NEVADA SUNRISE GOLD CORPORATION

Consolidated Financial Statements

September 30, 2020 and 2019

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Nevada Sunrise Gold Corporation

Opinion

We have audited the accompanying consolidated financial statements of Nevada Sunrise Gold Corporation (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the consolidated financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Alyson Neil.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

January 21, 2021

NEVADA SUNRISE GOLD CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
September 30, 2020 and 2019
(Expressed in Canadian Dollars)

	2020	2019
ASSETS		
Current assets		
Cash	$ 1,175,334	$ 54,528
Marketable securities – Note 5	5,301	99,537
Receivables – Note 4	10,069	16,697
Prepaid expenses and deposits – Note 11	11,553	27,826
	1,202,257	198,588
Non-current assets		
Reclamation bonds and right of way – Note 8	110,366	109,346
Exploration and evaluation assets – Note 7	1,138,084	836,411
	1,248,450	945,757
Total assets	$ 2,450,707	$ 1,144,345
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$ 758,400	$ 762,205
Due to related parties – Note 11	21,544	7,805
	779,944	770,010
Equity		
Share capital – Note 9	20,984,418	19,134,380
Contributed reserves – Note 9	3,394,072	3,422,612
Accumulated other comprehensive income	812,908	811,964
Deficit	(23,520,635)	(22,994,621)
	1,670,763	374,335
Total liabilities and equity	$ 2,450,707	$ 1,144,345

Corporate Information – Note 1
Going Concern – Note 2
Subsequent Events – Note 14

Approved by the Directors on January 21, 2021:

"Warren Stanyer" Director *"Michael Sweatman"* Director

The accompanying notes form an integral part of these consolidated financial statements

NEVADA SUNRISE GOLD CORPORATION
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the years ended September 30, 2020 and 2019
(Expressed in Canadian Dollars)

	2020	2019
Expenses		
Accounting and audit – Note 11	$ 87,982	$ 93,050
Consulting fees – Note 11	31,591	65,128
Depreciation	-	316
Directors' fees – Note 11	36,000	48,000
Exploration and evaluation costs – Note 7	20,240	307,984
Foreign exchange	5,156	6,431
Insurance	12,887	16,499
Legal – Note 11	49,329	471,720
Management fees – Note 11	79,704	76,200
Office and storage expenses	27,368	55,552
Rent – Note 11	31,793	32,060
Shareholder communications	44,213	86,750
Share-based payments – Notes 9 and 11	-	121,700
Transfer agent and filing fees	52,798	24,066
Travel and entertainment	1,879	8,359
	(480,940)	(1,413,815)
Other items		
Management fee income	403	4,721
Write-down of exploration and evaluation assets – Note 7	-	(164,212)
Loss on marketable securities – Note 5	(38,981)	(231,787)
Loss on debt settlement – Note 11	(6,496)	-
	(45,074)	(391,278)
Loss for the year	(526,014)	(1,805,093)
Foreign currency translation adjustment	944	15,196
Comprehensive loss for the year	$ (525,070)	$ (1,789,897)
Basic and diluted loss per share	$ (0.01)	$ (0.04)
Weighted average number of shares outstanding – basic and diluted	56,041,577	49,049,475

The accompanying notes form an integral part of these consolidated financial statements

NEVADA SUNRISE GOLD CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended September 30, 2020 and 2019
(Expressed in Canadian Dollars)

	2020	2019
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss for the year	$ (526,014)	$ (1,805,093)
Items not involving cash:		
Depreciation	-	316
Amortization of right of way	-	141
Share-based payments	-	121,700
Loss on marketable securities	38,981	231,787
Loss on debt settlement	6,496	-
Write-down of exploration and evaluation assets	-	164,212
Net changes in non-cash working capital balances:		
Receivables	6,628	(14,234)
Prepaid expenses and deposits	16,314	3,559
Accounts payable and accrued liabilities	54,480	276,881
Due to related parties	13,739	(1,917)
	(389,376)	(1,022,648)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Reclamation bonds and right of way	-	4,828
Exploration and evaluation assets – option payments	(141,233)	(145,977)
Exploration and evaluation assets – extension payment on behalf of GEMC	-	(6,744)
Exploration and evaluation assets – proceeds of consent shares sold	-	113,363
Exploration and evaluation assets – claim maintenance and staking	(38,144)	(64,589)
	(179,377)	(99,119)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Proceeds from sale of marketable securities	66,505	425,196
Proceeds from private placement net of costs	1,423,081	331,725
Proceeds from exercise of warrants	167,100	-
Proceeds from exercise of options	32,625	-
	1,689,311	756,921
Effect of foreign exchange on cash	248	(12,049)
Change in cash during the year	1,120,806	(376,895)
Cash, beginning of the year	54,528	431,423
Cash, end of the year	$ 1,175,334	$ 54,528
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

Supplemental disclosure with respect to cash flows – Note 10

The accompanying notes form an integral part of these consolidated financial statements

NEVADA SUNRISE GOLD CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended September 30, 2020 and 2019
(Expressed in Canadian Dollars)

	Share Capital					
	Number of Shares	Amount	Contributed Reserves	Accumulated Other Comprehensive Income	Deficit	Total
Balance at September 30, 2018	45,044,133	$ 18,724,555	$ 3,299,512	$ 796,768	$ (21,189,528)	$ 1,631,307
Private placements – Note 9	6,750,000	337,500	-	-	-	337,500
Less: share issue costs – Note 9	-	(7,175)	1,400	-	-	(5,775)
Property acquisition costs – Notes 7 and 9	1,050,000	79,500	-	-	-	79,500
Share-based payments – Note 9	-	-	121,700	-	-	121,700
Foreign currency translation adjustment	-	-	-	15,196	-	15,196
Loss for the year	-	-	-	-	(1,805,093)	(1,805,093)
Balance at September 30, 2019	52,844,133	$ 19,134,380	$ 3,422,612	$ 811,964	$ (22,994,621)	$ 374,335
Private placements – Note 9	16,499,999	1,440,000	-	-	-	1,440,000
Less: share issue costs – Note 9	-	(31,829)	14,910	-	-	(16,919)
Exercise of warrants	1,685,000	168,500	(1,400)	-	-	167,100
Exercise of options	250,000	74,675	(42,050)	-	-	32,625
Property acquisition costs – Notes 7 and 9	1,050,000	127,250	-	-	-	127,250
Debt settlement	529,195	71,442	-	-	-	71,442
Foreign currency translation adjustment	-		-	944	-	944
Loss for the year	-		-	-	(526,014)	(526,014)
Balance as at September 30, 2020	72,858,327	$ 20,984,418	$ 3,394,072	$ 812,908	$ (23,520,635)	$ 1,670,763

The accompanying notes form an integral part of these consolidated financial statements

(Expressed in Canadian Dollars)

1. CORPORATE INFORMATION

Nevada Sunrise Gold Corporation (the "Company") was incorporated under the laws of the Province of British Columbia, Canada on April 3, 2007. On May 15, 2007, the Company acquired all of the issued and outstanding shares of Intor Resources Corporation ("Intor") by way of a reverse takeover. Intor was incorporated under the laws of the State of Nevada, USA on September 7, 2004.

The Company's principal business activity is the acquisition, exploration and evaluation of its mineral property assets located in the State of Nevada, USA. The Company's common shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "NEV".

The Company's office is Suite 408 - 1199 West Pender Street, Vancouver, British Columbia, V6E 2R1.

2. BASIS OF PREPARATION

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations as issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Going Concern

These consolidated financial statements are prepared using IFRS applicable to a going concern, which contemplates the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Future operations are dependent on the Company's ability to raise additional equity financing and the attainment of profitable operations.

The Company has a history of operating losses and at September 30, 2020, has an accumulated deficit of $23,520,635. At September 30, 2020, the Company had working capital of $422,313. The Company will require equity or loan financing and/or the sale of its assets in order to continue exploration of its exploration and evaluation assets and fund its administrative expenses.

These consolidated 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 as a going concern. These conditions may cast significant doubt about the Company's ability to continue as a going concern.

Principles of Consolidation

These consolidated financial statements incorporate the accounts of the Company and the following subsidiary:

Name of subsidiary	Country of incorporation	Percentage ownership	Principal activity
Intor Resources Corporation	USA	100%	Exploration of mineral properties

The Company consolidates the subsidiary on the basis that it controls the subsidiary through its ability to govern its financial and operating policies. All intercompany balances and transactions have been eliminated on consolidation.

2. BASIS OF PREPARATION (cont'd…)

Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as and measured at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. All dollar amounts are expressed in Canadian dollars unless otherwise specified.

Critical Accounting Judgments, Estimates and Assumptions

Critical Judgments

Preparation of these consolidated financial statements requires the Company to make judgments regarding the going concern of the Company as discussed in Note 2.

The functional currency of an entity is the currency of the primary economic environment in which an entity operates. The determination of an entity's functional currency requires judgment based on analysis of relevant criteria. The functional currency of the Company and its subsidiaries was determined by conducting an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates* ("IAS 21").

Estimations and assumptions

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

i) Exploration and Evaluation Assets

The carrying amount of the Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the exploration and evaluation assets themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its exploration and evaluation assets or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

ii) Share-based Payments

The estimation of share-based payments includes estimating the inputs used in calculating the fair value for share-based payments expense included in profit or loss and share-based share issuance costs included in equity. Share-based payments expense and share-based share issuance costs are estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.

iii) Income Taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

3. SIGNIFICANT ACCOUNTING POLICIES

Exploration and Evaluation Assets

All direct costs related to the acquisition and maintenance of exploration and evaluation assets are capitalized upon acquiring the legal right to explore a property. Exploration and evaluation expenditures incurred prior to the determination of the feasibility of mining operations and a decision to proceed with development, are charged to profit or loss as incurred.

Exploration and evaluation costs are expensed as incurred while the Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. If and when the Company's management determines that economically extractable proven or probable mineral reserves have been established, the subsequent costs incurred to develop such property, including costs to further delineate the ore body will be capitalized.

Proceeds in the form of cash and/or common shares received, and reimbursements of historical acquisition costs, from a partial sale or option of any interest in a property are credited against the carrying value of the property. When the proceeds exceed the carrying costs, the excess is recorded in profit or loss in the period the excess is received. When all of the interest in a property is sold, subject only to any retained royalty interests that may exist, the accumulated property costs are derecognized, with any gain or loss included in profit or loss in the period the transaction takes place.

At each reporting date the carrying amounts of the Company's exploration and evaluation assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash generating units to which the exploration activity relates. Each of the Company's properties are considered to be a separate cash generating unit. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Decommissioning and Restoration Provisions

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of exploration and evaluation assets. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The increase in the provision due to the passage of time is recognized as interest expense.

The Company had no decommissioning liabilities as at September 30, 2020 and 2019.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Foreign Currency Translation

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency of the Company is the Canadian dollar and the functional currency of Intor is the United States dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21.

i) Transactions and Balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign amounts are translated at the rate of exchange at the date of the statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

ii) Translation of Subsidiary Results into the Presentation Currency

The Company's presentation currency is in the Canadian dollar.

The results and statements of financial position of the Company's subsidiary with a functional currency that is different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the period end rates of exchange, the results of operations are translated at average rates of exchange for the period, and items of equity are translated at historical rates. The resulting changes are recognized in accumulated other comprehensive income ("AOCI") in equity as a foreign currency translation adjustment.

Share-based Payments

The stock option plan allows Company employees, directors and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payments expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from contributed reserves to share capital.

The fair value is measured at grant date and each tranche is recognized over the period during which the options vest.

The fair value of the options granted is measured using the Black-Scholes Option Pricing Model which takes into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Income Taxes

Current tax is the expected tax payable or receivable on the local taxable income or loss for the year, using local tax rates enacted or substantively enacted at the financial position reporting date, and includes any adjustments to tax payable or receivable in respect of previous periods.

Deferred income taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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 financial position reporting date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they 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.

Loss Per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Financial Instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed as incurred. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are recognized in profit or loss.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss).

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial Instruments *(cont'd…)*

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

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

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in profit or loss unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in profit or loss.

The following table shows the classification of the Company's financial assets and liabilities under IFRS 9:

Financial asset or liability	IFRS 9 Classification
Cash	FVTPL
Marketable securities	FVTPL
Receivables	Amortized cost
Reclamation bonds and right of way	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

Impairment on Financial Assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company applies a simplified approach in calculating ECLs on its receivables and reclamation bonds and right of way. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Impairment of non-financial assets

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, (or cash generating unit) the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Following the recognition of an impairment loss, the depreciation charge applicable to the asset is adjusted prospectively in order to systematically allocate the revised carrying amount, net of any residual value, over the remaining useful life.

Where an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized immediately in profit or loss.

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of warrants attached to private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in the private placements to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing market price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as contributed reserves.

New Standards and Interpretations Adopted

The following new standards were adopted by the Company for the year ended September 30, 2020:

- IFRS 16: Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019. There were no significant impacts on its financial statements from the adoption of this standard.

- IFRIC 23 - Uncertainty over Income Tax Treatments: New standard to clarify the accounting for uncertainties in income taxes. The interpretation provides guidance and clarifies the application of the recognition and measurement criteria in IAS 12 "Income Taxes" when there is uncertainty over income tax treatments. The interpretation is effective for annual periods beginning on January 1, 2019. There were no significant impacts on its financial statements from the adoption of this standard.

(Expressed in Canadian Dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair values of the Company's receivables, accounts payable and accrued liabilities, and due to related parties approximate their carrying values because of the short-term nature of these instruments. The fair values of reclamation bonds and right of way also approximate their carrying values.

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at September 30, 2020 and 2019:

	Level 1	Level 2	Level 3
September 30, 2020:			
Cash	$ 1,175,334	$ -	$ -
Marketable securities	$ 5,301	$ -	$ -
September 30, 2019:			
Cash	$ 54,528	$ -	$ -
Marketable securities	$ 99,537	$ -	$ -

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's cash is held with large financial institutions. The Company's receivables consist of goods and services tax receivable from the Government of Canada and exploration expenses incurred on behalf of third parties.

Management believes that credit risk concentration with respect to receivables is remote. The composition of receivables as at September 30, 2020 and 2019 is as follows:

	2020	2019
Goods and services tax receivable	$ 4,245	$ 2,731
Due from Global Energy Metals Corp. – Note 7(i)	5,824	12,715
Other	-	1,251
	$ 10,069	$ 16,697

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2020, the Company had cash of $1,175,334 to settle current liabilities of $779,944. Management intends to obtain additional equity or loan financing and/or dispose of its marketable securities or other assets in order to meet its current liabilities as they become due. See going concern discussion in Note 2.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company has cash balances which are not subject to significant risks in fluctuating interest rates. The Company's policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company monitors the investments it makes and is satisfied with the credit ratings of its banks. An increase to interest rates by 1% would have an insignificant effect on the Company's operations.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in US dollars.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings, or ability to obtain equity financing, due to movements in individual equity prices or general movements in the level of the stock market. The Company's marketable securities are subject to price risk. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, lithium, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Sensitivity Analysis

The Company through its subsidiary operates in the United States and is exposed to exchange risk from changes in the US dollar. At September 30, 2020, a 10% fluctuation in the US dollar against the Canadian dollar would affect comprehensive loss by approximately $63,763.

At September 30, 2020, a 10% fluctuation in the fair value of the Company's marketable securities would affect comprehensive loss by approximately $530.

5. MARKETABLE SECURITIES

	2020	2019
Common shares of public companies:		
Fair value, opening	$ 99,537	$ 445,752
Acquisitions	11,250	462,151
Proceeds on sale	(66,505)	(425,196)
Dedicated Mining Technology – consent shares returned – Note 8(h)	-	(151,383)
Loss on marketable securities	(38,981)	(231,787)
	$ 5,301	$ 99,537

The Company has determined that it does not hold significant influence in any of its investments. The fair value is determined at each reporting date by reference to the closing price of these common shares which are publicly traded.

(Expressed in Canadian Dollars)

6. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the exploration and evaluation of mineral properties in Nevada, USA. All of the Company's non-current assets are located in the United States.

7. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation asset interests 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 historical title conveyance characteristic of many mineral claims. The Company has investigated title to all of its exploration and evaluation asset interests and, to the best of its knowledge, title to all of its interests are in good standing. The exploration and evaluation assets the Company has committed to earn interests in are located in the State of Nevada, USA.

Schedule of Exploration and Evaluation Assets for the Year Ended September 30, 2020

	Golden Arrow	Water Right	Neptune/ Aquarius	Lovelock/ Treasure Box	Coronado	Gemini/ Jackson	Atlantis	Total
Balance, September 30, 2019	$ -	$ 513,858	$ -	$ 73,910	$ 170,847	$ 77,796	$ -	$ 836,411
Option payments - cash	-	33,627	-	-	107,606	-	-	141,233
Option payments - shares	-	18,000	-	11,250	98,000	-	-	127,250
Option receipts - shares	-	-	-	(11,250)	-	-	-	(11,250)
Claim maintenance	-	-	-	-	31,684	6,460	-	38,144
Translation adjustment	-	4,872	-	689	51	684	-	6,296
Balance, September 30, 2020	$ -	$ 570,357	$ -	$ 74,599	$ 408,188	$ 84,940	$ -	$ 1,138,084

Schedule of Exploration and Evaluation Assets for the Year Ended September 30, 2019

	Golden Arrow	Water Right	Neptune/ Aquarius	Lovelock/ Treasure Box	Boyer/ Coronado	Gemini/ Jackson	Atlantis	Total
Balance, September 30, 2018	$ 350,000	$ 512,448	$ 123,957	$ 156,809	$ 36,286	$ 48,449	$ 35,244	$ 1,263,193
Acquisition for receivable (Note 7(f))	-	-	-	-	-	21,751	-	21,751
Option payments - cash	-	99,530	-	-	46,447	-	-	145,977
Option payments - shares	-	31,500	-	-	29,000	-	-	60,500
Consent shares returned	-	(151,383)	-	-	-	-	-	(151,383)
Option receipts - shares	-	-	-	(86,407)	-	-	-	(86,407)
Sale proceeds - shares	(350,000)	-	-	-	-	-	-	(350,000)
Claim maintenance	-	-	-	-	31,258	6,369	-	37,627
Staking	-	-	-	-	26,962	-	-	26,962
Translation adjustment	-	21,763	3,985	3,508	894	1,227	1,026	32,403
Write-down of E&E assets	-	-	(127,942)	-	-	-	(36,270)	(164,212)
Balance, September 30, 2019	$ -	$ 513,858	$ -	$ 73,910	$ 170,847	$ 77,796	$ -	$ 836,411

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Exploration and evaluation costs for the years ended September 30, 2020 and 2019 were allocated as follows:

	2020	2019
Golden Arrow	$ -	$ 141
Lovelock/Treasure Box	-	525
Coronado	16,756	284,891
Gemini	-	35
Neptune	2,152	2,849
Aquarius	-	2,849
Jackson Wash	-	2,849
Water Right	1,332	13,845
	$ 20,240	$ 307,984

(a) Golden Arrow

The Company had a mining lease and two quitclaim deeds covering certain patented and unpatented mineral claims which comprised the Golden Arrow property. The mining lease agreement had an annual advance minimum royalty payment of US$25,000 per year. One of the quitclaim deeds required an annual royalty payment of US$25,000 per year.

During the year ended September 30, 2018, the Company satisfied the advance royalty payments by way of cash payments totalling $64,148 (US$50,000).

Sale of Golden Arrow to Emgold and Write-down of the Golden Arrow Property

On July 13, 2018, the Company executed a second amended letter of intent (the "Second Amended LOI") with Emgold Mining Corporation ("Emgold").

The terms of the Second Amended LOI provided that Emgold would acquire a 51% interest in the Golden Arrow property by making cash payments to the Company of $100,000 and by issuing the Company 2,500,000 common shares of Emgold as follows:

Date	Cash Payments	Emgold Shares	Percentage Interest
Execution and delivery of the Original LOI	$35,000 (rec'd)	-	0%
Execution and delivery of the First Amended LOI	$32,000 (rec'd)	-	0%
On or before July 13, 2018	$33,000 (rec'd)	2,500,000 (rec'd)	51%
Sub-Total:	$100,000	2,500,000	51%

The Second Amended LOI further provided that the Company would grant Emgold the sole and exclusive right and option (the "Option") to acquire an additional 49% interest in the Golden Arrow property, which would be exercisable by Emgold for a period of 24 months from the Closing Date (the "Option Period") by Emgold issuing the Company an additional 2,500,000 common shares of Emgold as follows:

Date	Cash Payments	Emgold Shares	Percentage Interest
On or before 24 months from Closing Date	-	2,500,000 (rec'd)	100%
Sub-Total:	-	2,500,000	100%
Total:	$100,000	5,000,000	100%

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

(a) Golden Arrow (cont'd…)

On November 9, 2018, Emgold Mining Corporation ("Emgold") received TSX-V approval for the purchase of Golden Arrow from the Company. Emgold purchased the initial 51% interest in the Golden Arrow property and exercised its option to purchase the remaining 49% interest in the Golden Arrow property.

On November 14, 2018, Emgold issued the Company 5,000,000 common shares with a fair value of $350,000.

On February 22, 2019, the Company sold the 5,000,000 common shares of Emgold privately for proceeds of $320,000 and recorded a loss on sale of marketable securities of $30,000.

Reclamation Bond and Right of Way

The Company has posted a reclamation bond of US$2,148 on the Golden Arrow property. The Company has applied for a refund of the Golden Arrow bond.

The Company was granted a 10 year right of way to access the Golden Arrow property. The Company paid US$4,262 to prepay the right of way for the entire 10-year term which began July 2016 and carries through to June 2025. The Company amortized the right of way on a straight-line basis over its ten-year term, expensed as exploration and evaluation costs. The Company expects to be reimbursed by Emgold Mining Corporation ("Emgold") for the remaining term of the right of way.

(b) Kinsley Mountain

The Company has a 20.01% (2019 – 20.94%) interest in Kinsley Gold LLC, which holds a mining lease agreement relating to the Kinsley Mountain property. The mining lease agreement has a 3% net smelter royalty on production. The mining lease agreement runs through June 2020, however, Kinsley Gold LLC has the right to terminate the lease upon thirty days written notice or to extend the lease beyond 2020 provided it continues to make the required advance minimum royalty payments (the "Royalty Payments") (see below). Per the terms of the mining lease agreement, Kinsley Gold LLC has an obligation to expend a minimum per calendar year of US$500,000 (the "Minimum Expenditures" (which includes the Royalty Payments) (2020 – obligation met) in exploration, development and mining activities on the Kinsley Mountain property.

The Royalty Payments included within the "Minimum Expenditures" are as follows for the years ending September 30:

- 2019: $170,000
- 2020 and thereafter: $220,000

In early 2020, the Company elected to have its interest in the Kinsley Gold LLC joint venture be diluted pursuant to the terms of the Kinsley Mountain joint venture agreement. The Company did not pay the 2019 cash call amount and consequently, its interest in the Kinsley Gold LLC joint venture was reduced from 20.94% to 20.01%.

The Company has elected to participate in the 2020 exploration program. In November 2020, the Company made paid its proportionate share of the 2020 cash call of US$313,131 to maintain its 20.01% interest in the joint venture (Note 14).

(c) Neptune

On September 16, 2015, the Company entered into an option agreement to purchase a 100% interest in the Neptune lithium property located in the Clayton Valley, Esmeralda County, Nevada.

Effective September 30, 2019, the Company abandoned its interest in Neptune and recorded a write-off of exploration and evaluation assets of $122,180.

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

(d) Aquarius

The Company owns a 100% interest in a group of mineral claims known as the Aquarius lithium property. These claims were acquired by way of staking. Aquarius is located in the Clayton Valley, Esmeralda County, Nevada.

Effective September 30, 2019, the Company abandoned its interest in Aquarius and recorded a write-off of exploration and evaluation assets of $5,762.

(e) Jackson Wash

On December 17, 2015, the Company entered into an option agreement to purchase a 100% interest in the Jackson Wash lithium property located in the Jackson Valley, Esmeralda County, Nevada.

For the option to purchase a 100% interest in the property, the Company agreed to issue 500,000 common shares of the Company to the optionor over 3 years (issued).

The Jackson Wash property is subject to a 3% GOR.

(f) Gemini

The Company owns a 100% interest in a group of mineral claims known as the Gemini lithium property ("Gemini"). These claims were acquired by way of staking. Gemini is located in the Lida Valley, Esmeralda County, Nevada.

On September 21, 2016, the Company entered into a Definitive Joint Venture Agreement with Kore Mining Ltd. (formerly Eureka Resources Inc.) ("Kore") to sell a 50% participating interest in the Gemini project. Kore was related by virtue of common directors.

Kore earned a 50% participating interest in Gemini by reimbursing the Company for 50% of the Gemini acquisition and evaluation costs. In addition, Kore issued the Company 50,000 common shares with a fair value of $39,500.

On August 15, 2019, Kore sold its 50% interest in the Gemini property back to the Company in exchange for the cancellation $21,751 owed by Kore to the Company for property maintenance fees and exploration expenses incurred on Gemini.

(g) Atlantis

The Company acquired 100% interest in the Atlantis lithium property located in the Fish Valley, Esmeralda County, Nevada through the issuance of 500,000 common shares with a fair value of $98,250. The Atlantis property is subject to a 3% GOR.

Effective September 30, 2019, the Company abandoned its interest in Atlantis and recorded a write-off of exploration and evaluation assets of $36,270.

(h) Water Right

<u>*Option of Clayton Valley Water Right:*</u>

On March 16, 2016, the Company signed a definitive water right purchase agreement for the option to purchase a 100% interest in water right Permit 44411 in the Clayton Valley, Nevada. In consideration for the option to purchase the water right, the Company agreed to pay the vendors a combination of cash, common shares, and share purchase warrants as follows:

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

***(h) Water Right** (cont'd…)*

Date of Payment	Cash	Common Shares	Share Purchase Warrants
March 30, 2016	US$125,000 (paid)	200,000 (issued with a fair value of $36,000)	2,250,000 (issued) (1)
December 21, 2016	US$150,000 (paid)	250,000 (issued with a fair value or $67,500)	n/a
December 21, 2017	US$175,000 (paid US$87,500)	300,000 (issued with a fair value or $45,000)	n/a
December 21, 2018	US$200,000 (1)	350,000 (issued with a fair value or $31,500)	n/a
December 21, 2019	US$300,000 (1)	400,000 (issued with a fair value of $18,000) (Note 9)	n/a
December 21, 2020	US$350,000 (1)	500,000	n/a
Total	US$1,300,000	2,000,000	2,250,000

On November 29, 2016, the Nevada Division of Water Resources ("NDWR") issued a ruling of forfeiture against the Company's water right, citing lack of beneficial use for a period of five years. The Company filed an appeal.

In August 2019, the NDWR issued an order formally dismissing the forfeiture proceedings against the water right. The dismissal followed a negotiated settlement agreement with Albemarle Corp. ("Albemarle") wherein Albemarle withdrew its motion to forfeit the water right in exchange for the Company's agreement not to drill any wells within certain areas of the Clayton Valley that might impact Albemarle's lithium brine mining operations in the Clayton Valley.

(1) On October 31, 2018, the Company signed a letter of intent to further amend the water right purchase agreement. The letter of intent amended the terms for the payment of the remaining cash payments due on the purchase price. Therefore, the Company was not required to make the US$200,000 payment due on December 21, 2018.

Under the terms of the letter of intent the Company was required to pay US$20,000 on signing (paid). In addition, the Company is required to pay US$5,000 per month thereafter (paid). All the amounts are to be applied to the remaining purchase price. This arrangement will continue until August 2020 at which time the amounts due under the original agreement will become payable. The Company is currently in negotiations with the vendor of the water right regarding additional amendments to the option agreement. As at the date of the issuance of these consolidated financial statements, no notice of default has been served to the Company.

Consent Agreement:

On August 31, 2016, the Company signed a consent agreement with Advantage Lithium Corp. ("Advantage") and the vendors of the water right, Dedicated Mining Technology Inc. ("Dedicated Mining"), whereby the Dedicated Mining consented to assign the terms of the original water right option agreement to Advantage for cash payment of $31,250 and the transfer of 258,932 Advantage shares with a fair value of $142,413.

Due to Dedicated Mining Technology Inc.

At September 30, 2018, marketable securities include the 258,932 common shares of Advantage valued at $181,252 that were originally transferred to the vendor of the water right, Dedicated Mining Technology Inc. ("Dedicated Mining"), as a part of the above consent agreement. These Advantage shares were agreed to be returned to the Company when the water right was forfeited and were to be held by the Company in escrow, pending a ruling with respect to the forfeiture. A corresponding liability of $181,252 was set up to Dedicated Mining.

On October 31, 2018, Dedicated Mining agreed to release the 258,932 Advantage shares from escrow to be sold to fund ongoing legal costs related to the defence of the water right. To date, the Company has received 194,199 shares and has sold 194,000 shares for proceeds of $113,363 which were paid to the Company's legal counsel. As at September 30, 2020, the Company has not received the remaining 64,733 Advantage shares, which shares were exchanged for 9,192 Orocobre Limited from Dedicated Mining.

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

(i) Lovelock/Treasure Box

On December 22, 2017, the Company signed a definitive agreement to acquire a 100% interest in the Lovelock cobalt property located in Churchill County, Nevada. On December 22, 2018, the Company paid the vendor US$5,000 to extend the first payment date from December 22, 2018 to March 22, 2019. The US$5,000 was repaid to the Company by way of Global Energy Metals Corp. ("GEMC") shares.

To earn the 100% interest, the Company is required to pay cash payments and common share payments over three years from the date of signing of the definitive agreement, subject to a 2% net smelter returns royalty ("NSR") as follows:

- US$15,000 (paid) and 200,000 common shares (issued at a fair value of $31,000);
- March 22, 2019: US$20,000 (paid by GEMC) and 200,000 common shares (issued at a fair value of $19,000 and repaid to the Company by way of GEMC shares);
- December 22, 2019: US$25,000 (paid by GEMC) and 250,000 common shares (issued at a fair value of $11,250 and repaid to the Company by way of GEMC shares);
- December 22, 2020: US$30,000 and 300,000 common shares.

The Company has the right to accelerate the cash payments to the vendor at its discretion. On or before the 10th anniversary of the execution of the agreement, the Company shall have the right to purchase 50% of the NSR for US$1,500,000.

The Company has the right to purchase a 100% interest in the Treasure Box copper property under its area of interest agreement with the vendor of the Lovelock cobalt property.

On January 15, 2019, the Company signed a mining option agreement with GEMC for GEMC to acquire an 85% interest in the Lovelock cobalt property and the Treasure Box copper property. The agreement allows for GEMC to acquire the interest subject to the Company first acquiring the interest pursuant to the underlying agreement with the vendor.

In order to exercise the option, GEMC is required to complete the following:

- Issue to the Company of such number of common shares in the capital of GEMC as is equal to US$200,000 at a deemed price per share equal to the greater of: (a) $0.15; and (b) the volume weighted average of the closing price of GEMC's shares for the 20 trading days immediately prior to the execution of the agreement. GEMC issued the Company 1,728,133 common shares with a fair value of $86,407 on February 5, 2019.

- Assume all future cash payments to the vendor payable as scheduled above.
- Reimburse the Company for the issue by the Company of its common shares to the vendor with common shares of GEMC, payable as scheduled below:

  - March 22, 2019: such number of GEMC shares as is equal in value to 200,000 shares of the Company on the day prior to their issuance (issued);
  - March 22, 2019: such number of GEMC shares as is equal in value to US$5,000 to reimburse the Company for the extension payment made by the Company to the vendor on December 22, 2018 (issued).
  - December 22, 2019: such number of GEMC shares as is equal in value to 250,000 shares of the Company on the day prior to their issuance (issued); and
  - December 22, 2020: such number of GEMC shares as is equal in value to 300,000 shares of the Company on the day prior to their issuance.

- GEMC must also incur exploration expenditures totaling US$1,000,000 by the third anniversary of the agreement.

On April 3, 2020, the Company, GEMC and the vendor of the Lovelock and Treasure Box properties entered into an agreement to amend the terms of the GEMC option agreement on the properties and the underlying definitive agreement on the Lovelock property (the "Amended Agreement").

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

(i) Lovelock/Treasure Box (cont'd…)

The Amended Agreement provides that GEMC will purchase an 85% interest in the Lovelock and Treasure Box properties, with the Company retaining a 15% interest, subject to a 2% NSR in favour of the vendor as provided for in the underlying definitive agreement between the vendor and the Company. A joint venture between GEMC and the Company will be formed to further explore and develop the Lovelock and Treasure Box properties.

The Company has no further obligation to make cash payments or issue shares pursuant to the terms of the Amended Agreement.

(j) Coronado

On September 25, 2018, the Company entered into a definitive option agreement to acquire a 100% interest in the Coronado copper property located in the Tobin Sonoma Range of Pershing County, Nevada in consideration for cash and share payments, and minimum exploration expenditures as described below:

Payment Due Dates	Cash Payments	Share Payments	Minimum Exploration Expenditures
Upon TSXV acceptance of the definitive agreement on October 24, 2018	US$30,000 (paid)	200,000 (issued with a fair value of $14,000)	US$50,000 (incurred)
On or before September 25, 2019(1)(2)	US$35,000 (paid)	300,000 (issued with a fair value of $15,000)	US$100,000 (incurred)
On or before September 25, 2020	US$40,000 (paid)	400,000 (issued with a fair value of $98,000)	US$150,000 (incurred)
On or before September 25, 2021	US$50,000	500,000	US$300,000
On or before September 25, 2022	US$1,250,000	600,000	US$500,000
Total	US$1,405,000	2,000,000	US$1,100,000

(1) On September 25, 2019, the Company paid the vendors US$5,000 to extend the due date of the US$35,000 option payment to December 25, 2019.

(2) On December 14, 2019, the Company paid the vendors US$5,000 to extend the due date of the US$35,000 option payment to February 24, 2020.

The Company has the right to accelerate the timing of cash and share payments to the vendor at its discretion. If minimum exploration expenditures, which include property maintenance costs, are exceeded in any year the excess expenditures will be credited to a succeeding year. For the purposes of an anniversary common shares payment, the value of such payment by the Company to the vendors shall be calculated at a minimum price of $0.15 per common share, and if the closing price of the Company's common shares on the TSX-V on the business day prior to any anniversary date when a common shares payment is due and payable is less than $0.15, the monetary difference between $0.15 and the closing share price of the Company shall be paid to the vendors in cash. On the 4th Anniversary payment due date, if the spot cash price of copper as quoted on the London Metal Exchange exceeds $4.00 per pound, the payment due of US$1,250,000 will be increased to US$1,500,000.

The vendor shall retain a 2% net smelter returns royalty, half of which can be purchased by the Company at any time for US$1,500,000, less any advance royalty payments made by the Company. An advance royalty payment of US$500,000 would be payable to the vendors upon completion of a feasibility study.

(Expressed in Canadian Dollars)

8. RECLAMATION BONDS AND RIGHT OF WAY

At September 30, 2020 and 2019, the Company has posted reclamation bonds on its mineral properties with the Nevada Bureau of Land Management as a guarantee of exploration site restoration. In addition, the Company has prepaid a right of way for the Golden Arrow property.

	2020	2019
Golden Arrow – right of way – Note 7	$ 4,271	$ 4,232
Golden Arrow – Note 7	2,870	2,844
Coronado – Note 7	19,242	19,064
Roulette	8,956	8,873
Neptune – Note 7	21,619	21,419
Jackson Wash – Note 7	18,913	18,737
Gemini – Note 7	9,227	9,142
Aquarius – Note 7	25,268	25,035
	$ 110,366	$ 109,346

9. SHARE CAPITAL AND CONTRIBUTED RESERVES

a) Authorized:

Unlimited common shares without par value

b) Issued:

During the Year Ended September 30, 2020:

Property Option Payments

The Company issued 1,050,000 common shares for property acquisition costs as follows:

- 400,000 common shares with a fair value of $18,000 for the Water Right -Note 7(h);
- 250,000 common shares with a fair value of $11,250 for the Lovelock property (repaid to the Company by way of GEMC common shares) – Note 7(i); and
- 400,000 common shares with a fair value of $98,000 for the Coronado property – Note 7(j).

Private Placements

- On July 10, 2020, the Company issued 7,000,000 private placement units at $0.03 per unit for gross proceeds of $210,000. Each unit contained one common share and one warrant entitling the holder to purchase an additional common share at $0.05 until July 10, 2022.
- On August 19, 2020, the Company issued 6,000,000 private placement units at $0.10 per unit for gross proceeds of $600,000. Each unit contained one common share and one half a warrant entitling the holder to purchase an additional common share at $0.16 until August 19, 2022.
- On September 16, 2020, the Company issued 3,499,999 private placement units at $0.18 per unit for gross proceeds of $630,000. Each unit contained one common share and one-half warrant entitling the holder to purchase an additional common share at $0.30 until September 16, 2022. The Company paid finder's fees of $16,919 and issued 98,116 finder's warrants entitling the holders to purchase one common share for each warrant held at $0.30 per share until September 16, 2022. The finder's warrants had a fair value of $14,910.

Debt Settlement

- On July 31, 2020, the Company issued 529,195 shares with a fair value of $71,441 to settle liabilities owing to related parties of $64,946 (Note 11).

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND CONTRIBUTED RESERVES (cont'd…)

Exercise of Warrants and Options

- The Company issued 35,000 common shares at $0.06 per share pursuant to the exercise of finder's warrants for proceeds of $2,100. As a result, the fair value of the warrants of $1,400 was reallocated to share capital.
- The Company issued 1,650,000 common shares at various prices pursuant to the exercise of warrants for proceeds of $165,000.
- The Company issued 250,000 common shares at various prices pursuant to the exercise of options for proceeds of $32,625. As a result, the fair value of the options of $42,050 was reallocated to share capital.

During the Year Ended September 30, 2019:

Private Placements

- On October 29, 2018, the Company issued 3,000,000 private placement units at $0.05 per unit for gross proceeds of $150,000. Each unit contained one common share and one warrant entitling the holder to purchase an additional common share at $0.10 until October 29, 2020. The Company paid finder's fees of $4,025.
- On July 25, 2019, the Company issued 3,750,000 private placement units at $0.05 per unit for gross proceeds of $187,500. Each unit contained one common share and one warrant entitling the holder to purchase an additional common share at $0.10 until July 25, 2021. The Company paid finder's fees of $1,750 and issued 35,000 finder's warrants entitling the holders to purchase one common share for each warrant held at $0.06 per share until July 25, 2021. The finder's warrants had a fair value of $1,400.

Property Option Payments

The Company issued 1,050,000 common shares for property acquisition costs as follows:

- 200,000 common shares with a fair value of $14,000 for the Coronado property - Note 7(j)
- 350,000 common shares with a fair value of $31,500 for the Water Right - Note 7(h)
- 200,000 common shares with a fair value of $19,000 for the Lovelock property - Note 7(i)
- 300,000 common shares with a fair value of $15,000 for the Coronado property - Note 7(j)

c) Finder's Warrants:

At September 30, 2020, there were 98,116 finder's warrants outstanding entitling the holders to purchase one common share for each warrant held at $0.30 per share until September 16, 2022.

The fair value of the 98,116 finder's warrants issued during the year ended September 30, 2020 was $14,910 (2019 – 35,000 finders' warrants issued with a fair value of $1,400). The fair value of the finder's warrants was calculated using the Black-Scholes Option Pricing Model using the weighted average assumptions below. Fair value is particularly impacted by stock price volatility, determined using historical price data for a term equivalent to the expected life of the warrant.

	2020	2019
Risk-free interest rate	0.26%	1.58%
Expected life of warrants	2 years	2 years
Annualized volatility	157%	106%
Dividend rate	0%	0%
Weighted average fair value per warrant	$0.15	$0.04

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND CONTRIBUTED RESERVES (cont'd...)

Finder's warrant transactions and the number of finder's warrants outstanding are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance at September 30, 2018	47,375		0.17
Warrants issued	35,000		0.06
Warrants expired	(47,375)		0.17
Balance at September 30, 2019	35,000	$	0.06
Warrants issued	98,116		0.30
Warrants exercised	(35,000)		0.06
Balance at September 30, 2020	98,116	$	0.30

d) Warrants:

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance at September 30, 2018	13,478,131		0.34
Warrants issued – private placements	6,750,000		0.10
Warrants expired	(6,015,916)		0.36
Balance at September 30, 2019	14,212,215	$	0.22
Warrants exercised	(1,650,000)		0.10
Warrants issued – private placements	11,750,000		0.12
Warrants expired	(2,107,082)		0.55
Balance at September 30, 2020	22,205,133	$	0.14

At September 30, 2020, there were 22,205,133 warrants outstanding and exercisable entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Number of Warrants	Exercise Price	Expiry Date
2,450,000	$0.25	June 16, 2021
2,220,133	$0.25	July 5, 2021
685,000	$0.25	July 17, 2021
2,450,000	$0.10	October 29, 2020 (1)
2,650,000	$0.10	July 25, 2021
7,000,000	$0.05	July 10, 2022
3,000,000	$0.16	August 19, 2022
1,750,000	$0.30	September 16, 2022

(1) Subsequent to September 30, 2020, 450,000 warrants were exercised, with the expiring unexercised

e) Options

The Company has a stock option plan whereby it may grant options to employees, directors, officers, consultants and certain other service providers. The maximum number of options that may be granted under the plan is 10% of the issued and outstanding common shares. Options are exercisable for a maximum of 10 years. The exercise price of the options is set in accordance with the policies of the TSX-V. Stock options are subject to vesting requirements as determined by the Company's Board of Directors.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND CONTRIBUTED RESERVES (cont'd…)

The fair value of 1,690,000 stock options granted during the year ended September 30, 2019 was $121,700. The fair value of stock options was calculated using the Black-Scholes Option Pricing Model using the weighted average assumptions below. Fair value is particularly impacted by stock price volatility, determined using historical price data for a term equivalent to the expected life of the option.

	2019
Risk-free interest rate	1.85%
Expected life of options	5 years
Annualized volatility	102%
Dividend rate	0%
Weighted average fair value per option	$0.07

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance at September 30, 2018	3,812,500		0.30
Options granted	1,690,000		0.10
Options cancelled	(250,000)		0.28
Options expired	(1,217,500)		0.36
Balance at September 30, 2019	4,035,000	$	0.19
Options exercised	(250,000)		0.13
Options expired	(250,000)		0.47
Balance at September 30, 2020	3,535,000	$	0.18

At September 30, 2020, there were 3,535,000 options outstanding and exercisable entitling the holders thereof the right to purchase one common share for each option held as follows:

Number of Shares	Exercise Price	Expiry Date
100,000	$0.17	September 10, 2020 (1)
380,000	$0.22	November 23, 2020 (2)
100,000	$0.185	February 8, 2021
565,000	$0.37	September 6, 2021
850,000	$0.18	January 25, 2023
940,000	$0.105	October 31, 2023
600,000	$0.09	March 26, 2024

(1) The Company received a notice of exercise for the options prior to the expiry date, however the cash proceeds were not received and shares were not issued until subsequent to September 30, 2020.
(2) Expired unexercised subsequent to September 30, 2020.

At September 30, 2020, the stock options had a weighted average remaining life of 2.21 years.

(Expressed in Canadian Dollars)

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows. During the years ended September 30, 2020 and 2019, the following non-cash transactions were excluded from the statements of cash flows:

		2020		2019
Reclassification on exercise of finder's warrants to share capital from contributed reserves	$	1,400	$	-
Reclassification on exercise of options to share capital from contributed reserves	$	42,050		-
Fair value of shares issued for debt settlement	$	71,442		-
Fair value of common shares issued for exploration and evaluation assets	$	127,250	$	79,500
Accounts receivable from Kore Mining Ltd. forgiven in exchange for 50% interest in Gemini	$	-	$	21,751
Marketable securities included in due to Dedicated Mining Technology Inc.	$	-	$	181,252
Fair value of marketable securities received to reimburse option payments made for exploration and evaluation assets	$	11,250	$	19,000
Non-cash adjustment of market value of marketable securities received on consent shares returned by Dedicated Mining Technology Inc.	$	-	$	38,020
Fair value of marketable securities received on option of exploration and evaluation assets	$	-	$	86,407
Fair value of finder's warrants issued as share issue costs on private placement	$	14,910	$	1,400
Fair value of marketable securities received on sale of Golden Arrow	$	-	$	350,000

11. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of its Chief Executive Officer, Chief Financial Officer and Corporate Secretary and Board of Directors.

Remuneration attributed to key management personnel or companies controlled by key management personnel during the years ended September 30, 2020 and 2019 is summarized as follows:

		2020		2019
Accounting fees	$	28,000	$	45,000
Directors' fees		36,000		48,000
Management fees		75,200		76,200
Consulting fees		4,095		-
Share-based payments		-		91,000
	$	143,295	$	260,200

(Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS (cont'd…)

The Company incurred the following charges by a law firm in which a director of the Company is a partner and by another public company with a director in common with the Company during the years ended September 30, 2020 and 2019:

		2020		2019
Legal	$	13,434	$	13,943
Rent		31,793		32,060
	$	45,227	$	46,003

During the year ended September 30, 2020, the Company issued 529,195 common shares with a fair value of $71,442 to settle liabilities owing to related parties of $64,946, resulting in a loss on debt settlement of $6,496 (Note 11).

During the year ended September 30, 2019, the Company sold 50,000 shares of Kore for proceeds of $6,410 and recorded a loss on sale of marketable securities of $33,090.

At September 30, 2020, prepaid expenses and deposits includes $Nil (2019 - $5,000) paid to a company with a director in common with the Company as a rent deposit.

At September 30, 2020, due to related parties includes $21,544 (2019 - $7,805) due to directors of the Company and to a law firm in which a director of the Company is a partner, for fees and expenses.

Amounts due from/to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

12. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In the management of capital, the Company includes components of equity as capital.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital, intends to continue to receive cash and shares pursuant to option agreements (Note 7), and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended September 30, 2020. The Company is not currently subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

13. INCOME TAXES

A reconciliation of current income taxes at statutory rates with the reported taxes is as follows:

	2020	2019
Net loss before income taxes	$ (526,014)	$ (1,805,093)
Expected income tax recovery	$ (142,000)	$ (487,000)
Change in statutory, foreign tax, foreign exchange rates, and other	5,000	59,000
Permanent differences	7,000	65,000
Share issue costs	(5,000)	(2,000)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	(164,000)	60,000
Change in unrecognized deductible temporary differences	299,000	305,000
Total	$ -	$ -

Significant components of the Company's net deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

Deferred tax assets (liabilities)	2020	2019
Share issue costs	$ 6,000	$ 6,000
Non-capital losses	4,648,000	4,071,000
Exploration and evaluation assets	276,000	534,000
Marketable securities	-	59,000
Allowable capital losses	94,000	55,000
	5,024,000	4,725,000
Unrecognized	(5,024,000)	(4,725,000)
Net deferred tax assets (liabilities)	$ -	$ -

Significant components of deductible temporary differences and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2020	Expiry	2019	Expiry
Share issue costs	22,000	2040 to 2045	23,000	2040 to 2043
Non-capital losses	17,545,000	See below	17,545,000	See below
Marketable securities	-	No Expiry	437,000	No Expiry
Exploration and evaluation assets	1,314,000	No Expiry	2,544,000	No Expiry
Allowable capital losses	346,000	No Expiry	204,000	No Expiry
Canada	6,988,000	2027 to 2040	6,448,000	2027 to 2039
USA	13,153,000	2027 to indefinite	11,097,000	2027 to indefinite

Tax attributes are subject to review, and potential adjustment, by tax authorities.

14. SUBSEQUENT EVENTS

Subsequent to the year ended September 30, 2020:

- The Company paid its proportionate share of the 2020 cash call of US$313,131 to maintain its 20.01% interest in the Kinsley Gold LLC joint venture (Note 7).
- 100,000 common shares were issued on the exercise of options for gross proceeds of $17,000.
- 450,000 common shares were issued on the exercise of warrants for gross proceeds of $45,000.
- 500,000 common shares were issued in connection with the option of Clayton Valley Water Rights (Note 7(h)).