

CASSIUS VENTURES LTD.

Unaudited Condensed Interim Financial Statements
For the Three and Nine Months Ended July 31, 2020 and 2019
(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF 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 condensed interim financial statements of Cassius Ventures Ltd. (the "Company" or "Cassius") for the interim period ended July 31, 2020, have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements including International Accounting Standard 34 - Interim Financial Reporting and are the responsibility of the Company's management.

The Company's independent auditor, Saturna Group Chartered Professional Accountants LLP has not performed a review of these condensed interim financial statements.

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

CASSIUS VENTURES LTD.Condensed Interim Statements of Financial Position (Unaudited)
(Expressed in Canadian Dollars)

	Notes	As at July 31, 2020	As at October 31, 2019
Assets			
Current assets			
Cash		\$ 1,259	\$ 1,857
Amounts receivable		170	1,634
Prepaid expenses		833	833
TOTAL ASSETS		\$ 2,262	\$ 4,324
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	3	\$ 64,140	\$ 63,155
Due to related parties	6	50,959	49,658
Promissory notes payable	3 and 6	174,900	160,500
TOTAL LIABILITIES		289,999	273,313
Shareholders' deficit			
Share capital		5,968,027	5,968,027
Contributed surplus		288,079	288,079
Deficit		(6,543,843)	(6,525,095)
Total shareholders' deficit		(287,737)	(268,989)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT		\$ 2,262	\$ 4,324

Nature of operations and continuation of business (Note 1)

Approved for Issuance by the Board of Directors:

<u>"John A. Thomas"</u>	Director
<u>"Robert Atkinson"</u>	Director

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

CASSIUS VENTURES LTD.Condensed Interim Statements of Operations and Comprehensive Loss (Unaudited)
(Expressed in Canadian Dollars)

	<i>Notes</i>	Three months ended July 31, 2020	Three months ended July 31, 2019	Nine months ended July 31, 2020	Nine months ended July 31, 2019
Operating expenses					
Office and general		\$ 482	\$ 607	\$ 904	\$ 1,416
Professional fees		-	287	306	1,424
Transfer agent and regulatory		2,864	1,963	8,719	8,779
Net loss from operations		(3,346)	(2,857)	(9,929)	(11,619)
Other expense					
Interest expense	<i>3 and 6</i>	(3,043)	(2,721)	(8,819)	(7,667)
Net loss and comprehensive loss for the period		\$ (6,389)	\$ (5,578)	\$ (18,748)	\$ (19,286)
Loss per common share					
Basic and diluted		\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding					
Basic and diluted		10,217,248	10,217,248	10,217,248	10,217,248

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CASSIUS VENTURES LTD.

Condensed Interim Statements of Changes in Equity (Unaudited)
(Expressed in Canadian Dollars)

	Share capital		Contributed surplus	Deficit	Total equity
	Number of shares	Amount			
Balance - October 31, 2019	10,217,248	\$ 5,968,027	\$ 288,079	\$ (6,525,095)	\$ (268,989)
Net loss for the period	-	-	-	(18,748)	(18,748)
Balance - July 31, 2020	10,217,248	\$ 5,968,027	\$ 288,079	\$ (6,543,843)	\$ (287,737)

	Share capital		Contributed Surplus	Deficit	Total equity
	Number of shares	Amount			
Balance - October 31, 2018	10,217,248	\$ 5,968,027	\$ 288,079	\$ (6,492,585)	\$ (236,479)
Net loss for the period	-	-	-	(19,286)	(19,286)
Balance - July 31, 2019	10,217,248	\$ 5,968,027	\$ 288,079	\$ (6,511,871)	\$ (255,765)

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CASSIUS VENTURES LTD.

Condensed Interim Statements of Cash Flows (Unaudited)
(Expressed in Canadian Dollars)

	Three months ended July 31, 2020	Three months ended July 31, 2019	Nine months ended July 31, 2020	Nine months ended July 31, 2019
Operating activities				
Net loss for the period	\$ (6,389)	\$ (5,578)	\$ (18,748)	\$ (19,286)
Net changes in non-cash working capital balances:				
Amounts receivable	2,059	(111)	1,464	(798)
Accounts payable and accrued liabilities	755	(2,452)	985	(3,730)
Due to related parties	(321)	(2,021)	1,301	3,975
Net cash used in operating activities	<u>(3,896)</u>	<u>(10,162)</u>	<u>(14,998)</u>	<u>(19,839)</u>
Financing activities				
Proceeds from promissory notes	4,800	6,000	14,400	18,000
Net cash provided by financing activities	<u>4,800</u>	<u>6,000</u>	<u>14,400</u>	<u>18,000</u>
Change in cash during the period	904	(4,162)	(598)	(1,839)
Cash, beginning of the period	355	4,837	1,857	2,514
Cash, end of the period	\$ 1,259	\$ 675	\$ 1,259	\$ 675

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

CASSIUS VENTURES LTD.

Notes to the Condensed Interim Financial Statements (Unaudited)
For the Three and Nine Months Ended July 31, 2020 and 2019
(Expressed in Canadian Dollars)

1. Nature of Operations and Continuance of Business

Cassius Ventures Ltd. (the "Company") is an exploration stage company focused on acquiring exploration and/or development stage mineral properties for the purposes of further exploration and development. The Company was incorporated under the Business Corporations Act (British Columbia) on February 23, 2007. The Company maintains its head office at 595 Burrard Street, Suite 3083, Vancouver, British Columbia. The Company's registered and records office is located at 595 Burrard Street, Suite 2900, Vancouver, British Columbia. Its common shares are traded on the NEX Board of the TSX Venture exchange under the symbol "CZ.H".

These financial statements have been prepared on a going concern basis, which assumes 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 Company has yet to generate any revenues from operations and as at July 31, 2020, had an accumulated deficit of \$6,543,843 and a working capital deficit of \$287,737. The above conditions, along with other factors indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. The Company's ability to continue operations in the normal course of business is dependent on several factors, including the ability to secure additional financing.

Although management is of the opinion that sufficient working capital will be obtained from a source of financing to meet the Company's remaining current liabilities as well as future liabilities and commitments as they become due, there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These unaudited condensed interim financial statements do not include any additional adjustments to the recoverability and classification of certain recorded asset amounts, and changes to the condensed interim statement of comprehensive operations that might be necessary if the Company was unable to continue as a going concern.

2. Basis of Presentation

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Auditing Standard 34 - Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board. These unaudited condensed interim financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited annual financial statements for the year ended October 31, 2019. The accounting policies followed in these condensed interim financial statements are the same as those applied in note 3 of the Company's audited annual financial statements for the year ended October 31, 2019.

The Board of Directors approved these financial statements on September 15, 2020.

3. Promissory Notes Payable

As at July 31, 2020, the Company had outstanding promissory notes totalling \$174,900 (2019 - \$160,500). The promissory notes bear interest at 7%, are unsecured, and payable on demand. Refer to Note 6(c).

Interest expense incurred on the promissory notes for the three and nine months ended July 31, 2020 totalled \$3,043 and \$8,819, respectively (2019 - \$2,721 and \$7,667, respectively), of which \$4,179 (2019 - \$3,808) has been recorded in accounts payable and accrued liabilities.

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Notes to the Condensed Interim Financial Statements (Unaudited)
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4. Share Capital

The Company has an unlimited number of common shares without par value authorized.

5. Stock Options

The Company has established a stock option plan (the "Plan") for its directors, executive officers, employees and consultants under which the Company may grant options to acquire a maximum number of common shares equal to 10% of the total issued and outstanding common shares of the Company exercisable for a period of up to 5 years from the date of grant.

Within any 12 month period, the maximum number of common shares reserved for issuance to any individual cannot exceed 5% of the issued common shares, and the maximum number of common shares reserved for issuance to any insider cannot exceed 10% of the issued common shares. The aggregate number of common shares reserved for issuance to insiders cannot exceed 10% of the issued common shares. Within any 12 month period, the maximum number of options granted to any one consultant cannot exceed 2% of the issued common shares and the maximum number of options granted to all employees and consultants conducting investor relations activities cannot exceed 2% of the issued common shares.

The exercise price of an option granted under this plan shall not be less than the discounted market price provided that:

- (i) if options are granted within 90 days of a distribution by a prospectus, the minimum exercise price of those options will be the greater of the discounted market price and the per share price paid by the public investors for shares acquired under the distribution;
- (ii) the 90 day period begins on the date a final receipt is issued for the prospectus;
- (iii) for unit offerings, the minimum option exercise price will be the 'base' (or imputed) price of the shares included in the unit; and
- (iv) for all other financings, the minimum exercise price will be the average price paid by the public investors.

The options granted to an optionee under this Plan shall vest at the discretion of the Board. In accordance with the policies of the TSXV, and subject to their approval to the contrary, options issued to consultants providing investor relations services must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than 25% of the options vesting in any three-month period.

As at July 31, 2020 and October 31, 2019, the Company had the following stock options outstanding and exercisable:

	Number of options	Weighted average exercise price
Options outstanding and exercisable -		
October 31, 2018 and 2019	890,000	\$ 0.05
Forfeited	(365,000)	0.05
Options outstanding and exercisable -		
July 31, 2020	525,000	\$ 0.05

As at July 31, 2020, all outstanding stock options had an exercise price of \$0.05 with a weighted average remaining contractual life of 0.93 years.

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6. Related Party Transactions

a) Key Management Compensation

Key management includes the Company's directors, Chief Executive Officer, and Chief Financial Officer. During the three and nine months ended July 31, 2020 and 2019, the Company incurred \$nil of compensation awarded to key management for share-based payments.

b) Payments for services by related parties

As at July 31, 2020 and October 31, 2019, the Company owed \$25,812 to Oceanic Iron Ore Corp., a company with an officer in common.

As at July 31, 2020, the Company owed \$4,000 (October 31, 2019 - \$7,340) to the Chief Financial Officer of the Company.

The amounts due to related parties other than those described in this Note 6(c) above are non-interest bearing, unsecured, and due on demand.

c) Promissory notes with related parties

As at July 31, 2020, the Company had \$61,800 (October 31, 2019 - \$57,000) of outstanding promissory notes issued to a director and CEO of the Company, and \$31,300 (October 31, 2019 - \$26,500) of outstanding promissory notes issued to a director and CFO of the Company. As at July 31, 2020, the Company owed \$21,146 (October 31, 2019 - \$16,506) of accrued interest on related party promissory notes payable.

Interest incurred on the promissory notes due to related parties for the three and nine months ended July 31, 2020 totalled \$1,614 and \$4,640 respectively (2019 - \$1,392 and \$3,859, respectively).

7. Fair Value of Financial Instruments

Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk. The carrying values of cash and cash equivalents, receivables, accounts payable, promissory notes, and due to related parties approximate their fair values due to their short-term nature.