RIDGELINE MINERALS

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in United States dollars)

For the first quarter ended March 31, 2020 and 2019

Ridgeline Minerals Corp.

Condensed Consolidated Interim Statements of Financial Position

As at March 31, 2020 and December 31, 2019

(expressed in United States dollars, except where indicated)

	Note	March 31, 2020	December 31, 2019
Assets			
Current assets			
Cash and cash equivalents		**$ 1,906,068**	$ 1,227,329
Prepaids		**8,811**	6,123
Receivables		**3,537**	-
Notes receivable – current	5	**120,519**	-
		2,038,935	1,233,452
Non-current assets			
Exploration and evaluation assets	3	**1,257,756**	1,249,244
Notes receivable	5	**53,814**	-
Total assets		**$ 3,350,505**	$ 2,482,696
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**$ 36,070**	$ 28,581
Total liabilities		**36,070**	28,581
Shareholders' equity			
Share capital	4	**3,891,042**	2,612,931
Reserves		**203,234**	104,379
Accumulated other comprehensive income		**(260,329)**	9,412
Deficit		**(519,512)**	(272,607)
Total shareholders' equity		**3,314,435**	2,454,115
Total liabilities and shareholders' equity		**$ 3,350,505**	$ 2,482,696

Nature of operations (Note 1)

Subsequent events (Note 10)

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

Ridgeline Minerals Corp.

Condensed Consolidated Interim Statements of Comprehensive Loss

For the three months ended March 31, 2020 and the period from incorporation on March 18, 2019 to March 31, 2019

(expressed in United States dollars, except where indicated)

	Note	2020	2019
General and administrative expenses			
Administration and office		**$ 12,504**	$ 10,000
Consulting	5	**21,912**	-
Investor relations, communications and travel		**51,699**	-
Personnel costs	5	**40,176**	-
Professional fees		**44,285**	-
Other		**1,114**	-
Foreign exchange loss		**(23,209)**	-
Share-based compensation	4	**98,855**	-
Operating loss		**247,336**	10,000
Interest income		**(431)**	-
Net loss for the period		**246,905**	10,000
Other comprehensive (income) loss			
Foreign currency translation		**269,741**	-
Comprehensive loss per the period		**$ 516,646**	$ 10,000
Net loss per common share			
Basic and fully diluted		**$ (0.02)**	$ (0.00)
Weighted average number of common shares outstanding			
Basic and fully diluted		**31,944,640**	6,250,000
Total common shares issued and outstanding		**36,793,836**	6,250,000

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

Ridgeline Minerals Corp.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the period from incorporation on March 18, 2019 to March 31, 2020

(expressed in United States dollars, except where indicated)

	Note	Number of Shares	Share capital	Reserves	Accumulated other comprehensive income	Deficit	Total
Balance at December 31, 2019		28,913,893	$ 2,612,931	$ 104,379	$ 9,412	$ (272,607)	$ 2,454,115
Issuance of share capital – private placement at $0.22 per common share		7,751,262	1,277,421	-	-	-	**1,277,421**
Issuance of share capital – Property acquisition agreement	3	113,681	18,621	-	-	-	**18,621**
Issuance of share capital – Property acquisition agreement		15,000	2,457	-	-	-	**2,457**
Share issue costs		-	(20,388)	-	-	-	**(20,388)**
Net loss and comprehensive loss		-	-	-	(269,741)	(246,905)	**(516,646)**
Share-based compensation		-	-	98,855	-	-	**98,855**
Balance at March 31, 2020		**36,793,836**	**$ 3,891,042**	**$ 203,234**	**$ (260,329)**	**$ (519,512)**	**$ 3,314,435**

	Note	Number of Shares	Share capital	Reserves	Accumulated other comprehensive income	Deficit	Total
Balance at March 18, 2019		-	$ -	$ -	$ -	$ -	$ -
Issuance of share capital		6,250,000	7,670	-	-	(10,000)	(2,330)
Balance at March 31, 2019		6,250,000	7,670	-	-	(10,000)	(2,330)
Issuance of share capital – private placement at $0.12 per common share		12,659,333	1,136,390	-	-	-	1,136,390
Issuance of share capital – Property acquisition agreement	3	2,077,718	191,230	-	-	-	191,230
Issuance of share capital – Private placement at $0.22 per common share		7,091,273	1,163,914	-	-	-	1,163,914
Issuance of share capital – Property acquisition agreement	3	785,569	132,505	-	-	-	132,505
Issuance of share capital – Property acquisition agreement		50,000	8,437	-	-	-	8,437
Share issue costs		-	(27,215)	-	-	-	(27,215)
Net loss and comprehensive loss		-	-	-	9,412	(262,607)	(253,195)
Share-based compensation		-	-	104,379	-	-	104,379
Balance at December 31, 2019		28,913,893	$ 2,612,931	$ 104,379	$ 9,412	$ (272,607)	$ 2,454,115

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

Ridgeline Minerals Corp.

Condensed Consolidated Interim Statements of Cash Flows

For the three months ended March 31, 2020 and the period from incorporation on March 18, 2019 to March 31, 2019

(expressed in United States dollars, except where indicated)

	Note	2020	2019
Cash flows used in operating activities			
Loss for the period		$ (246,905)	$ (10,000)
Items not affecting cash:			
Share-based compensation	4	98,855	-
Non-cash repayment of note receivable		20,696	
Unrealized foreign exchange loss		(16,166)	-
		(143,520)	(10,000)
Changes in non-cash operating working capital:			
Increase in prepaid expenses		(6,225)	-
Increase in accounts payable and accruals		7,489	10,000
		(142,256)	-
Cash flows used in investing activities			
Payment for mineral property activities		(97,794)	-
		(97,794)	-
Cash flows from financing activities			
Proceeds from issuance of common shares, net		1,048,551	-
		1,048,551	-
Increase in cash and cash equivalents		808,501	
Effect of exchange rate changes on cash and cash equivalents		(129,762)	-
Cash and cash equivalents - beginning of period		1,227,329	-
Cash and cash equivalents - end of period		$ 1,906,068	$ -

Cash and cash equivalents is represented by:

Cash		$ 1,906,068	$ -
Cash equivalents		-	-
Total cash and cash equivalents		$ 1,906,068	$ -

Supplemental cash flow information (Note 6)

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

1 Nature of operations

Nature of operations

Ridgeline Minerals Corp. together with its subsidiary (collectively referred to as the "Company" or "Ridgeline"), is focused on the exploration of mineral property interests in the state of Nevada, United States. The Company is in the process of completing an Initial Public Offering ("IPO") and listing on the TSX Venture Exchange ("TSX-V").

The Company was incorporated on March 18, 2019 in British Columbia. The Company's registered office is at 355-1632 Dickson Avenue, Kelowna, BC, V1Y 7T2, Canada.

All amounts are expressed in United States dollars, except for certain amounts denoted in Canadian dollars ("C$").

The Company has not yet determined whether its exploration and evaluation assets contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

Going concern

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company has not generated revenues from its operations to date. As at March 31, 2020, the Company has accumulated net losses of $519,512 since inception and has working capital of $2,002,865. The operations of the Company have primarily been funded by the issuance of common shares. These condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Management estimates its current working capital will be sufficient to fund its current level of activities for the next twelve months.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business, results of operations and the timing of proposed transactions at this time.

If the going concern assumption was not appropriate for these condensed consolidated interim financial statements, then adjustments may be necessary to the carrying values of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

2 Basis of presentation

The Company prepares its condensed consolidated interim financial statements in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34"), under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretation of the International Reporting Interpretations Committee ("IFRIC"). These should be read in conjunction with the Company's annual audited consolidated financial statements as at and for the period ended December 31, 2019 ("annual financial statements"). The accounting policies and critical estimates and judgements applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company's annual financial statements, unless otherwise stated.

The condensed consolidated interim financial statements were approved by the Audit Committee of the Board of Directors on May XX, 2020.

3 Exploration and evaluation assets

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many mineral properties. The Company has investigated title to its mineral properties, to the best of its knowledge, title to the mineral property assets remains in good standing.

a) **Carlin-East Project, Nevada, United States**

On April 10, 2019, the Company, through Ridgeline NV, entered into the Carlin-East Option Agreement with Carlin East LLC ("CEL") to acquire a 100% interest in 243 federal unpatented claims, which compromise part of the Carlin-East Project for cash and share consideration over a three-year period ending May 2022, as further set forth below:

- Paying $53,000 to CEL (which amount has been paid);
- Paying annual advance minimum royalty ("AMR") payments of $5,000 per year on or prior to each anniversary of the effective date of the Carlin-East Option Agreement, starting on the second anniversary;
- Paying milestone payments totaling $2,200,000 in cash or shares, at the discretion of Ridgeline NV, dependent on the Carlin-East Project reaching certain milestones, such milestones including the issuance of a preliminary economic analysis, the earlier of the issuance of a pre-feasibility study, and the date that the Board of Directors proceeds with development of a mine and associated facilities on the Carlin-East Project; and
- Paying the obligations under the lease and option agreement between CEL and the underlying landowner Genesis Gold Corporation ("Genesis") dated effective August 8, 2017 (the "Lease and Option Agreement") to the extent coming due during the option period.

The term of the option is the earlier of three years and successful completion of the IPO, during which time, the Company must satisfy certain conditions precedent or CEL will have the option to terminate the Carlin-East Option Agreement (the “Option Period”). The conditions precedent include (i) completion of the IPO; (ii) satisfaction of any AMR and milestone payments that become due prior to the end of the Option Period; and (iii) the raising of a minimum of $2,500,000 for exploration on the Company’s projects (the “Minimum Capital Raise”). To date, the Company has confirmed with CEL that the Minimum Capital Raise condition has been satisfied. The Company has 90 days following the completion of the conditions to exercise the option.

During the Option Period, the Company will be the operator of the Carlin-East Project.

If a party (or an affiliate of a party) to the Carlin-East Option Agreement acquires directly or indirectly any mining claim, lease, license or other form of interest in minerals, or surface or water rights located in whole or in part within the two-mile area around the outside border of the Carlin-East Project, such party or affiliate will promptly offer such interest to the other party and the other party may accept this offer (within 60 days of such notice) to make that after-acquired property subject to the Carlin-East Option Agreement.

In addition, pursuant to the Carlin-East Option Agreement, upon exercise of the option, CEL will be granted a 3.25% production royalty on the Carlin-East Project and will be eligible to receive AMR payments until commercial production is announced. The Company can purchase up to 1% of the production royalty (leaving 2.25%) for $3,000,000 in the first eight years of the Carlin-East Option Agreement. All AMR payments will be offset against 70% of the production royalty payments as they become due.

The underlying Lease and Option Agreement with Genesis has a term of 99 years unless sooner terminated or the option is exercised, with annual advance royalty payments as follows: $10,000 on or before August 8, 2018 (paid); $10,000 on or before August 8, 2019 (paid); $20,000 on or before August 8, 2020; $30,000 on or before August 8, 2021; $40,000 on or before August 8, 2022; $60,000 on or before August 8, 2023; $80,000 on or before August 8, 2024 and $100,000 per year on the eighth anniversary and thereafter. These advance royalty payments will cease upon commencement of commercial production. The underlying option to acquire a 100% interest in the Carlin-East Project pursuant to the Lease and Option Agreement can be exercised prior to commercial production for $1,000,00 (the “Purchase Price”). Genesis is entitled to a 0.5% production royalty with any previous advance royalty payments being deducted from production royalty amounts owing. This 0.5% production royalty and all financial obligations of CEL are extinguished upon the exercise of the option to purchase through payment of the Purchase Price provided that the option to purchase is exercised prior to the start of commercial production.

Bell Creek Property, Nevada, United States

On February 25, 2020, the Company, through Ridgeline NV, entered into the Bell Creek Mining Lease with Marvel-Jenkins Ranch, LLC ("Marvel") and Marvel Minerals, LLC (together with Marvel, the "Lessor") to lease certain mineral lands located in Elko County, Nevada (the "Bell Creek Property"). The Bell Creek Property is part of the Carlin-East Project.

As consideration for the first year lease payment, the Company paid Marvel $15,000 and issued Marvel 15,000 common shares (issued at a value of C$3,300).

The primary term of the Bell Creek Mining Lease will be 10 years from the effective date (the "Bell Creek Primary Term"), during which Ridgeline NV has an option and right to: (a) purchase all of the Lessor's right, title and interest in the Bell Creek Property for a purchase price of $10,000,000, subject to the Lessor's reservation of a production royalty of 1.5% of the net smelter returns ("NSR") from the production of valuable minerals (the "Bell Creek Option to Purchase"); or (b) extend the Bell Creek Mining Lease for an additional 15 years (the "Bell Creek Option to Extend Lease") for a payment of $100,000. The Bell Creek Option to Purchase and the Bell Creek Option to Extend Lease are exercisable up to 90 days prior to the expiration of the Bell Creek Primary Term. Thereafter Ridgeline has the option to further extend the Swift Mining Lease for additional one-year periods for certain cash payments.

The Company must incur $250,000 of exploration costs during the first five years of the Bell Creek Mining Lease. The Lessor will retain a 3% NSR production royalty on the Bell Creek Property during the term of the Bell Creek Mining Lease from the sale of any valuable minerals extracted, produced and sold from the Bell Creek Property. Ridgeline NV can reduce the 3% NSR production royalty by: (a) exercising the Bell Creek Option to Purchase the Bell Creek Property and reducing the NSR production royalty to 1.5%, or (b) buy down up to 1% of the NSR production royalty at any time during the Bell Creek Primary Term for $6,000,000 (or $3,000,000 per each 0.5%). Ridgeline NV will also pay the Lessor a 1% production royalty for valuable minerals extracted, produced and sold from properties in the area of interest of one mile from any boundary of the Bell Creek Property (the "Bell Creek AOI Royalty").

During the term of the Bell Creek Mining Lease, regardless of whether production is occurring on the Bell Creek Property, unless Ridgeline NV exercises the Bell Creek Option to Purchase or terminates the Bell Creek Mining Lease, Ridgeline must pay the Lessor the following AMR payments on or before each anniversary of the effective date over the term of the Bell Creek Mining Lease:

- $20,000 on the first anniversary;
- $25,000 on the second anniversary;
- $30,000 on the third anniversary;
- $35,000 on the fourth anniversary;
- $40,000 on the fifth anniversary;
- $45,000 on the sixth anniversary;
- $50,000 on the seventh anniversary; and
- $75,000 on the eight anniversary and each subsequent anniversary date.

All AMR payments will be offset against the NSR production royalty and the Bell Creek AOI Royalty.

b) **Swift and Selena Projects, Nevada, United States**

On April 10, 2019, the Company and Ridgeline NV entered into the Swift and Selena Option Agreement with Bronco Creek Exploration Inc. ("Bronco"), a subsidiary of EMX Royalty Corporation ("EMX") (EMX together with Bronco, the "EMX Group"). Pursuant to the Swift and Selena Option Agreement, the Company has the option to earn a 100% interest in the Swift Property and Selena Property by:

- Paying $20,000 to the EMX Group (which amount has been paid);

- Paying AMR payments of $10,000 per year starting on the second anniversary of the effective date and on each anniversary thereafter increasing by $5,000 per year, up to a maximum of $75,000 per year;
- Pay milestone payments totaling $2,200,000 for each of the Swift and Selina Projects in cash or shares, at the discretion of Ridgeline NV, dependent on the Swift and Selena Projects reaching certain milestones;
- Issue that number of common shares to give the EMX Group a 9.9% interest in the issued share capital of the Company on the date of issue. In May 2019 the Company issued 2,077,718 common shares at a value of C$0.12 per common share for C$249,326; and
- Issuing additional shares to the EMX Group (the "Anti-Dilution Right") to maintain its 9.9% interest (on a non-diluted basis and on a $2,500,000 post-money basis) until the earlier of (i) the Company completing the Minimum Capital Raise, and(ii) three years from the effective date of the Swift and Selena Option Agreement (the "Anti-Dilution Period").

The term of the option is the earlier of three years and successful completion of the IPO. The Company must also complete the Minimum Capital Raise within three years of the effective date of the Swift and Selena Option Agreement, otherwise Bronco will have the option to terminate the Swift and Selena Option Agreement. Conditions precedent to exercising the option include the completion of the Minimum Capital Raise and completion of the IPO. To date, the Company has confirmed with Bronco that the Minimum Capital Raise has been satisfied. The Company has 90 days following completion of the conditions precedent to exercise the option.

During the term of the option, Ridgeline NV will be the operator of the Swift Project and the Selena Project.

The Company granted to the EMX Group, effective from the end of the anti-dilution period, for as long as the EMX Group maintains at least a 5% equity ownership in the Company, a pre-emptive right to purchase for cash up to that proportion of any new shares that the Company may issue for the same price and on the same terms as the new shares to enable the EMX Group to maintain its percentage ownership that it holds immediately prior to the issuance of such new shares. This right will expire once the EMX Group holds less than 5% of the issued and outstanding shares of the Company.

If a party (or an affiliate of a party) to the Swift and Selena Option Agreement acquires directly or indirectly any mining claim, lease, license or other form of interest in minerals, or surface or water rights located in whole or in part within the two-mile area around the outside borders of each of the Swift Property and the Selena Property, such party or affiliate will promptly offer such interest to the other party and the other party may accept this offer (within 60 days of such notice) to make that after-acquired property subject to the Swift and Selena Option Agreement.

Upon exercise of the option, the EMX Group will retain a 3.25% production royalty on each of the Swift Property and the Selena Property. The Company can purchase up to 1% of the production royalty (leaving 2.25%) for $3,000,000 in the first 8 years of the Swift and Selena Option Agreement. All AMR payments will be offset against 70% of the production royalty payments as they become due.

Pursuant to the Swift and Selena Option Agreement, the Company issued 2,077,718 shares to EMX at a price of C$0.12 per share for a value of C$249,326 on May 4, 2019; 785,569 shares to EMX at a price of C$0.22 per share with a value of C$172,825 on December 20, 2019 and 113,681 shares to EMX at a price of C$0.22 per share with a value of C$25,010 on February 26, 2020. Upon issuance of the 113,681 shares on February 20, 2020, the Company has satisfied its obligations under the Anti-Dilution Right, as the Company has completed the Minimum Capital Raise.

Marvel Property

In October 2019, the Company, through Ridgeline NV, entered into a mining lease ("Swift Mining Lease") with Marvel for certain mineral lands and unpatented mining claims located in Lander County, Nevada (the "Marvel Property"). The Marvel Property is part of the Swift Project.

As consideration for the first year rental payment, the Company will pay Marvel $17,000 (paid), reimburse Marvel for the annual maintenance/holding fee obligation for the claims including an additional 5% of such costs and issuing Marvel 50,000 common shares (issued at a value of C$11,000) in December 2019.

The primary term of the Swift Mining Lease will be 10 years from the effective date (the "Primary Term"), during which Ridgeline NV has an option and right to: (a) purchase all of Marvel's right, title and interest in the Marvel Property for a purchase price of $10,000,000, subject to Marvel's reservation of a production royalty of 1.5% of the net smelter returns from the production of valuable minerals (the "Option to Purchase"); or (b) extend the Swift Mining Lease for an additional 15 years (the "Option to Extend Lease") for a payment of $100,000. Thereafter Ridgeline has the option to further extend the Swift Mining Lease for additional one-year periods for certain cash payments.

(amounts expressed in United States dollars, except per share amounts and where indicated)

The Company must incur $175,000 of exploration costs during the first two years and an additional $375,000 in the following three years. Marvel will retain a 3% NSR production royalty on the Marvel Property during the term of the Swift Mining Lease from the sale of any valuable minerals extracted, produced and sold from the Marvel Property. Ridgeline NV can reduce the 3% NSR production royalty by: (a) exercising its Option to Purchase the Marvel Property and reducing the NSR royalty to 1.5%, or (b) buy down up to 1% of the NSR production royalty at any time during the Primary Term for $6,000,000 (or $3,000,000 per each 0.5%). Ridgeline NV will also pay Marvel a 1% production royalty for valuable minerals extracted, produced and sold from properties in the area of interest of one mile from any boundary of the Marvel Property (the "AOI Royalty").

During the term of the Swift Mining Lease, regardless of whether production is occurring on the Marvel Property, unless Ridgeline NV exercises its Option to Purchase or terminates the Swift Mining Lease, Ridgeline must pay Marvel the following AMR payments on or before each anniversary of the effective date over the term of the Swift Mining Lease:

- $20,000 on the first anniversary;
- $25,000 on the second anniversary;
- $30,000 on the third anniversary;
- $35,000 on the fourth anniversary;
- $40,000 on the fifth anniversary;
- $45,000 on the sixth anniversary;
- $50,000 on the seventh anniversary; and
- $75,000 on the eight anniversary and each subsequent anniversary date.

All AMR payments will be offset against the NSR royalty and the AOI Royalty.

Expenditures for the three month period ended March 31, 2020 were as follows:

	Carlin-East (a)	Swift (b)	Selena (b)	Total
Balance, December 31, 2019	$ 711,475	$ 367,464	$ 170,305	**$ 1,249,244**
Additions:				
Property acquisition costs	8,767	7,528	4,786	**21,081**
Geophysics	1,150	342	-	**1,492**
Land fees and permitting	13,991	1,215	-	**15,206**
Technical report	5,103	-	-	**5,103**
Geology salaries and fees	24,990	24,990	24,053	**74,033**
Property administration	941	159	1,153	**2,252**
Total exploration costs	766,415	401,698	200,296	**1,368,411**
Movement in foreign exchange	(61,975)	(32,483)	(16,197)	**(110,655)**
Balance, March 31, 2020	**$ 704,442**	**$ 369,215**	**$ 184,099**	**$ 1,257,756**

(amounts expressed in United States dollars, except per share amounts and where indicated)

Expenditures for the period March 18, 2019 to December 31, 2019 were as follows:

	Carlin-East (a)	Swift (b)	Selena (b)	Total
Balance, March 18, 2019	$ -	$ -	$ -	$ -
Additions:				
Property acquisition costs	250,618	135,113	59,908	445,639
Claim fees	80,725	88,754	59,488	228,967
Geochemistry	10,095	14,623	-	24,718
Geophysics	33,042	33,043	-	66,085
Land fees and permitting	20,826	-	-	20,826
Drilling	178,845	-	-	178,845
Assays	29,666	1,028	-	30,694
Technical report	5,595	-	-	5,595
Geology salaries and fees	58,070	50,909	50,909	159,888
Property administration	43,993	43,994	-	87,987
Balance, December 31, 2019	$ 711,475	$ 367,464	$ 170,305	$ 1,249,244

4 Share capital

a) **Common shares**

The Company's authorized share capital consists of unlimited common shares without par value. At March 31, 2020, the Company had 36,793,836 shares issued and outstanding (December 31, 2019 – 28,913,893).

b) **Issued share capital**

The Company issued share capital for the three month period ended March 31, 2020 as follows:

- In February 2020, the Company completed a non-brokered private placement of 7,751,262 common shares at a price of C$0.22 per common share for gross proceeds of C$1,705,278. Commissions in the amount of C$27,379 were paid in connection with this private placement. Included in gross proceeds is C$275,880 of notes receivable with related parties (Note 5).
- In February 2020, the Company issued 113,681 common shares at a price of C$0.22 per common share with a value of C$25,010 to EMX (Note 3).
- In February 2020, the Company issued 15,000 common shares of the Company at a price of C$0.22 per common share with a value of C$3,300 in relation to the Bell Creek Property (Note 3).

The Company issued share capital for the period between March 18, 2019 to December 31, 2019 as follows:

- In March 2019, the Company issued 200 common shares of the Company at a price of $0.01 per common share for gross proceeds of C$2 and 6,249,800 common shares of the Company at a price of C$0.0016 per common share for gross proceeds of C$10,000.
- In May 2019 and June 2019, the Company completed a non-brokered private placement of 12,659,333 common shares at a price of C$0.12 per common share for gross proceeds of C$1,519,120. Commissions in the amount of C$39,900 were paid in connection with this private placement.
- In May 2019, the Company issued 2,077,718 common shares at a price of C$0.12 per common share with a value of C$249,326 to EMX (Note 3).

(amounts expressed in United States dollars, except per share amounts and where indicated)

- In December 2019, the Company issued 50,000 common shares of the Company at a price of C$0.22 per common share with a value of C$11,000 in relation to the acquisition of the Marvel Property (Note 3).
- In December 2019, the Company completed a non-brokered private placement of 7,091,273 common shares at a price of C$0.22 per common share for gross proceeds of C$1,560,080. Commissions in the amount of C$42,570 were paid in connection with this private placement.
- In December 2019, the Company issued 785,569 common shares at a price of C$0.22 per common share with a value of C$172,825 to EMX (Note 3).

c) **Stock options**

The Company provides share-based compensation to its directors, officers, employees, and consultants through grants of share options.

The Company has adopted a stock option plan (the "Plan") to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding shares of the Company. Vesting is determined at the discretion of the Board of Directors.

The Company uses the Black-Scholes option pricing model to determine the fair value of stock options granted. For employees, the compensation expense is amortized on a graded vesting basis over the requisite service period which approximates the vesting period. Compensation expense for stock options granted to non-employees is recognized over the contract services period or, if none exists, from the date of grant until the options vest.

The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected term of the stock options. The Company has not paid and does not anticipate paying dividends on its common stock and, therefore, the expected dividend yield is assumed to be zero. Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of Nil in determining the expense recorded in the accompanying Consolidated Statements of Comprehensive Loss.

	Number of shares	Weighted average exercise price C$
Outstanding - March 19, 2019	-	-
Granted during the period March 19, 2019 to December 31, 2019	2,050,000	$0.12
Outstanding as at December 31, 2019	**2,050,000**	**$0.12**
Granted	1,200,000	$0.22
Outstanding as at March 31, 2020	**3,250,000**	**$0.16**

At March 31, 2020, the following stock options were outstanding:

Number of shares	Vested	Price per share C$	Expiry Date
2,050,000	2,050,000	0.12	Jul – Aug 2024
1,200,000	1,200,000	0.22	Mar 2025

	March 31, 2020
Weighted average exercise price for exercisable options	C$0.16
Weighted average share price for options exercised	-
Weighted average years to expiry for exercisable options	4.54 years

(amounts expressed in United States dollars, except per share amounts and where indicated)

	December 31, 2019
Weighted average exercise price for exercisable options	C$0.12
Weighted average share price for options exercised	-
Weighted average years to expiry for exercisable options	4.55 years

For the period ended March 31, 2020, the total share-based compensation charges relating to 1,200,000 options granted to officers, employees, directors and consultants was $98,855 (March 31, 2019 - $nil).

The weighted average fair value at date of grant for the options granted during the period ended March 31, 2020 was C$0.11 per option. The fair value per option granted was determined using the following weighted average assumptions at the time of the grant using the Black-Scholes option pricing model:

	March 31, 2020
Risk-free interest rate	1.62%
Expected life of option	5 years
Expected volatility	147%
Expected dividend	0.00%

d) **Net loss per common share**

Net loss per common share information in these consolidated financial statements is computed by dividing the net loss attributable to common shares by the weighted average number of common shares outstanding during the period. All share options outstanding at period end have been excluded from the weighted average share calculation as they are anti-dilutive.

5 Related party transactions

The Company's related parties include key management personnel and directors. Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board and corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer and Vice President of Exploration.

Direct remuneration paid to the Company's directors and key management personnel during the three month period ended March 31, 2020 are as follows:

Salaries and benefits – personnel costs	**$**	**78,750**
Consulting fees		**15,000**
Directors fees – personnel costs		**7,351**
Share-based compensation		**93,178**

There was $nil direct remuneration paid to the Company's directors and key management personnel during the period from incorporation on March 18, 2019 to March 31, 2019.

In January 2020, the Company provided loans totaling C$275,880 to the Company's directors and key management personnel to participate in the February 2020 non-brokered private placement. The loans bear interest at 2% per annum, are subject to periodic repayment and mature on December 31, 2021. The borrowers have pledged the shares in favour of the

(amounts expressed in United States dollars, except per share amounts and where indicated)

Company pursuant to a share pledge agreement. The Company will hold the pledged shares as security until full repayment of the notes receivable.

Principal (C$275,880)	**$**	**208,482**
Repayments		**(20,696)**
Foreign exchange		**(13,453)**
Total	**$**	**174,333**
Current portion	**$**	**120,519**
Non-current portion		**53,814**

Name	**Position**		**Initial Loan C$**		**Repaid**		**Balance March 31, 2020 C$**
Chad Peters	Director and CEO	$	99,000	$	(9,841)	**$**	**89,159**
Duane Lo	Director and CFO		77,000		(5,320)		**71,680**
Michael Harp	VP Exploration		40,040		(3,393)		**36,647**
Mike Blady	Independent Director		29,920		(5,000)		**24,920**
Lew Teal	Independent Director		29,920		(5,000)		**24,920**
		$	**275,880**	**$**	**28,554**	**$**	**247,326**

6 Supplemental cash flow information

	Note		**March 31, 2020**
Non-cash investing and financing activities	(i)	**$**	**21,078**
	(ii)		**208,415**

i) As outlined in Note 5, the Company issued a total of 128,681 common shares of the Company with a value of $21,078 in connection with various mineral property agreements, which was capitalized to mineral properties.

ii) The Company issued common shares with a value of $208,482 to related parties in exchange for notes receivable (Note 5).

iii) During the period ended March 31, 2019, the Company issued 6,250,000 common shares for proceeds of $7,670 that was received subsequently.

7 Segmented information

The Company operates in one business segment being the exploration of mineral properties. The Company's mineral property assets are all located in the United States.

8 Financial instruments

a) Fair value classification of financial instruments

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices). Level 3 inputs are for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, receivables, notes receivable and accounts payable and accrued liabilities.

The carrying values of cash and cash equivalent, receivables, notes receivable and accounts payable and accrued liabilities approximate their fair value due to their short terms to maturity.

b) Financial risk management

i) Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and notes receivable.

The Company limits its credit exposure on cash held in bank accounts by holding its key transactional bank accounts with large, highly rated financial institutions. The credit risk with notes receivable is low since the amounts are owing from related parties and are secured.

The carrying amount of financial assets recorded in the consolidated financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk.

ii) Liquidity risk

The Company manages liquidity risk by trying to maintain enough cash balances to ensure that it is able to meet its short term and long-term obligations as and when they fall due. Company-wide cash projections are managed centrally and regularly updated to reflect the dynamic nature of the business and fluctuations caused by commodity price and exchange rate movements.

The Company's operating results may vary due to fluctuation in commodity price, inflation and foreign exchange rates.

iii) Market risks

Interest rate risk

The Company's interest rate risk arises primarily from the interest received on cash and cash equivalents and notes receivable. The Company does not believe that it is exposed to material interest rate risk on its cash and notes receivable.

As at March 31, 2020, the Company has not entered into any contracts to manage interest rate risk.

Foreign exchange risk

The functional currency of the parent and its subsidiaries is C$. The reporting currency is USD. A portion of the Company`s operating expenses are in USD.

As at March 31, 2020, the Company has not entered into contracts to manage foreign exchange risk.

The Company is exposed to foreign exchange risk through the following assets and liabilities:

	March 31, 2020
Cash	**$ 218,412**
Accounts payable and accrued liabilities	**(16)**

As at March 31, 2020, with other variables unchanged, a 5% increase or decrease in value of the USD against the currencies to which the Company is normally exposed (C$) would result in an insignificant change in net loss.

9 Capital management

The Company considers items included in shareholders' equity as capital. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. As at March 31, 2020, the Company had working capital of $2,002,864.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets which are revised periodically based on the results of its exploration programs, availability of financing and industry conditions. There are no external restrictions on management of capital. The Company believes it will be able to raise new funds as required in the long term to fund its exploration programs but recognizes there will be risks involved that may be beyond its control.

10 Subsequent events

The Company granted 25,000 stock options with an exercise price of $0.22 expiring April 2025 to an employee of the Company.