

B-32 EXPLORATION



Dear fellow shareholders,

We hope everyone is safe and finding some positives in our current situation as we prepare to transition back to “normal”.

It has been only 8 weeks since our AGM which to us, feels like a lifetime ago. Oil was trading at over \$50/bbl US and we were all contemplating whether COVID-19 would have an effect on our life. Fast forward to today where we find ourselves in lockdown mode with oil trading at half those values around \$25/bbl US after hitting minus \$38.00/bbl US. Although the daily headlines have been negative we thought it was important at this time to reach out and update you on B-32 Exploration as there have been some positive developments.

Firstly, the Hitic 02-05-071-22W5 well that immediately offsets our lands has come off confidential status (data is now public) and we now have the detailed completion and production reports. We had extensively scouted this well so the reporting is mostly a final confirmation of our data with the exception of a few gaps. We now can confirm it is an oil well that flowed 39° API sweet oil at a low gas-oil ratio. We believe this is a great result. Over the past 5 months it has produced over 20,000 bbls with a continued drop in water cut, which are all positive data points.

We remain very excited about the Hitic 02-05 well especially considering it was completed using a Generation “Zero” ball drop stimulation technique, which is viewed by all operators as a cost effective but ineffective Duvernay stimulation compared to the plug and perf technique. We believe if the Hitic well was fracked with a Murphy Oil style Generation “5” technique, the result would most likely exceed our type curve expectations. In further support, Hitic is now fracking all their Kaybob Duvernay wells with impressive results utilizing the Murphy Oil Generation “5” plug and perf technique. The following slide is from our AGM presentation and highlights the differences in the frack techniques:

CONFIRMATION OIL WELL

Hitic Energy's 02-05 offset confirms the expansion of the Duvernay oil window with a flowing, high quality 39-40° API light oil well

02-05 Well

- On production September 2019
- Rate restricted IP30 210 bbl/d
- 2100 m lateral length completed with Generation '0' ball drop frac

Ineffective completion design

- Ball drop completion with single entry point and large 130 m stage spacing resulted in poorly stimulate rock and by-passed pay
- Using a Generation 5, “Gen. 5” plug & perf completion utilized by Murphy and other Duvernay oil operators will increase productivity

Hitic 02-05 Offset Ball Drop Completion

Single Entry Point

By-passed Pay

130m Stage Spacing

Murphy Gen. 5 Completion

100 m Stage Spacing, 8 perf clusters, 2 shots per cluster

Ball Drop	Gen. 5 Plug & Perf
1 entry point into the open hole over large 130 m stage	2-3 perfs per cluster, multiple entry points into reservoir leading to complex fractures in zone which maximizes stimulate rock volume
Ball drop previously used by Artis Exploration in ESB (2016), resulting in poor results. Changing to similar Plug & perf completion showed a 3-4X increase in productivity in the same area.	There has been a convergence in completion methods to Plug & Perf extreme limited entry by operators in the oil window across the Duvernay

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The second piece of good news is that Murphy Oil continues to refine their frack techniques in Kaybob, which is the analogous extension to our Sturgeon area Duvernay. Athabasca Oil, Murphy's partner at Kaybob in their Q1 report released on May 6, 2020 reported:

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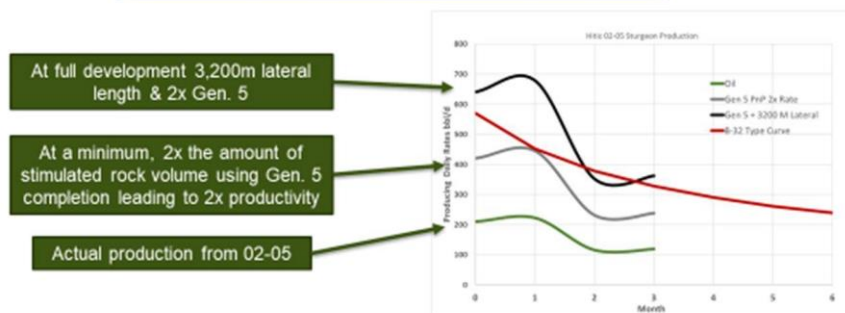
"In the Greater Kaybob Duvernay, Athabasca concluded an active winter campaign that included the drilling of 8 wells, 13 completions and a total of 16 tie-ins expected by mid-year. In the volatile oil window, production results have been consistently strong. Recent multi-well pads at Kaybob East (10 wells) had IP30s averaging ~1,000 boe/d per well (80% liquids). Drilling and completion costs have been reduced to ~C\$7.5 million on recent wells (2-well pads) with line of sight to further improvements with multi-well pad development. These results compare favorably to the East Shale Basin Duvernay due to low capital costs and higher sustained liquids rates."

These results are critical as they prove that reservoir rock similar to B-32's continues to have increasing Initial Production (IP) rates with improving technology. We don't know how far along this productivity improvement line we are except to say we are not at the end and believe we have more room to grow our IP's. The following slide again from our AGM presentation illustrates how we believe by utilizing a Murphy Generation 5 frack and drilling a 2 mile lateral our forecast IP of 570 BBL/day is supported by real data and is achievable:

STRONGER PERFORMANCE EXPECTED

- Peak testing rates and initial production from the 02-05 offset are extremely promising given the lateral length and completion technique used
- It is expected that utilizing the proven Gen. 5 completion technique and a full 3,200m lateral, the B-32 type curve of IP30 570 bbl/d can easily be achieved and can will be outperformed
- Further well optimizations will continue to improve rates

Adjusted for 3200 m lateral length & Murphy style Gen. 5 Plug & Perf completion



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This preceding information is very supportive as it all continues to de-risk our acreage and gives us a window on best practices for the Duvernay. Unfortunately, the macro environment of the energy space is not so supportive. Over the past 8 weeks, companies have been focused on shutting down drilling operations, cutting G&A expenses, shutting in production and talking to their bank. Like other energy companies we have been working remotely and have reduced our costs where possible to allow us the necessary time to get to the point where we can be financed. For B-32 Exploration, we wanted to be out in the market educating private equity, investment bankers and other potential joint venture partners on the great offset results and moving towards a financing. Simply said, this is not going to happen in the near term as we planned, however we are working on virtual ways to get our story out.

We are in an enviable position to take a pause with cash in the bank, 220 sections of prime acreage, no declining production to shut-in and new industry data on a daily basis continuing to support our story. There is a lot of uncertainty in the current market but what we do know for sure is B-32 has captured the most prospective and largest contiguous block of Duvernay land in Alberta. Now that we have captured our primary land position, we can now share our great story with the rest of the world.

Stay safe and feel free to reach out to either of us if you have any questions.

Sincerely yours,

Signed "Larry Evans"
Larry Evans
Executive Chairman

Signed "Brad Culver"
Brad Culver
President

B-32 EXPLORATION



**2020 FIRST QUARTER
FINANCIAL STATEMENTS
MARCH 31, 2020**

STATEMENTS OF FINANCIAL POSITION

(unaudited)			
(\$)	Notes	March 31, 2020	December 31, 2019
ASSETS			
Cash		972,853	1,047,004
Trade and other receivables		3,892	14,973
Deposits and prepaid expenses		6,468	7,867
Total current assets		983,213	1,069,844
Exploration and evaluation assets	5	6,528,711	6,439,752
Total assets		7,511,924	7,509,596
LIABILITIES			
Trade and other payables		231,788	202,931
Total liabilities		231,788	202,931
SHAREHOLDERS' EQUITY			
Shareholder's capital	6	7,743,036	7,743,036
Contributed surplus	7	89,781	
Deficit		(552,681)	(436,371)
Total equity		7,280,136	7,306,665
Total equity and liabilities		7,511,924	7,509,596

See accompanying notes to the financial statements.

On behalf of the Board of Directors,

Signed "Larry Evans"
Larry Evans
Executive Chairman

Signed "Brad Culver"
Brad Culver
President

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(unaudited)		Three Months Ended March 31,	
(\$)	Notes	2020	2019
Consulting fees		7,500	7,500
Office and general		18,162	15,000
Share-based compensation	7	89,781	
Professional fees		3,458	—
EXPENSES		118,901	22,500
LOSS BEFORE FINANCE INCOME		(118,901)	(22,500)
Finance income		2,591	8
NET LOSS AND COMPREHENSIVE LOSS		(116,310)	(22,492)
NET LOSS PER SHARE			
Basic & Diluted	9	(0.02)	(0.01)

See accompanying notes to the financial statements.

STATEMENTS OF CHANGES IN EQUITY

(unaudited)						
(\$)	Notes	Number of Common Shares	Shareholders' Capital	Contributed Surplus	Deficit	Total Equity
BALANCE AT DECEMBER 31, 2019		5,715,680	7,743,036		(436,371)	7,306,665
Net loss for the period		0	0	0	(116,310)	(26,528)
Common shares issued on financing	6	0	0	0	0	0
Share-based compensation	7	0	0	89,781	0	0
BALANCE AT MARCH 31, 2020		5,715,680	7,743,036	89,781	(552,681)	7,280,136
BALANCE AT DECEMBER 31, 2018		3,702,002	3,702,002		(323,150)	3,378,852
Net loss for the period		0	0	0	(22,492)	(22,492)
Common shares issued on financing	6	0	0	0	0	0
Share-based compensation	7	0	0	0	0	0
BALANCE AT MARCH 31, 2019		3,702,002	3,702,002	0	(345,642)	3,356,360

See accompanying notes to the financial statements.

STATEMENTS OF CASH FLOWS

(unaudited)		Three Months Ended March 31,	
(\$)	Notes	2020	2019
OPERATING ACTIVITIES			
Net loss for the period		(116,310)	(22,492)
Share-based compensation	7	89,781	
Changes in operating non-cash working capital:		29,025	(20,394)
Net cash flows from operating activities		2,496	(42,886)
INVESTING ACTIVITIES			
Additions to exploration and evaluation assets	5	(88,959)	(58,052)
Changes in investment non-cash working capital		12,312	12,500
Net cash flows used in investing activities		(76,647)	(45,552)
FINANCING ACTIVITIES			
Issuance of common shares	6	0	0
Net cash flows from financing activities		0	0
CHANGE IN CASH DURING THE PERIOD		(74,151)	(88,438)
CASH BEGINNING OF THE PERIOD		1,047,004	117,479
CASH END OF THE PERIOD		972,853	29,041

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the three ended March 31, 2020, with comparative figures for 2019 (unaudited).

All amounts are stated in Canadian Dollars unless otherwise noted.

1. REPORTING ENTITY

B-32 Exploration Ltd. ("the Company" or "B-32") is a privately held corporation, incorporated in Canada on February 8, 2018, with its head office located at 650 – 635 8 Avenue SW, Calgary, Alberta. The Company is engaged in the appraisal of oil and natural gas in Western Canada. B-32 is an early stage enterprise that has accumulated a large contiguous land base prospective for light oil. The Company does not have any proved or probable reserves.

2. BASIS OF PRESENTATION

(a) Statement of compliance:

These unaudited interim financial statements for the three month period ended March 31, 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34, Interim Financial Reporting. These unaudited interim financial statements were approved and authorized for issue by the Board of Directors on May 19, 2020.

(b) Basis of measurement:

The interim financial statements have been prepared on a going concern basis under the historical cost basis.

(c) Functional and presentation currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Where applicable, further information about the significant accounting judgments, estimates and assumptions made in preparing the financial statements is disclosed in the notes specific to that item.

(a) Fair value of financial instruments:

Where the fair value of certain financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Trade and other receivables and trade and other payables are classified at amortized cost. The fair values of trade and other receivables and trade and other payables approximate their carrying amounts due to their short terms to maturity.

(b) Income taxes:

Tax regulations and legislation are subject to change and differing interpretations requiring management judgment. Deferred tax assets are recognized when it is considered probable that deductible temporary differences will be recovered in future periods based on future taxable profits, which requires management judgment. Deferred tax liabilities are recognized when it is considered probable that temporary differences will be payable to tax authorities in future periods, which requires management judgment. Income tax filings are subject to audits and reassessments and changes in facts, circumstances and interpretations of the standards may result in a material increase or decrease in the Company's provisions for income taxes.

(c) Share-based compensation

The company measures the cost of equity-settled transactions with employees, consultants and directors by reference to the fair value of the equity instruments at the date at which they were granted. The fair value of stock options is measured

using a Black Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends and the risk-free interest rate (based on Government of Canada bonds).

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Intangible exploration and evaluation assets:

(i) Recognition and measurement:

Exploration and evaluation costs

The Company accounts for exploration and evaluation ("E&E") costs in accordance with IFRS 6 "Exploration for and Evaluation of Mineral Resources." Undeveloped land is accounted for as exploration and evaluation assets on the statements of financial position. Pre-license E&E costs and lease expiries are recognized in the statements of loss and comprehensive loss as incurred. Costs of exploring for and evaluating oil and natural gas properties are capitalized and the resulting E&E assets are tested for impairment.

E&E costs related to each license/prospect are initially capitalized within "exploration and evaluation assets." Such E&E assets may include costs of license acquisition, technical services and studies, seismic acquisition, exploration drilling and testing, directly attributable overhead and administrative expenses, including remuneration of production personnel and supervisory management and the projected costs of retiring the assets (if any), but do not include general prospecting or evaluation costs incurred prior to having obtained the legal rights to explore an area, which are expensed directly to earnings as they are incurred.

E&E assets are not depleted and are carried forward until technical feasibility and commercial viability of extracting an oil or natural gas resource is considered to be determined. The technical feasibility and commercial viability of extracting a mineral resource is considered to be determined when proved and/or probable reserves are determined to exist. A review of each exploration licence or field is carried out, at least annually, to ascertain whether proved and/or probable reserves have been discovered.

Upon determination of proved and probable reserves, E&E assets attributable to those reserves are first tested for impairment at the CGU level, and then reclassified from E&E assets to property, plant and equipment.

(ii) Subsequent costs:

Costs incurred subsequent to the determination of technical feasibility and commercial viability are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced. Routine repairs and maintenance costs are charged to earnings during the period in which they are incurred.

(b) Impairment:

(i) Financial assets:

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognized in earnings.

An impairment loss on financial assets carried at amortized cost is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in earnings.

(ii) Non-financial assets:

The carrying amounts of the Company's non-financial assets, other than E&E assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. These indicators include, but are not limited to, future prices, future cost and reserves value. E&E assets are assessed for impairment when they are reclassified to property, plant and equipment, as oil and natural gas development and production ("D&P") assets, and also if facts and circumstances suggest the carrying amount exceeds the recoverable amount.

(c) Provisions:

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the Company expects some or all of the provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognized for future operating losses. There are no provisions currently recognized.

(d) Income tax:

Income tax expense comprises current and deferred tax. Income tax expense is recognized in earnings except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Company intends to settle current tax liabilities and assets on a net basis or the tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are presented as non-current.

(e) Loss per share:

Basic loss per share is calculated by dividing net loss for the period by the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by dividing the net loss by the weighted average number of common shares outstanding during the year, plus the weighted average number of common shares that would be issued if all the dilutive potential common shares were converted into common shares. The dilutive potential common shares consist of share-based compensation for which dilution is determined by assuming that the proceeds received from "in-the-money" stock options and warrants and unrecognized future share-based compensation expense are used to repurchase common shares at the average market rate during the period.

(f) Share-based payments:

Under the Company's stock option plan, options to purchase common shares were granted to directors and officers at market prices. Option grants of the Company are measured at fair value at the date of grant and recognized as share-based compensation expense with a corresponding increase in contributed surplus. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. When options vest in instalments over the vesting period, each instalment is accounted for as

a separate arrangement. A forfeiture rate is estimated on the grant date and, at each reporting date, the Company revised its estimates of the number of options that are expected to vest.

(g) Changes in accounting policy and disclosure

(i) New and amended standards adopted by the Company:

- The Company adopted IFRS 16 "Leases", which replaces IAS 17 "Leases", on January 1, 2019. For lessees applying IFRS 16, a single recognition and measurement model for leases applies, with required recognition of assets ("right-of-use asset") and liabilities ("lease obligation") recognized on the balance sheet for contracts that are, or contain, a lease. The Company does not hold any leases and the change did not impact the Company's financial statements.

(ii) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

- No new or amended standards upcoming for the Company in the current period.

5. EXPLORATION AND EVALUATION ASSETS

(\$)	
Balance at December 31, 2019	6,439,752
Additions	88,959
Balance at March 31, 2020	6,528,711

Exploration and evaluation assets consist of the Company's undeveloped lands which are pending the determination of proved or probable reserves. Additions represent undeveloped land purchases and costs incurred on E&E assets during the period.

As at March 31, 2020, oil prices had declined significantly, however, the Company reviewed the following indicators of impairment under IFRS 6 and determined that none of them indicated an impairment existed of the exploration and evaluation assets:

- Rights to explore in an area have expired or will expire in the near future without renewal
- Substantive further exploration or evaluation is not planned or budgeted
- A decision to discontinue exploration and evaluation in an area because of the absence of commercial reserves
- Sufficient data exists to indicate the carrying value will not be fully recovered from future development and production

As a result, further impairment testing was not conducted.

6. SHARE CAPITAL

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

Three Months Ended March 31, 2020	Number of Shares	Amount (\$)
Common Shares		
Balance at December 31, 2019	5,715,680	7,743,036
Equity issuance	0	0
Balance at March 31, 2020	5,715,680	7,743,036

Three Months Ended March 31, 2019	Number of Shares	Amount (\$)
Common Shares		
Balance at December 31, 2018	3,702,002	3,702,002
Equity issuance	0	0
Balance at March 31, 2019	3,702,002	3,702,002

7. SHARE-BASED PAYMENTS

Stock Option Plan

Under this plan, directors and officers of the Company possess rights to acquire common shares. Options granted under this plan vest equally over a three-year period and expire ten years from the grant date. The fair market value of the January 1, 2020 options granted was determined using a volatility rate of 50% and a risk-free rate of 1.70%. The Company uses a fair value methodology to value the option grants.

The following tables summarize information about the Company's stock option plan:

Stock Options Outstanding		Number of Options	Weighted Average Exercise Price (\$/Option)
Common Shares			
Balance at December 31, 2019		0	0
Stock Options Granted		550,000	3.00
Balance at March 31, 2020		550,000	3.00

Stock Options Outstanding			Stock Options Exercisable		
Range of Exercise Prices (\$/option)	Number Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise price (\$/option)	Number Exercisable	Weighted Average Exercise price (\$/option)
3.00	550,000	9.75 Years	3.00	550,000	3.00

Share-based compensation:

The options outstanding for the period ended March 31, 2020 resulted in share-based compensation expensed of \$89,781 (2019 – \$0). Compensation expense associated with option granted under the plan is recognized in earnings over the vesting period of the plan with a corresponding increase in contributed surplus. The exercise of options is recorded as an increase in common shares with a corresponding reduction in contributed surplus.

8. FINANCIAL RISK MANAGEMENT

The Company is exposed to financial risks arising from its financial assets and liabilities. The financial risks include market risk (commodity prices, interest rates and foreign exchange rates), credit risk and liquidity risk.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of financial assets or liabilities will fluctuate due to movements in market prices and is comprised of the following:

Commodity Price Risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for petroleum and natural gas are impacted by not only the relationship between the Canadian and United States dollar, but also world economic events that dictate the levels of supply and demand.

In the future, the Company may enter into various financial derivative forward sales contracts and physical sales contracts to protect its cash flow from operating activities. The Company's production is expected to be sold using "spot" or near-term contracts with prices fixed at the time of transfer of custody or on the basis of a monthly average market price. The Company, however, may give consideration in certain circumstances to the appropriateness of entering into long-term, fixed price marketing contracts. The Company does not enter into commodity contracts other than to meet the Company's expected sale requirements.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. At March 31, 2020, the Company does not have bank credit facilities and a one percent change in interest rates would have no impact on net earnings.

Currency Risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company does not sell or transact in any foreign currency; however, the United States dollar influences the price of petroleum and natural gas sold in Canada. The Company's financial assets and liabilities are not affected by a change in currency rates. The Company had no foreign exchange contracts in place at March 31, 2020 or 2019.

(b) Credit Risk

Credit risk is the risk that the counterparty to a financial asset will default, resulting in the Company incurring a financial loss. This credit exposure is mitigated with credit practices that limit transactions according to counterparties' credit quality. The Company does not currently have any trade receivables.

(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's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 9 – 12 months, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. To achieve this objective, the Company has raised sufficient capital and prepares annual capital expenditure budgets, which are regularly monitored and updated as considered necessary.

The financial liabilities on the statements of financial position include trade and other payables.

The following are the contractual maturities of financial liabilities, including estimated interest payments, excluding the impact of netting agreements, at March 31, 2020:

As at March 31, 2020 (\$)	Carrying Amount	Contractual Cash Flows	Less than 1 Year	1 – 2 Years	2 – 5 Years	More Than 5 Years
Trade and other payables	231,788	231,788	231,788	—	—	—

9. LOSS PER SHARE

Basic and diluted net loss per share have been calculated as follows:

	March 31, 2020	March 31, 2019
Net loss for net loss per share calculation	(116,310)	(22,492)
Weighted average number of common shares –basic & diluted	5,715,680	3,702,002

10. RELATED PARTY TRANSACTIONS

As of March 31, 2020, B-32 incurred \$30,000 (2019 - \$30,000) for consulting services to a consulting firm of which B-32's President is the owner and incurred \$30,000 (2019 - \$30,000) under a shared services agreement to a company owned by two of B-32's Directors. These payments were in the normal course of operations, were made on commercial terms and, therefore, were recorded at their fair value.