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**INTERBIT LTD.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2020**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

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## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying unaudited condensed interim consolidated financial statements of Interbit Ltd. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

### **NOTICE TO READER**

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

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

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<b>As at</b>	<b>March 31, 2020</b>	<b>December 31, 2019</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 7,318,354	\$ 6,299,125
Investment	100,000	100,000
Prepaid and sundry receivable	191,403	162,699
<b>Total assets</b>	<b>\$ 7,609,757</b>	<b>\$ 6,561,824</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 7)	\$ 212,257	\$ 481,832
<b>Shareholders' equity</b>		
Share capital (note 3)	24,317,130	22,706,682
Contributed surplus (notes 4 and 5)	10,073,137	10,390,576
Deficit	(26,992,767)	(27,017,266)
<b>Total shareholders' equity</b>	<b>7,397,500</b>	<b>6,079,992</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 7,609,757</b>	<b>\$ 6,561,824</b>

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**INTERBIT LTD.****Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)  
(Expressed in Canadian Dollars)  
(Unaudited)**

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<b>For the Three Months Ended March 31,</b>	<b>2020</b>	<b>2019</b>
<b>Expenses</b>		
Salaries and benefits	\$ -	\$ 436,224
Contractor fees (note 7)	21,417	420,559
Travel	32,350	93,381
Office and general	129,739	260,509
Professional fees	137,350	65,000
Marketing	2,159	-
Stock-based compensation (note 4)	(317,439)	323,546
Interest income	(30,074)	(52,334)
	<b>(24,499)</b>	<b>1,546,885</b>
<b>Net income (loss) and comprehensive income (loss) for the period</b>	<b>\$ 24,499</b>	<b>\$ (1,546,885)</b>
<b>Basic and diluted net income (loss) per share (note 6)</b>	<b>\$ 0.00</b>	<b>\$ (0.06)</b>
<b>Weighted average number of common shares outstanding, basic and diluted (note 6)</b>	<b>26,193,640</b>	<b>23,878,257</b>

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**INTERBIT LTD.****Condensed Interim Consolidated Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****(Unaudited)**

	Share Capital Number	Amount	Shares to be Issued	Contributed Surplus	Deficit	Total
Balance, December 31, 2018	23,868,916	\$ 22,603,124	\$ -	\$ 9,547,615	\$(21,658,688)	\$ 10,492,051
Exercise of options	50,000	103,558	-	(61,758)	-	41,800
Stock-based compensation	-	-	-	323,546	-	323,546
Net loss for the period	-	-	-	-	(1,546,885)	(1,546,885)
<b>Balance, March 31, 2019</b>	<b>23,918,916</b>	<b>22,706,682</b>	<b>-</b>	<b>9,809,403</b>	<b>(23,205,573)</b>	<b>9,310,512</b>
Balance, December 31, 2019	23,918,916	22,706,682	-	10,390,576	(27,017,266)	6,079,992
Issued on private placement	11,499,996	1,724,999	-	-	-	1,724,999
Costs of issue	-	(114,551)	-	-	-	(114,551)
Stock-based compensation	-	-	-	(317,439)	-	(317,439)
Net income for the period	-	-	-	-	24,499	24,499
<b>Balance, March 31, 2020</b>	<b>35,418,912</b>	<b>\$ 24,317,130</b>	<b>\$ -</b>	<b>\$ 10,073,137</b>	<b>\$(26,992,767)</b>	<b>\$ 7,397,500</b>

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

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

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<b>For the Three Months Ended March 31,</b>	<b>2020</b>	<b>2019</b>
<b>Operating activities</b>		
Net income (loss) for the period	\$ 24,499	\$ (1,546,885)
Stock-based compensation	(317,439)	323,546
Non-cash working capital items:		
Prepaid and sundry receivable	(28,704)	27,694
Accounts payable and accrued liabilities	(269,575)	(31,296)
	<b>(591,219)</b>	<b>(1,226,941)</b>
<b>Financing activities</b>		
Private placement, net of fees	1,610,448	-
Proceeds on exercise of options	-	41,800
	<b>1,610,448</b>	<b>41,800</b>
<b>Net change in cash</b>	<b>1,019,229</b>	<b>(1,185,141)</b>
<b>Cash, beginning of the period</b>	<b>6,299,125</b>	<b>10,825,749</b>
<b>Cash, end of the period</b>	<b>\$ 7,318,354</b>	<b>\$ 9,640,608</b>

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

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# INTERBIT LTD.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2020

(Expressed in Canadian Dollars)

(Unaudited)

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### 1. Nature of Operations

Interbit Ltd ("Interbit" or "the Company") was incorporated on March 28, 2011 and organized under the laws of Alberta, Canada. The Company has been an enterprise technology provider that has since 2016 dedicated itself to building blockchain technologies.

The registered office of the Company is located at 1600, 421 - 7 Avenue SW, Calgary, Alberta T2P 4K9.

#### Option Agreement, Proposed Change of Business, Name Change and Share Consolidation

During the three months ended March 31, 2020, the Company commenced the process of initiating a proposed "Change of Business" transaction ("COB Transaction") pursuant to the policies of the TSX Venture Exchange (the "Exchange"), with the result that the Company will become a Tier 2 mining issuer under the policies of the Exchange and will initially be engaged in the exploration and development of prospective mineral properties (the "Resulting Issuer"). On May 14, 2020, the Company received conditional approval from the Exchange for the COB Transaction.

Under the proposed COB Transaction, on March 20, 2020, the Company entered into an option agreement (the "Agreement") with Mr. Mike Leahy ("Optionor"), whereby the Company has been granted the option (the "Option") to acquire a 100% interest in and to twenty-seven mineral claims comprising a project known as the Mike Leahy Property (collectively, the "Property") totaling approximately 500 hectares located in the Larder Lake Mining Division in the Province of Ontario. The Optionor is the sole registered owner of the Property.

Under the terms of the Agreement, the Optionor has agreed to grant the Option to the Company. In order to exercise the Option and keep it in good standing, the Company will be required to make total cash payments of \$35,000, issue a total of 100,000 common shares of the Company ("Common Shares") and incur exploration expenditures of no less than \$250,000 as follows:

- (a) paying the Optionor \$35,000 upon issuance of a Technical Report (as defined in Agreement) that is to the satisfaction of the Company, in its sole discretion;
- (b) issuing to the Optionor 50,000 Common Shares effective upon issuance of the Technical Report, recognizing that those Common Shares is subject to the approval of the Exchange and such approval may not be received until the closing of the COB Transaction;
- (c) incurring \$100,000 of exploration expenditures on the property on or before the second anniversary of the closing of the COB Transaction, and issuing to the Optionor 50,000 Common Shares once such \$100,000 of exploration expenditures have been incurred; and
- (d) incurring \$150,000 of exploration expenditures on the Property on or before the fourth anniversary of the closing date. The Company intends to use its working capital to make the cash payments required under the terms of the Agreement.

In connection with the COB Transaction it is also proposed that the Company complete a name change to "North Peak Resources Ltd." or another name as the board of directors of the Company deems appropriate and as is acceptable to regulators having jurisdiction over the Company.

Lastly, also connection with the COB Transaction it is also proposed that the Company complete a consolidation of the issued and outstanding Common Shares on the basis of one (1) post-consolidation Common Share for each two (2) pre-consolidation Common Shares (the "Consolidation"). A special resolution for the approval of the Consolidation will be put to the Company's shareholders for consideration at the Company's shareholder meeting, as described below.

Shareholder approval for the proposed COB Transaction, the Consolidation, the proposed name change, and annual meeting matters will be sought by the Company at its Annual and Special Meeting of Shareholders called for June 24, 2020.

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# INTERBIT LTD.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2020

(Expressed in Canadian Dollars)

(Unaudited)

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### 2. Accounting Policies

#### Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 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 IASB and interpretations issued by IFRIC. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2019.

These unaudited condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on May 22, 2020.

#### Basis of Consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiaries Blockchain Tech Ltd. and BTL Dev Ltd. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

### 3. Share Capital

- a) Authorized share capital - at March 31, 2020, 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 - the holders of common shares are entitled to receive notice of and attend all meetings of the shareholders of the Company and are entitled to one vote in respect of each common share held at such meetings. In the event of liquidation, dissolution or winding-up of the Company, the holders of common shares are entitled to share rateably the remaining assets of the Company.

The change in issued share capital for the periods presented are as follows:

	<b>Number of common shares</b>	<b>Amount</b>
Balance, December 31, 2018	23,868,916	\$ 22,603,124
Exercise of options - cash	50,000	41,800
Exercise of options - valuation	-	61,758
<b>Balance, March 31, 2019</b>	<b>23,918,916</b>	<b>\$ 22,706,682</b>
December 31, 2019	23,918,916	\$ 22,706,682
Private placement	11,499,996	1,724,999
Costs of issue	-	(114,551)
<b>Balance, March 31, 2020</b>	<b>35,418,912</b>	<b>\$ 24,317,130</b>

On March 16, 2020, the Company closed a non-brokered private placement of 11,499,996 common shares at an issue price of \$0.15 per share, for aggregate gross proceeds of \$1,724,999. Cash costs of issue amounted to \$114,551 in aggregate.



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**INTERBIT LTD.****Notes to Condensed Interim Consolidated Financial Statements****March 31, 2020****(Expressed in Canadian Dollars)****(Unaudited)**

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**4. Stock Options**

The Company has adopted an incentive stock option plan (the "Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares.

The following table reflects the continuity of stock options for the three months ended March 31, 2020 and 2019:

	<b>Number of Stock Options</b>	<b>Weighted Average Exercise Price (CDN)</b>
Balance, December 31, 2018	2,176,892	\$2.55
Granted	210,608	\$1.45
Exercised	(50,000)	\$0.84
Expired	(325,000)	\$5.37
<b>Balance, March 31, 2019</b>	<b>2,012,500</b>	<b>\$2.02</b>
Balance, December 31, 2019	1,627,500	\$1.95
Cancelled	(1,060,000)	\$1.79
<b>Balance, March 31, 2020</b>	<b>567,500</b>	<b>\$2.50</b>

The following table reflects the stock options outstanding as at March 31, 2020:

<b>Expiry Date</b>	<b>Exercise Price(CDN)</b>	<b>Weighted Average Life Remaining</b>	<b>Options Outstanding</b>	<b>Black-Scholes Value</b>
March 11, 2021	\$ 0.51	0.95 years	37,500	\$ 21,082
December 14, 2020	0.50	0.71 years	225,000	91,303
January 29, 2023	7.75	2.83 years	80,000	689,536
May 11, 2023	5.83	3.11 years	75,000	405,375
January 10, 2024	1.52	3.78 years	150,000	212,025
	\$ 2.50	2.15 years	567,500	\$ 1,419,321

Of the 567,500 options outstanding at March 31, 2020, 415,000 were exercisable.

During the three months ended March 31, 2020, 1,060,000 options were cancelled, resulting in a credit to stock based compensation of \$379,099, representing the value of the unvested portion of the cancelled options.

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**INTERBIT LTD.****Notes to Condensed Interim Consolidated Financial Statements****March 31, 2020****(Expressed in Canadian Dollars)****(Unaudited)**

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**5. Warrants**

The following table reflects the continuity of warrants for the three months ended March 31, 2020 and 2019:

	<b>Number of Warrants Outstanding</b>	<b>Weighted Average Exercise Price</b>
<b>Balance, December 31, 2018 and March 31, 2019</b>	<b>257,000</b>	<b>\$ 3.25</b>
<b>Balance, December 31, 2019 and March 31, 2020</b>	<b>-</b>	<b>\$ -</b>

**6. Net Loss Per Share**

The calculation of basic and diluted income (loss) per share for the three months ended March 31, 2020 and 2019 was based on the income (loss) attributable to common shareholders of \$24,499 and \$1,546,885, respectively, and the weighted average number of common shares outstanding of 26,193,640 and 23,878,257, respectively. Basic and diluted income (loss) per share are the same.

**7. Related Party Balances and Transactions**

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<b>For the Three Months Ended March 31,</b>	<b>2020</b>	<b>2019</b>
Remuneration paid for CEO	\$ -	\$ 154,371
Remuneration paid for CFO	\$ 4,500	\$ 4,500
Stock-based compensation expense - directors and officers	\$ 25,035	\$ 285,039

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As at March 31, 2020, amounts due to related parties totaled \$20,054 (December 31, 2019 - \$10,900) pertaining to amounts payable for key management remuneration, and reimbursement of expenses paid on behalf of the Company included in accounts payable.

During the three months ended March 31, 2020, three directors were paid fees as follows: Mr. Brian Hinchcliffe: \$40,785, (three months ended March 31, 2019 - \$39,635); Mr. John Thomson: \$nil (three months ended March 31, 2019 - \$25,881). Ms. Chelsea Hayes: \$32,506. As at March 31, 2020, \$nil (December 31, 2019 - \$nil) was included in accounts payable and accrued liabilities in relation to these fees.

During the three months ended March 31, 2020, the Company expensed \$12,335 (three months ended March 31, 2019 - \$13,097) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. (the "DSA"), together known as the "Marrelli Group" for:

- (i) Robert D.B. Suttie, President of Marrelli Support, to act as Chief Financial Officer ("CFO") of the Company;
- (ii) Bookkeeping and office support services;
- (iii) Regulatory filing services; and

The Marrelli Group is also reimbursed for out of pocket expenses.

As of March 31, 2020, the Marrelli Group was owed \$12,545 (December 31, 2019 - \$10,646). These amounts are included in accounts payable and accrued liabilities.

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

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## **INTERBIT LTD.**

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

**March 31, 2020**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

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#### **8. Contingencies and Commitments**

During the three months ended March 31, 2020, an outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat its spread. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

Due to the worldwide COVID-19 outbreak, material uncertainties may come into existence that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global oil prices;
- The severity and the length of potential measures taken by governments to manage the spread of the virus and their effect on labour availability and supply lines;
- Availability of essential supplies;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of the approval of these consolidated financial statements, the Canadian government has not introduced measures which impede the activities of the Company. Management believes the business will continue and accordingly, the current situation bears no impact on management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.