

IC CAPITALIGHT CORP.
(FORMERLY INTERNATIONAL CORONA CAPITAL CORP.)
Unaudited Condensed Consolidated Interim Financial Statements

For the six months ended June 30, 2020 and 2019

Expressed in Canadian Dollars

In accordance with National Instrument 51-102, the
Company discloses that its auditors have not reviewed these
unaudited condensed consolidated interim financial statements.

IC Capitalight Corp.
Condensed Consolidated Interim Statements of Financial Position
Unaudited, Expressed in CAD Dollars

	June 30, 2020	December 31, 2019
	\$	\$
Assets		
Current assets:		
Cash and cash equivalents	317,989	645,775
Accounts receivable (note 3)	21,748	22,271
Amounts receivable	62,904	60,150
Prepaid expenses	15,700	16,624
Total current assets	418,341	744,820
Non-current assets:		
Prepaid investment deposit (note 4)	-	506,250
Investments (note 4)	1,676,842	807,874
Intangible asset (note 5)	56,700	63,000
Goodwill (note 5)	189,000	189,000
Exploration and evaluation assets (note 6)	2	2
Total non-current assets	1,922,544	1,566,126
Total Assets	2,340,885	2,310,946
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities (note 14)	280,636	448,819
Deferred flow-through premium (note 13)	21,500	21,500
Deferred revenue (note 7)	116,535	98,248
Short term debt	40,000	-
Total current liabilities	458,671	568,567
Long term liabilities:		
Deferred long term obligations (note 8)	306,711	-
Total Liabilities	765,382	568,567
Shareholders' Equity		
Share capital (note 9)	8,190,188	8,145,552
Contributed surplus	613,208	613,208
Accumulated deficit	(7,227,893)	(7,016,381)
Total Shareholders' Equity	1,575,503	1,742,379
Total Liabilities and Shareholders' Equity	2,340,885	2,310,946

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

Nature of Operations of Going Concern (note 1)

IC Capitalight Corp.
Condensed Consolidated Interim Statements of Operations and Comprehensive (Loss) Income
Unaudited, Expressed in CAD Dollars

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the six months ended June 30, 2020	For the six months ended June 30, 2019
	\$	\$	\$	\$
Revenue	63,653	-	149,050	-
Operating expenses				
Management fees (note 14)	66,820	15,000	120,680	20,000
Research salaries and benefits	60,495	-	127,469	-
Research consultants and services	30,517	-	65,009	-
Exploration and evaluation expenses (note 6)	25,208	23,027	28,390	29,507
Professional and legal fees (note 11, 14)	26,279	65,084	29,846	125,313
Public filing fees	5,179	29,516	11,538	32,347
Telecommunications	6,237	-	7,931	-
Travel expenses	80	-	9,495	-
Rent	4,800	-	9,600	-
Bad debts (note 3)	811	-	2,822	-
General and administrative expenses	(239)	727	7,645	924
Insurance	2,075	-	4,175	-
Bank fees	564	-	1,071	-
Accretion expense	3,718	-	3,718	-
Amortization of brand value	3,150	-	6,300	-
Total operating expenses	235,693	133,354	435,689	208,091
(Loss) income before other (loss) income	(172,040)	(133,354)	(286,639)	(208,091)
Coupon income from debentures (note 4)	41,029	-	80,670	-
Other items				
Foreign exchange gain (loss)	(3,819)	-	(5,453)	-
Interest income (expense)	(43)	-	(89)	-
Net (loss) income and comprehensive (loss) income for the year	(134,873)	(133,354)	(211,512)	(208,091)
Weighted-average common shares, - basic and diluted	85,580,770	68,504,461	80,929,174	68,504,461
Net loss (income) per common shares, - basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)

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

IC Capitalight Corp.
Condensed Consolidated Interim Statements of Cash Flows
Unaudited, Expressed in CAD Dollars

	For the six months ended June 30, 2020	For the six months ended June 30, 2019
	\$	\$
Cash flows from operating activities		
Net (loss) income for the year	(211,512)	(208,091)
<i>Items not affecting cash:</i>		
Accretion expense	3,718	-
Amortization	6,300	-
<i>Change in working capital balances:</i>		
(Increase) decrease in Accounts and amounts receivable	(2,231)	(13,432)
(Increase) decrease in Prepaid expenses	924	27,235
Increase (decrease) in Accounts payable and accrued liabilities	(168,183)	161,876
Increase (decrease) in Deferred revenue	18,287	-
Net cash used in operating activities	(352,697)	(32,412)
Cash flows from investing activities		
Acquisition of debenture units	(59,725)	-
Net cash used in investing activities	(59,725)	-
Cash flows from financing activities		
Proceeds from short term debt	40,000	-
Proceeds from issuance of common shares	44,636	-
Net cash provided by financing activities	84,636	-
Increase (decrease) in cash and cash equivalents	(327,786)	(32,412)
Cash and cash equivalents - beginning of year	645,775	45,184
Cash and cash equivalents - end of year	317,989	12,772

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

IC Capitalight Corp.
Condensed Consolidated Interim Statements of Changes in Shareholders' (Deficit) Equity
Unaudited, Expressed in CAD Dollars

	Number of Shares #	Share Capital \$	Contributed Surplus \$	Accumulated Deficit \$	Shareholders' (Deficit) Equity \$
Balance – December 31, 2018	34,252,230	5,626,779	613,208	(6,167,235)	72,752
Net loss for the period				(208,901)	(208,901)
Balance – June 30, 2019	34,252,230	5,626,779	613,208	(6,376,136)	(136,149)
Private placement of common shares (note 8)	13,208,333	814,000			814,000
Fair value of flow-through premium (note 8, 12)		(21,500)			(21,500)
Acquisition of Murenbeid & Co. Inc. (note 5)	7,583,333	400,000			400,000
Reclassification of share capital for escrow (note 5)		(127,851)			(127,851)
Acquisition of Stone Debentures (note 4)	28,227,500	1,693,650			1,693,650
Reclassification of share capital for escrow (note 4)		(379,526)			(379,526)
Shares issued for settlement of debt (note 8)		140,000			140,000
Net loss for the period	1,416,667			(640,245)	(640,245)
Balance – December 31, 2019	84,688,063	8,145,552	613,208	(7,016,381)	1,742,379
Shares issued for settlement of debt (note 8)	892,707	44,636			44,636
Net loss for the period				(211,512)	(211,512)
Balance – June 30, 2020	85,580,770	8,190,188	613,208	(7,227,893)	1,575,503

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

IC Capitalight Corp.
Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended June 30, 2020 and 2019

1. Nature of Operations and Going Concern

IC Capitalight Corp. (the “Company”) is incorporated under the British Columbia Business Corporations Act and has a fiscal year-end of December 31. The Company’s registered office is at 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8.

On October 2, 2019, the Company completed a change of business transaction whereby the company changed its name from International Corona Capital Corp. to IC Capitalight Corp., acquired all of the issued and outstanding shares of Murenbeeld & Co. Inc. (“Murenbeeld”) and certain fixed income debentures of Stone Investment Group Limited (“Stone Debentures”). Prior to the change of business, the Company was focused on the exploration and development of mineral projects.

The Company operates as a merchant bank that pursues value-based investment opportunities in accordance with its internal investment policies. The Company’s focus is to provide shareholders with long-term capital growth by investing in a portfolio of undervalued companies, assets, or investment vehicles within the mineral resource and other sectors. The investments are expected to generate operating cash flows, dividend income and investment returns for the Company.

The investment portfolio, which is primarily consists of Stone Debentures, is expected to generate operating cash flows on a quarterly basis. The Murenbeeld subsidiary, which operates a proprietary subscription research business with a particular focus on the gold sector, is expected to provide positive operating cash flows for the Company once it achieves profitability. The Company has retained its portfolio of mineral exploration projects but has yet to generate any revenue or cash flows from mining or exploration projects. The Company does not pay dividends and is unlikely to do so in the immediate or foreseeable future.

These consolidated financial statements were approved by the Board of Directors on August 28, 2020.

Corporate Structure

IC Capitalight Corp. owns 100% of Murenbeeld, an Ontario company, which was acquired on October 2, 2019.

Going Concern Assumption

The accompanying consolidated financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

During the six months ended June 30, 2020, the Company incurred a net loss of \$211,512 and had negative operating cash flows of \$352,697. As of that date, the Company’s accumulated deficit was \$7,227,893. These factors indicate the existence of a material uncertainty that may cast significant doubt as to the Company’s ability to continue as a going concern.

In assessing whether the going concern assumption is appropriate, management considers 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 ability to continue operations and fund its exploration and development expenditures is dependent on management’s ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. The Company has not obtained the necessary permits to begin construction and has not commenced commercial operation of a mine. These conditions cast significant doubt about the Company’s ability to continue as a going concern.

These consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore need to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. These adjustments could be material.

As of March 31, 2020, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has continued to result in governments worldwide enacting emergency measures to combat the spread of the virus. 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 conditions of the Company in future periods.

2. Significant Accounting Policies

Statement of compliance with IFRS

These condensed interim financial statements have been prepared in accordance and comply with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) using accounting principles consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRIC”). The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim reporting period. Furthermore, the information on accounting standards effective in future periods and not yet adopted remains unchanged from that disclosed in the annual financial statements.

Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Basis of consolidation

These consolidated financial statements include the financial position, results of operation and cash flows of the Company and its wholly owned subsidiary, Murenbeeld. Intercompany balances, transactions, income and expenses, profits and losses, including gains and losses relating to the subsidiary have been eliminated on consolidation.

Significant accounting estimates, judgments and assumptions

To prepare consolidated financial statements in conformity with IFRS, the Company must make estimates, judgements and assumptions concerning the future that affect the carrying values of assets and liabilities as of the date of the financial statements and the reported values of revenues and expenses during the reporting period. By their nature, these are uncertain and actual outcomes could differ from the estimates, judgments and assumptions.

The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods. Significant accounting judgments, estimates and assumptions are reviewed on an ongoing basis.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could have an effect on the amounts recognized in the consolidated financial statements relate to the following:

Going concern: The preparation of the consolidated financial statements requires management to make judgments and estimates regarding the ability to continue as a going concern.

Impairment: The preparation of the consolidated financial statements requires management to make judgments regarding the impairment of the fair value of financial assets carried at amortized costs.

Fair value of private investments (level 3): The preparation of the consolidated financial statements requires management to make judgments regarding the fair value of the private company investments held by the Company. Where the fair values of investments cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, management’s judgment is required to establish fair values.

2. Significant Accounting Policies (continued)

Financial instruments

Management determines the classification of financial assets and financial liabilities at initial recognition and, except in very limited circumstances, the classification is not changed subsequent to initial recognition. The classification depends on the purpose for which the financial instruments were acquired, their characteristics and/or management's intent. Transaction costs with respect to instruments not classified as fair value through profit or loss are recognized as an adjustment to the cost of the underlying instruments and amortized using the effective interest method.

The Company's financial instruments were classified in the following categories:

Financial assets

Financial assets, measured at fair value through profit or loss:

- Cash and cash equivalents
- Investments

An instrument is classified as fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. A financial asset is classified as fair value through profit or loss if acquired principally for the purpose of selling in the short term or if so, designated by management. Financial instruments included in this category are initially recognized at fair value and transaction costs are taken directly to earnings along with gains and losses arising from changes in fair value.

Derivative instruments, including embedded derivatives, are recorded at fair value unless exempted from derivative treatment as normal purchase and sale. All changes in their fair value are recorded through profit or loss.

Loans and receivables, measured at amortized cost:

- Accounts receivable
- Amounts receivable, excluding HST

Cash on hand and balances at bank and advances and loans receivable are initially recognized at fair value net of transaction costs and are subsequently measured at amortized cost. Interest revenue on advances and loans receivable are recognized using the effective interest method.

Financial liabilities

Financial liabilities, measured at fair value through profit or loss:

An instrument is classified as fair value through profit or loss if it is designated as such upon initial recognition. Financial instruments included in this category are initially recognized at fair value and transaction costs are taken directly to earnings along with gains and losses arising from changes in fair value.

Derivative instruments, including embedded derivatives, are recorded at fair value unless exempted from derivative treatment as normal purchase and sale. All changes in their fair value are recorded through profit or loss.

Other financial liabilities, measured at amortized cost:

- Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are initially recognized at fair value net of transaction costs and are subsequently measured at amortized cost using the effective interest method.

The financial instrument measurement hierarchy, for financial assets and liabilities measured at fair value through profit and loss at each reporting date, is as follows:

All financial instruments are required to be measured at fair value on initial recognition. For those financial assets or liabilities measured at fair value through profit and loss at each reporting date, financial instruments and liquidity risk disclosures require a three-level hierarchy that reflects the significance of the inputs used in making the fair value measurements. These levels are defined below:

2. Significant Accounting Policies (continued)

- Level 1: Determined by reference to unadjusted quoted prices in active markets for identical assets and liabilities that the entity can access at the measurement date; or
- Level 2: Valuations using inputs other than the quoted prices for which all significant inputs are based on observable market data, either directly or indirectly; or
- Level 3: Valuations using inputs that are not based on observable market data.

Both the binomial and Black Scholes valuation techniques are permitted under IFRS for fair value calculations.

The impairment of financial assets, carried at amortized costs, is as follows:

At each reporting date, the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired if there is objective evidence that the estimated future cash flows of the financial asset or the group of financial assets have been negatively impacted. Evidence of impairment may include indications that debtors are experiencing financial difficulty, default or delinquency in interest or principal payments, or other observable data which indicates that there is a measurable decrease in the estimated future cash flows.

If an impairment loss has occurred, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the loss is recognized in financing expense. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of financing income. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Company.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If an impairment is later recovered, the recovery is credited to financing income.

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company applied the simplified approach for accounts receivable. Using the simplified approach, the Company records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets contractual lifetime. The Company assesses whether a financial asset is credit-impaired at the reporting date. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

Loss allowances for expected credit losses are presented in the consolidated statement of financial position as follows;

- For financial assets measured at amortized cost, as a deduction from the gross carrying amount of the financial asset

Financial assets are written off when the Company has no reasonable expectation of recovering all or any portion thereof.

The derecognition of financial assets and liabilities is as follows:

A financial asset is derecognized when its contractual rights to the cash flows that compose the financial asset expire or substantially all the risks and rewards of the asset are transferred.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Gains and losses on derecognition are recognized within financing income and financing expense, respectively.

2. Significant Accounting Policies (continued)

Private company investments

All privately held investments (including options, warrants and conversion features) are initially recorded at the transaction price, being the fair value at the time of acquisition. At the end of each reporting period, the fair value of an investment may (depending upon the circumstances) be adjusted using one or more of the valuation indicators described below. These are included in Level 3 of the fair value hierarchy (see Note 4).

The determination of fair value of the Company's privately held investments at other than initial cost, is subject to certain limitations. Financial information for private companies in which the Company has investments, may not be available and, even if available, that information may be limited and/or unreliable.

Use of the valuation approach described below may involve uncertainties and determinations based on management's judgment and any value estimated from these techniques may not be realized or realizable.

Company-specific information is considered when determining whether the fair value of a privately held investment should be adjusted upward or downward at the end of each reporting period. In addition to company-specific information, the Company will also consider trends in general market conditions and the share performance of comparable publicly traded companies when valuing privately held investments.

The fair value of a privately held investment may be adjusted if:

- i. There has been a significant subsequent equity financing provided by outside investors at a valuation different than the current value of the investee company, in which case the fair value of the investment is set to the value at which that financing took place;
- ii. There have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a material impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable;
- iii. The investee company is placed into receivership or bankruptcy;
- iv. Based on financial information received from the investee company, it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern;
- v. Release by the investee company of positive/negative operational results; and
- vi. Important positive/negative management changes by the investee company that the Company's management believes will have a very positive/negative impact on the investee company's ability to achieve its objectives and build value for shareholders.

Adjustments to the fair value of a privately held investment will be based upon management's judgment and any value estimated may not be realized or realizable. The resulting values for non-publicly traded investments may differ from values that would be realized if a ready market existed.

In addition, the amounts at which the Company's privately held investments could be currently disposed of may differ from the carrying value assigned.

2. Significant Accounting Policies (continued)

Impairment of Non-Current Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is determined as the higher of fair value less direct costs to sell and the asset's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value. The pre-tax discount rate applied to the estimated future cash flows reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. If the carrying amount of an asset exceeds its recoverable amount, the carrying amount of the asset is reduced to its recoverable amount through an impairment charge to the statement of operations and comprehensive income (loss). Assets that have been impaired are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation, depletion and amortization) had no impairment loss been recognized for the asset in prior periods. A reversal of impairment is recognized as a gain in the statement of operations and comprehensive income (loss).

Revenue Recognition

The following describes Murenbeeld's principal activities from which it generates revenue.

Subscription Revenue

Murenbeeld generates revenue from providing subscription services to proprietary research. Performance obligations are satisfied upon delivery of the weekly and monthly publications which are distributed through email.

Revenue is recognized over the useful life of the subscription, or the time frame which the customers have access to the publications. This provides a faithful depiction of the transfer of goods and services to the client as the subscription directly relates to these performance obligations. There have been no changes to the revenue recognition policy since Murenbeeld's incorporation.

Consideration is typically due from receipt of the invoice. The transaction price is determined by the type of customer as well as a fair price to pay for the subscription services to be rendered. This is determined through management's judgment as well as negotiations with customers.

Paid-for Research Revenue

Murenbeeld generates revenue from providing custom paid-for proprietary research. Performance obligations are satisfied upon delivery of the custom research report to the client. Revenue is recognized upon delivery to the client.

Consideration is typically due from receipt of the invoice. The transaction price is determined by the type of customer as well as a fair price to pay for the subscription services to be rendered. This is determined through management's judgment as well as negotiations with customers.

Deferred Revenue

Deferred revenue consists of the remaining performance obligations relating to subscription or paid-for research revenues.

Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity, net of any tax effects.

2. Significant Accounting Policies (continued)

Flow-through shares

The Company has issued flow-through common shares to finance a portion of its mineral exploration programs. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying Canadian exploration expenditures ("CEE's"). Upon issuance, the Company reclassifies the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, that flow-through investors paid for the flow-through feature, which is recognized as a liability, and ii) the common share capital. Upon qualifying CEE's being incurred, the Company derecognizes the liability and recognizes the gain through other income. The tax deductibility is transferred to the flow-through investor through a renunciation that is filed at the end of the tax year during which the flow-through shares were issued. The Company may also be subject to a Part XII.6 tax on flow-through expenditures renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Foreign Currency Translation

The functional and reporting currency is the Canadian dollar for the Company and its subsidiary. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the statement of operations and comprehensive (loss) income.

Current Income Tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive (loss) income or equity is recognized in other comprehensive (loss) income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(Loss) Income Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share, whereby all "in the money" stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

Comprehensive Income (Loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in the statement of operations and comprehensive income (loss).

2. Significant Accounting Policies (continued)

Share-based Payments

The grant date fair value of share-based payment awards granted to employees is recognized as share-based payments expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of the equity instruments granted, measured at the date the counterparty renders service.

All equity-settled share-based payments are reflected in the share-based payment reserve, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in the share-based payment reserve is credited to share capital, adjusted for any consideration paid.

Exploration and Evaluation Assets

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs related to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be impairment in value. The amounts shown for exploration and evaluation assets represent costs, net of impairment write-offs.

Mineral Exploration and Development Costs

Exploration costs are charged to operations as incurred.

IC Capitalight Corp.
Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended June 30, 2020 and 2019

3. Accounts Receivable

	June 30, 2020	December 31, 2019
	\$	\$
Current	1,693	13,516
1 - 30 days past due	624	6,700
30 – 60 days past due	5,758	2,620
60 – 90 days past due	-	-
> 90 days past due	14,239	-
Foreign Exchange	-	-
	22,314	22,837
Lifetime expected credit losses	(566)	(566)
Ending balance	21,748	22,271

All categories of receivables are required to have a provision, even when they are not past due. The following is the provision matrix used to determine the lifetime expected credit losses:

	Current	1-30 days	31-60 days	61-90 days	>90 days
Default rate	1%	3%	9%	15%	20%

The following is the movement in lifetime expected credit losses:

	<i>Movement in Lifetime Credit Losses</i>
	\$
Balance at December 31, 2018	-
Loss allowance on Murenbeeld acquisition date	3,768
Loss allowance remeasurement	(3,202)
Balance at December 31, 2019 and June 30, 2020	566

IC Capitalight Corp.
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4. Investments

The investment portfolio consists of 2,229 debentures and 112,810 common shares issued by Stone Investment Group Limited, a private company. Each debenture unit consists of a \$1,000 debenture and 600 common share purchase warrants exercisable at \$0.68 per common share until maturity of the debenture. The debentures pay 7.5% interest per annum, payable in cash quarterly, and mature on December 28, 2021. As at June 30, 2020, the debentures have an effective annual interest rate of 26.1%. Additional deferred interest will be paid to the holders at maturity of the debentures. The Company now owns 18.6% of the total debentures issued by Stone Investment Group Limited.

The Company's investments portfolio consisted of the following securities as at June 30, 2020:

Investments	Cost	Level 1	Level 2	Level 3	Total Fair Value
	\$	\$	\$	\$	\$
Debenture units	1,676,842	-	-	1,676,842	1,676,842
Common shares	-	-	-	-	-
Total investments	1,676,842	-	-	1,676,842	1,676,842

The Company's investments portfolio consisted of the following securities as at December 31, 2019:

Investments	Cost	Level 1	Level 2	Level 3	Total Fair Value
	\$	\$	\$	\$	\$
Debenture units	807,874	-	-	807,874	807,874
Common shares	-	-	-	-	-
Total investments	807,874	-	-	807,874	807,874

Level 3 fair value hierarchy

The following table presents the changes in fair value measurements classified at Level 3 of the fair value hierarchy. The financial instruments are measured at fair value utilizing non-observable market inputs. The net realized gains (loss) on disposals of investments and the net change in unrealized gains (loss) on investments are recognized in the statements of operations and comprehensive (loss) income.

	Opening Balance	Purchases / Loans	Transfers / Conversions	Net Proceeds	Net Realized Gains	Net Unrealized Gains	Ending Balance
	\$	\$	\$	\$	\$	\$	\$
December 31, 2019	-	807,874	-	-	-	-	807,874
June 30, 2020	807,874	868,968	-	-	-	-	1,676,842

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4. Investments (continued)

Within Level 3, the Company included private company investments and other investment instruments such as convertible debentures and loans which are not quoted on a recognized securities exchange. The key assumptions used in the valuation of these instruments include, but are not limited to, the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions and the share performance of comparable publicly traded companies.

The following table presents the valuation techniques and the nature of significant inputs used to determine the fair values of the Level 3 investments as at June 30, 2020:

Investments	Total Fair Value \$	Method	Unobservable inputs	Range of inputs and impact
Debenture units	1,676,842	Internal model based on discounted value of expected cash flows, expected yield and credit ratings	Discount rate and credit rating	+/- 5% would result in a decrease of (\$83,842) or increase of \$83,842
Common shares	-	Transaction price	Market price	\$nil
	1,676,842			

Within Level 3 of the fair value hierarchy, for those investments valued based on recent transactions, management has determined that there are no reasonably possible alternative assumptions that would change the fair value significantly as at December 31, 2019 and 2018.

The sensitivity analysis is intended to reflect the uncertainty inherent in the valuation of these investments under current market conditions, and its results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the fair value of these investments. Furthermore, the analysis does not indicate a probability of such changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments.

Acquisition of debentures

On June 30, 2020, the Company completed the acquisition for investment purposes of 120 unlisted debenture units issued by Stone Investment Group Limited, a private company, which was recognized on the statement of financial position as an investment at the fair market value of the consideration.

The valuation model for the debenture units and the common shares followed the private company investment accounting policy disclosed in note 2 and the Level 3 fair value hierarchy disclosed above.

Cash disbursement	\$ 59,725
Fair value of debenture acquisition	\$ 59,725

Interest income

During the six months ended June 30, 2020, the Company recognized debenture interest income of \$80,670 (2019 \$nil) and was owed accrued interest of \$41,465 as of June 30, 2020.

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5. Intangible Assets

On October 2, 2019, the Company acquired Murenbeeld and recognized an intangible asset for the brand value of Murenbeeld, which was determined using a 6% relief from royalty valuation model will be amortized over a period of five years.

	<i>Brand Value</i>
	<i>Balance</i>
Balance at December 31, 2019	\$ 63,000
Amortization	6,300
Balance at June 30, 2020	\$ 56,700

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6. Exploration and Evaluation Assets

	Retty Lake	Schefferville	Total
	\$	\$	\$
Balance, December 31, 2018	1	1	2
Balance, December 31, 2019	1	1	2

Blue Lake Property

The Company renamed the property as the Blue Lake property on June 30, 2020.

On June 30, 2008, the Company entered into an option agreement to earn a 100% interest in the Blue Lake (formerly the Retty Lake) copper-nickel-PGM exploration property, which is located near Schefferville, Quebec.

On February 12, 2013, the Company completed the earn-in by issuing 1,800,000 common shares and by incurring exploration expenditures on the property totaling \$1,855,000.

The Blue Lake Property is subject to a 3% net smelter return royalty (“NSR”) from the sale of mineral products from the Blue Lake Property following the commencement of commercial production less allowable deductions. The NSR is subject to a buy-back right of the Company to repurchase the NSR for \$3,000,000 and in the event the holder intends to sell all or part of the NSR, the Company has the right to require the holder to sell all or part of the NSR to the Company (the “NSR ROFR”) on the terms and conditions set out in a notice which will be open for acceptance by the Company for a period of 30 days from receipt of the notice.

During the year ended December 31, 2017, the Company elected to write-down the carried value of the property to \$1.

Schefferville Ashuanipi Property

On June 15, 2011, the Company acquired a 55% interest in the Schefferville Ashuanipi Gold Property by completing \$800,000 in exploration work, making cash payments totaling \$60,000 and issuing 300,000 common shares to Western Troy Capital Resources Inc (“Western Troy”) to complete the earn-in. Upon earn-in the Company and Western Troy Capital Resources Inc formed a joint venture. As per the joint venture agreement, upon completion of a Scoping Study, the Company at its sole election may earn an additional 15% interest (the “Additional Interest”) by solely funding a Bankable Feasibility Study. The Company must notify Western Troy in writing of its election to exercise its right to earn the Additional Interest before the Bankable Feasibility Study is initiated or before Western Troy has provided any funds for such Bankable Feasibility Study. If Western Troy's interest in the Joint Venture is 35% or less at the time of the notice, the Company may only earn a maximum of 80% interest in the Property by funding the Bankable Feasibility Study.

Under the Schefferville Gold Property Agreement, the Company is entitled to include additional expenditures for management supervision and administrative services of the Company equal to 10% of all expenditures made or incurred by the Company.

Upon receipt of a Bankable Feasibility Study, the parties to the joint venture will formally commit to fund mine construction on a pro rata basis and demonstrate funding to meet such obligation in a timely fashion. If either party is unable to meet its obligation at the construction decision point, such party's interest in the Property will be diluted in accordance with the dilution formula, and the diluting party will still be required to demonstrate partial funds available, subject to a further dilution as defined in the agreement. If the diluting party is unable to provide funding in order to maintain a 10% or above interest in the joint venture, its interest will then automatically be converted to a 2% NSR Royalty. Western Troy will retain a minimum 2% NSR Royalty in the Property of which 1% can be purchased for \$1,000,000 by the Company at any time.

As at December 31, 2016, the Company had increased its interest in the joint venture to 64% by incurring an additional \$375,973 in exploration expenditures.

During the year ended December 31, 2017, the Company elected to write-down the carried value of the property to \$1.

The Schefferville Ashuanipi gold property currently consists of 48 claims covering 2,359 hectares. The Company is currently reevaluating geological merit of the property and may add or drop claims as financial resources allow.

Exploration and evaluation expenditures

During the period ended June 30, 2020, the Company incurred claim renewal fees of \$28,390 (2019: \$12,834) for the Retty Lake and Schefferville properties. The Company also incurred consulting fees of \$nil (2019: \$16,673) for the evaluation of mineral exploration properties that were under construction for acquisition, but the Company did not proceed with the transaction.

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7. Deferred Revenue

	<i>Deferred Revenue</i>
	<i>Balance</i>
Balance at December 31, 2019	\$ 98,248
Deferred revenue recognized into revenue where performance obligations have been completed	(80,605)
Additions to deferred revenue where performance obligations have not been completed	98,892
Balance at June 30, 2020	\$ 116,535

8. Deferred Obligations

On March 30, 2020, pursuant to a debenture purchase agreement with a third-party, the Company completed the acquisition for investment purposes of 750 unlisted debenture units issued by Stone Investment Group Limited, a private company, which was recognized on the statement of financial position as an investment at the fair market value of the consideration. The Company is further obligated to pay the third-party a deferred payment of \$330,000 upon maturity of the debentures on December 28, 2021.

The fair value is calculated as the present value of the obligation based on a discount rate of 3%.

	<i>Deferred Obligation</i>
	<i>Balance</i>
Balance at December 31, 2019	\$ -
Recognition of deferred obligation	302,993
Accretion expense	3,718
Balance at June 30, 2020	\$ 306,711

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9. Share Capital

The Company's common shares have no par value and the authorized share capital is composed of an unlimited number of common shares. As of June 30, 2020, the Company had 85,580,770 common shares issued and outstanding (December 31, 2019: 84,688,063).

Shares issued during the six months ended June 30, 2020

On January 28, 2020, the Company announced the completion of a shares for debt settlement whereby the Company settled total indebtedness of \$44,636 by issuing 892,707 common shares. This was completed pursuant to certain employment agreements that contain provisions for the issuance of shares as part of the annual compensation of the employees.

10. Warrants

As at June 30, 2020, there were no common share purchase warrants outstanding (December 31, 2019: Nil).

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11. Stock Options

The Company's stock option plan is restricted to a maximum of 10% of the issued and outstanding common shares. Under the stock option plan, the Company may grant stock options to directors, officers, employees and consultants. The Board of Directors administers the plan and determines the vesting and terms of each grant.

The Black-Scholes option valuation model is used by the Company to determine the fair value of stock option grants based on the market price, the exercise price, compound risk free interest rate, annualized volatility and number of periods until expiration. Each stock option entitles the holder to purchase one common share of the Company at the respective exercise price prior to or on the respective expiration date.

As of June 30, 2020, the Company had 2,700,000 stock options issued and outstanding (December 31, 2019: Nil) with a weighted average expiration of 4.57 years (December 31, 2019: Nil years) which are exercisable into 2,700,000 common shares (December 31, 2019: Nil common shares) at a weighted average exercise price of \$0.05 (December 31, 2019: \$0.00). All stock options that are currently outstanding vested on the grant date.

Options granted during the six months ended June 30, 2020

On January 24, 2020, the Company announced that 2,700,000 incentive stock options have been granted to directors, officers and employees pursuant to the Company's stock option plan. The options have an exercise price of \$0.05 per share and are exercisable for a period of five years unless terminated pursuant to the terms of the stock option plan.

Continuity Schedule

The following is a schedule of the outstanding stock options for the six months ended June 30, 2020:

Grant Date	Expiration Date	Exercise Price	Balance Outstanding December 31, 2019	Options Granted (Expired or Cancelled)	Options Exercised	Balance Outstanding June 30, 2020
January 24, 2020	January 24, 2025	\$ 0.05	-	2,700,000	-	2,700,000
Total Outstanding			-	2,700,000	-	2,700,000

The following is a continuity schedule of the Company's outstanding common stock purchase options:

	Weighted-Average Exercise Price	Number of Stock Options
	\$	#
Outstanding as of December 31, 2019	-	-
Granted	0.05	2,700,000
Exercised	-	-
Expired or Cancelled	-	-
Outstanding as of June 30, 2020	0.05	2,700,000

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12. Professional Fees

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the six months ended June 30, 2020	For the six months ended June 30, 2019
	\$	\$	\$	\$
Audit and review fees	8,500	11,671	16,450	12,900
Legal fees	10,710	54,409	(468)	108,413
Accounting fees	7,069	(996)	13,864	4,000
Total professional and legal fees	26,279	65,084	29,846	125,313

13. Commitments

Flow-Through Expenditure Commitments

The Company completed flow-through (“F/T”) share financings that involve a commitment to incur Canadian exploration expenditures (“CEEs”) prior to the end of specific calendar years and to renounce the CEE tax deductions to the subscribers. Flow-through shares and exploration expenditures qualifying as CEEs are defined in the Income Tax Act of Canada.

The following tables sets out the flow-through expenditure commitments as of June 30, 2020:

<u>Series</u>	<u>2019 F/T Series</u>
Financing date	October 2, 2019
Renunciation date under look-back rule	December 31, 2019
Commitment deadline	December 31, 2020
Commitment amount	\$86,000
Less: expenditures incurred in 2019	-
<u>Less: expenditures incurred in 2020</u>	<u>-</u>
Estimated F/T expenditures remaining	\$86,000

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14. Related Party Transactions and Balances

Parties are related if one party has the direct or indirect ability to control or exercise significant influence over the other party in making operating and financial decisions. Parties are also related if they are subject to common control or common significant influence. A transaction is considered to be a related party transaction when there is a transfer of economic resources or financial obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the fair value.

Balances and transactions between the Company and its wholly owned subsidiary, which is a related party of the Company, have been eliminated and are not disclosed in this note.

Other related parties include companies controlled by key management personnel. Key management personnel are composed of the Board of Directors, Chief Executive Officer and Chief Financial Officer of the Company.

The following key management personnel related party transactions occurred during the six months ended June 30, 2020 and 2019:

	For the six months ended	For the six months ended
	June 30, 2020	June 30, 2019
	\$	\$
Management fees	120,680	20,000
Professional and legal fees	13,864	-
Total	134,544	20,000

The following key management related party balances existed as of June 30, 2020 and December 31, 2019:

	As at	As at
	June 30, 2020	December 31, 2019
	\$	\$
Accounts payable due to companies controlled by directors and officers of the Company	70,303	47,270
Total	70,303	47,270

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15. Financial Instruments and Risks

The following disclosures are to enable users of the consolidated financial statements to evaluate the nature and extent of risks arising from financial instruments at the end of the reporting period:

Credit risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of accounts receivables. The Company mitigates its credit risk on receivables through a review of the counterparties in which they do business.

The Company has credit risk arising from the potential from counterparty default on cash and cash equivalents, accounts receivable and amounts receivable, excluding HST. The Company manages this risk by ensuring that deposits are only held with large Canadian banks and financial institutions. The Company manages this risk by reviewing the credit worthiness of material new customers, monitors customer payment performance and, where appropriate, reviews the financial condition of existing customers.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. Liquidity risk arises from the Company's financial obligations and in the management of its assets, liabilities and capital structure. The Company manages this risk by regularly evaluating its liquid financial resources to fund current and long-term obligations and to meet its capital commitments in a cost-effective manner.

The main factors that affect liquidity include working capital requirements, capital-expenditure requirements and equity capital market conditions. The Company's liquidity requirements are met through a variety of sources, including cash and cash equivalents and equity capital markets.

As at June 30, 2020, the Company had a cash and cash equivalents balance of \$317,989 (December 31, 2019: \$645,775) to settle accounts payable and accrued liabilities of \$280,636 (December 31, 2019: \$448,819).

Based on management's assessment of its past ability to obtain required funding, the Company believes that it will be able to satisfy its current and long-term obligations as they come due.

Market risks

Market risk is the potential for financial loss from adverse changes in underlying market factors, including foreign exchange rates, commodity prices and interest rates.

- Interest rate risk is the sensitivity of the fair value or of the future cash flows of a financial instrument to changes in interest rates. The Company does not have any financial assets or liabilities that are subject to variable interest rates.
- Commodity price risk is the sensitivity of the fair value of, or of the future cash flows, from mineral assets. The Company manages this risk by monitoring mineral prices and commodity price trends to determine the appropriate timing for funding the exploration or development of its mineral assets, or for the acquisition or disposition of mineral assets. The Company does not have any mineral assets at the development or production stage carried at historical cost. The Company has expensed the acquisition and exploration costs of its exploration stage mineral assets.
- Currency risk is the sensitivity of amounts denominated in foreign currencies. The Company enters into certain transactions with customers and suppliers denominated in U.S. dollars for which the related revenues, expenses, cash, accounts receivable and accounts payable balances are subject to exchange rate fluctuations. As at June 30, 2020 and December 31, 2019, the following items are denominated in U.S. dollars (expressed in CAD in the table below):

	As at June 30, 2020	As at December 31, 2019
Cash	\$ 40,023	\$ 19,572
Accounts receivable	309	2,318
Accounts payable	(44)	(10,394)
Net exposure	\$ 40,288	\$ 11,496

A 10% change in foreign exchange rates, would have an impact of \$4,029 (December 31, 2019: \$1,150).

16. Capital Management

There were no changes in the Company's approach to capital management during the six months ended June 30, 2020.

In managing liquidity, the Company's primary objective is to ensure the entity can continue as a going concern while raising additional funding to meet its obligations as they come due. The Company's operations to date have been funded by issuing equity. The Company expects to improve the working capital position by securing additional financing.

The Company's investment policy is to provide shareholders with long-term capital growth by investing in a portfolio of undervalued companies, assets, or equity investment vehicles in the subscription research, recurring revenue, mineral exploration and asset management sectors of the North American market, but may also include investments in certain other sectors, including technology, transportation, and restructuring. Financial instruments are exposed to certain financial risks, which may include currency risk, credit risk, liquidity risk and interest rate risk.

The Company's mineral property interests are all in the exploration stage, as such the Company is dependent on external financing to fund its exploration activities and administrative costs. Management continues to assess the merits of mineral properties on an ongoing basis and may seek to acquire new properties or to increase ownership interests if it believes there is sufficient geologic and economic potential.

Management mitigates the risk and uncertainty associated with raising additional capital in current economic conditions through cost control measures that minimizes discretionary disbursements and reduces exploration expenditures that are deemed of limited strategic value.

The Company manages the capital structure (consisting of shareholders' equity) on an ongoing basis and adjusts in response to changes in economic conditions and risks characteristics of its underlying assets. Adjustments to the Company's capital structure may involve the issuance of new shares, assumption of new debt, acquisition or disposition of assets, or adjustments to the amounts held in cash, cash equivalents and short-term investments.

The Company is not subject to any externally imposed capital requirements other than the flow-through spending commitment.

Working capital balance

As at June 30, 2020, the Company had a working capital deficiency of \$40,330 (December 31, 2019: surplus of \$176,253).

17. Subsequent Events

On July 21, 2020, the Company announced it staked 194 high priority claims in the Blue Lake area located 60 km northeast of Schefferville Quebec. These 194 claims bring the Company's Blue Lake project to 263 claims covering 12,724 hectares. The Company now controls a 35km long by 3 to 5km wide group of contiguous claims on one of the most under explored and prospective Pt-Pd-Cu-Ni belts in Canada.