property.

Grub Property

On July 26, 2016, the Company announced that it entered into a Grubstake agreement with Landmark Geological Inc. in relation to staking the Grub Property and paying approved expenditures in relation to the staking. In consideration of the Grubstake agreement the Company issued 20,000 shares to Landmark Geological Inc. In addition, the Company will pay \$20,000 if a drill program is initiated on this property and pay an additional \$50,000 if the exploration expenditures exceed \$1,000,000.

During the year ended March 31, 2020, the Company wrote down all costs associated with this property.

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7. EXPLORATION AND EVALUATION PROPERTIES (Continued)

Realization

The Company's investment in and expenditures on the mineral properties comprise a substantial portion of the Company's assets. Realization of the Company's investment in the assets is dependent on establishing legal ownership of the property interest, on the attainment of successful commercial production or from the proceeds of its disposal. The recoverability of the amounts shown for the mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the property interest, and future profitable production or proceeds from the disposition thereof.

Title and environmental

Although the Company has taken steps to verify the title to mineral properties in which it has or had a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated

8. NOTES PAYABLE

Notes payable is comprised of the following:

	March 31, 2020	March 31, 2019
Notes payable	\$ 178,483	\$ 127,005

On March 31, 2020, the Company assigned debt from a related party to a third party in the amount of \$178,483.

The loan is non-interest bearing and has no terms of repayment.

9. SHARE CAPITAL

(a) **Authorized**

Unlimited number of common shares and preferred shares without par value

(b) **Issued and outstanding**

No shares were issued during the year ended March 31, 2020 and 2019.

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9. SHARE CAPITAL (Continued)

(c) **Stock options**

The Company has adopted a stock option plan (the “Plan”) that allows the Company to issue options to certain directors, officers, employees and consultants of the Company. Options issued under the Plan shall not exceed 10% of shares issued and outstanding at the time of granting of the options. Options granted under the Plan may have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the market price of the shares (defined as the last closing market price of the Company’s shares on the last day shares are traded prior to the grant date), less the applicable discount permitted by the TSX-V rules. Stock options granted under the Plan vest immediately subject to vesting terms, which may be imposed at the discretion of the directors.

A summary of stock options is summarized below:

	Number of Options	Weighted Average Exercise Price
Outstanding, March 31, 2018	16,000	\$ 0.15
Expired (a)	(16,000)	\$ 0.15
Outstanding, March 31, 2019 and 2020	-	\$ -

- a) On December 31, 2018, 16,000 options with an exercise price of \$0.15 expired unexercised. The associated value of \$37,186 was transferred from reserves to deficit.

(d) **Warrants**

At March 31, 2020 and 2019, the Company has no warrants outstanding.

On December 15, 2018, 2,676,000 warrants with an exercise price of \$0.15 expired unexercised.

10. INCOME TAXES

Provision for Income Taxes

The major factors that cause variations from the Company’s combined federal and provincial statutory Canadian income tax rates of 27% (2019 – 27%) were the following:

	2020	2019
Earnings (loss) before income taxes	\$ (1,468,115)	\$ (175,139)
Expected tax provision at statutory rates	(396,391)	(47,288)
Tax effects of current years temporary differences not recognized	360,423	55,741
Other	(1,400)	(1,400)
Change in unrecognized deferred income taxes	37,368	(7,053)
	\$ -	\$ -

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10. INCOME TAXES (Continued)

Deferred Income Taxes

The tax effects of temporary differences that give rise to deferred income tax assets and deferred income tax liabilities are as follows:

	2020	2019
Resource expenditure pools	\$ 335,541	\$ (26,282)
Non-capital losses	336,381	332,523
Non-refundable input tax credits	38,615	38,615
Other	2,863	5,699
Change in valuation allowance	(713,400)	(350,555)
	\$ -	\$ -

Tax Loss Carry-Forwards

The Company has \$1,242,746 in Canadian resource tax pools which may be deducted in the calculation of taxable income in future years. These pools can be carried forward indefinitely. The balance sheet reflects the potential tax benefit only to the extent that, based on available evidence, it is probable that they will be realized. In addition, the Company has \$1,364,000 in non-capital losses, which may be deducted in the calculation of taxable income in future years that will expire, if not utilized, as follows:

	Year of Origin	Year of Expiry	Amount
	2010	2030	\$ 18,000
	2011	2031	29,000
	2012	2032	187,000
	2013	2033	174,000
	2014	2034	162,000
	2015	2035	139,000
	2016	2036	79,000
	2017	2037	80,000
	2018	2038	184,000
	2019	2039	180,000
	2020	2040	132,000
			\$ 1,364,000

11. LOSS PER SHARE

Basic and diluted loss per share for the year ended March 31, 2020 is \$0.31 (2019: \$0.04). Loss per share is calculated using the weighted average number of shares outstanding. The weighted average number of shares outstanding for the year ended March 31, 2020 and 2019 was 4,712,937 for the purpose of calculating the basic loss per share. All outstanding options and warrants were excluded from the calculation of diluted loss per share because their effect was anti-dilutive.

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12. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. 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 properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its 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.

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

There were no changes in the Company's approach to capital management during the period ended March 31, 2020. The Company is not subject to externally imposed capital requirements.

13. RELATED PARTY TRANSACTIONS

See Note 8.

During the year ended March 31, 2020 and 2019, the remuneration of directors and other members of key management personnel was \$Nil.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value

The carrying value of cash, accounts payable and accrued liabilities and note payable approximate fair value due to the relatively short-term maturity of these financial instruments. Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price, if one exists. The carrying value of cash and marketable securities is fair value.

Fair Value Hierarchy

The Company follows the accounting standards associated with financial instruments resulting in a three-tier categorization as a framework for disclosing fair value based upon inputs used to value the Company's investments.

The hierarchy is summarized as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2 – inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data
- Level 3 – inputs for assets and liabilities not based upon observable market data

Cash, as recorded, is at fair value in accordance with level 1 of the fair value hierarchy.

Risk Disclosures

The main risks the Company's financial instruments are exposed to are credit risk and liquidity risk.

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14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

Credit Risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk relates to cash. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The maximum exposure to credit risk is equal to the carrying value of cash in the amount of \$1,406 (2019: \$11,906).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The Company uses cash to settle its financial obligations as they fall due. The ability to do this relies on the Company maintaining sufficient cash on hand through equity and debt financing.

Contractual maturities of financial liabilities:

Accounts payable and accrued liabilities and note payable are due within the current operating period.

As at March 31, 2020, the Company had total cash of \$1,406 (2019 - \$11,906) to settle current liabilities of \$237,911 (2019 - \$173,524).

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices and foreign exchange rates. The Company does not believe it is exposed to significant market risk.

15. SUBSEQUENT EVENT

On June 15, 2020, the Company closed a 4,400,000-unit private placement at \$0.05 per unit for gross proceeds of \$220,000. Each unit consisted of one common share and one share purchase warrant, each warrant entitling the holder to purchase a further common share at a price of \$0.06 per share for a period of five years.