MANGANESE X ENERGY CORP.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTH-PERIOD ENDED SEPTEMBER 30, 2019 AND 2018

UNAUDITED

(Expressed in Canadian dollars)

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Notice of Disclosure of Non-auditor review of the Interim Financial Statements

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company for the interim periods ended September 30, 2019 and 2018 have been prepared in accordance with international accounting standards for interim financial reporting under IAS 34. The accompanying unaudited interim consolidated financial statements are the responsibility of the Company's management.

The Company's independent auditors, Wasserman Ramsay, Chartered Accountants, have not performed a review of these interim financial statements in accordance with the standards established for a review of interim financial statements by an entity's auditor.

November 26, 2019.

/s/ Martin Kepman

Chief Executive Officer

MANGANESE X ENERGY CORP.
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Unaudited, expressed in Canadian dollars)

As at,	**September 30, 2019**	March 31, 2019 (audited)
	$	$
ASSETS		
Current assets		
Cash & cash equivalents (note 7)	**714 297**	648 300
Cash - restricted flow-through funds (note 7)	**105 000**	179 245
Prepaid expenses	**40 863**	135 600
Sales taxes receivable	**16 659**	15 417
Total current assets	**876 819**	978 562
Long-term assets		
Investment in Mountain Springs Oil & Gas Ltd (note 8)	**750 000**	750 000
Total assets	**1 626 819**	1 728 562
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	**63 105**	169 873
Funds received on private placement (note 18)	**-**	330 250
Amount owing on purchase of Mountain Springs Oil&Gas Ltd.	**250 000**	250 000
Total liabilities	**313 105**	750 123
SHAREHOLDERS' EQUITY		
Share capital (note 10)	**10 659 061**	9 930 370
Reserves	**3 515 151**	3 356 645
Deficit	**(12 860 498)**	(12 308 576)
Total shareholders' equity	**1 313 714**	978 439
Total liabilities & shareholders' equity	**1 626 819**	1 728 562

Going concern (Note 2) and subsequent events (Note 18)

The Company's board of directors approved the interim consolidated financial statements on November 28, 2019.

APPROVED BY THE BOARD OF DIRECTOR

Signed "Martin Kepman" *Director*

Signed "Mark Billings", *Director*

The accompanying notes form an integral part of the interim consolidated financial statements

MANGANESE X ENERGY CORP.
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2019 AND 2018
(Unaudited, expressed in Canadian dollars)

	SHARE CAPITAL		RESERVES	DEFICIT	TOTAL
	#	$	$	$	$
Balance, as at March 31, 2017	**45 193 497**	**7 413 947**	**3 476 551**	**(9 764 366)**	**1 126 132**
Acquisition of Houlton property	1 200 000	222 000	-	-	222 000
Private placements	5 285 000	651 569	141 181	-	792 750
Warrants exercised	1 572 117	277 647	(99 802)	-	177 845
Stock-options exercised	650 000	148 421	(57 422)	-	90 999
Stock options issued	-	-	60 294	-	60 294
Net loss for the period	-	-	-	(1 339 247)	(1 339 247)
Balance, as at March 31, 2018	**53 900 614**	**8 713 584**	**3 520 802**	**(11 103 613)**	**1 130 773**
Acquisition of Peter Lake property	833 333	125 000	34 000	-	159 000
Private placements	1 000 000	200 000	-	-	200 000
Acquisition of Houlton property	2 000 000	240 000	-	-	240 000
Warrants exercised	3 776 048	651 786	(246 200)	-	405 586
Stock options issued	-	-	48 043	-	48 043
Net loss for the period	-	-	-	(1 204 963)	(1 204 963)
Balance, as at March 31, 2019	**61 509 995**	**9 930 370**	**3 356 645**	**(12 308 576)**	**978 439**
Private placements	4 150 000	203 113	294 387	-	497 500
Warrants exercised	230 000	74 842	(49 542)	-	25 300
Stock options exercised	100 000	33 540	(21 540)	-	12 000
Net loss for the period	-	-	-	(133 316)	(133 316)
Balance, as at June 30, 2019	**65 989 995**	**10 241 865**	**3 579 950**	**(12 441 892)**	**1 379 923**
Acquisition of Lac Aux Bouleaux property	307 000	36 840	-	-	36 840
Warrants exercised	1 267 850	380 356	(240 892)	-	139 464
Stock options issued	-	-	176 093	-	176 093
Net loss for the period	-	-	-	(418 606)	(418 606)
Balance, as at September 30, 2019	**67 564 845**	**10 659 061**	**3 515 151**	**(12 860 498)**	**1 313 714**

The accompanying notes form an integral part of the interim consolidated financial statements

MANGANESE X ENERGY CORP.
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
UNAUDITED
(Expressed in Canadian Dollars)

For the period ended September 30,	Three months ended		Six months ended	
	2019	**2018**	**2019**	**2018**
	$	$	**$**	$
Revenues	**-**	-	**-**	-
Expenses				
Bank charges	**1 157**	3	**1 283**	11
Exploration expenses (note 11)	**97 446**	226 584	**121 085**	238 123
Foreign exchange loss	**3 443**	729	**3 443**	1 699
Stock-based compensation (note 10)	**176 093**	-	**176 093**	-
Operating expenses	**57 051**	17 392	**86 567**	18 894
Professional and consulting fees	**83 416**	103 575	**163 451**	138 979
	418 606	348 283	**551 922**	397 706
Net loss and comprehensive loss	**(418 606)**	(348 283)	**(551 922)**	(397 706)
Loss per share - basic & diluted	**(0,006)**	(0,006)	**(0,008)**	(0,007)
Weighted average number of shares outstanding	**67 564 845**	54 440 464	**67 564 845**	54 440 464

The accompanying notes form an integral part of the interim consolidated financial statements

MANGANESE X ENERGY CORP.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2019 AND 2018
(Unaudited, expressed in Canadian dollars)

For the six-month periods ended,	**September 30, 2019**	September 30, 2018
	$	$
Cash used in operating activities		
Net loss for the period	**(551 922)**	(397 706)
Adjustments for items not involving cash:		
Stock based compensation	**176 093**	-
Issuance of shares for property acquisition	**36 840**	125 000
Changes in non-cash working capital items:		
Receivables and other	**(1 242)**	2 444
Prepaid expenses	**94 737**	9 040
Accounts payable and accrued liabilities	**(106 768)**	(40 439)
	(352 262)	(301 661)
Cash used in investing activities		
	-	-
Cash flows from financing activities		
Proceeds from issue of shares (net)	**344 014**	56 285
	344 014	56 285
Increase (decrease) in cash and cash equivalents	**(8 248)**	(245 376)
Cash and cash equivalents, beginning of the period	**827 545**	1 190 532
Cash and cash equivalents, end of the period	**819 297**	945 156
Supplemental information:		
Cash & cash equivalents	**714 297**	778 156
Cash - restricted flow-through funds	**105 000**	167 000
Cash and cash equivalents, end of the period	**819 297**	945 156

The accompanying notes form an integral part of the interim consolidated financial statements

1. GENERAL INFORMATION

Manganese X Energy Corp. ("Manganese" or the "Company") was incorporated as a private company by Certificate of Incorporation issued pursuant to the provisions of the British Columbia Business Corporation Act on December 4, 2007. On December 3, 2010, the Company changed its name from Numine to Sunset Cove Mining Inc. On December 1, 2016, the Company changed its name from Sunset Cove Mining Inc. to Manganese X Energy Corp. The principal activities of Manganese and its subsidiaries are to acquire and advance high potential mining prospects located in North America with the intent of supplying value added materials to the lithium ion battery and other alternative energy industries.

The Company's shares are listed under the symbol MN (formerly: SSM) on the TSX Venture Exchange. The registered office of the Company is located at 145 Graveline, Saint-Laurent, Quebec, Canada.

These interim consolidated financial statements were approved and authorized for issuance by the Board of Directors of the Company on November 28, 2019.

2. GOING CONCERN DISCLOSURE

The business of mining exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values. Although Manganese has taken steps to verify title to the properties on which it is conducting exploration and has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims and non-compliance with regulatory requirements.

Several adverse conditions and events cast substantial doubt upon the validity of this assumption. Manganese is not currently generating any revenue from its operations. For the six-month period ended September 30, 2019, the Company recorded a net comprehensive loss of $551,922 (September 30, 2018 – $397,706), and had an accumulated deficit of $12,860,498 (March 31, 2019 - $12,308,576).

Its ability to continue as a going concern is uncertain and is dependent upon its ability to fund its working capital, complete the development of its explorations, and eventually to generate positive cash flows from operations. Management plans to explore all alternatives possible, including joint ventures, debt and equity financings, and merger opportunities.

These interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

3. BASIS OF PRESENTATION

Statement of compliance

These interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The management in accordance with IAS 34, Interim Financial Reporting, effective as of September 30, 2019, has prepared these interim consolidated financial statements of the Company.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. Operating results for the six-month period ended September 30, 2019 may not be indicative of the results that may be expected for the year ending March 31, 2020.

The interim consolidated financial statement of the Company has been prepared using historical costs and fair values of certain items. Items measured at fair value include cash held in foreign currencies, warrants, and share based payments. Certain comparative figures have been reclassified to conform to the current year's presentation.

Basis of consolidation

The subsidiaries are fully consolidated from the date of acquisition and continue to be consolidated until the date control over the subsidiary's ceases. The consolidated financial statements of the Company include the accounts of its 100% wholly owned subsidiaries, 7712898 Canada Inc. located in Canada. On March 26, 2019, Manganese incorporated a wholly-owned subsidiary called Disruptive Battery Corp. The new company was created for a project to be undertaken related to manganese, fuel cells and stored energy. All significant inter-company transactions and balances have been eliminated upon consolidation.

Functional and presentation currency

The presentation and functional currency of the Company is the Canadian dollar.

Foreign operations – Assets and liabilities of foreign operations whose functional currency is other than the Canadian dollar are translated into Canadian dollars using exchange rates in effect at period-end. Revenues and expenses, as well as cash flows, are translated using the average exchange rates for the period. Translation gains or losses are recognized in OCI.

4. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES

Readers should refer to the March 31, 2019 annual audited consolidated financial statements for the accounting policies used in the preparation of these interim consolidated financial statements. The IASB continues to amend and add to current IFRS standards and interpretations with several projects underway.

Accordingly, the accounting policies adopted by the Company for the Company's IFRS annual consolidated financial statements will be determined as at March 31, 2020. In the event that accounting policies adopted at March 31, 2020 differ materially from the accounting policies used in the preparation of these Financial Statements, these Financial Statements will be restated to retrospectively account for the application of those policies adopted at March 31, 2020.

5. SUMMARY OF ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with IFRS requires management to make estimates and judgements that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including on historical experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions. The estimates and judgments that, in management's opinion, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are disclosed in the annual audited consolidated financial statements.

See annual consolidated financial statements for the years ended March 31, 2019 and 2018 for a list of accounting estimates and judgements considered significant by management.

6. ACCOUNTING PRONOUNCEMENTS

Accounting standard issued for adoption in future periods

The following standard have been issued but are not yet effective. The Company is assessing the impact of this new standard but does not expect it to have a significant impact on the consolidated financial statements.

- On January 13, 2016, the International Accounting Standards Board published a new standard, IFRS 16, Leases, eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Under the new standard, a lease becomes an on-balance sheet liability that attracts interest, together with a new right-of-use asset. There are optional exemptions for short-term leases and leases of low value items. In addition, lessees will recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant. IFRS 16 replaces existing leases guidance including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases—Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier adoption permitted. The Company intends to adopt IFRS 16 in its financial statements for the annual period beginning on April 1, 2019 and does not expect the adoption of IFRS 16 to have a material effect on its consolidated financial statements as the Company currently not subject to any leases.

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows:

	September 30, 2019	March 31, 2018 (audited)
	$	$
Cash Canadian banks	**714 297**	648 300
Cash Canadian in-trust banks	**105 000**	179 245
	819 297	827 545

During the year ended March 31, 2019, the Company raised in total $200,000 (2018 - $1,092,965) in flow-through funds. Of this amount, $105,000 (March 31, 2019 - $179,245) remains restricted to be spend on Canadian Exploration Expenditures as at September 30, 2019.

8. INVESTMENT IN MOUNTAIN SPRINGS OIL AND GAS LIMITED

On October 9, 2018, the Company purchased a 15% interest in Mountain Spring Oil and Gas Limited ("MSOG") a private company incorporated to invest in operating Oil and Gas properties in the province of Alberta, via a private placement of 750,000 shares at $1 a share subscription price. The Company paid $500,000 cash to MSOG with the balance of $250,000 to be paid in either cash or common shares of the Company to be determined when MSOG completes its first acquisition. Should the final payment be made in shares of the Company, the number of shares to be issued will be determined by the price of shares when MSOG completes its first acquisition. In addition, upon completion of MSOG's first deal, the Company with Board approval, has an option to purchase of an additional 10% or 500,000 common shares of MSOG's at a $1 a share subscription price. Should the Company complete this purchase it will have a grand total of 1,250,000 shares or 25% ownership of MSOG. At year-end, the fair value of MSOG approximates its net carrying value of $500,000. Also, as of September 30, 2019 the final $250,000 payment for the 15% interest is still outstanding.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Trade payables as at September 30, 2019 are $63,105 (March 31, 2019 - $169,873). Accounts payable includes an amount of $18,716 (March 31, 2019 - $62,357) due to related parties (see Note 12).

10. SHARE CAPITAL

A Authorized share capital:

An unlimited number common share, without par value:

B Common Shares Issued

a) On February 20, 2018, Manganese announced the closing of a private placement with the issuance of 5,285,000 Units of the Company at $0.15 for gross proceeds of $792,750. With each Unit being comprised of one (1) common share and one (1) warrant, with each whole warrant giving the warrant-holder the right to purchase one (1) common share for $0.25 expiring on February 20, 2020. There is a statutory hold period on the Units, which expires on June 20, 2018, being four months from closing. The total gross proceeds of this financing will be used for exploration, growth, research and development, marketing, and general working capital.

   The fair value of the 5,285,000 Unit warrants at issue date was $141,181, as calculated using a Black-Scholes option pricing model with the following assumptions: 24 months expected average life; share price of $0.15; 60% expected volatility; risk free interest rate of 0.51%; and an expected dividend yield of 0%. Volatility is calculated based on the changes in historical stock prices over the expected life of the warrants.

b) A total of 1,572,117 warrants (March 31, 2017 - 6,662,204 warrants) were exercised during the year ended March 31, 2018, the Company issued 1,572,117 (March 31, 2017 - 6,662,204) common shares for warrants exercised.

c) A total of 650,000 stock options were exercised during the year ended March 31, 2018, the Company issued 650,000 common shares for stock options exercised.

d) On September 12, 2018, for the Peter Lake Copper-Nickel-Cobalt Property located in the Province of Québec, the Company has issued 833,333 common shares (see note 11) to the vendors and the finder's fee common shares as per the option agreement.

e) On November 19, 2018, the Company closed a tranche of a non-brokered private placement financing of flow-through shares for gross proceeds of $200,000 through issuance of 1,000,000 flow-through shares in the share capital of the Company at $0.20 per share.

f) On November 30, 2018, the Company issued 2,000,000 common shares (see note 11) representing the final tranche of shares required for the acquisition of the Battery Hill Houlton Woodstock Manganese property located in the top-tier global mining jurisdiction of New Brunswick, as per the original acquisition agreement.

g) A total of 3,776,050 warrants were exercised during the year ended March 31, 2019, the Company issued 3,776,050 common shares for warrants exercised.

h) On April 10, 2019, Manganese announced the closing of a private placement with the issuance of 4,150,000 Units of the Company at $0.12 for gross proceeds of $497,500. With each Unit being comprised of one (1) common share and one (1) warrant, with each whole warrant giving the warrant-holder the right to purchase one (1) common share for $0.145 expiring on April 10, 2022. There is a statutory hold period on the Units, which expires on August 10, 2019, being four months from closing. The total gross proceeds of this financing will be used for exploration, growth, research and development, marketing, and general working capital.

   The fair value of the 4,150,000 Unit warrants at issue date was $294,387, as calculated using a Black-Scholes option pricing model with the following assumptions: 36 months expected average life; share price of $0.12; 100% expected volatility; risk free interest rate of 2.50%; and an expected dividend yield of 0%. Volatility is calculated based on the changes in historical stock prices over the expected life of the warrants.

i) A total of 230,000 warrants were exercised during the three-month period ended June 30, 2019, the Company issued 230,000 common shares for warrants exercised.

j) A total of 100,000 stock-options were exercised during the three-month period ended June 30, 2019, the Company issued 100,000 common shares for stock-options exercised.

k) On July 18, 2019, for the Lac Aux Bouleaux Property located in the Province of Québec, the Company has issued 307,000 common shares (see note 11) to the vendors as per the purchasing agreement.

l) A total of 1,267,850 warrants were exercised during the three-month period ended September 30, 2019, the Company issued 1,267,850 common shares for warrants exercised.

C Share purchase warrants

The movement in the number of warrants (post consolidation) outstanding and their weighted average exercise prices are as follows:

	Warrants #	Weighted average exercise price $
Balance - March 31, 2017	**10 990 992**	**0,15**
Private Placement	5 285 000	0,25
Warrants exercised	(1 572 117)	0,08
Balance - March 31, 2018	**14 703 875**	**0,20**
Issued property acquisition	500 000	0,25
Warrants exercised	(689 850)	0,10
Warrants exercised	(3 073 000)	0,25
Warrants expired	(150 400)	0,05
Warrants expired	(932 300)	0,15
Balance - March 31, 2019	**10 358 325**	**0,20**
Warrants exercised	(230 000)	0,20
Private Placement	4 150 000	0,145
Balance - June 30, 2019	**14 278 325**	**0,19**
Warrants expired	(3 259 325)	0,10
Warrants expired	(1 084 000)	0,25
Balance - September 30, 2019	**9 935 000**	**0,20**

On January 31, 2019, the Company announced a re-priced for 9,672,000 warrants (excluding finders' warrants), as approved by the TSX Venture Exchange warrant incentive program. The following warrants with an original exercise price of 25 cents were eligible under this warrant incentive program: 4,387,000 warrants expiring in July 2019 and 5,285,000 warrants expiring in February 2020. The new exercise price of the warrants was 11 cents for 30 days expiring March 4th 2019. The exercise Warrant incentive program period for all 9,672,000 warrants was for 30 days starting from January 30, 2019. After March 4, 2019, the exercise price returned to their original exercise price. As at September 30, 2019, the outstanding share purchase warrants were as follows:

Exercise price	Number outstanding and exercisable	Weighted average remaining contractual life (years)	Expiry dates
$0,25	5 285 000	0,4	February 2020
$0,25	500 000	0,9	September 2020
$0,145	4 150 000	2,6	April 2022
	9 935 000	**0,8**	

D Stock options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock, less an applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years and vest at the discretion of the board of directors. The option activity, under the share option plan and information concerning outstanding and exercisable options is as follows:

	No. of Options Vested	Weighted Average Exercise Price ($)
Balance – March 31, 2017	**3 750 000**	**0,17**
Options cancelled	(500 000)	0,22
Options issued	975 000	0,10
Options issued	950 000	0,20
Options exercised	(650 000)	0,10
Balance – March 31, 2018	**4 525 000**	**0,16**
Options issued	800 000	0,12
Balance – March 31, 2019	**5 325 000**	**0,15**
Options exercised	(100 000)	0,12
Balance – June 30, 2019	**5 225 000**	**0,15**
Options expired	(1 050 000)	0,15
Options expired	(825 000)	0,10
Options issued	1 950 000	0,12
Balance – September 30, 2019	**5 300 000**	**0,15**

- The fair value of the 975,000 stock options at the issue date (September 6, 2017) was $26,075, calculated using the Black-Scholes option pricing model with the following assumptions: 24 months expected average life; share price of $0.09; 60% expected volatility; risk free interest rate of 0.51%; and an expected dividend yield of 0%.
-
- The fair value of the 950,000 stock options at the issue date (March 09, 2018) was $34,219, calculated using the Black-Scholes option pricing model with the following assumptions: 24 months expected average life; share price of $0.15; 60% expected volatility; risk free interest rate of 0.51%; and an expected dividend yield of 0%.

- The fair value of the 800,000 stock options at the issue date (January 11, 2019) was $48,043, calculated using the Black-Scholes option pricing model with the following assumptions: 24 months expected average life; share price of $0.115; 100% expected volatility; risk free interest rate of 2,50%; and an expected dividend yield of 0%.

- The fair value of the 1,950,000 stock options at the issue date (September 11, 2019) was $176,093, calculated using the Black-Scholes option pricing model with the following assumptions: 60 months expected average life; share price of $0.12; 100% expected volatility; risk free interest rate of 2,50%; and an expected dividend yield of 0%.

As at September 30, 2019 stock option issued and outstanding are as follows:

Options granted and exercisable	Weighted Average Exercise Price ($)	Expiry dates
200 000	0,15	November 2019
300 000	0,18	January 2020
400 000	0,21	February 2020
800 000	0,16	March 2020
950 000	0,20	March 2020
700 000	0,12	January 2021
1 950 000	0,12	September 2024
5 300 000	**0,15**	

11. EXPLORATION PROPERTIES

Mineral exploration and evaluation expenses on the properties may be subject to exploration and/or mining restrictions. Total exploration expenses for the six-month period ended September 30, 2019 is $121,085 (September 30, 2018 – $238,123). At the date of this report, management is not aware of any restrictions to its exploration activities.

	Period ended September 30, 2019	Year ended March 31, 2019
Balance beginning of the period	**2 057 580**	1 334 616
Issuance of common shares	**36 840**	125 000
Acquisition cost for property	**10 000**	25 000
Exploration expenses	**74 245**	572 964
	121 085	722 964
Total exploration expenses	**2 299 750**	2 057 580

Houlton Woodstock Manganese Property

On June 28, 2016, the Company announced that it will be entering into an option agreement with Globex Mining Enterprises. The Company having met certain conditions of a previously concluded agreement announced the conclusion of an option agreement for a manganese property in the province of New Brunswick. Pursuant to the agreement, it had agreed to issue up to 4 million shares of its share capital and pay up to $200,000 in order to acquire a 100% interest in the property, details as follows:

i) Pay $200,000 in cash to the vendor as follows: $100,000 on or before the 5th day after TSX-Venture Exchange acceptance of the Option agreement and $100,000 on or before the date that is 12 months from the

Effective date of the option agreement. The cash payments are a firm obligation and must be made even in the event the Company chooses not to complete the option agreement.

ii) Issue 4,000,000 common shares as follows: 1,000,000 shares on or before the 5th day after TSX-Venture Exchange acceptance of the Option agreement; a further 1,000,000 shares on or before the 1st anniversary of the Effective date of the option agreement (these first two share issuances are a firm commitment); and a further 2,000,000 shares on or before the 2nd anniversary of the Effective date of the option agreement.

iii) Spend $1,000,000 in exploration expenditures on the property as follows: $500,000 on or before the 1st anniversary of the Effective date of option agreement and an additional $500,000 on or before the 2nd anniversary of the on or before the 2nd anniversary of the Effective date of the option agreement.

The Company made the first cash payment deposit of $100,000 on April 28, 2016 and a final cash payment of $100,000 on February 3, 2017. As at March 31, 2018, a total of 2,400,000 shares were issued as per the option agreement including 400,000 shares as finder's fees common shares. The Company made the first share payment of 1 million shares on December 4th 2016 and an additional second share payment of 1 million shares on April 22, 2017. On November 30, 2018 the Company issued the final tranche of shares required under the option agreed by issuing 2,000,000 common shares at a value of $0.12 each for a total value of $240,000 (see note 10) and now owns 100% of the claims subject to a 3% Gross Metals Royalty.

Peter Lake Copper-Nickel-Cobalt Property

On August 23, 2018, the Company signed a Property Option Agreement (the "Agreement") with a group in Vendors in Québec (the "Vendors"). Pursuant to the terms of the Agreement, the Company has the option to acquire a 100% interest in the Property, set forth as follows:

i) The Company will pay to the vendors, on signing of the agreement, $10,000 cash and issue $25,000 in common shares (20 day closing average exchange price).

ii) On Exchange approval, the Company will pay to the vendors, $15,000 cash and issue $100,000 in common shares (20 day closing average exchange price) and issue 500,000 warrants at a price of $0.25 for two years (with a four-month holding period).

iii) The Company will incur exploration expenditures of $150,000 on the property on or before December 31, 2018 to earn a 40% interest in the property. The Company has incurred exploration expenditures of $150,000 on the property before December 31, 2018 and has earned a 40% interest in the property.

iv) On December 31, 2019, Manganese will issue to the vendors $100,000 in common shares (20 day closing average exchange price); and incur during 2019 a further $250,000 in exploration expenditures to earn a 100% interest in the Property.

v) An aggregate net smelter royalty ("NSR") of 2% shall be payable to the Vendors on all metals produced from the Property. The Company shall have the right at any time to buy back one percent (1%) of the NSR from the Vendors for one million dollars ($1,000,000).

The Company made the first cash payment deposit of $35,000 during the year and issued a total of 833,333 common shares and 500,000 warrants exercisable for a two year period at $0.25 per share and valued at $34,000 as per the option agreement at a value of $0.15 each for a total value $125,000 (per i) and ii) above, and see note 10).

Lac Aux Bouleaux Property

The Company acquired 100% interest in the Lac Aux Bouleaux Graphite Property under an agreement signed July 18, 2019, by paying $10,000 cash and issuing 307,000 common shares ($40,000 worth) of the Company. The Property consists of 14 mineral claims in one contiguous block totaling 738.12 hectares near the town of Mont-Laurier, on NTS 31J05 in southern Québec. The Company has completed an updated NI 43-101 technical report which describes historical exploration work on the property and will be filed on Sedar. The report notes:

- that past exploration results intersected significant graphite mineralization in drill holes and trenches
- preliminary metallurgical results returned very good results with recoveries up to 96%
- The high percentage of large flake graphite is positive for a high quality, premium priced product.
- infrastructure is excellent with road access and electrical power on site; and
- that the property is located contiguous to TIMCAL's Lac des Iles graphite mine.

12. RELATED PARTY TRANSACTIONS AND BALANCES

In addition to share issuances, transactions with related parties were as follows:

For the six-month period ended September 30,	**2019**	2018
	$	$
Consulting fees paid to companies controlled by officers	**42 000**	39 000
Consulting fees paid to a shareholder of the Company	**30 000**	-
Management fees paid to officers	**28 346**	24 375
	100 346	63 375

In addition to the above the following related party transactions also took place during the six-month period ended September 30, 2019. Legal fees of $68,779 (September 30, 2018 - $25,000) were paid or accrued to a legal firm in which the Company's Secretary is a partner. Geological Consulting fees in the amount of $4,000 (September 30, 2018 - $5,000) were paid to a director and are included under exploration expenses.

For the three-month period ended September 30,	**2019**	2018
	$	$
Consulting fees paid to companies controlled by officers	**21 000**	19 500
Consulting fees paid to a shareholder of the Company	**15 000**	-
Management fees paid to officers	**17 247**	12 350
	53 247	31 850

Amounts payable to related parties included in the non-current liabilities and in the accounts payable and accrued liabilities were as follows:

Included in the accounts payable and accrued liabilities	**September 30, 2019**	March 31, 2019 (audited)
	$	$
Consulting fees paid to companies controlled by officers	**9 806**	6 071
Exploration expenditures due to directors	**3 910**	5 010
Consulting fees paid to a shareholder of the Company	**5 000**	-
Owing to a legal firm in which the corporate secretary is a partner	**-**	51 276
	18 716	62 357

13. EARNINGS PER SHARE ("EPS")

(a) Basic EPS

Basic EPS is computed by dividing net loss for a period by the weighted average number of common shares outstanding during that period.

(b) Diluted EPS

Diluted EPS is computed by dividing net loss for a period by the diluted number of common shares. Diluted common shares includes the effects of instruments, such as share options, which could cause the number of common shares outstanding to increase.

The Company reported net losses for the periods ended September 30, 2019 and 2018; the Company has accordingly presented basic and diluted EPS, which are the same, on a single line in the statements of comprehensive loss. Diluted loss per share did not include the effect of share purchase options and warrants as they were anti-dilutive

14. SEGMENTATION INFORMATION

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral property interests and in Canada only since the disposal of its subsidiary in Peru in the prior fiscal year.

15. CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company currently manages its capital structure and makes adjustments to it, based on cash resources expected to be available to the Company, in order to support the planned exploration and development of mineral property

interests. Management has not established a quantitative capital structure. Capital needs are reviewed on a regular basis by management relative to the stage of development of the business entity.

The Company currently is dependent on externally provided equity financing to fund its future exploration activities. In order to carry out planned exploration and development and fund administrative costs, the Company will allocate its existing capital and plans to raise additional amounts as needed through equity and related party advances if available management reviews the capital management approach on an ongoing basis and believes that this approach is reasonable for the current state of the markets and exploration industry.
The Company and its subsidiary are not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 12 months. As of September 30, 2019, the Company may not be compliant with the policies of the TSXV. The impact of this violation is not known and is ultimately dependent on the discretion of the TSXV.

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 years.

16. FINANCIAL INSTRUMENTS

At September 30, 2019, the Company's financial instruments include cash and cash equivalents, other receivable, related party receivables, accounts payable and loan payable for which there are no differences in the carrying values and fair values, due to their short-term nature. The types of risk exposures are detailed below.

The Company is required to classify fair value measurements using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

Level 1 – quoted prices in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3 – inputs for the asset or liability that are not based on observable market data.

Cash and cash equivalents are measured using Level 1 inputs the warrant liability is measured using Level 2 inputs and the fair value of the investment in MSOG (note 8) is measured using Level 2 inputs.

17. FINANCIAL RISK FACTORS

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow and fair value interest rate risk); credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of the financial market and seeks to minimize potential adverse effects on the Company's financial performance. The Company does not use derivative financial instruments to hedge these risks.

Market risk
Foreign exchange risk; the Company's conducts a small portion of its business using $US dollars and is therefore exposed to a nominal amount of financial risks that arise from fluctuations in foreign exchange rates and the degree of volatility of these rates. The company recorded a foreign exchange loss of $Nil related to its foreign currency transactions for the quarter ended September 30, 2019.

Cash flow and fair value interest rate risk: the Company is expose to fluctuation in its future cash flows arising from changes in interest rates through its variable rate financial assets and liabilities. Other liabilities negotiated at a fixed rate expose the Company to fair value interest rate risk. The Company does not hold any interest-bearing debt.

Commodity price risk: while the value of the Company's core mineral resource is related to the price of precious metals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity-based risks in respect of its operational activities. Precious metal prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial and retail demand, central bank lending, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities, and certain other factors. Adverse movements in the prices of precious metals may also negatively affect the Company's ability to raise capital and meet its financial commitments.

Credit risk
Credit risk arises from cash with banks and financial institutions. The Company reduces this risk by dealing with creditworthy financial institutions. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is subject to concentrations of credit risk through cash, and receivables.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuance. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The liquidity risk for the Company is considered high.

18. SUBSEQUENT EVENTS

There were no subsequent events.