

**BELGRAVIA**  
CAPITAL INTERNATIONAL

**2019**

**Condensed Consolidated  
Interim Financial Statements**

for the three months ended March 31, 2019

(Unaudited – Expressed in CAD dollars)

## **NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), 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 interim 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 financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.



**BELGRAVIA CAPITAL INTERNATIONAL INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME (LOSS)**  
**AND COMPREHENSIVE INCOME (LOSS)**  
(Unaudited – Expressed in CAD Dollars)

	Three Month Period Ended March 31, 2019	Three Month Period Ended March 31, 2018
<b>REVENUES</b>		
Management services revenue (note 3b)	\$ 50,000	\$ 116,667
<b>EXPENSES</b>		
Administration (note 9)	78,003	180,116
Business and market development	45,964	58,746
Consulting fees	52,354	364,995
Depreciation (note 5)	675	141
Fundraising activities	-	5,000
Foreign exchange gain (loss)	40,118	(56,919)
Investor relations	26,992	48,952
Professional fees	14,275	70,463
Regulatory fees	12,981	11,857
Rent and storage	30,180	11,180
Share-based compensation (notes 8,9)	-	2,541,461
Travel	32,167	34,771
Wages and benefits (note 9)	466,346	570,233
<b>Operating loss</b>	<b>(800,055)</b>	<b>(3,840,996)</b>
Investment gain (loss) (note 4)	165,075	(112,818)
Unrealized investment gain (note 4)	1,661,047	316,442
Interest income	336	25,114
<b>Income and comprehensive income (loss) for the period</b>	<b>\$ 1,076,403</b>	<b>\$ (3,495,591)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ 0.00</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding, basic and diluted</b>	<b>401,792,516</b>	<b>388,625,668</b>

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

**BELGRAVIA CAPITAL INTERNATIONAL INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
(Unaudited – Expressed in CAD Dollars)

	Three Month Period Ended March 31, 2019	Three Month Period Ended March 31, 2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (loss) for the period	\$ 1,076,403	\$ (3,495,591)
Items not affecting cash:		
Depreciation	675	141
Share-based compensation	-	2,541,461
Unrealized foreign exchange gain	-	(316,442)
Realized (gain) loss on sale of investments	(165,075)	112,818
Unrealized investments gain	(1,661,047)	-
Changes in non-cash working capital items:		
(Increase) decrease in receivables	(39,750)	1,622,381
Increase in prepaid expenses	(41,620)	(15,254)
Increase in accounts payable and accrued liabilities	139,420	14,589
Decrease in deferred revenue	(50,000)	-
Decrease in employment liability	-	(412,500)
Net cash used in operating activities	<u>(740,994)</u>	<u>51,603</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of investments	(645,750)	(7,102,207)
Proceeds from sale of investments	404,650	87,078
Net cash used in investing activities	<u>(241,100)</u>	<u>(7,015,129)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of common shares	-	6,699,500
Proceeds from stock options exercise	-	228,000
Proceeds from warrants exercise	-	2,467,505
Proceeds from broker warrants exercise	-	16,800
Share issuance costs	-	(260,442)
Net cash provided by financing activities	<u>-</u>	<u>9,151,363</u>
<b>Change in cash for the period</b>	<b>(982,094)</b>	<b>2,187,837</b>
<b>Cash beginning of period</b>	<b>3,420,159</b>	<b>1,095,353</b>
<b>Cash, end of period</b>	<b>\$ 2,438,065</b>	<b>\$ 3,283,190</b>

Supplemental disclosure with respect to cash flows (note 10)

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

**BELGRAVIA CAPITAL INTERNATIONAL INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(DEFICIENCY)**  
(Unaudited – Expressed in CAD Dollars)

	Share Capital					
	Number of Shares	Amount	Reserves	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
Balances as at December 31, 2017	238,840,846	\$ 97,978,373	\$10,058,205	\$ 18,681,269	\$(123,240,393)	\$ 3,477,454
Shares issued for cash	133,990,000	6,699,500	-	-	-	6,699,500
Stock options exercised	2,400,000	333,789	(105,789)	-	-	228,000
Warrants exercised	30,843,810	2,467,505	-	-	-	2,467,505
Broker warrants exercised	280,000	20,445	(3,645)	-	-	16,800
Share issuance costs	-	(718,492)	458,050	-	-	(260,442)
Share-based compensation	-	-	2,541,461	-	-	2,541,461
Loss and comprehensive loss	-	-	-	-	(3,495,591)	(3,495,591)
Balance as at March 31, 2018	406,354,656	106,781,120	12,948,282	18,681,269	(126,735,984)	11,674,687
Balance as at December 31, 2018	401,792,516	106,739,953	13,310,349	18,681,269	(130,274,045)	8,457,526
Income and comprehensive income	-	-	-	-	1,076,403	1,076,403
Balances as at March 31, 2019	401,792,516	\$106,739,953	\$13,310,349	\$ 18,681,269	\$(129,197,642)	\$ 9,533,929

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

**BELGRAVIA CAPITAL INTERNATIONAL INC.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

MARCH 31, 2019

(Unaudited - Expressed in CAD Dollars)

**1. NATURE OF OPERATIONS AND GOING CONCERN**

Belgravia Capital International Inc. (“Belgravia” or the “Company”) was incorporated under the Canada Business Corporations Act on November 8, 2002. The Company’s registered office is 82 Richmond Street East, Toronto, ON M5C 1P1. The Condensed Consolidated Interim Financial Statements (“Interim Financial Statements”) are comprised of the Company and its subsidiaries.

During the year ended December 31, 2017, the Company disposed of its interest in a wholly-owned subsidiary which was involved in the development of potash-related minerals. The Company is now focusing on merchant banking and providing management services in the resources, technology, and legal cannabis industries, developing healthcare products, as well as pursuing the royalty streams from its previous potash project.

The Company’s continuation as a going concern is dependent on cash flow from its investments, royalties, or operations and its ability to raise equity capital or borrowings sufficient to meet current and future obligations. While the Company currently has no source of operating revenue other than management services consulting fees, its working capital of \$8,749,805 at March 31, 2019 leads management to believe the Company has sufficient capital to fund its business activities and general working capital for at least the next 12 months. The Company’s financial success is dependent on its ability to identify, evaluate, negotiate, and exit investments in assets or businesses. These condensed consolidated interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company is currently exploring alternatives to obtain financing. Such alternatives may involve debt, equity or alternative financing structures and may occur at the public company or subsidiary level.

**2. SIGNIFICANT ACCOUNTING POLICIES****a) Statement of compliance:**

These Interim Financial Statements have been prepared in accordance with IAS 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The Interim Financial Statements were authorized by the audit committee and board of directors of the Company on May 30, 2019.

**b) Basis of presentation:**

The Interim Financial Statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value. In addition, these Interim Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information. The comparative figures presented in these Interim Financial Statements are in accordance with IFRS and have not been audited.

The preparation of interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These Interim Financial Statements do not include all of the information required for annual financial statements.

The significant accounting policies for these Interim Financial Statements are consistent with those disclosed in the audited financial statements for the year-ended December 31, 2018. These Interim Financial Statements should be read in conjunction with the Company’s audited consolidated financial statements for the year-ended December 31, 2018.

**BELGRAVIA CAPITAL INTERNATIONAL INC.**

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

MARCH 31, 2019

(Unaudited - Expressed in CAD Dollars)

**2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)****c) Basis of consolidation:**

The Consolidated Financial Statements of the Company include the following subsidiaries:

Name of subsidiary	Place of incorporation	Percentage ownership
Intercontinental Potash Corp.	Canada	100%
Trigon Exploration Utah Inc.	USA	100%

The Company consolidates the subsidiaries on the basis that it controls these subsidiaries 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. The Company deconsolidated the operations of PolyNatura Corp. (formerly International Potash Corp. (USA)) ("ICP(USA)") in fiscal 2017. Belgravia Dermatology Inc. was dissolved in January 2019. All intercompany transactions and balances are eliminated on consolidation.

**d) Cash:**

Cash is comprised of cash deposited at Canadian banks and secure, short-term, highly liquid demand deposits.

**e) Investments:**

All investments except investments in debt instruments are classified upon initial recognition at fair value through profit or loss ("FVTPL"), with changes in fair value reported in profit or loss. Purchases and sales of investments are recognized on the settlement date. Investments at FVPTL are initially recognized at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income (loss). Investments in debt instruments are initially measured at fair value then subsequently measured at amortized cost using the effective interest rate method.

Subsequent to initial recognition, all investments are measured at fair value. Gains and losses arising from changes in the fair value of the FVTPL investments are recognized in profit or loss.

Investments in common shares of public companies are measured at fair value based on published market prices with unrealized gains and losses recognized through profit or loss. The valuation of these shares has been determined in whole by reference to the close price of the shares on the TSX, TSX Venture Exchange or Canadian Securities Exchange ("CSE") at each reporting date. Various warrants have been received as attachments to share purchase units and do not trade in an active market. At the time of purchase, the per unit cost is allocated to common shares and warrants using the residual value method. The value of the warrants is subsequently determined at the measurement date using the Black-Scholes option pricing model.

All privately held investments are initially recorded at the transaction price, being the fair value at the time of acquisition. Thereafter, at each reporting period, the fair value of an investment may, depending upon the circumstances, be adjusted with unrealized gains and losses recognized through profit or loss.

**f) Significant accounting estimates and judgments:**

The preparation of these Interim Financial Statements requires management to make judgments, estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may differ from these estimates.



**BELGRAVIA CAPITAL INTERNATIONAL INC.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

MARCH 31, 2019

(Unaudited - Expressed in CAD Dollars)

**2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)****g) Revenue recognition**

Management services revenue is recognized when services are rendered, and the amount can be reasonably estimated and collected. Any amount received for future services is recorded as deferred revenue and recognized as revenue when the related services are performed.

**h) New standards, amendments and interpretations:***Effective January 1, 2019*

IFRS 16 – Leases. IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The adoption of IFRS 16 did not have an impact on the Company's financial statements.

**3. RECEIVABLES**

Receivables are comprised of:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
GST receivable <sup>(a)</sup>	\$ 46,765	\$ 22,833
Management services fees receivable <sup>(b)</sup>	\$ 63,000	\$ 63,000
Miscellaneous receivable	\$ 15,818	-
<b>Total</b>	<b>\$ 125,583</b>	<b>\$ 85,833</b>

- a. The Company had GST receivable of \$46,765 at March 31, 2019.
- b. The Company provides management services to several companies in which the Company has invested. Pursuant to management services agreements, the Company was owed \$63,000 at March 31, 2019.

**4. INVESTMENTS**

The Company's investments include common shares and warrants of Canadian companies that are listed on various Canadian stock exchanges and investments in private Canadian and U.S. companies as well as certain investment funds, such as money market funds and bond funds, held through Canadian investment dealers and debt instruments. The fair values of the common shares of the publicly-traded companies have been directly referenced to published price quotations in an active market. The fair value of investments in private companies is referenced to the most recent equity financing completed by each private company. The investments in unlisted warrants of companies that are publicly-traded are valued using the Black-Scholes option pricing model, with the following weighted average assumptions:

	Period ended March 31, 2019	Year ended December 31, 2018
Risk-free interest rate	1.56%	1.85%
Expected life of warrants	1.42 years	1.41 years
Annualized volatility	159.27%	170.11%
Dividend rate	0.00%	0.00%

**BELGRAVIA CAPITAL INTERNATIONAL INC.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

MARCH 31, 2019

(Unaudited - Expressed in CAD Dollars)

**4. INVESTMENTS (cont'd...)**

As at March 31, 2019, fair value of the investments was \$7,149,836 (2018 - \$8,202,267). This includes the value of equity investments of \$5,838,507 (2018 - \$7,527,142), debt instruments of \$325,000 (2018 - \$nil), and value of warrants of \$986,329 (2018 - \$675,125).

During the period ended March 31, 2019, the Company recorded an unrealized gain of \$1,175,873 (2018 - \$36,056) for equity investments and an unrealized gain of \$485,174 (2018 - \$280,386) for warrants.

During the period ended March 31, 2019, the Company sold certain of its investments for proceeds totalling \$404,650 (2018 - \$87,078) and recognized a gain of \$165,075 (2018 - recognized a loss of \$112,818).

Investments at March 31, 2019	Number of Shares	Cost	Fair Value
<b>Public Companies:</b>			
Avricore Health Inc.	1,571,429	\$ 110,000	\$ 110,000
Azincourt Energy Corp	3,250,000	\$ 162,875	\$ 158,750
Blackrock Gold Corp.	8,280,000	\$ 678,000	\$ 289,800
Black Tusk Resources Inc	220,000	\$ 37,774	\$ 35,200
C21 Investment Inc.	162,000	\$ 205,410	\$ 396,900
Captor Capital Corp.	50,000	\$ 200,000	\$ 97,000
Engagement Labs	2,000,000	\$ 100,575	\$ 80,000
IMEX Systems Inc.	1,428,571	\$ 100,000	\$ 28,571
Imperial Mining Group	300,000	\$ 32,666	\$ 22,500
Khiron Life Sciences Corp.	4,000	\$ 1,000	\$ 15,720
Magna Terra Minerals Inc.	500,000	\$ 25,000	\$ 20,000
Maritime Resources Corp.	2,554,545	\$ 250,909	\$ 242,682
Nexus Gold Corp.	2,565,653	\$ 302,435	\$ 282,222
Parcel Technology Inc.	200,000	\$ 64,730	\$ 68,000
Planet 13 Holdings Inc.	248,100	\$ 318,480	\$ 525,972
Plus Products Inc.	83,333	\$ 126,575	\$ 478,331
Tartisan Nickel Corp.	7,624,000	\$ 807,177	\$ 457,440
ThreeD Capital Inc.	600,000	\$ 60,000	\$ 42,000
Vital Hub Corp.	590,000	\$ 73,350	\$ 109,150
Weekend Unlimited Inc.	7,024,270	\$ 750,000	\$ 842,912
Zonetail Inc.	4,749,999	\$ 902,600	\$ 332,500
<b>Private Companies:</b>			
Coinstrike Inc.	2,000,000	\$ 200,000	\$ 200,000
GPCR Pharmaceuticals	2,680,000	\$ 131,000	\$ 670,000
Reciprocity Corp	779,590	\$ 218,000	\$ 272,857
Uni-Scan Global Inc.	500,000	\$ 60,000	\$ 60,000
<b>Investments in Bridge Loan</b>	n/a	\$ 325,000	\$ 325,000
<b>Investments in Warrants</b>	n/a	\$ 109,091	\$ 986,329
<b>Total</b>	<b>49,965,490</b>	<b>\$ 6,352,647</b>	<b>\$ 7,149,836</b>

**BELGRAVIA CAPITAL INTERNATIONAL INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**MARCH 31, 2019**  
(Unaudited - Expressed in CAD Dollars)

**4. INVESTMENTS (cont'd...)**

		March 31, 2019		December 31, 2018
Current investments	\$	6,372,068	\$	4,705,201
Non-current investments		777,768		377,414
	\$	7,149,836	\$	5,082,615

**5. PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment consists of the following:

Cost		Computer equipment	Total
As at December 31, 2017	\$	4,669	4,669
Additions		8,195	8,195
Disposal		(2,045)	(2,045)
<b>As at December 31, 2018</b>		10,819	10,819
Additions		-	-
Disposals		-	-
<b>As at March 31, 2019</b>	\$	10,819	10,819
<b>Depreciation</b>			
As at December 31, 2017	\$	3,403	3,403
Additions		2,399	2,399
Disposal		(2,014)	(2,014)
<b>As at December 31, 2018</b>		3,788	3,788
Additions		675	675
Disposal		-	-
<b>As at March 31, 2019</b>	\$	4,463	4,463
<b>Net book value:</b>			
As at December 31, 2018	\$	7,031	7,031
<b>As at March 31, 2019</b>	\$	6,356	6,356

**BELGRAVIA CAPITAL INTERNATIONAL INC.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

MARCH 31, 2019

(Unaudited - Expressed in CAD Dollars)

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	March 31, 2019	December 31, 2018
Trade payables	\$ 110,078	\$ 48,940
Accrued liabilities	122,915	40,500
Other	4,063	8,197
Total	\$ 237,056	\$ 97,637

**7. SHARE CAPITAL AND RESERVES****Common shares**

Authorized: The Company is authorized to issue an unlimited number of common shares without par value.

Refer to the Consolidated Statements of Changes in Shareholders' Equity for a summary of changes in share capital and reserves for the period ended March 31, 2019. Reserves relate to stock options and warrants that have been issued by the Company (note 8).

During the period ended March 31, 2019, the Company issued nil common share.

During the period ended March 31, 2018 the Company issued the following common shares:

- On January 10, 2018, the Company issued 133,990,000 units pursuant to a private placement at \$0.05 per unit for gross proceeds of \$6,699,500. Each unit consisted of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company for \$0.06 per share until May 10, 2019. The expiration of all warrants will be accelerated to 30 days if the share price reaches or exceeds \$0.08 for ten consecutive trading days ("Acceleration Trigger"), with such 30-day period starting seven-day after the Acceleration Trigger. The Company issued 3,649,200 finder's warrants entitling the holder to acquire one Common Share for a period of 12 months at an exercise price equal to \$0.19 (note 8).
- The Company issued 2,400,000 shares at an average price of \$0.095 for gross proceeds of \$228,000 pursuant to the exercise of stock options (note 8).
- The Company issued 30,843,810 shares at \$0.08 for gross proceeds of \$2,467,505 pursuant to the exercise of warrants (note 8).

The Company issued 280,000 shares at \$0.06 for gross proceeds of \$16,800 pursuant to the exercise of broker warrants (note 8).

**8. STOCK OPTIONS AND WARRANTS****Stock options**

The Company has an incentive stock option plan (the "Plan") whereby the Company may grant stock options to eligible employees, officers, directors and consultants at an exercise price to be determined by the board of directors, provided the exercise price is not lower than the market value at time of issue less any discount allowed by the stock exchange upon which the common shares are listed. The Plan provides for the issuance of up to 10% of the Company's issued common shares as at the date of grant with each stock option having a maximum term of ten years. The board of directors has the exclusive power over the granting of options and their vesting and cancellation provisions.

**BELGRAVIA CAPITAL INTERNATIONAL INC.**  
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
MARCH 31, 2019  
(Unaudited - Expressed in CAD Dollars)

8. **STOCK OPTIONS AND WARRANTS** (cont'd...)

**Stock options** (cont'd...)

As at March 31, 2019, the Company had stock options outstanding, enabling the holders to acquire the following number of common shares:

Number of Options	Exercise Price	Average Contractual Life Remaining (years)	Expiry Date
2,500,000	\$ 0.08	2.19	June 6, 2021
2,500,000			

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding December 31, 2017	17,400,000	\$ 0.10
Cancelled/expired	(400,000)	0.12
Exercised	(2,400,000)	0.08
Granted	24,400,000	0.10
Outstanding December 31, 2018	39,000,000	0.10
Cancelled	(36,500,000)	0.13
Outstanding March 31, 2019	2,500,000	\$ 0.08
Number of options exercisable at March 31, 2019	2,500,000	\$ 0.08

During the period ended March 31, 2019, the Company granted nil (2018 – 18,900,000) stock options to consultants, officers, employees and directors of the Company. All options vested at the grant date.

The fair value of the options granted during the period ended March 31, 2019, as determined by the Black-Scholes option pricing model, was \$nil (2018 - \$2,541,461) or \$nil per option (2018 - \$0.13).

Share-based compensation recognized during the period was \$nil (2018 - \$2,541,461).

**BELGRAVIA CAPITAL INTERNATIONAL INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**MARCH 31, 2019**  
(Unaudited - Expressed in CAD Dollars)

**8. STOCK OPTIONS AND WARRANTS (cont'd...)**

**Warrants**

As at March 31, 2019, the Company had warrants outstanding, enabling the holders to acquire the following number of common shares:

Number of Warrants	Exercise Price	Average Contractual Life Remaining	Expiry Date
133,990,000	0.06	0.11 years	May 10, 2019 (*)
133,990,000			

(\*) Subsequent to March 31, 2019, the expiry date of these warrants was amended to July 10, 2019

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding as at December 31, 2017	35,386,903	\$ 0.08
Issued on January 10, 2018	133,990,000	0.18
Exercised	(30,843,810)	0.08
Expired on March 1, 2018	(164,285)	0.08
Expired on June 28, 2018	(4,378,808)	0.08
Amended (old) exercise price in October 2018	(133,990,000)	0.18
Amended (new) exercise price in October 2018	<u>133,990,000</u>	0.06
Outstanding December 31, 2018	<u>133,990,000</u>	0.06
Outstanding March 31, 2019	133,990,000	\$ 0.06
Number of warrants exercisable as at March 31, 2019	133,990,000	\$ 0.06

**Broker warrants**

As at March 31, 2019, the Company had nil broker warrants outstanding.  
Broker warrants transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding as at December 31, 2017	280,000	\$ 0.06
Issued January 10, 2018	3,649,200	0.19
Exercised	(280,000)	0.06
Outstanding as at December 31, 2018	3,649,200	0.19
Expired	(3,649,200)	0.19
Outstanding as at March 31, 2019	-	\$ -

**BELGRAVIA CAPITAL INTERNATIONAL INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**MARCH 31, 2019**  
(Unaudited - Expressed in CAD Dollars)

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**9. RELATED PARTY TRANSACTIONS AND BALANCES**

The accounts payable and accrued liabilities of the Company include the following amounts due to related parties:

	March 31, 2019	December 31, 2018
Key management personnel	\$ 178,290	\$ nil
	<u>\$ 178,290</u>	<u>\$ nil</u>

Key management personnel compensation (consisting of senior officers and directors of the Company):

	Quarter ended	
	March 31, 2019	March 31, 2018
Short-term benefits *	\$ 339,500	\$ 397,500
Directors' fees **	51,250	138,000
Share-based compensation	-	1,807,099
Total remuneration	<u>\$ 390,750</u>	<u>\$ 2,342,599</u>

\* Amounts are included within wages and benefits on the statement of loss and comprehensive loss.

\*\* Amounts are included within administration on the statement of loss and comprehensive loss.

**10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

Supplemental disclosure with respect to cash flows			
Quarter ended March 31		2019	2018
Broker warrants issued as finders' fees	\$	-	\$ 458,051
Reversal of reserves upon exercise of broker warrants	\$	-	\$ 3,645
Reversal of reserves upon exercise of stock options	\$	-	\$ 105,789

**11. SEGMENTED INFORMATION**

The Company has one operating segment focused on merchant banking as well as providing management services and pursuing the royalty streams from its previous potash project. All of the Company's capital assets are located in Canada.

**BELGRAVIA CAPITAL INTERNATIONAL INC.****NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

MARCH 31, 2019

(Unaudited - Expressed in CAD Dollars)

**12. MANAGEMENT OF CAPITAL**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to invest to earn a risk-appropriate return for shareholders. The Company does not have any externally imposed capital requirements to which it is subject. The capital of the Company consists of items in shareholders' equity. The Company had no bank indebtedness at March 31, 2019. The Board of Directors do not establish quantitative return on capital criteria for management, but rather rely on the expertise of the Company's management to sustain future development of the business.

The Company manages the capital structure and makes adjustments to it in light of changes in available funds, economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, borrow money, or dispose of assets to adjust the amount of cash.

The Company's investment policy is to invest its cash necessary to fund operations for the next 12 months in demand investment instruments in high credit quality financial institutions to provide liquidity over the expected time of expenditures from continuing operations. The Company also invests some of its excess cash in common shares and other securities of private and public companies.

There were no significant changes in the Company's approach to capital management during the quarter ended March 31, 2019.

**13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

IFRS 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include cash, investments, receivables, accounts payable and accrued liabilities and employment liability.

The carrying values of receivables, accounts payable and accrued liabilities and employment liability approximate fair value because of the short-term nature of these instruments.

As at March 31, 2019, the Company's classification of financial instruments measured at fair value within the fair value hierarchy are summarized below:

	Level 1	Level 2	Level 3	Total
Cash	\$ 2,438,065	\$ -	\$ -	\$ 2,438,065
Equity investments	4,635,650	-	2,189,186	6,824,836
	\$ 7,073,715	\$ -	\$ 2,189,186	\$ 9,262,901



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**13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)**

*Financial instruments* (cont'd...)

As at December 31, 2018, the Company's classification of financial instruments within the fair value hierarchy are summarized below:

	Level 1	Level 2	Level 3	Total
Cash	\$ 3,420,159	\$ -	\$ -	\$ 3,420,159
Investments	2,680,439	-	2,077,176	4,757,615
	\$ 6,100,598	\$ -	\$ 2,077,176	\$ 8,177,774

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

*Credit risk*

The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Cash is held at reputable financial institutions, from which management believes the risk of loss to be remote. Receivables consist primarily of amounts due from government agencies, and from management services customers, which the Company believes will be fully collected.

*Liquidity risk*

As at March 31, 2019, the Company had a cash balance of \$2,438,065 to settle current liabilities of \$287,056. The Company is not subject to significant liquidity risk.

*Interest rate risk*

The Company has cash balances subject to fluctuations in the prime rate. The Company's current policy is to invest some of excess cash in investment-grade highly liquid demand deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Management believes that interest rate risk is remote as cash deposits are payable on demand and the Company currently does not carry interest bearing debt at floating rates. Fluctuations in interest rates may impact the value of the Company's investments in publicly traded common shares.

*Foreign currency risk*

The Company's functional currency is the Canadian dollar; however, there are transactions and investments in U.S. dollars and the Company keeps some of its cash in U.S. currency. The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility in these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. A 10% change in the foreign exchange rate would have had an approximate \$180,000 impact on foreign exchange gain or loss.

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**13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)**

*Financial instruments* (cont'd...)

*Market risk*

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate due to changes in market prices. The value of financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. The Company's investments are primarily concentrated in the junior healthcare, natural resource, and technology industries, which results in exposure to higher volatility than broader market investments and indexes. The Company's investments are accounted for at fair value and are sensitive to changes in market bid prices, such that changes in market prices result in a proportionate change in the carrying value of the Company's investments. The Company holds investments in private and public traded equity securities. Market prices for equity securities are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Some investments may not be very liquid and dispositions may take time or may be sold at less than market prices. A 10% change in the fair values of the Company's investments at March 31, 2019 would have an \$715,000 impact on results from operations.

**14. CONTINGENCY**

During 2018, the Company launched a legal claim against certain parties relating to an investment and management services agreement. The parties have filed a statement of defence and counterclaim. The outcome of these actions is not determinable at this time.