



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

Three and nine months ended September 30, 2020

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING
CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORTING

The accompanying condensed consolidated interim financial statements of Ridgeline Minerals Corp. (the "Company") have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). Management acknowledges responsibility for the preparation and presentation of the condensed consolidated interim financial statements, including responsibility for significant accounting estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS**

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by a company's auditor.

Ridgeline Minerals Corp.**Condensed Consolidated Interim Statements of Financial Position**

As at September 30, 2020 and December 31, 2019 (Unaudited)

(expressed in United States dollars, except where indicated)

	Note	September 30, 2020	December 31, 2019
Assets			
Current assets			
Cash and cash equivalents		\$ 4,107,209	\$ 1,227,329
Prepays		96,653	6,123
Receivables		20,886	-
Notes receivable – current	6	105,904	-
		4,330,652	1,233,452
Non-current assets			
Equipment		11,175	-
Exploration and evaluation assets	5	2,256,236	1,249,244
Notes receivable	6	15,845	-
Total assets		\$ 6,613,908	\$ 2,482,696
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	6	\$ 72,687	\$ 28,581
Total liabilities		72,687	28,581
Shareholders' equity			
Share capital	5	6,040,980	2,612,931
Reserves		1,438,939	104,379
Accumulated other comprehensive (loss) income		(128,730)	9,412
Deficit		(809,968)	(272,607)
Total shareholders' equity		6,541,221	2,454,115
Total liabilities and shareholders' equity		\$ 6,613,908	\$ 2,482,696

Nature of operations (Note 1)

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 and nine months ended September 30, 2020 and 2019 (Unaudited)

(expressed in United States dollars, except where indicated)

	Note	Three months ended September 30		Nine months ended September 30	
		2020	2019	2020	2019
General and administrative expenses					
Administration and office		\$ 14,203	\$ 4,533	\$ 39,363	\$ 7,867
Consulting	6	37,404	1,586	86,038	1,586
Investor relations		78,236	5,956	142,551	6,956
Personnel costs	6	40,517	17,248	117,585	33,872
Professional fees		(78,039)	1,136	33,867	11,136
Filing fees		28,150	-	35,978	-
Insurance		2,724	182	7,045	9,073
Other		1,617	-	3,180	-
Foreign exchange loss (gain)		70,498	19,253	(22,439)	20,568
Share-based compensation	5	-	104,379	100,786	104,379
Operating loss		195,310	154,273	543,954	195,437
Interest income		(1,518)	(522)	(6,593)	(709)
Net loss for the period		193,792	153,751	537,361	194,728
Other comprehensive loss (income)					
Foreign currency translation		3,022	(17,950)	138,142	(15,600)
Comprehensive loss for the period		\$ 196,814	\$ 135,801	\$ 675,503	\$ 179,128
Net loss per common share					
Basic and fully diluted		\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding					
Basic and fully diluted		42,719,168	17,404,336	37,193,603	17,404,336
Total common shares issued and outstanding		48,128,616	20,987,051	48,128,616	20,987,051

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 nine months ended September 30, 2020 and 2019 (Unaudited)

(expressed in United States dollars, except where indicated)

	Note	Number of Shares	Share capital	Reserves	Accumulated other comprehensive (loss) 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	5(b)	7,797,262	1,277,421	-	-	-	1,277,421
Share issue costs – private placement		-	(20,388)	-	-	-	(20,388)
Issuance of share capital – Property acquisition agreement	4(a)	113,681	18,621	-	-	-	18,621
Issuance of share capital – Property acquisition agreement	4(a)	15,000	2,457	-	-	-	2,457
Issuance of share capital – initial public offering	5(b)	11,200,000	2,836,918	1,027,754	-	-	3,864,672
Share issue costs – initial public offering		-	(494,043)	-	-	-	(494,043)
Share issue costs – initial public offering – corporate finance fee	5(b)	55,555	-	-	-	-	-
Share issue costs – initial public offering – agent's warrants	5(b)	-	(213,475)	213,475	-	-	-
Issuance of share capital – share purchase warrant exercise	5(d)	33,225	20,538	(7,455)	-	-	13,083
Net loss and comprehensive loss		-	-	-	(138,142)	(537,361)	(675,503)
Share-based compensation	5(c)	-	-	100,786	-	-	100,786
Balance at September 30, 2020		48,128,616	\$ 6,040,980	\$ 1,438,939	\$ (128,730)	\$ (809,968)	\$ 6,541,221

	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	-	-	-	7,670
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	5(b)	2,077,718	191,230	-	-	-	191,230
Net loss and comprehensive income		-	-	-	15,600	(194,728)	(179,128)
Share-based compensation		-	-	104,379	-	-	104,379
Balance at September 30, 2019		20,987,051	\$ 1,335,290	\$ 104,379	\$ 15,600	\$ (194,728)	\$ 1,260,541
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	5(b)	785,569	132,505	-	-	-	132,505
Issuance of share capital – Property acquisition agreement	5(b)	50,000	8,437	-	-	-	8,437
Share issue costs		-	(27,215)	-	-	-	(27,215)
Net loss and comprehensive loss		-	-	-	(6,188)	(77,879)	(84,067)
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 nine months ended September 30, 2020 and 2019 (Unaudited)

(expressed in United States dollars, except where indicated)

	Note	2020	2019
Cash flows used in operating activities			
Net loss for the period		\$ (537,361)	\$ (194,728)
Items not affecting cash:			
Share-based compensation	5	100,786	104,379
Non-cash repayment of notes receivable		83,233	-
Unrealized foreign exchange loss		(80,278)	(2,305)
		(433,620)	(92,654)
Changes in non-cash operating working capital:			
Increase in receivables and prepaids		(111,416)	-
Increase in accounts payable and accrued liabilities		44,105	11,391
		(500,931)	(81,263)
Cash flows used in investing activities			
Purchase of equipment		(11,175)	-
Payment for mineral property activities		(981,885)	(822,294)
		(993,060)	(822,294)
Cash flows from financing activities			
Proceeds from exercise of share purchase warrants		13,083	-
Proceeds from issuance of share capital, net		4,419,181	1,122,850
		4,432,264	1,122,850
Increase in cash and cash equivalents			
Effect of exchange rate changes on cash and cash equivalents		(58,393)	2,306
Cash and cash equivalents - beginning of period		1,227,329	-
Cash and cash equivalents - end of period		\$ 4,107,209	\$ 221,599
Cash and cash equivalents is represented by:			
Cash		\$ 4,107,209	\$ 221,599
Cash equivalents		-	-
Total cash and cash equivalents		\$ 4,107,209	\$ 221,599

Supplemental cash flow information (Note 7)

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

Ridgeline Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2020 and 2019 (Unaudited)

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

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.

On August 17, 2020, the Company completed an initial public offering (“IPO”) and the Company’s common shares commenced trading on the TSX Venture Exchange (the “TSX-V”) under the symbol “RDG”. The Company was incorporated on March 18, 2019 in British Columbia, Canada. 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 September 30, 2020, the Company has accumulated net losses of \$809,968 since inception and has working capital of \$4,257,965. 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.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Ridgeline Minerals Corporation (“Ridgeline NV”).

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The condensed consolidated interim financial statements were approved by the Audit Committee of the Board of Directors on November 24, 2020.

3 Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from management's best estimates as additional information becomes available.

Significant areas requiring the use of management estimates and judgments include:

- I. The determination of the fair value of the shares of the Company for the calculation of the share-based compensation.
- II. The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available to identify new business opportunities and working capital requirements, the outcome of which is uncertain.
- III. The determination that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.
- IV. The determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset may require the Company to make certain judgements as to whether or not the assets acquired and liabilities assumed include the inputs, processes and outputs necessary to constitute a business as defined in IFRS 3 – Business Combinations.

4 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 and, to the best of its knowledge, titles 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 unpatented claims, which are part of the Carlin-East property comprised of an aggregate of 427 contiguous unpatented mining claims which authorize the Company to explore for and develop the minerals on approximately 8,628 acres of prospective federal public lands located in the Carlin Trend in northern Nevada (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

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- 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 was the earlier of three years and successful completion of the IPO, during which time, the Company was required to satisfy certain conditions precedent or CEL will have the option to terminate the Carlin-East Option Agreement (the "Option Period"). The conditions precedent included: (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"). The Company previously confirmed with CEL that the Minimum Capital Raise condition has been satisfied.

On September 11, 2020, the Company exercised its option under the Carlin-East Option Agreement and acquired its 100% interest in the 243 federal unpatented claims which comprise part of the Carlin-East Project, for which the Company has been the operator.

Pursuant to the Carlin-East Option Agreement, upon exercise of the option, CEL was granted a 3.25% production royalty on the Carlin-East Project and is 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 (paid); \$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 \$1,000,000 (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 rights in fee 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 Bell Creek 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

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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 ninth anniversary;
- \$50,000 on the seventh anniversary; and
- \$75,000 on the eighth 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 comprised of a mix of 471 unpatented BLM administered federal lode claims and 3,700 acres of federal fee lands covering approximately 12,220 acres located in Lander County, Nevada (the "Swift Property") and the Selena property comprised of 311 unpatented BLM administered contiguous federal lode claims covering approximately 6,282 acres located in White Pine County, Nevada (the "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 Selena Projects in cash or common 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 was the earlier of three years and successful completion of the IPO. The Company was also required to 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 included the completion of the Minimum Capital Raise and completion of the IPO. The Company previously confirmed with Bronco that the Minimum Capital Raise has been satisfied.

On September 11, 2020, the Company exercised its option under the Swift and Selena Option Agreement and acquired its 100% interest in the Swift Property and the Selena Property, for which the Company has been the operator.

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 common shares that the Company may issue for the same price and on the same terms as the new common shares

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

to enable the EMX Group to maintain its percentage ownership that it holds immediately prior to the issuance of such new common shares. This right will expire once the EMX Group holds less than 5% of the issued and outstanding common shares of the Company.

Pursuant to the Swift and Selena Option Agreement, upon exercise of the option, the EMX Group retained 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 satisfied its obligations under the Anti-Dilution Right, as the Company completed the Minimum Capital Raise. As such, the Anti-Dilution Right has been terminated.

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.

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 (paid in October 2020);
- \$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 ninth 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.

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Notes to Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2020 and 2019 (Unaudited)

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

Expenditures for the nine-month period ended September 30, 2020 were as follows:

	Carlin-East	Swift	Selena	Total
Expenditures:				
Property acquisition costs	\$ 8,767	\$ 7,528	\$ 4,786	\$ 21,081
Geophysics	1,150	41,926	1,138	44,214
Geochemistry	3,043	42,697	59,038	104,778
Drilling	6,320	6,320	126,809	139,449
Assays	-	-	7,987	7,987
Land fees and permitting	111,081	11,907	81,046	204,034
Technical report	9,612	5,263	5,551	20,426
Geology salaries and fees	108,818	212,322	128,954	450,094
Property administration	-	-	31,330	31,330
Total additions for period ended September 30, 2020	248,791	327,963	446,639	1,023,393
Balance at December 31, 2019	711,475	367,464	170,305	1,249,244
Total exploration costs	960,266	695,427	616,944	2,272,637
Movement in foreign exchange	(6,929)	(5,019)	(4,453)	(16,401)
Balance at September 30, 2020	\$ 953,337	\$ 690,408	\$ 612,491	\$ 2,256,236

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

	Carlin-East	Swift	Selena	Total
Balance at 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 at December 31, 2019	\$ 711,475	\$ 367,464	\$ 170,305	\$ 1,249,244

5 Share capital

a) Common shares

The Company's authorized share capital consists of unlimited common shares without par value. At September 30, 2020, the Company had 48,128,616 common shares issued and outstanding (December 31, 2019 – 28,913,893).

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Notes to Condensed Consolidated Interim Financial Statements

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

b) Issued share capital

The Company issued share capital for the nine-month period ended September 30, 2020 as follows:

- In February 2020, the Company completed a non-brokered private placement of 7,797,262 common shares at a price of C\$0.22 per common share for gross proceeds of C\$1,715,398. Commissions in the amount of C\$37,499 were paid in connection with this private placement. Included in gross proceeds is C\$275,880 of notes receivable with related parties (Note 6).
- 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 4(b)).
- 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 4(a)).
- On August 12, 2020, the Company completed an IPO and announced its listing on the TSX Venture Exchange. The IPO consisted of the issuance of 11,200,000 units of the Company (the "Units") at a price of C\$0.45 per Unit for gross proceeds C\$5,040,000. Ridgeline's common shares were listed on August 13, 2020 and commenced trading on the TSX-V under the symbol "RDG" on August 17, 2020. Each Unit is comprised of one common share of the Company (a "Share") and one-half of one common share purchase warrant (each whole such warrant, a "Warrant"). Each Warrant will entitle the holder thereof to purchase one Share at an exercise price of \$0.55 for a period of 30 months from August 13, 2020. The initial public offering was managed exclusively by Haywood Securities Inc. (the "Agent"). As compensation, the Agent received cash commission of 6% from the sale of Units, with reduced commission of 2% on president's list purchasers. The Agent also received 578,100 compensation warrants exercisable for 30 months from the closing date, with each compensation warrant exercisable to acquire one common share of Ridgeline at an exercise price of \$0.45 per common share. Further, the Agent received 55,555 common shares of Ridgeline as corporate finance fee on closing.

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 September 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 4(b)).
- 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 4(b)).
- 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 4(b)).

c) Share options

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

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The Company has adopted a stock option plan (the “Plan”) to grant share 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 share 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 share 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 share options. The Company has not paid and does not anticipate paying dividends on its common shares and, therefore, the expected dividend yield is assumed to be zero. Companies are required to utilize an estimated forfeiture rate when calculating the compensation expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of Nil in determining the compensation expense recorded in the accompanying Condensed Consolidated Interim Statements of Comprehensive Loss.

	Number of share options	Weighted average exercise price C\$
Outstanding - March 18, 2019	-	-
Granted during the period March 18, 2019 to December 31, 2019	2,050,000	\$0.12
Outstanding as at December 31, 2019	2,050,000	\$0.12
Granted	1,225,000	\$0.22
Outstanding as at September 30, 2020	3,275,000	\$0.16

At September 30, 2020, the following share options were outstanding and exercisable:

Number of share options	Exercise price per share C\$	Expiry Date
2,050,000	0.12	Jul – Aug 2024
1,225,000	0.22	Mar – Apr 2025

	September 30, 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	4.13 years

	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 September 30, 2020, the total share-based compensation expense relating to 1,225,000 share options granted to officers, employees, directors and consultants was \$100,786 (September 30, 2019 - \$104,379).

The weighted average fair value at date of grant for the options granted during the period ended September 30, 2020 was C\$0.12 per option. The fair value per share option granted was determined using the following weighted average assumptions at the time of the grant using the Black-Scholes option pricing model:

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

	September 30, 2020
Risk-free interest rate	1.62%
Expected life of share option	5 years
Expected volatility	147%
Expected dividend	0.00%

d) Share purchase warrants

At September 30, 2020, the following share purchase warrants were outstanding:

Number of share purchase warrants	Exercise price C\$	Expiry date
5,575,000	0.55	February 2023
569,875	0.45	February 2023

Share purchase warrant transactions are summarized as follows:

	Number of share purchase warrants	Weighted average exercise price C\$
Outstanding as at December 31, 2019	-	-
Granted	6,178,100	\$0.54
Exercised	(33,225)	\$0.53
Outstanding as at September 30, 2020	6,144,875	\$0.54

The fair value per share purchase warrant was determined to be C\$0.48, using the following weighted average assumptions using the Black-Scholes option pricing model:

	September 30, 2020
Risk-free interest rate	0.28%
Expected life of share purchase warrant	2.5 years
Expected volatility	131%
Expected dividend	0.00%

There were no share purchase warrants granted during the period from incorporation on March 18, 2019 to December 31, 2019.

e) Net loss per common share

Net loss per common share information in these condensed consolidated interim 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 and share purchase warrants outstanding at period end have been excluded from the weighted average common share calculation as they are anti-dilutive.

6 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.

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Notes to Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2020 and 2019 (Unaudited)

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

The Company has determined that key management personnel consists of members of the Board of Directors 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 and nine month periods ended September 30, 2020 and 2019 are as follows:

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Salaries and benefits – personnel costs	\$ 78,750	\$ 69,141	\$ 236,250	\$ 138,281
Consulting fees	25,000	5,646	62,500	11,292
Directors fees – personnel costs	7,536	-	22,139	-
Share-based compensation	-	102,122	93,178	102,122

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 (Note 6(b)). 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 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	(83,233)
Foreign exchange	(3,500)
Balance at September 30, 2020	\$ 121,749
Current portion	\$ 105,904
Non-current portion	\$ 15,845

Name	Position	Initial Loan Amounts C\$	Repayments C\$	Balance at September 30, 2020 C\$
Chad Peters	Director and CEO	\$ 99,000	\$ (35,450)	\$ 63,550
Duane Lo	Director and CFO	77,000	(35,804)	41,196
Michael Harp	VP of Exploration	40,040	(12,224)	27,816
Mike Blady	Independent Director	29,920	(15,000)	14,920
Lew Teal	Independent Director	29,920	(15,000)	14,920
		\$ 275,880	\$ (113,478)	\$ 162,402

As of September 30, 2020, included in the accounts payable and accrued liabilities balance on the condensed consolidated interim statement of financial position is \$28,676 (December 31, 2019 – \$3,846) due to the Company's directors and key management personnel.

Ridgeline Minerals Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2020 and 2019 (Unaudited)

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

7 Supplemental cash flow information

	Note	Nine months ended September 30, 2020
Non-cash investing activity		
Issuance of share capital – property acquisition agreement	(i)	\$ 21,078
Non-cash financing activities		
Related party transaction	(ii)	\$ 208,482
Share issue costs – initial public offering – corporate finance fee	(iii)	19,170

- (i) As outlined in Note 4(b), 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 exploration and evaluation assets.
- (ii) The Company issued common shares with a value of \$208,482 to related parties in exchange for notes receivable (Note 6).
- (iii) As outlined in Note 5(b), the Company issued 55,555 common shares of the Company with a value of \$19,170 to the Agent as corporate finance fee upon closing of the IPO.

8 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.

9 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.

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

The carrying amount of financial assets recorded in the condensed consolidated interim 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 cash equivalents and notes receivable.

As at September 30, 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 September 30, 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:

	September 30, 2020
Cash and cash equivalents	\$ 4,107,209
Prepays	96,653
Notes receivable	121,749
Accounts payable and accrued liabilities	(72,687)
	\$ 4,252,924

As at September 30, 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.

10 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 September 30, 2020, the Company had working capital of \$4,257,965.

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.