
ANGUS VENTURES INC.
(A CAPITAL POOL COMPANY)
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED
JULY 31, 2019
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of Angus Ventures Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

Angus Ventures Inc.**Condensed Interim Statements of Financial Position****(Expressed in Canadian Dollars)****(Unaudited)**

	As at July 31, 2019	As at January 31, 2019
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,541,426	\$ 1,597,876
HST receivable	3,109	-
Prepaid expenses	10,000	-
Total assets	\$ 1,554,535	\$ 1,597,876
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 15,222	\$ 27,085
Total current liabilities	15,222	27,085
Non-current liabilities		
Due to related parties (note 6)	102,708	42,848
Total liabilities	117,930	69,933
Shareholders' equity		
Share capital (note 3)	1,736,390	1,736,390
Warrants (note 4)	5,998	5,998
Contributed surplus (note 5)	84,262	83,059
Accumulated deficit	(390,045)	(297,504)
Total shareholders' equity	1,436,605	1,527,943
Total liabilities and shareholders' equity	\$ 1,554,535	\$ 1,597,876

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

Nature and continuance of operations (note 1)

Subsequent events (note 8)

Angus Ventures Inc.

Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended		Six Months Ended	
	July 31,		July 31,	
	2019	2018	2019	2018
Operating expenses				
Bank charges	\$ 143	\$ 135	\$ 241	\$ 269
Filing and regulatory fees	4,358	226	7,028	3,139
Interest income	(4,923)	-	(10,866)	-
Office and general	125	-	125	-
Professional fees	34,542	7,227	72,293	14,062
Share-based payments (note 5(i))	-	8,777	1,203	26,356
Shareholder information	11,576	-	21,118	6,740
Travel expenses	1,013	2,976	1,399	2,976
Net loss and comprehensive loss for the period	\$ (46,834)	\$ (19,341)	\$ (92,541)	\$ (53,542)
Basic and diluted net loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	18,946,180	18,946,180	18,946,180	18,946,180

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

Angus Ventures Inc.**Condensed Interim Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****(Unaudited)**

	Share Capital		Warrants	Contributed Surplus	Accumulated Deficit	Total
	Number of shares	Amount				
Balance, January 31, 2018	18,946,180	\$ 1,736,390	\$ 5,998	\$ 47,878	\$ (166,958)	\$ 1,623,308
Share-based payments (note 5(i))	-	-	-	26,356	-	26,356
Net loss for the period	-	-	-	-	(53,542)	(53,542)
Balance, July 31, 2018	18,946,180	\$ 1,736,390	\$ 5,998	\$ 74,234	\$ (220,500)	\$ 1,596,122

	Share Capital		Warrants	Contributed Surplus	Accumulated Deficit	Total
	Number of shares	Amount				
Balance, January 31, 2019	18,946,180	\$ 1,736,390	\$ 5,998	\$ 83,059	\$ (297,504)	\$ 1,527,943
Share-based payments (note 5(i))	-	-	-	1,203	-	1,203
Net loss for the period	-	-	-	-	(92,541)	(92,541)
Balance, July 31, 2019	18,946,180	\$ 1,736,390	\$ 5,998	\$ 84,262	\$ (390,045)	\$ 1,436,605

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

Angus Ventures Inc.**Condensed Interim Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

	Six Months Ended	
	July 31,	
	2019	2018
Operating activities		
Net loss for the period	\$ (92,541)	\$ (53,542)
Adjustment for:		
Share-based payments (note 5(i))	1,203	26,356
Changes in non-cash working capital item:		
HST receivable	(3,109)	-
Prepaid expenses	(10,000)	-
Accounts payable and accrued liabilities	(11,863)	(2,442)
Due to related parties	59,860	2,976
Net cash and cash equivalents used in operating activities	(56,450)	(26,652)
Net decrease in cash and cash equivalents	(56,450)	(26,652)
Cash and cash equivalents, beginning of period	1,597,876	1,640,613
Cash and cash equivalents, end of period	\$ 1,541,426	\$ 1,613,961

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

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements

Three and Six Months Ended July 31, 2019

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature and continuance of operations

Angus Ventures Inc. ("Angus" or the "Company") was incorporated under the Business Corporations Act (British Columbia) on September 28, 2010. On September 1, 2017, the Company completed its Initial Public Offering and is classified as a Capital Pool Company Canadian Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The Company's common shares were listed for trading on the TSX-V under the trading symbol "GUS.P" on September 1, 2017 and commenced trading at the open on September 6, 2017. The principal business of the Company is the identification and evaluation of assets or a business and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The Company's head office, principal address and registered and records office is located at 56 Temperance Street, Suite 1000, Toronto, Ontario, Canada, M5H 3V5.

These unaudited condensed interim financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses within 24 months of listing on the TSX-V. Such a transaction will be subject to regulatory approval and may be subject to shareholder approval. Management believes the Company has sufficient working capital to maintain its activities for the upcoming fiscal year.

Pursuant to the policies of the TSX-V, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of its initial public offering or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction ("QT") by the Company as defined under the policies of the TSX-V.

There is no assurance that the Company will complete a transaction within twenty-four months from the date the Company's shares are listed on the TSX-V, at which time the TSX-V may suspend or de-list the Company's shares from trading.

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretation issued by the IFRS Interpretations Committee. These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of September 30, 2019, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended January 31, 2019, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending January 31, 2020 could result in restatement of these unaudited condensed interim financial statements.

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements
Three and Six Months Ended July 31, 2019
(Expressed in Canadian Dollars)
(Unaudited)

2. Significant accounting policies (continued)

Basis of presentation

These unaudited condensed interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The unaudited condensed interim financial statements are presented in Canadian dollars unless otherwise noted.

Significant estimates and assumptions

The preparation of unaudited condensed interim financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future which include the fair value of warrants and stock options using the Black-Scholes option pricing model. 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.

Significant judgments

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

New accounting standard adopted

The Company has adopted the new IFRS pronouncement as at February 1, 2019 in accordance with the transitional provisions of the standard and as described below. The adoption of this new IFRS pronouncement has not resulted in any adjustments to previously reported figures.

IFRS 16 - Leases ("IFRS 16")

On January 13, 2016, the IASB issued IFRS 16. The new standard is effective for annual periods beginning on or after January 1, 2019. IFRS 16 will replace IAS 17 - Leases ("IAS 17"). This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. IFRS 16 substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. At February 1, 2019, the Company adopted this standard and there was no material impact on the Company's unaudited condensed interim financial statements as the Company has no material lease contracts that fall under IFRS 16.

IFRIC Interpretation 23 - Uncertainty over Income Tax Treatments ("IFRIC 23")

On June 7, 2017, the IASB issued IFRIC 23. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. At February 1, 2019, the Company adopted this standard and there was no material impact on the Company's unaudited condensed interim financial statements.

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements
Three and Six Months Ended July 31, 2019
(Expressed in Canadian Dollars)
(Unaudited)

3. Share capital

a) Authorized share capital

At July 31, 2019, the authorized share capital consisted 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

At July 31, 2019, the issued share capital amounted to \$1,736,390. The issued share capital for the periods were as follows:

	Number of Common Shares	Amount
Balance, January 31, 2018 and July 31, 2018	18,946,180	\$ 1,736,390
Balance, January 31, 2019 and July 31, 2019	18,946,180	\$ 1,736,390

4. Warrants

The following table summarizes warrants issued during the periods presented:

	Number of Warrants	Fair Value
Balance, January 31, 2018 and July 31, 2018	113,820	\$ 5,998
Balance, January 31, 2019 and July 31, 2019	113,820	\$ 5,998

The following table reflects the warrants issued and outstanding as of July 31, 2019:

Expiry Date	Exercise Price	Warrants Outstanding	Valuation
September 1, 2019 (note 8)	\$ 0.10	113,820	\$ 5,998

5. Stock options

The following table reflects the continuity of stock options for the periods presented:

	Number of Stock Options	Weighted Average Exercise Price
Balance, January 31, 2018 and July 31, 2018 (i)	1,128,000	\$ 0.10
Balance, January 31, 2019 and July 31, 2019 (i)	1,128,000	\$ 0.10

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Notes to Condensed Interim Financial Statements
Three and Six Months Ended July 31, 2019
(Expressed in Canadian Dollars)
(Unaudited)

5. Stock options (continued)

(i) On September 1, 2017, the Company granted an aggregate of 1,128,000 incentive stock options to its directors, officers and certain technical consultants, exercisable at a price of \$0.10 per share for a period of five years, vesting 25% on grant and every six months thereafter. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.10; expected dividend yield of 0%; risk-free interest rate of 1.59%; volatility of 100% and an expected life of 5 years. The fair value assigned to these options was \$84,262. For the three and six months ended July 31, 2019, the impact on the unaudited condensed interim statement of comprehensive loss was \$nil and \$1,203, respectively (three and six months ended July 31, 2018 - \$8,777 and \$26,356, respectively).

The following table reflects the stock options issued and outstanding as of July 31, 2019:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)	Number of Options Unvested
September 1, 2022	0.10	3.09	1,128,000	1,128,000	-

6. Major shareholders and related party disclosures

Major shareholders

To the knowledge of the directors and senior officers of the Company, as at July 31, 2019, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than set out below:

	Number of Common Shares	Percentage of Outstanding Common Shares
David Palmer	3,960,000	20.90 %
Jamie Sokalsky	3,960,000	20.90 %
Patrick Langlois, Chief Executive Officer and Chief Financial Officer	2,910,000	15.36 %

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

Related party disclosures

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

(i) As of July 31, 2019, the Company has a balance owing to one of its former directors of \$2,848 (January 31, 2019 - \$2,848), for expenses paid on behalf of the Company. The amount due to the former director is non-interest bearing.

(ii) During the three and six months ended July 31, 2019, the Company accrued professional fees of \$28,744 and \$59,860, respectively (three and six months ended July 31, 2018 - \$nil) to Peterson McVicar LLP ("Peterson"). Dennis H. Peterson, a director of the Company, controls Peterson which provide legal services to the Company. As at July 31, 2019, Peterson was owed \$99,860 (January 31, 2019 - \$40,000) and this amount was included in due to related parties.

Angus Ventures Inc.

Notes to Condensed Interim Financial Statements
Three and Six Months Ended July 31, 2019
(Expressed in Canadian Dollars)
(Unaudited)

6. Major shareholders and related party disclosures (continued)

Related party disclosures (continued)

(iii) Remuneration of directors and key management of the Company was as follows:

	Three Months Ended July 31,		Six Months Ended July 31,	
	2019	2018	2019	2018
Share-based payments ⁽¹⁾	\$ -	\$ 3,696	\$ 506	\$ 11,098

(1) Other than share-based payments, compensation to officers and directors is strictly prohibited.

7. Purchase agreement

On April 25, 2019, the Company entered into a purchase agreement (the "Purchase Agreement") with Luxor Exploration Inc. ("Luxor"), a private company, and Canstar Resources Inc. ("Canstar"), a company listed on the TSX-V, pursuant to which the Company agreed to acquire an aggregate 100% interest in the Slate Bay property comprising eight patented mining claims in southern McDonough Township, Ontario within the Red Lake gold camp (the "Property") in exchange for consideration consisting of: i) the payment to Canstar of \$30,000 (not completed) and issuance to Canstar of 70,000 common shares of the Company (not completed) in respect of Canstar's 75% interest in the property; and ii) the payment to Luxor of \$30,000 (not completed) for Luxor's 25% interest in the Property. The acquisition of the Property pursuant to the Purchase Agreement would constitute a QT under the policies of the TSX-V and is subject to acceptance by the TSX-V.

8. Subsequent events

(i) On September 1, 2019, 113,820 warrants with an exercise price of \$0.10 expired unexercised.

(ii) On September 12, 2019, announced that it submitted the application to the TSX-V in respect of the Purchase Agreement pursuant to TSX-V Policy 2.4 for acceptance of the proposed transaction. The proposed transaction will, subject to the acceptance by the TSX-V, constitute Angus' "Qualifying Transaction" as such term is defined in Policy 2.4. Following completion of the proposed transaction, it is anticipated that the Company will be listed on the TSX-V as a Tier 2 mining issuer.

No concurrent financing is anticipated to occur, and shareholder approval is not expected to be required in connection with the proposed transaction. Pursuant to Policy 2.4, sponsorship of a QT of a capital pool company is required, unless an exemption is obtained. The Company has applied for a waiver to the sponsorship requirement. There is no assurance that a waiver will be granted. It is expected that the proposed transaction will close in the coming weeks.

Subject to the approval of the TSX-V, upon completion of the proposed transaction, it is currently anticipated that the Board of Directors of the Company will consist of three individuals who are currently directors of the Company: Patrick Langlois, Dennis Peterson and Andrey Shamis. Mr. Patrick Langlois will also serve as the Chief Executive Officer and Secretary of the Resulting Issuer. In addition, it is anticipated that Seema Sindwani will serve as the Chief Financial Officer and Breanne Beh will serve as the Vice President Exploration of the Resulting Issuer. It is also anticipated that following the completion of the QT, each of Messrs. David Palmer and Jamie Sokalsky will be a Control Person of the Company within the meaning of the term in applicable Canadian Securities laws by virtue of holding over 20% of the issued and outstanding common shares of the Resulting Issuer.