GCC GLOBAL CAPITAL CORPORATION
(formerly CWN MINING ACQUISITON CORPORATION)

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

(Expressed in Canadian dollars unless otherwise stated)

Management's Responsibility

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed primarily of Directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board of Directors is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP is appointed by the shareholders to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

October 28, 2019

Signed "Huijun Wang"
Chief Executive Officer

Signed "Zhizhen Liu"
Chief Financial Officer

Independent Auditor's Report

To the Shareholders of GCC Global Capital Corporation (formerly CWN Mining Acquisition Corporation):

Opinion

We have audited the financial statements of GCC Global Capital Corporation (formerly CWN Mining Acquisition Corporation) (the "Company"), which comprise the statements of financial position as at June 30, 2019 and June 30, 2018, and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2019 and June 30, 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(b) in the financial statements, which indicates that the Company had working capital of $37,514 and an accumulated deficit of $3,376,399 since inception, and the ability of the Company to carry out its business objectives is dependent on its ability to secure continued financial support from related parties, to obtain public equity financing, or to ultimately attain profitable operations in the future. As stated in Note 2(b), these events or conditions, along with other matters as set forth in Note 2(b), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Jian-Kun Xu.

Vancouver, British Columbia

MNP LLP

October 28, 2019

Chartered Professional Accountants

GCC Global Capital Corporation (formerly CWN Mining Acquisition Corporation)
Statements of Financial Position
(expressed in Canadian dollars unless otherwise stated)

As at June 30,	**Notes**	**2019**	**2018**
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		40,727	510,339
Accounts and other receivables		39,841	47,292
Prepaid		23,240	10,605
		103,808	568,236
No-current assets			
Long-term prepaid		-	33,553
Investment in associate	6	1,094,064	1,086,333
Property and equipment	5	56,437	87,450
		1,150,501	1,207,336
Total assets		1,254,309	1,775,572
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		45,368	47,561
Due to related parties	9	20,926	13,137
		66,294	60,698
Long-term liabilities			
Long-term loan	7	292,659	-
Total Liabilities		358,953	60,698
Shareholders' equity			
Share capital	8	4,253,622	4,253,622
Reserves		18,133	18,133
Deficit		(3,376,399)	(2,556,881)
Total shareholders' equity		895,356	1,714,874
Total liabilities and shareholders' equity		1,254,309	1,775,572

Going concern assumption – Note 2(b)
Commitments – Note 12

Approved and authorized for issue by the Board of Directors on October 28, 2019:

Signed "Rick Low"
Rick Low, Director

Signed "Huijun Wang"
Huijun Wang, Director

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

GCC Global Capital Corporation (formerly CWN Mining Acquisition Corporation)
Statements of Loss and Comprehensive Loss
For the years ended June 30, 2019 and 2018
(expressed in Canadian dollars unless otherwise stated)

	Notes	2019 $	2018 $
Operating expenses			
Accounting and legal fees		17,120	72,375
Audit fee		46,335	31,620
Consulting fee		23,400	49,210
Depreciation expense	5	15,520	12,539
Director fee	9	11,000	12,000
Filing fee		23,043	18,866
General & administrative expenses		86,940	91,961
Investor relations		-	3,419
Rent	13	153,342	103,683
Share of (income) loss from investment in associate	6	(7,731)	13,667
Travel		14,749	27,613
Wages and salaries		445,823	518,442
		829,541	955,395
Other income and expenses			
Interest income		2,750	1,468
Management fee	9	48,000	24,000
Realized loss on short-term investment	4	(24,432)	(675)
Write-off of leasehold improvement		(16,295)	-
Write-off of exploration and evaluation asset		-	(132,413)
		10,023	(107,620)
Net loss and comprehensive loss for the year		(819,518)	(1,063,015)
Loss per share – basic and diluted		(0.07)	(0.08)
Weighted average number of common shares outstanding – basic and diluted		12,527,200	12,527,200

The accompanying notes are an integral part of these financial statements

GCC Global Capital Corporation (formerly CWN Mining Acquisition Corporation)
Statements of Changes in Equity
(expressed in Canadian dollars unless otherwise stated)

	Notes	Number of Shares	Share Capital	Reserves	Deficit	Shareholders' Equity
			$	$	$	$
Balance, June 30, 2017		12,527,200	4,253,622	18,133	(1,493,866)	2,777,889
Net loss and comprehensive loss for the year		-	-	-	(1,063,015)	(1,063,015)
Balance, June 30, 2018		12,527,200	4,253,622	18,133	(2,556,881)	1,714,874
Net loss and comprehensive loss for the year		-	-	-	(819,518)	(819,518)
Balance, June 30, 2019		12,527,200	4,253,622	18,133	(3,376,399)	895,356

The accompanying notes are an integral part of these financial statements

GCC Global Capital Corporation (formerly CWN Mining Acquisition Corporation)
Statements of Cash Flows
For the years ended June 30, 2019 and 2018
(expressed in Canadian dollars unless otherwise stated)

	Notes	2019 $	2018 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss for the year		(819,518)	(1,063,015)
Adjustment for items not involving cash			
Interest expenses		7,258	-
Depreciation		15,520	12,539
Share of (income) loss from investment in associate	6	(7,731)	13,667
Write-off of leasehold improvement		16,295	-
Write-off of exploration and evaluation asset		-	132,413
Change in no-cash operating working capital		-	32,372
Increase in accounts payable and accrued liabilities		5,596	2,266
Decrease in prepaid		20,918	57,597
Decrease/(increase) in accounts receivable and other receivables		7,451	(40,205)
Net cash flows used in operating activities		(754,211)	(852,366)
CASH FLOWS FROM INVESTING ACTIVITIES			
Property and equipment	5	(802)	(99,989)
Investment in associate	6	-	(1,100,000)
Short term investments		-	1,013,988
Net cash flows (used in) from investing activities		(802)	(186,001)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loan	7	285,401	-
Net cash flows from financing activities		285,401	-
(Decrease)/increase in cash and cash equivalents		(469,612)	(1,038,367)
Cash and cash equivalents, beginning of year		510,339	1,548,706
Cash and cash equivalents, end of year		40,727	510,339

The accompanying notes are an integral part of these financial statements

1. Nature of Operations

The Company is incorporated and domiciled in Canada and is a reporting issuer with its common shares publicly traded on the TSX Venture Exchange (the “Exchange”). The head office of the Company is located at 6088 Newton Wynd Vancouver, BC V6T 1H9, Canada.

On April 24, 2017, the Company announced that it is proposing a change of business from a Tier 2 Mining Issuer to a Tier 2 Investment Issuer (the "Proposed COB") within the meaning of such terms in the policies of the Exchange. The Management and Board of the Company believe that the ideal allocation of the Company's working capital would be within the framework of an investment company. On January 2, 2018, the Exchange issued the Final Exchange Bulletin approving the Proposed COB. At the request of the Exchange, the Company has undertaken to complete a second investment within 6 months of the date of the Final Exchange Bulletin. On January 2, 2018, the Company changed its name to GCC Global Capital Corporation and changed its stock symbol to “GCCC”.

On January 2, 2018, the Company announced that it has closed the acquisition of a 28.57% interest in the issued and outstanding shares of New Age Development Ltd (the “New Age Investment”). The New Age Investment constituted a change of business of the Company from a Tier 2 Mining Issuer to a Tier 2 Investment Issuer.

Following the completion of the change of business, the Company's major investments will focus primarily in the natural resources sector, real estate industry and high-tech industry.

2. Basis of Preparation and Going Concern

a) Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These financial statements were approved and authorized for issue by the Board of Directors on October 28, 2019.

b) Going concern

These financial statements have been prepared on a going concern basis which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future, and do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

At June 30, 2019, the Company had working capital of $37,514 (June 30, 2018: $507,538), an accumulated deficit of $3,376,399 (June 30, 2018: $2,556,881) since inception. During the year ended June 30, 2019 the Company incurred a net loss of $819,518 (2018: $1,063,015).

The ability of the Company to carry out its business objectives is dependent on its ability to secure continued financial support from related parties, to obtain public equity financing, or to ultimately attain profitable operations in the future. Whether and when the Company can attain profitability and positive cash flows is uncertain. Based on its current plans, budgeted expenditures, and cash requirements, the Company will not be able to meet its cash requirements with existing fund available for the next 12 months from June 30, 2019. There can be no assurance that the Company will be able to successfully obtain the required finance under acceptable term.

These factors raise material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. If the going concern assumption is not appropriate, material adjustments to the financial statements could be required.

2. Basis of Preparation and Going Concern (continued)

c) Basis of measurement

These financial statements have been prepared on a historical basis except for certain financial instruments which are measured at their fair value as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis, except for cash flow information.

d) Functional and presentation currency

These financial statements are presented in Canadian dollars which is the functional currency of the Company and all values are rounded to the nearest dollar.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. The Company did not adopt any new accounting standard changes or amendments effective July1, 2018 that had a material impact on these financial statements.

a) Significant accounting judgements and estimates

Significant assumptions about the future and key sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting judgments

i) Going concern

Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its financial statements for the year ended June 30, 2019. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Please refer to note 2(b) for additional information.

ii) Investment in associate

The Company uses judgment in its assessment of whether the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, including but not limited to, the ability to exercise significant influence through board representation, material transactions with the investee, provision of technical information, and the interchange of managerial personnel. Whether an investment is classified as an investment in associate can have a significant impact on the entries made on and after acquisition.

Critical accounting estimates

i) Property and equipment

The Company measures the property owned by the investee at fair value in accordance with IAS 40, *Investment Property*. The fair value of property and equipment recognized is calculated using estimates and assumptions based on market values when available. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence. The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its expected useful life. Increasing an asset’s expected life or its residual value would result in a reduced depreciation charge in the income statement.

The useful lives and residual values of the subject assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

3. Significant Accounting Policies (continued)

Critical accounting estimates (continued)

ii) Current and deferred taxes

Accounting for income taxes is a complex process requiring management to interpret frequently changing laws and regulations and make judgments relating to the application of tax law, the estimated timing of temporary difference reversals, and the estimated realization of tax assets. All tax filings are subject to subsequent government audits and potential reassessment. These interpretations, judgments and changes related to them impact current and deferred tax provisions, deferred income tax assets and liabilities and results of operations.

b) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less. As at June 30, 2019, the Company held a $nil (2018: $nil) term deposit.

c) Investment in associate

An associate is an entity over which the Company has significant influence, and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is presumed to exist when the Company holds between 20% and 50% of the voting power of another entity but can also arise where the Company holds less than 20% if it has the power to be actively involved and influential in policy decision affecting the entity.

An investment in associate is accounted for using the equity method. Under the equity method, investments in associates are carried in the statement of financial position at cost adjusted for post-acquisition changes in the Company's share of net assets of the associate, less any impairment losses. Losses in an associate in excess of the Company's interest in that associate are recognized only to the extent that the Company has incurred a legal or constructive obligation to make payments on behalf of the associate. Unrealized profits or losses on transactions between the Company and an associate are eliminated to the extent of the Company's interest therein.

An equity accounted investment in the associate is reviewed for indication of impairment at each financial position date. Indications includes data of the comparative transactions indicating there is a measurable decrease of the investee's project(s). When there is objective evidence that an investment is impaired, the carrying amount of such investment is compared to its recoverable amount, being the higher of its fair value less costs of disposal ("FVLCD") and value in use ("VIU"). If the recoverable amount of an investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount and an impairment loss, being the excess of carrying amount over the recoverable amount, is recognized in the period in which the relevant circumstances are identified. When an impairment loss reverses in a subsequent period, the carrying amount of the investment is increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. A reversal of an impairment loss is recognized in net earnings or loss in the period in which the reversal occurs.

d) Property and equipment

Property and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses or at the lower of their carrying value and estimated recoverable amount. The cost of an item consists of the purchase price, any costs directly attributable to brining the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item.

All the property and equipment are depreciated on a straight line basis over their estimated useful life: 1) 5 years use life for leasehold improvement; 2) 5 years useful life for office furniture; 3) 10 years useful life for vehicle with $5,000 residual value; 4) 2 years useful life for the computers. The residual value, useful lives, and methods of depreciation are reviewed at each reporting period and adjusted prospectively if appropriate.

3. Significant Accounting Policies (continued)

d) Property and equipment (continued)

An item is derecognized upon disposal or when no further economic benefits are expected to arise from the continue use of asset. Any gain or loss arising or disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the statement of operations and comprehensive loss.

Where an item of property and equipment is comprised of major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

e) Financial instruments

Financial assets

The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). Financial assets are initially measured at fair value and designated upon inception into one of the following three categories: amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").

Financial assets classified and measured at amortized cost are those assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are SPPI. Financial assets classified as amortized cost are initially measured at fair value and are subsequently measured at amortized cost using the effective interest method. The Company's cash and cash equivalents, and accounts and other receivables (excluding GST receivable) are classified in this category.

Financial assets classified and measured at FVTOCI are those assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise to cash flows that are SPPI. Financial assets classified as FVOCI are initially measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for recognition of credit impairment gains and losses, foreign exchange gains and losses, and interest revenue which are recorded in profit or loss. The Company has no financial assets classified as FVOCI.

Financial assets classified and measured at FVTPL are those assets that do not meet the criteria to be classified at amortized cost or at FVTOCI. Financial assets classified as FVTPL are initially measured at fair value with unrealized gains and losses recognized through profit and loss. Regular way purchases and sales of FVTPL financial assets are accounted for at trade date, as opposed to settlement date. The Company has no financial assets classified as FVTPL.

Financial liabilities

All financial liabilities are initially recorded at fair value plus or minus transactions costs that are directly attributable to issuing the financial liability and classified upon inception as FVTPL or amortized cost.

Financial liabilities classified as amortized cost are initially recognized at fair value less directly attributable transaction costs. After initial recognition, financial liabilities at amortized cost are subsequently measured at amortized costs using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

3. Significant Accounting Policies (continued)

e) Financial instruments (continued)

The Company's accounts payable and accrued liabilities, due to related parties and long-term loan are classified as amortized at cost.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in profit or loss. At June 30, 2019 and 2018, the Company has no financial liabilities classified as FVTPL.

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies. The Company's financial instruments include cash and cash equivalents, short term investments, accounts and other receivables (excluding GST receivables), due to related parties and accounts payable and accrued liabilities. The carrying amounts of cash and cash equivalents, accounts and other receivables (excluding GST receivables), due to related parties, and accounts payable and accrued liabilities approximate their fair values because of the short-term nature of these instruments. The fair value of long-term loan is determined by discounting future payments of loan principals and interests under the loans at prevailing market interest rates at each reporting date. The difference between the fair value and carrying amount is minimal. At June 30, 2019 and 2018, there were no financial assets measured and recognized in the statement of financial position at fair value that would have been categorized as Level 3 in the fair value hierarchy.

f) Impairment

(i) Financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company shall recognize in the consolidated statements of income (loss), as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(ii) Non-financial assets

The carrying amount of the Company's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of operations and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair-value less cost to sell and value in use. In assessing value in use, the estimated future cash-flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

3. Significant Accounting Policies (continued)

f) Impairment (continued)

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

g) Income taxes

Any income tax on profit or loss for the period presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is recognized in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, on a non-discounted basis using tax rates at the end of the reporting period applicable to the period of expected realization.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, the deferred tax asset is notrecorded.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

h) Share-based payment transactions

The stock option plan allows Company directors, officers and technical consultants to acquire shares of the Company. The fair value of share purchase options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value is measured at grant date and the share-based compensation is expensed based on graded vesting. When the value of goods or services received in exchange for the share- based payment cannot be reliably estimated, the fair value of the share purchase options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the share purchase options were granted. Forfeiture rates are estimated in advance and are used in the estimate of the share-based expense for the financial statement period. Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services. Consideration received on the exercise of stock options is recorded as share capital and the related equity reserve is transferred to share capital. When stock options are forfeited prior to becoming fully vested, any expense previously recorded is reversed.

(Expressed in Canadian dollars unless otherwise stated)

3. Significant Accounting Policies (continued)

i) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury method. The treasury method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rate. Diluted loss per share is equal to the basic loss per share if the outstanding options and warrants are anti-dilutive.

j) New accounting standards adopted during the year

The Company has adopted the following new accounting standards and interpretations effective April 1, 2018. These changes were made in accordance with the applicable transitional provisions and had no impact on its Financial Statements.

i. IFRS 15 - Revenue from Contracts with Customers

On May 28, 2014, the IASB issued IFRS 15 that provides a single, principles based five-step model to be applied to all contracts with customers. Guidance is provided on topics such as the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced. IFRS 15 is effective for fiscal years beginning on or after January 1, 2018. The adoption of this standard did not have a any impact on the Company's financial position as at June 30, 2019 and results of operations for the year ended June 30, 2019.

ii. IFRS 9 - Financial Instruments

IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application. The table below summarizes the classification and carrying amount changes upon transition from IAS 39 to IFRS as at July 1, 2018.

	Original under IAS 39		New under IFRS 9	
	Classification	Carrying Amount $	Classification	Carrying Amount $
Cash and cash equivalents	FVTPL	510,339	Amortized cost	510,339
Accounts and other receivables (excluding GST receivable)	Loans and receivables	47,292	Amortized cost	47,292
Accounts payable and accrued liabilities	Other financial liabilities	47,561	Amortized cost	47,561
Due to related parties	Other financial liabilities	13,137	Amortized cost	13,137
Long-term loan	Other financial liabilities	292,659	Amortized cost	292,659

As the standard permits on transition to IFRS 9, the Company has not restated prior periods with respect to the new amortized cost measurement for financial assets and impairment requirements. The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit.

k) New Accounting Pronouncements

Standards and interpretations issued but not yet effective up to the date of issuance of the Company's financial statements are listed below and include only those which the Company reasonably expects may be applicable to the Company at a future date. The Company intends to adopt these standards and interpretations when they become effective.

3. Significant Accounting Policies (continued)

k) New Accounting Pronouncements (continued)

i) IFRS 16 - Leases

On January 13, 2016, the IASB published a new standard, IFRS 16 - Leases. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Under the new standard, a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly. The liability accrues interest. This will typically produce a front-loaded expense profile (whereas operating leases under IAS 17 would typically have had straight-line expenses). The standard is effective for annual periods beginning after January 1, 2019, and interim periods thereafter. Early adoption is permitted. On the effective date, the Company expects to adopt this standard to account for the lease of its leased office premises, which is currently accounted for as an operating lease. The Company has not early adopted this revised standard and it will not have a material impact on the Company's consolidated financial statements.

4. Short Term Investments

On July 30, 2018, the Company announced that it has purchased, on the secondary market, the trust units of three real estate investment trusts listed on the Toronto Stock Exchange for an aggregate purchase price of $249,982 (collectively, the "Investments"). Pursuant to the Investments, the Company acquired: (1) 5,200 trust units of Artis Real Estate Investment Trust at a price per trust unit of $13.33; (2) 5,400 trust units of Cominar Real Estate Investment Trust at a price per trust unit of $12.94; and (3) 5,400 trust units of H&R Real Estate Investment Trust at a price per trust unit of $20.51.

The Company received final approval of the TSX Venture Exchange (the "Exchange") for the Investments on July 25, 2018 and the Investments constitute the Company's second investment as required pursuant to the undertaking provided to the Exchange in connection with the Company's change of business completed on January 2, 2018. Each of the Investments was an "arm's length transaction" for the purposes of the TSX Venture Exchange.

On October 12, 2018, the Company sold all the units for a consideration of $225,569 with a realized loss of $24,432.

(Expressed in Canadian dollars unless otherwise stated)

5. Property and Equipment

	Leasehold Improvement (a)	Furniture	Vehicle	Computer	Total
	$	$	$	$	$
Cost					
Balance at June 30, 2017	-	-	-	-	-
Additions	23,846	27,761	44,800	3,582	99,989
Dispositions	-	-	-	-	-
Balance at June 30, 2018	23,846	27,761	44,800	3,582	99,989
Additions	-	803	-	-	803
Write off	(23,846)	-	-	-	(23,846)
Balance at June 30, 2019	**-**	**28,564**	**44,800**	**3,582**	**76,946**
Accumulated Depreciation					
Balance at June 30, 2017	-	-	-	-	-
Depreciation	3,974	4,441	3,228	896	12,539
Dispositions	-	-	-	-	-
Balance at June 30, 2018	3,974	4,441	3,228	896	12,539
Depreciation	3,576	5,672	4,480	1,792	15,520
Write off	(7,550)	-	-	-	(7,550)
Balance at June 30, 2019	**-**	**10,113**	**7,708**	**2,688**	**20,509**
Net Book Value					
At June 30, 2018	19,872	23,320	41,572	2,686	87,450
At June 30, 2019	**-**	**18,451**	**37,092**	**894**	**56,437**

The Company leased its office at Suite #2033-1177 West Hastings Street, Vancouver, British Columbia, for a term of five years commencing on September 1, 2017 and ending on August 31, 2022 (the "Lease"). On March 26, 2019, the Company and Golden Properties Ltd (the Landlord) entered into a termination agreement of the Lease and the lease was terminated effective on April 30, 2019, pursuant to which the Company incurred termination penalty of $48,000, included in the rent expense. As a result, the Company wrote off the carrying value of the leasehold improvement during the year ended June 30, 2019.

6. Investment in Associate

The Company has entered into a purchase and subscription agreement (the "New Age Agreement" or "Transaction") dated April 21, 2017 and has closed the Transaction on January 2, 2018, wherein the Company acquired 1,000,000 common shares of New Age Development Ltd. ("New Age Shares") from the sole shareholder of New Age Development Ltd. ("New Age"), Hong Kong Shing Chi City Holdings Ltd. ("HK Shing Chi"), at $1.00 per New Age Share. In addition, pursuant to the New Age Agreement, the Company would also subscribe for an additional 100,000 New Age Shares, at $1.00 per New Age Share, to provide New Age with cash and working capital. Following the completion of the Transaction on January 2, 2018, the Company holds 1,100,000 New Age Shares out of a total of 3,850,000 New Age Shares, representing 28.57% of the issued and outstanding capital of New Age. The Company has also appointed one director of New Age and concludes that there is significant influence over New Age. The investment in associate is recorded using the equity method.

New Age is a private company incorporated under the Alberta Business Corporations Act on January 20, 2017. New Age's main assets are the land and improvements located at 4401 Macleod Trail, Calgary, Alberta, which comprise of 35,884 square feet of land and a 939 square feet vacant log structure (the "Property"). New Age acquired the Property on March 31, 2017 for an aggregate purchase price of $3,750,000 in cash.

(Expressed in Canadian dollars unless otherwise stated)

6. Investment in Associate (continued)

The Company intends to explore the development opportunities for the Property with HK Shing Chi. Current plans are to explore the development of a mixed use commercial and residential 8 story building on the Property. The Company and HK Shing Chi may also elect to hold their investment in New Age and the Property for long term capital gains.

The Company's share of income in the investment is $7,731 (2018 – loss of $13,667) which represents 28.57% of the net income and comprehensive income of New Age from the July 1, 2018 to June 30, 2019.

Investment in associate is composed of:

	New Age
	$
Balance, July 1, 2017	-
Acquisition of New Age Shares	1,100,000
Share of net loss	(13,667)
Balance, June 30, 2018	1,086,333
Share of net income	7,731
Balance, June 30, 2019	1,094,064

The financial information of New Age as of June 30, 2018 and June 30, 2019 are presented as follows:

Statements of financial position as at June 30, 2018 and June 30, 2019

	30-Jun-19	30-Jun-18
	$	$
Current assets	33,103	18,883
Non-current assets	4,125,000	3,950,000
Current liabilities	308,849	146,690
Total liabilities and shareholder's equity	4,158,103	3,968,883

Statements of loss and comprehensive loss for the period from January 2, 2018 to June 30, 2018, and the fiscal year ended June 30, 2019

	Year ended June 30, 2019	January 2, 2018 to June 30, 2018
	$	$
Rental revenue	17,667	12,550
Net income (loss)	27,060	(47,836)

(Expressed in Canadian dollars unless otherwise stated)

7. Loan from Jiu Fa Investments Ltd.

On February 19, 2019, the Company entered into a loan agreement (the "Loan Agreement") to borrow up to a maximum amount of $1,000,000 (the "Loan") from Jiu Fa Investments Ltd. (the "Lender", or "Jiu Fa"). The principal amount of the Loan under the Loan Agreement bears an interest rate of 12.0% per annum, calculated semi-annually, and the Loan matures on the earlier of: (i) February 28, 2021; or (ii) the date that Metath Investment Co., Ltd. ceases to own, or have control or direction over, common shares of the Company ("Common Shares") representing at least 20% of the issued and outstanding Common Shares. The interest is payable on maturity date.

The Lender has provided advances to the Company under the Loan Agreement in the aggregate amount of $285,402. Further amounts may be advanced during the term of the Loan in such amounts and at such times as agreed to by the Lender and the Company, up to the maximum amount of the Loan. Amounts outstanding under the Loan will be represented by a grid promissory note issued by the Company in favor of the Lender.

The Company intends to use the proceeds of the Loan to fund its operations and for general and administrative expenses. The Company initially recorded the Loan using a market interest rate for comparable companies of 12% for an equivalent, non-convertible, loan at the date of issue.

Mr. Huijun Wang, a director and the Chief Executive Officer of the Company, is also the President of the Lender. Accordingly, the Loan is considered a related party transaction.

Summary of advances from Jiu Fa and interest incurred as of June 30, 2019:

Date	Principal $
February 5, 2019	50,000
March 15, 2019	50,000
March 27, 2019	33,901
April 11, 2019	50,000
May 2, 2019	1,500
May 17, 2019	50,000
June 28, 2019	50,000
Interest accrued	7,258
Total	**292,659**

Subsequent to June 30, 2019, the Company advanced $80,000 pursuant to the above-mentioned loan agreement.

8. Share Capital

Authorized: Unlimited number of common shares without par value.

a) Issued and outstanding:

As of June 30, 2019, the Company had 12,527,200 (2018: 12,527,200) common shares issued and outstanding.

b) Stock option

On December 20, 2012, the Company granted 125,000 incentive stock options to the directors and officers of the Company. The options were granted with an exercise price of $0.10 per common share and are exercisable for a period of ten years from the date of the grant. The options were fully vested on the date of the grant.

The following table reflects the outstanding, changes and exercisable stock options as at June 30, 2019 and 2018:

(Expressed in Canadian dollars unless otherwise stated)

8. Share Capital (continued)

As at:	Number of outstanding	Weighted Average Exercise Price	Expiry Date
June 30, 2019, 2018 and 2017	75,000	$0.10	20-Dec-22

As at June 30, 2019, 75,000 stock options were outstanding and exercisable with a remaining life of 3.48 years, and no options were exercised during the years ended June 30, 2019 and June 30, 2018.

c) Escrow Shares

Subject to an Escrow Agreement in related to the Change of Business as stated in the Filing Statement dated on November 24, 2017, pursuant to the requirements of the TSX Venture, the 9,701,500 common shares owned by Metath Investment Co., Ltd were held in escrow. Under the Escrow Agreement, 10% of the escrowed shares will be released on the issuance of the Final Exchange Bulletin (the Exchange's acceptance of the Change of Business) and an additional 15% will be released on each of the dates which are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the initial release. As at June 30, 2019, 5,820,900 common shares are held in escrow (2018: 8,731,350).

9. Related party transactions

During the years ended June 30, 2019 and June 30, 2018, the Company entered into the transactions with related parties as stated in the following table:

	Year ended June 30,	
	2019	**2018**
	$	$
Paid or accrued directors' fee	11,000	12,000
Paid salaries to the key management personnel	290,900	388,658
Paid or accrued consulting fees to a director (Rick Low)	15,200	17,863
Paid or accrued consulting fees to an officer (Andrew Liu)	-	17,263
Total	**317,100**	**435,784**

As at June 30, 2019, the amount due to the above related parties is $20,926 (2018: $13,137), which is included in the accounts payable balance.

As at June 30, 2019, the Company advanced $2,000 (2018: $2,500) to management. The advances are included in the prepaid balance.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related party.

In addition to the related party transactions noted above, the Company reimbursed all these related parties for out-of-pocket direct costs incurred on behalf of the Company. Such costs include travel, postage, courier charges, printing and telephone charges.

During the year ended June 30, 2019, the Company provided consulting services to related parties and received management fees totaling $48,000 (2018: $24,000).

10. Financial risk management objectives and policies

(a) Overview

The Company has exposure to credit risk, liquidity risk and market risk from its use of financial instruments. This note presents information about the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

(b) Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits its exposure to credit risk on liquid financial assets through investing its cash and cash equivalents and short-term investments with high credit quality financial institutions.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company's cash is currently invested in business accounts with high-credit quality financial institutions which are available on demand by the Company for its programs. As at June 30, 2019, the Company had a cash and cash equivalents of $40,727 (June 30, 2018: $510,339), accounts and other receivable (excluding GST receivables) of $38,392 (June 30, 2018: $46,667) and current liabilities of $66,294 (June 30, 2018: $60,698).

(d) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. As at June 30, 2019, the Company had short term investments of $nil.

(e) Interest Rate Risk

The Company is subject to interest rate risk with respect to its investments in cash. The Company’s current policy is to invest cash at floating rates of interest and cash reserves are to be maintained in cash in order to maintain liquidity, while achieving a satisfactory return for shareholders. The Company’s interest income is subject to bank deposit interest rates. During 2019, the Company received $2,751 of interest income from loans which is based on the interest rate in the loan agreement. Since the deposit at the bank’s Saving Accounts is below $1 million which is the minimum requirement to be qualified for interest income, the fluctuation in bank interest rates would not affect interest income.

(f) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets. The Company manages its capital structure through the preparation of operating budgets, which are approved by the Board of Directors. There were no changes in the Company's approach to capital management during the period. The Company does not have any externally imposed capital requirements or external covenants to which it is subject to.

(Expressed in Canadian dollars unless otherwise stated)

11. Income Taxes

The following table reconciles the expected income taxes expenses (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statements of operations and comprehensive loss for the years ended June 30, 2019 and 2018:

	June 30, 2019	June 30, 2018
	$	**$**
Net loss before tax	(819,518)	(1,063,015)
Statutory tax rate	27.00%	26.50%
Expected income tax (recovery)	(221,270)	(281,699)
Non-deductible items	3,145	1,251
Deferred tax asset not recognized	218,125	280,448
Total tax expense (recovery)	-	-

The statutory tax rate increased from 26.5% to 27% due to an increase in the British Columbia provincial corporate income tax rate on January 1, 2018.

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values. Deferred tax assets (liabilities) at June 30, 2019 and 2018 are comprised of the following:

	June 30, 2019	June 30, 2018
	$	**$**
Exploration and evaluation assets	212,663	177,763
Investment in associate	5,936	13,667
Property and equipment	33,156	-
Net capital losses carryforward	18,584	6,368
Non-capital losses carryforward	3,118,670	2,370,339
Total unrecognized deductible temporary differences	3,389,009	2,568,137

As at June 30, 2019, the Company has not recognized a deferred tax asset in respect of non-capital loss carryforwards of approximately $3,118,670 (2018: $2,370,339) which may be carried forward to apply against future year income tax for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

Expiry	$
2031	3,230
2032	15,646
2033	41,663
2034	53,012
2035	432,220
2036	333,231
2037	572,627
2038	899,336
2039	767,705
TOTAL	3,118,670

As at June 30, 2019, the Company has not recognized a deferred tax asset in respect of net capital loss carryforwards of approximately $18,584 (2018: $6,368) which may be carried forward indefinitely to apply against future capital gains for Canadian income tax purposes, subject to the final determination by taxation authorities.

(Expressed in Canadian dollars unless otherwise stated)

12. Commitments

The Company entered in an agreement for a new office lease starting on July 1, 2019 with maturity date on December 31, 2020; the gross rent is $2,700 plus applicable tax per month. The total lease payments for the years ending June 30, 2020 and 2021 are the following:

	Lease Commitments
	$
2020	32,400
2021	16,200
Total:	**48,600**

13. Subsequent events

See Note 12 and Note 7.