



**INTERNATIONAL PROSPECT VENTURES LTD.**

**Condensed Interim Consolidated Financial Statements**

**For the three months ended March 31, 2020 and 2019**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

**INTERNATIONAL PROSPECT VENTURES LTD.**

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by CPA Canada for a review of interim financial statements by an entity's auditor.

**INTERNATIONAL PROSPECT VENTURES LTD.**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited)  
(Expressed in Canadian Dollars)

	Notes	As at March 31, 2020	As at December 31, 2019
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	6	\$ 249,516	\$ 336,830
Sales taxes recoverable		6,890	18,266
Prepaid expenses and deposits	7	2,804	6,260
Advance to related party	11	1,465	1,465
		<b>260,675</b>	362,821
<b>Non-current assets</b>			
Exploration and evaluation assets	8	591,992	552,303
<b>TOTAL ASSETS</b>		<b>\$ 852,667</b>	<b>\$ 915,124</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 9,766	\$ 1,444
Due to related parties	11	70,891	101,703
<b>Total liabilities</b>		<b>80,657</b>	103,147
<b>EQUITY</b>			
Share capital	9	3,626,666	3,626,666
Contributed surplus		290,916	290,916
Deficit		(3,145,572)	(3,105,605)
<b>Total equity</b>		<b>772,010</b>	811,977
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 852,667</b>	<b>\$ 915,124</b>

Going Concern (Note 2)

On behalf of the Board of Directors,

"Glenn J. Mullan"  
(signed Glenn J. Mullan)  
Director

"Dr. C. Jens Zinke"  
(signed C. Jens Zinke)  
Director

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

**INTERNATIONAL PROSPECT VENTURES LTD.****Condensed Interim Consolidated Statements of Net loss and Comprehensive loss**

(Unaudited)

(Expressed in Canadian Dollars)

		For the three months ended March 31,	
	Notes	2020	2019
<b>Operating expenses</b>			
Audit and accounting fees	\$	11,154	\$ 24,514
Regulatory and transfer agent fees		8,342	8,081
Exploration and evaluation expenses		8,255	54
Legal fees		5,122	14,548
Consulting fees		2,625	2,826
Office expenses		2,588	3,818
Share-based payments		-	7,484
Travel and entertainment		-	1,540
Advertising and promotion		-	726
<b>Operating loss</b>		<b>38,086</b>	<b>63,591</b>
<b>Other expenses (income)</b>			
Foreign exchange loss		1,608	198
Interest expense		275	237
Interest income		(2)	(175)
		<b>1,881</b>	<b>260</b>
<b>Net loss and total comprehensive loss for the period</b>	\$	<b>39,967</b>	\$ <b>63,851</b>
<b>Basic and diluted net loss per common share</b>	10	\$ <b>(0.001)</b>	\$ <b>(0.002)</b>
<b>Weighted average number of common shares outstanding</b>	10	<b>27,103,128</b>	<b>26,552,017</b>

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

**INTERNATIONAL PROSPECT VENTURES LTD.**

**Condensed Interim Consolidated Statements of Changes in Equity**

(Unaudited)

(Expressed in Canadian Dollars)

	Notes	Share capital		Contributed Surplus		Warrants	Deficit	Total
		Number						
<b>Balance on January 1, 2020</b>		27,103,128	\$ 3,626,666	\$ 290,916	\$ -	\$ (3,105,605)	\$ 811,977	
Net loss and comprehensive loss for the period		-	-	-	-	(39,967)	(39,967)	
<b>Balance on March 31, 2020</b>		27,103,128	\$ 3,626,666	\$ 290,916	\$ -	\$ (3,145,572)	\$ 772,010	

		Share capital		Contributed Surplus		Warrants	Deficit	Total
		Number						
<b>Balance on January 1, 2019</b>		25,103,128	\$ 3,435,835	\$ 224,048	\$ -	\$ (2,811,959)	\$ 847,924	
Issuance of shares to acquire Valroc		1,600,000	200,000	-	-	-	200,000	
Share-based payments		-	-	7,484	-	-	7,484	
Share issue expenses		-	(9,169)	-	-	-	(9,169)	
Net loss and comprehensive loss for the period		-	-	-	-	(63,851)	(63,851)	
<b>Balance on March 31, 2019</b>		27,103,128	\$ 3,626,666	\$ 231,532	\$ -	\$ (2,875,810)	\$ 982,388	

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

**INTERNATIONAL PROSPECT VENTURES LTD.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
(Unaudited)  
(Expressed in Canadian Dollars)

	For the three months ended March 31,	
	<b>2020</b>	2019
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (39,967)	\$ (63,851)
Adjustments:		
Share-based payment	-	7,484
	<b>(39,967)</b>	<b>(56,367)</b>
Change in non-cash working capital items		
Prepaid expenses and deposits	<b>3,456</b>	6,215
Sales taxes recoverable	<b>11,376</b>	(4,571)
Due to related parties	<b>(30,812)</b>	19,824
Accounts payable and accrued liabilities	<b>8,322</b>	7,367
Advance to related party	-	12,903
	<b>(7,658)</b>	41,738
<b>Cashflows used by operating activities</b>	<b>(47,625)</b>	<b>(14,629)</b>
<b>INVESTING ACTIVITY</b>		
Additions to exploration and evaluation assets	<b>(39,689)</b>	(7,506)
<b>Cashflows used by investing activities</b>	<b>(39,689)</b>	<b>(7,506)</b>
<b>FINANCING ACTIVITY</b>		
Share issue expenses	-	(9,169)
<b>Cashflows used by financing activities</b>	<b>-</b>	<b>(9,169)</b>
<b>Decrease in cash</b>	<b>(87,314)</b>	<b>(31,304)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>336,830</b>	617,200
<b>Cash and cash equivalents, end of period</b>	<b>\$ 249,516</b>	<b>\$ 585,896</b>

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

# **INTERNATIONAL PROSPECT VENTURES INC.**

## **Notes to Condensed Consolidated Interim Financial Statements**

**March 31, 2020 and 2019**

(Expressed in Canadian dollars unless otherwise noted)

---

### **1) STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES**

International Prospect Ventures Ltd (the "Company" or "International Prospect"), incorporated on February 18, 2010 under the Business Corporations Act of British Columbia, is involved in the process of exploring, evaluating and promoting its mineral properties and other projects.

The head office of the Company is located at 152 Chemin de la Mine École, Val-d'Or, Québec, J9P 7B6. The Company's registered and records office is located at #530 - 355 Burrard Street, Vancouver, B.C. V6C 2G8. The Company also has exploration offices located at 2864 Chemin Sullivan, Val-d'Or, Québec, J9P 0B9. The Company's common shares are trading on the TSX Venture Exchange under the trading symbol "IZZ".

As at March 31, 2020, Golden Valley Mines Ltd. ("Golden Valley"), a significant shareholder, held a 16.50% (December 31, 2019 – 16.50%) interest in the Company.

### **2) GOING CONCERN**

These condensed consolidated interim financial statements have been prepared in accordance with International Financing Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company's ability to continue as a going concern depends upon its ability to obtain necessary financing to fund its prospection operations, its projects and continued support of suppliers and creditors. The Company's ability to raise enough financing to meet these objectives cannot be determined at this time. The Company's business involves a high degree of risk and there is no assurance that the Company will be successful in discovering economically recoverable deposits on its mineral properties. Furthermore, the Company has not yet generated any income or cash flows from its operations and there is no assurance that the business will be profitable in the future. As at March 31, 2020, the Company has a cumulated deficit of \$3,145,572 (\$3,105,605 as at December 31, 2019).

These material uncertainties cast significant doubt regarding the Company's ability to continue as a going concern. The carrying amounts of assets, liabilities and expenses presented in the financial statements and the classification used in the financial statements have not been adjusted as would be required if the going concern assumption was not appropriate. Those adjustments could be material.

**INTERNATIONAL PROSPECT VENTURES INC.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**March 31, 2020 and 2019**  
(Expressed in Canadian dollars unless otherwise noted)

---



### **3) BASIS OF PRESENTATION**

These condensed interim consolidated financial statements, approved by the Board of Directors on May 27, 2020, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, "Interim Financial Reporting". These condensed interim consolidated financial statements as well as the related notes should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2019.

#### *Subsidiaries*

These condensed interim consolidated financial statements include the accounts of International Prospect and its subsidiary, Valroc Ventures Pty Ltd (“Valroc”). All intercompany balances, transactions, income and expenses and gains or losses have been eliminated on consolidation. Subsidiaries are consolidated where the Company has the ability to exercise control. Control of an investee exists when the Company is exposed to variable returns from the Company’s involvement with the investee and has the ability to affect those returns through its power over the investee. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

### **4) SIGNIFICANT ACCOUNTING POLICIES**

#### *a) Overall considerations*

The significant accounting policies that have been applied in the preparation of these financial statements are summarized in Note 5 - Significant Accounting Policies, of the Company's annual audited financial statements for the year ended December 31, 2019.

#### *b) Accounting standards issued and in effect during the period*

##### *IAS 1 “Presentation of Financial Statements” (“IAS 1”)*

IAS 1 sets out the overall requirements for financial statements, including how they should be structured, the minimum requirements for their content and overriding concepts such as going concern, the accrual basis of accounting and the current/non-current distinction. The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows. IAS 1 has been revised to incorporate a new definition of “material” and IAS 8 has been revised to refer to this new definition in IAS 1. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. As of January 1, 2020, the Company adopted IAS 1 and has concluded that, based on its current operations, the adoption of IAS 1 had no significant impact on the Company’s financial statements.



**INTERNATIONAL PROSPECT VENTURES INC.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**March 31, 2020 and 2019**  
(Expressed in Canadian dollars unless otherwise noted)



**4) SIGNIFICANT ACCOUNTING POLICIES (continued)**

*IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" ("IAS 8")*

IAS 8 is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IAS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. The amendment is effective for annual reporting periods beginning on or after January 1, 2020. As of January 1, 2020, the Company adopted IAS 8 and has concluded that, based on its current operations, the adoption of IAS 8 had no significant impact on the Company's financial statements.

**5) JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the condensed interim financial statements and accompanying notes. Management believes that the estimates used in the preparation of the condensed interim consolidated financial statements are reasonable; however, actual results may differ materially from these estimates. The areas involving significant judgments, estimates and assumptions have been detailed in note 6 to the Company's audited financial statements for the year ended December 31, 2019.

**6) CASH AND CASH EQUIVALENTS**

	<b>As at March 31, 2020</b>	As at December 31, 2019
Cash	\$ 199,341	\$ 286,655
Demand deposits	50,175	50,175
	<b>\$ 249,516</b>	<b>\$ 336,830</b>

The deposit is due on demand, bears interest at 1.4% per annum and maturing on October 25, 2020.

**7) PREPAID EXPENSES AND DEPOSITS**

	<b>As at March 31, 2020</b>	As at December 31, 2019
Prepaid expenses	\$ 2,589	\$ 6,045
Other	215	215
	<b>\$ 2,804</b>	<b>\$ 6,260</b>

**INTERNATIONAL PROSPECT VENTURES INC.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**March 31, 2020 and 2019**

(Expressed in Canadian dollars unless otherwise noted)

**8) EXPLORATION AND EVALUATION ASSETS**

The following table presents the additions to exploration and evaluation assets by categories:

	As at					As at
	January 1,	Additions	Acquisition	Impairment	Reclassification	March 31,
	2020					2020
Claim and claim maintenance	\$ 130,302	33,047	-	-	-	\$ 163,349
Acquisition	200,000	-	-	-	-	200,000
Program management	124,713	1,937	-	-	-	126,650
Geophysics	51,926	-	-	-	-	51,926
Geology	40,926	4,705	-	-	-	45,631
Other	4,436	-	-	-	-	4,436
Royalty advances	-	-	-	-	-	-
	\$ 552,303	39,689	-	-	-	\$ 591,992

	As at					As at
	January 1,	Additions	Acquisition	Impairment	Reclassification	December 31,
	2019					2019
Claim and claim maintenance	\$ 23,262	34,244	-	-	72,796	\$ 130,302
Acquisition	-	-	200,000	-	-	200,000
Program management	-	124,713	-	-	-	124,713
Geophysics	51,926	-	-	-	-	51,926
Geology	21,544	19,382	-	-	-	40,926
Other	1,377	245	-	-	2,814	4,436
Royalty advances	20,000	10,000	-	(30,000)	-	-
	\$ 118,109	188,584	200,000	(30,000)	75,610	\$ 552,303

The following table presents the additions to exploration and evaluation assets by prospects:

Prospects	As at March 31,	As at December 31,
	2020	2019
Pilbara Region	\$ 486,822	\$ 447,133
Porcupine Miracle	92,050	92,050
Other	13,120	13,120
<b>Total</b>	<b>\$ 591,992</b>	<b>\$ 552,303</b>

**INTERNATIONAL PROSPECT VENTURES INC.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**March 31, 2020 and 2019**  
(Expressed in Canadian dollars unless otherwise noted)

---



**8) EXPLORATION AND EVALUATION ASSETS (continued)**

*Pilbara Region – Western Australia*

The Company and Valroc have staked eight tenements to date, in an area southeast of Karratha, Western Australia, covering a total area of approximately 1,026 square kilometres and proximal to and/or cover target lithologies for gold-bearing conglomerate/sedimentary rocks at the base of the Mt. Roe Basalt (2 tenements), gold-bearing Mosquito Creek and Hardey formations (4 tenements), and other prospective rocks of the Fortescue Group (2 tenements). Seven of the eight tenements are proximal to lands held by Novo Resources, Pacton Gold, and Millennium Minerals.

Granting of the exploration licences for all eight properties was completed as of January 9, 2019.

*Porcupine Miracle Prospect - Langmuir Township, Ontario*

The Company owns a 100% interest in the Porcupine Miracle Prospect which comprises nine (9) claim cells located in Langmuir Township in the province of Ontario, Canada. The property is subject to a royalty in favor of 2973090 Canada Inc, a company controlled by the President, equal to 3% of net smelter returns. In addition, advance royalty payments of \$10,000 per annum is payable by the Company, which commenced on July 17, 2017; the advance royalty payments will be deducted from the amounts payable under the royalty.

*Otish/Mistassini Prospect - North Central Québec*

The Company owns a 100% interest in the Otish/Mistassini Prospect which comprises 46 mining claims located in the province of Québec. This prospect was impaired in a previous fiscal year.

*Beartooth Island Prospect - Athabaska Basin, Saskatchewan*

The Company holds a 40% interest in the Beartooth Island Prospect located in the Athabaska Basin in the province of Saskatchewan. The property consists of one claim totaling 5,940 hectares. This property is the subject of an agreement with Ditem Explorations Inc. (“Ditem”). Ditem can acquire an additional 6% interest in the property by advising the Company of its intent to complete a feasibility study at its sole cost within the period of 6 years from the operative date, subject to and in accordance with the terms of the agreement. As of the date hereof, the Company retains a 40% interest therein on the single mining claim; Ditem is the operator. Since the operator was not planning any work in the near future, the Company recognized an impairment on this prospect in a previous fiscal year.

**INTERNATIONAL PROSPECT VENTURES INC.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**March 31, 2020 and 2019**  
(Expressed in Canadian dollars unless otherwise noted)



**9) EQUITY**

*a) Share Capital*

**Authorized**

Unlimited number of voting common shares without par value.

**Issue share capital**

The change in issued share capital for the year was as follows:

*Share-based payments*

The Company has adopted an incentive stock option plan pursuant to which directors, officers, employees and consultants are eligible to receive incentive stock options. Under the terms of this plan, the aggregate number of shares issuable upon the exercise of all options granted thereunder may not exceed 10% of the Company's common shares issued and outstanding at the time of grant. The exercise price of each option is fixed by the Board of Directors but shall not be less than the closing price of the Company's share on the trading day immediately prior to the date of grant less any discount permitted by the TSX Venture Exchange (the "Exchange"); if no sales were reported, it shall be the sales closing price on the last trading day immediately prior to the date of grant on which sales were reported. The vesting period of the options shall be determined by the Board of Directors, in accordance with the rules and regulations of the Exchange. All share-based payments will be settled in equity. The Company has no legal constructive obligation to repurchase or settle the options in cash.

A summary of changes in the number of incentive stock option is presented as follows:

	<b>For the three months ended March 31, 2020</b>		For the year ended December 31, 2019	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of period	<b>2,660,312</b>	<b>\$ 0.12</b>	2,260,000	\$ 0.11
Granted	-	-	500,312	0.16
Forfeited	-	-	(100,000)	0.05
Outstanding, end of period	<b>2,660,312</b>	<b>\$ 0.12</b>	2,660,312	\$ 0.12

**INTERNATIONAL PROSPECT VENTURES INC.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**March 31, 2020 and 2019**  
(Expressed in Canadian dollars unless otherwise noted)



**9) EQUITY (continued)**

On February 28, 2019, the Company granted to an officer incentive stock options entitling the purchase 50,000 common shares at an exercise price of \$0.17 per share. The options are exercisable for a period of 5 years until February 28, 2024. All options are exercisable immediately. The fair value of the 50,000 stock options has been estimated on the date of issue at \$7,484, using the Black-Scholes option-pricing model with the following assumptions: share price at date of grant: \$0.17; expected dividend yield: nil; expected volatility: 137.19%; risk-free interest rate: 1.8%; expected life: 5 years and exercise price at the date of grant: \$0.17 per share. For the three months ended March 31, 2019, an amount of \$7,484 has been expensed as share-based payments in the statements of net loss and comprehensive loss.

The table below summarizes the information related to outstanding share options as at March 31, 2020:

<b>Expiry date</b>	<b>Exercise price</b>	<b>Number of stock options outstanding</b>
February 28, 2024	\$ 0.170	50,000
June 17, 2024	\$ 0.160	450,312
July 10, 2027	\$ 0.050	1,565,000
December 12, 2027	\$ 0.265	595,000
		<b>2,660,312</b>

**10) LOSS PER SHARE**

Loss per share has been calculated using the weighted average number of common shares outstanding as follows:

	<b>For the three months ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
Net loss for the period	\$ <b>(39,967)</b>	\$ (63,851)
Weighted average number of common shares - Basic	<b>27,103,128</b>	26,552,017
Dilutive effect of stock options	-	-
Weighted average number of common shares - Diluted	<b>27,103,128</b>	26,552,017
Basic loss per share	\$ <b>(0.001)</b>	\$ (0.002)
Diluted loss per share	<b>(0.001)</b>	(0.002)

For the three months ended March 31, 2020 and 2019, potential dilutive common shares from incentive stock options have not been included in the loss per share calculation as they would result in a reduction of the loss per share.

**INTERNATIONAL PROSPECT VENTURES INC.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**March 31, 2020 and 2019**  
(Expressed in Canadian dollars unless otherwise noted)

---



## **11) RELATED PARTY TRANSACTIONS**

### *a) Transactions with a shareholder*

For the three months ended March 31, 2020, Golden Valley recharged general and administrative expenses to the Company for a total amount of \$nil (\$3,792 was recharged for the three months ended March 31, 2019 which was recorded in the statements of net loss and comprehensive loss).

For efficiency reasons, where the Company and Golden Valley are dealing with the same suppliers one may pay for both and be reimbursed by the other. As at March 31, 2020, the Company had indebtedness of \$68,520 (December 31, 2019 - \$68,520) to Golden Valley, which is included in due to related parties.

### *b) Transactions with key management*

Key management personnel of the Company comprise of the members of the board of directors, as well as the President and Chief Executive Officer and the Chief Financial Officer (“CFO”). The compensation paid to key management is presented below:

For the three months ended March 31, 2020, the Company incurred consultant fees of \$nil (2019 - \$3,000) from Golden Valley relating to the services of the Company’s CFO.

As at March 31, 2020, the Company has an advance to a director for an amount of \$1,465 (December 31, 2019 - \$1,465) which bears no interest and is repayable on demand. The advance is to facilitate any corporate expenditures relating to the Company’s operations in Australia.

For the three months ended March 31, 2019, the Company granted stock options to an officer to purchase 50,000 common shares of the Company for which the Company recorded share-based payments of \$7,484 (note 10).

### *c) Transactions with related parties*

For the three months ended March 31, 2020, the Company was recharged exploration and evaluation expenses for a total of \$2,063 (2019 - \$3,150) from Val-d'Or Mining Corporation (“Val-d'Or Mining”), an entity that has common key management personnel with the Company.

For efficiency reasons, where the Company and Val-d'Or Mining are dealing with the same suppliers one may pay for both and be reimbursed by the other. As at March 31, 2020, the Company had indebtedness of \$2,371 (December 31, 2019 – \$33,183) to Val-d'Or Mining.

**INTERNATIONAL PROSPECT VENTURES INC.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**March 31, 2020 and 2019**  
(Expressed in Canadian dollars unless otherwise noted)

---

## **12) CAPITAL MANAGEMENT POLICIES AND PROCEDURES**

The Company's objectives in managing capital is to safeguard its ability to continue its operations, to increase the value of the assets of the business and to provide an adequate return to owners. These objectives will be achieved by identifying the right exploration prospects, adding value to these projects and ultimately taking them through to production either with partners or by the Company's own means or sale. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares to improve its financial performance and flexibility. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its exploration and evaluation activities or may slow its activities until conditions improve.

The Company monitors capital on the basis of the carrying amount of equity. Capital for reporting period under review is summarized in note 9 and in the statement of changes in equity. The Company is not subject to any externally imposed capital requirements.

## **13) COMMITMENTS**

### *Exploration Expenditure Commitment*

In order to maintain the Company's interest in mining tenements in Australia, the Company is committed to meet the annual minimum expenditure of approximately \$329,000 (or AUD\$379,000) under which the tenements were granted.

## **14) SUBSEQUENT EVENTS**

### *Non-brokered private placement*

On May 20, 2020, the Company announced that it will conduct a non-brokered private placement offering pursuant to which it will issue up to 5,000,000 Units at a per Unit price of \$0.09 for gross proceeds of up to \$450,000 (the "Offering"). Each Unit will consist of one common share in the capital of the Company and one non-transferable share purchase warrant, each warrant entitling the holder to purchase one common share at a per share price of \$0.13 for two years from the closing of the offering, subject to accelerated expiry in certain circumstances.

The Offering is subject to acceptance by the TSX Venture Exchange. The proceeds raised from this offering will be used by the Company to explore the Wits End Prospect in the Pilbara Craton, Western Australia, and to evaluate additional properties and NSR royalties, and for general corporate purposes. All securities issued will be subject to a hold period of four months and one day from the date of closing of the offering in accordance with applicable securities legislation and the policies of the TSX Venture Exchange.

**INTERNATIONAL PROSPECT VENTURES INC.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**March 31, 2020 and 2019**



(Expressed in Canadian dollars unless otherwise noted)

---

**14) SUBSEQUENT EVENTS**

*Update on COVID-19*

The global outbreak of COVID-19 has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. Similarly, the government of Western Australia has imposed strict travel restrictions where the tenements are located. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries.