

Lido Minerals Ltd.

(formerly Commonwealth Cannabis Corp.)

Condensed Consolidated Interim Financial Statements

For the Nine Months Ended June 30, 2020

*Unaudited - Prepared by Management
(Expressed in Canadian dollars)*

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 condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Lido Minerals Ltd. (formerly Commonwealth Cannabis Corp.) (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 financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

Lido Minerals Ltd. (formerly Commonwealth Cannabis Corp.)
Condensed Interim Consolidated Statements of Financial Position
(Unaudited – Prepared by Management)

	As at June 30, 2020 \$	As at September 30, 2019 \$
Assets		
Current Assets		
Cash	2,439,603	743,813
Sales tax receivable	7,162	5,105
Investment (Note 4)	-	125,000
	2,446,765	873,918
Non-Current Asset		
Exploration and evaluation assets (Notes 5 and 6)	230,000	-
Total Assets	2,676,765	873,918
Liabilities		
Current liabilities		
Accounts payable (Note 8)	5,656	5,298
Accrued liabilities	4,500	3,780
Total Current and Total Liabilities	10,156	9,078
Shareholders' Equity		
Share capital (Note 7)	1,532,600	1,332,600
Retained earnings (deficit)	1,134,009	(467,760)
Total Shareholders' Equity	2,666,609	864,840
Total Liabilities and Shareholders' Equity	2,676,765	873,918

Nature and Continuance of Operations (Note 1)

Subsequent Event (Note 9)

Approved on behalf of the Board on August 28, 2020:

"Carl Chow"

Carl Chow, Director

"Wayne Soo"

Wayne Soo, Director

The accompanying notes are integral to these condensed interim consolidated financial statements.

Lido Minerals Ltd. (formerly Commonwealth Cannabis Corp.)
Condensed Interim Consolidated Statement of Net and Comprehensive Income (Loss)
(Unaudited – Prepared by Management)

	Three Months ended June 30, 2020	Three Months ended June 30, 2019	Nine Months ended June 30, 2020	Nine Months ended June 30, 2019
	\$	\$	\$	\$
Expenses				
Administration	11,372	47	9,544	1,779
Audit fees	3,000	-	20,671	10,798
Consulting fees (Note 8)	45,775	6,000	158,359	89,965
Management fees (Note 8)	-	-	-	1,000
Professional fees	-	10,967	25,359	63,710
Regulatory, filing and transfer agent fees	11,448	19,265	14,892	26,325
Loss from operating expenses	(71,595)	(36,279)	(228,825)	(193,577)
Sale of investment (Note 4)	1,365,594	-	1,830,594	-
Net and comprehensive income (loss)	1,293,999	(36,279)	1,601,769	(193,577)
Basic and diluted earnings (loss) per	\$ 0.10	\$ (0.00)	\$ 0.13	\$ (0.03)
Weighted average number of common shares outstanding (Note 7)	13,035,054	11,035,054	11,991,258	7,035,405

The accompanying notes are integral to these condensed interim consolidated financial statements.

Lido Minerals Ltd. (formerly Commonwealth Cannabis Corp.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Prepared by Management)

	Share Capital				
	Number	Amount \$	Special warrants \$	Retained earnings (deficit) \$	Total shareholders' equity \$
Balance, September 30, 2018	151,054	11,000	442,800	(33,042)	420,758
Special Warrants Issued (Note 7)	-	-	23,600	-	23,600
Shares issued for private placement (Note 7)	8,552,000	855,200	-	-	855,200
Special warrants exercised (Note 7)	2,332,000	466,400	(466,400)	-	-
Net and comprehensive loss for the period	-	-	-	(193,577)	(153,577)
Balance, June 30, 2019	11,035,054	1,332,600	-	(226,619)	1,105,981
Balance, September 30, 2019	11,035,054	1,332,600	-	(467,760)	864,840
Shares issued to acquire property (Notes 5 and 7)	2,000,000	200,000	-	-	200,000
Net and comprehensive income for the period	-	-	-	1,601,769	1,601,769
Balance, June 30, 2020	13,035,054	1,532,600	-	1,134,009	2,666,609

The accompanying notes are integral to these condensed interim consolidated financial statements.

Lido Minerals Ltd. (formerly Commonwealth Cannabis Corp.)
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited – Prepared by Management)

	Nine Months Ended June 30, 2020	Nine Months Ended June 30, 2019
	\$	\$
Net income (loss)	1,601,769	(193,577)
Operating Activities:		
Gain on sale of investments	(1,830,594)	-
Changes in non-cash working capital items:		
Sales tax receivable	(2,057)	(5,200)
Accounts payable	358	3,889
Accrued liabilities	720	-
Cash flows used in operating activities	(229,804)	(194,888)
Financing Activities:		
Proceeds from private placement	-	878,800
Proceeds from loan	-	100,000
Loans receivable	-	(240,540)
Cash flows provided by financing activities	-	738,260
Investing Activities:		
Exploration and evaluation assets	(30,000)	-
Proceeds from sale of investments, net of purchases	1,955,594	-
Cash flows provided by investing activities	1,925,594	-
Change in cash	1,695,790	543,372
Cash, beginning of period	743,813	423,173
Cash, end of period	2,439,603	966,545
Supplementary cash flow information:		
Interest paid	-	-
Taxes paid	-	-

The accompanying notes are integral to these condensed interim consolidated financial statements.

1. Nature and Continuance of Operations

Lido Minerals Ltd. (formerly Commonwealth Cannabis Corp.) was incorporated as 1093684 B.C. Ltd. (the "Company" or "Lido") on October 19, 2016 under the laws of British Columbia, Canada. On February 11, 2020 the Company changed its name to Lido Minerals Ltd. The Company's head office and registered office is located at 600 – 1090 West Georgia Street, Vancouver, BC V6E 3V7.

The Company is a publicly reporting issuer in the Provinces of British Columbia and Alberta. The Company formerly operated in the cannabis sector. In January of 2020, the Company changed its business to exploration and evaluation of mineral properties and intends to file a prospectus with the Canadian Securities Exchange as a resource issuer.

The financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes 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, and its financial success may be dependent upon the extent to which it can successfully develop its business.

The development of the Company's business may take many years to be successful and the amount of resulting income, if any, is difficult to determine with any certainty. For the nine months ended June 30, 2020, the Company recorded net income of \$1,601,769 (2019: net loss of \$193,577) and expects to incur losses in the development of its business, all of which casts material uncertainty about the Company's ability to continue as a going concern. Management believes its working capital will be sufficient to support operations for the next twelve months.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and has adversely affected global workforces, financial markets, and the general economy. It is not possible for the Company to determine the duration or magnitude of the adverse results of COVID-19 nor its effects on the Company's business or operations. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2020.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The Company's continuation as a going concern is dependent upon raising the necessary funds through the selling of investments and issuance of equity or debt sufficient to meet current and future obligations. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Company's ability to continue as a going concern as described above, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not include any adjustments relating to the realization of assets and liquidation of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Basis of Presentation

Statement of Compliance

The financial statements for the nine months ended June 30, 2020 with comparative figures for the nine months ended June 30, 2019 were prepared in accordance with the International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (IASB) and interpretations of the International Financing Reporting Interpretations Committee (“IFRIC”).

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiary. The financial statements of the subsidiary is included in the consolidated financial statements from the date that control commences until the date that control ceases. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Company.

The principal subsidiary of the Company as of June 30, 2020 is as follows:

Name of subsidiary	Principal activity	Place of Incorporation	Ownership Interest June 30, 2020	Ownership Interest September 30, 2019
Pacific West Exploration Services Inc.	Mineral exploration	Canada	100%	-

3. Significant Accounting Policies

New accounting standards adopted

IFRS 16 Leases:

In January 2016, the IASB issued IFRS16 – Leases which replaces IAS 17 – Leases and its associated interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. The standard is effective for annual periods beginning on or after January 1, 2019. The Company adopted this new standard on October 1, 2019. This new standard did not have any impact on the Company’s financial statements because the Company does not have any leases.

3. Significant Accounting Policies (continued)

Exploration and evaluation assets

Pre-exploration costs are expensed in the period in which they are incurred. All costs related to the acquisition, and exploration of mineral properties are capitalized by property until the commencement of commercial production. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

Management reviews the capitalized costs on its exploration and evaluation assets at least annually to consider if there is an impairment value to take into consideration from current exploration results and management's assessment of the future probability of profitable operations from the property, or likely gains from the disposition or option of the property. If a property is abandoned, or considered to have no future economic potential, the acquisition and accumulated exploration and evaluation costs are written off to profit or loss. If the carrying value of a project exceeds its estimated value, an impairment provision is recorded.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the mineral property is considered to be a mine under development and is classified as "Mining Assets". Exploration and evaluation expenditures accumulated are also tested for impairment before the property costs are transferred to mining asset.

Comparative figures

Certain figures have been reclassified to conform with prior period classifications.

4. Investment

On August 8, 2019, the Company subscribed to 1,000,000 units of Champignon Brands Inc. ("Champignon"), a publicly traded company (CSE: SHRM), for cash consideration of \$100,000. Each unit consisted of one common share and one half of one share purchase warrant. Each whole warrant was exercisable into one common share at \$0.15 per share for a period of three years.

During the period ended June 30, 2020, the Company exercised 500,000 share purchase warrants to purchase 500,000 common shares of Champignon for \$75,000.

During the period ended June 30, 2020, the Company sold all shares of Champignon for total proceeds of \$2,030,594 (2019: \$Nil) in the open market and realized gains of \$1,830,594 (2019: \$Nil).

At June 30, 2020, the Company had Nil shares and Nil warrants (September 30, 2019 – 1,000,000 shares and 500,000 warrants) of Champignon with a fair value of \$Nil (September 30, 2019 - \$125,000).

5. Acquisition of Pacific West Exploration Services Inc.

On February 20, 2020, the Company entered into an agreement, pursuant to which the Company has acquired all the outstanding common shares of Pacific West, an arm's length party (the "Acquisition"). Pacific West is a privately held mineral exploration company that holds an option to earn up to a 100% interest in the Nimpkish Property (Note 6). In consideration for the outstanding common shares of Pacific West, the Company issued 2,000,000 common shares with a fair value of \$200,000 (Note 7).

Pacific West does not meet the definition of a business under IFRS 3; therefore the Acquisition was treated as an acquisition of assets.

The fair value of the assets acquired, and liabilities assumed as at the date of acquisition were as follows:

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Net assets acquired	
Exploration and evaluation assets	\$ 200,000
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Consideration	
Fair value of 2,000,000 common shares issued (Note 7)	\$ 200,000
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6. Exploration and Evaluation Assets

Nimpkish Property

On February 20, 2020, the Company completed its acquisition of Pacific West. Pacific West, as optionee, is party to an option agreement dated as of May 2, 2019 (the "Option Agreement") with respect to the Nimpkish Property (the "Property"), under which Pacific West has the exclusive and irrevocable right to acquire a 100% interest in the Property from the registered owners of the Property (collectively, the "Optionor").

To successfully exercise the option under the Option Agreement, Pacific West is required to:

Cash Payments: On or before May 1, 2020, Pacific West shall pay to the Optionor a cash payment in the aggregate amount of \$30,000 (paid).

6. Exploration and Evaluation Assets (Continued)

Exploration Expenditures: Pacific West shall make an aggregate of \$425,000 in exploration expenditures on the Property on or before the following dates:

Date	Amount of Exploration Expenditures
December 31, 2020 (Completed)	\$ 75,000
December 31, 2021	\$ 100,000
December 31, 2022	\$ 100,000
December 31, 2023	\$ 150,000
	<u>\$ 425,000</u>

In addition, under the Option Agreement Pacific West shall grant to the Optionor a 2.0% Net Smelter Returns royalty (“NSR”) on the Property. Pacific West shall have the right at any time to repurchase one-half of the NSR from the Optionor by paying \$1,000,000 to the Optionor at any time before the commencement of commercial production on the Property. Beginning on December 31, 2023, and annually thereafter, Pacific West will make annual advanced minimum royalty (“AAMR”) payments of \$7,500 to the Optionor, and any such AAMR payments shall be deducted from future NSR payments.

7. Share Capital

Common Shares

Authorized:

Unlimited common shares without par value.

For the nine months ended June 30, 2019:

On January 31, 2019, the Company issued 8,552,000 common shares at \$0.10 per share for total proceeds of \$855,200.

On February 4, 2019, all 2,332,000 outstanding Special Warrants were exercised, for no further consideration, into 2,332,000 of Company’s common shares.

For the nine months ended June 30, 2020:

On February 20, 2020, the Company issued 2,000,000 common shares with a fair value of \$200,000 in relation to the purchase of Pacific West (Note 5).

Special Warrants

For the nine months ended June 30, 2019:

On October 1, 2018, the Company completed a non-brokered private placement of 2,332,000 Special Warrants of the Company at a price of \$0.20 per Special Warrant for total proceeds of \$466,400.

For the nine months ended June 30, 2020:

No Special Warrants were granted during the period.

Lido Minerals Ltd. (formerly Commonwealth Cannabis Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
(Unaudited – Prepared by Management)
For the nine months ended June 30, 2020 and June 30, 2019

8. Related Party Transactions

The Company incurred the following related party transactions, with associated persons or corporations, which were measured at the exchange amount as follows:

Key management includes Directors and Officers which constitutes the management team. The Company paid or accrued compensation in form of consulting fees to companies controlled by Directors Officers as follows:

	June 30, 2020	June 30, 2019
<i>Nine month period ended</i>	\$	\$
Consulting fees paid or accrued to the former Chief Financial Officer (“CFO”)	10,000	9,000
Consulting fees paid or accrued to a corporation controlled by a Director of the Company	3,000	1,500
Consulting fees paid or accrued to a corporation controlled by a Director of the Company	52,000	-
Consulting fees paid or accrued to a corporation controlled by the CFO and Corporate Secretary of the Company	7,500	-
Management fees paid to a former Director	-	1,000
	72,500	11,500

At June 30, 2020, the Company owed \$1,575 (2019: \$Nil) in consulting fees to a corporation controlled by the CFO of the Company, and \$Nil (2019: \$1,050) to the former CFO of the Company, which is included in accounts payable. These amounts are unsecured, bear no interest and are due on demand.

9. Subsequent Event

On August 10, 2020, the Company granted stock options to certain members of the board of Directors, management, and consultants entitling them to purchase up to 1,210,000 common shares of the Company at an exercise price of \$0.27 per common share, pursuant to the Company’s Stock Option Plan. The options are exercisable for a period of five years and will expire on August 10, 2025.