EDGEMONT GOLD CORP.

(FORMERLY EDGEMONT RESOURCE CORP.)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

JANUARY 31, 2020

(Expressed in Canadian Dollars)

PREPARED BY MANAGEMENT

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management.

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

EDGEMONT GOLD CORP. (FORMERLY EDGEMONT RESOURCE CORP.)
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)
(Unaudited)

	January 31, 2020	October31, 2019 (audited)
ASSETS		
CURRENT		
Cash	$ 86,060	$ 144,860
Amounts receivable	4,630	3,219
Prepaid expenses	5,000	-
TOTAL CURRENT ASSETS	95,690	148,079
DEFERRED FINANCING COSTS	38,318	1
EXPLORATION AND EVALUATION ASSETS (Note 5)	118,499	97,069
TOTAL ASSETS	$ 252,507	$ 245,149
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Notes 6 and 8)	$ 48,618	$ 43,642
Deferred tax liability	8,928	10,714
TOTAL CURRENT LIABILITIES	57,546	54,356
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 7)	192,001	183,001
SHARE-BASED PAYMENT RESERVE (Note 7)	36,392	-
RETAINED EARNINGS (DEFICIT)	(33,432)	7,792
TOTAL SHAREHOLDERS' EQUITY	194,961	190,793
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 252,507	$ 245,149

NATURE OF BUSINESS AND CONTINUANCE OF OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the Board on April 2, 2020.

"Stuart Rogers" Director *"Joseph Campbell"* Director

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

EDGEMONT GOLD CORP. (FORMERLY EDGEMONT RESOURCE CORP.)
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended January 31, 2020	Three months ended January 31, 2019
EXPENSES		
Bank charges	$ 24	$ 12
Management fees (Note 8)	3,000	-
Professional fees	3,594	9,065
Share-based payments (Note 7)	36,392	-
Travel and entertainment	-	501
Net loss before income taxes	(43,010)	(9,578)
Income taxes		
Deferred income tax recovery (Note 11)	1,786	-
NET LOSS AND COMPREHENSIVE LOSS	$ (41,224)	$ (9,578)
LOSS PER SHARE (basic and diluted)	$ (0.00)	$ (0.44)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	9,347,936	21,740

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

EDGEMONT GOLD CORP. (FORMERLY EDGEMONT RESOURCE CORP.)
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)
Unaudited)

	Note	Common Shares				
		Number of Shares	**Amount**	**Share-based payment reserve**	**Deficit**	**Total**
			$	$	$	$
BALANCE, OCTOBER 31, 2018		1	1	-	-	1
Shares issued to founders	7	2,000,000	10,000	-	-	10,000
Loss for the period		-	-	-	(9,578)	(9.578)
BALANCE, JANUARY 31, 2019		2,000,001	10,001	-	(9,578)	423
BALANCE, OCTOBER 31, 2019		9,300,001	183,001	-	7,792	190,793
Shares issued for properties	7	90.000	9,000	-	-	9,000
Share-based payments		-	-	36,392	-	36,392
Loss for the period		-	-	-	(41,224)	(41,224)
BALANCE, JANUARY 31, 2020		9,390,001	192,001	36,392	(33,432)	194,961

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

EDGEMONT GOLD CORP. (FORMERLY EDGEMONT RESOURCE CORP.)
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended January 31, 2020	Three months ended January 31, 2019
OPERATING ACTIVITIES		
Net loss	$ (41,224)	$ (9,578)
Items not involving cash:		
Deferred income tax recovery	(1,786)	-
Share-based payments	36,392	-
Changes in non-cash working capital balances:		
Increase in amounts receivable	(1,411)	(22)
Increase in amounts prepaid	(5,000)	-
Increase in accounts payable and accrued liabilities	4,976	18,844
Cash provided by (used in) operating activities	(8,053)	9,244
INVESTING ACTIVITIES		
Exploration and evaluation asset expenditures	(12,430)	(10,006)
Cash used in investing activities	(12,430)	(10,006)
FINANCING ACTIVITIES		
Issuance of common shares	-	10,000
Deferred finance charges	(38,317)	-
Cash provided by (used in) financing activities	(38,317)	10,000
CHANGE IN CASH	(58,800)	9,238
CASH, BEGINNING OF PERIOD	144,860	750
CASH, END OF PERIOD	$ 86,060	$ 9,988

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

1. NATURE OF BUSINESS AND CONTINUANCE OF OPERATIONS

Edgemont Gold Corp. (formerly Edgemont Resource Corp.) (the "Company") was incorporated on August 2, 2018 under the laws of British Columbia. On January 30, 2020, the Company changed its name to Edgemont Gold Corp. The address of the Company's corporate office and its principal place of business is 3148 Highland Boulevard, North Vancouver, B.C. V7R 2X6.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at January 31, 2020 the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company has not yet begun to generate revenues and its operations have been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These circumstances indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

These condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these condensed interim financial statements.

On March 17, 2020 the Company was receipted for a prospectus offering (the "Offering") and received approved for the listing of its common shares on the Canadian Securities Exchange ("CSE") on completion of the Offering.

On March 11, 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 exploration activities or its ability to raise funds.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on April 2, 2020.

a) Statement of compliance

These unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Statement of compliance (continued)

These unaudited condensed interim financial statements do not include all of the information required of a full annual financial report and are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the audited annual financial statements of the Company for the year ended October 31, 2019.

b) Basis of presentation

These unaudited condensed interim financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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

c) Cash equivalents

Cash equivalents include short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As of January 31, 2020, the Company held no cash equivalents.

d) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

f) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss based on a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

g) Income (loss) per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the income (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted income per share, whereby all "in the money" stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price 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.

h) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the period end date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Income taxes (continued)

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 statement of financial position 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 period end date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

i) Financial instruments

The following is the Company's accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading 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 at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

(ii) Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise.

Debt investments at FVTOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss

Equity investments at FVTOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(iii) Impairment of financial assets at amortized cost

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

(iv) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

j) Impairment of non-financial assets

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

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

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase in the carrying value of the asset to an amount higher than the carrying amount that would have been determined as had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

l) New accounting standards adopted during the period

New standard IFRS 16 Leases

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties of a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The Company has assessed that this standard will not have a material impact on the Company's financial statements. The Company adopted IFRS 16 on November 1, 2019 and no differences have been noted in relation to the adoption of the standard.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

Significant accounting estimates

i. the assessment of indications of impairment of the exploration and evaluation assets and related determination of the net realizable value and impairment of the exploration and evaluation assets where applicable; and
ii. the measurement of deferred income tax assets and liabilities.

Significant accounting judgments

i. the determination of categories of financial instruments; and
ii. the evaluation of the Company's ability to continue as a going concern.

(Unaudited - Expressed in Canadian dollars)

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

5. EXPLORATION AND EVALUATION ASSETS

	Dungate Creek	Mike Property	Total
Acquisition costs:			
Balance, October 31, 2018	$ -	$ -	$ -
Additions:			
Additions for the period - Cash	5,000	2,500	7,500
Balance, October 31, 2019	5,000	2,500	7,500
Additions:			
Additions for the period - Cash	10,000	-	10,000
Additions for the period - Shares	9,000	-	9,000
Total additions for the period	19,000	-	19,000
Balance, January 31, 2020	$ 24,000	$ 2,500	$ 26,500
Deferred exploration costs:			
Balance, October 31, 2018	$ -	$ -	$ -
Additions:			
Drilling and assay costs	15,096	-	15,096
Field expenses	10,983	-	10,983
Geological services	42,323	-	42,323
Geophysics	19,517	-	19,517
Licensing	1,650	-	1,650
Total additions for the period	89,569	-	89,569
Balance, October 31, 2019	89,569	-	89,569
Additions:			
Geological services	2,430	-	2,430
Balance, January 31, 2020	91,999	-	91,999
Balance, January 31, 2020	$ 115,999	$ 2,500	$ 118,499

Dungate Creek Property

Pursuant to an option agreement (the "Agreement") dated December 19, 2018, the Company was granted an option to acquire a 100% undivided interest in the Dungate Creek Property (the "Dungate Property") located near Houston, British Columbia.

In accordance with the Agreement, the Company has the option to acquire its 100% undivided interest in the Dungate Property by paying $5,000 (paid) in cash upon execution of the Agreement and by issuing a total of 450,000 common shares of the Company to the Optionors, making further cash payments totaling $70,000, and incurring a total of $175,000 in exploration expenditures as follows:

(Unaudited - Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSET (continued)

	Number of Common Shares	Cash	Exploration Expenditures
On execution of the agreement (completed)	-	$ 5,000	$ 5,000
On or before the listing of the Company's common shares on a Canadian Stock Exchange (completed) (Note 7)	30,000	-	70,000
On or before the first anniversary of the Agreement (completed)	60,000	10,000	-
On or before the second anniversary of the Agreement	120,000	20,000	-
On or before the third anniversary of the Agreement	240,000	40,000	100,000
Total	450,000	$ 75,000	$ 175,000

The Optionors will retain a 2% Net Smelter Returns royalty on the Dungate Property. The Company has the right to purchase 1% of the royalty for $1,000,000 at any time prior to the commencement of commercial production

Mike Property

Pursuant to an option agreement (the "Mike Agreement") dated September 24, 2019, the Company was granted an option to acquire a 100% undivided interest in the Mike Property (the "Mike Property") located near Houston, British Columbia and contiguous to the Dungate Property described above.

In accordance with the Mike Agreement, the Company has the option to acquire its 100% undivided interest in the Mike Property by paying $2,500 (paid) in cash upon execution of the Mike Agreement and by issuing a total of 225,000 common shares of the Company to the Optionor and making further cash payments totaling $35,000. There is no work commitment.

	Number of Common Shares	Cash
On execution of the agreement (completed)	-	$ 2,500
On or before the listing of the Company's common shares on a Canadian Stock Exchange	15,000	-
On or before the first anniversary of the Mike Agreement	30,000	5,000
On or before the second anniversary of the Mike Agreement	60,000	10,000
On or before the third anniversary of the Mike Agreement	120,000	20,000
Total	225,000	$ 37,500

The Optionor will retain a 2% Net Smelter Returns royalty on the Property. The Company has the right to purchase 1% of the royalty for $1,000,000 at any time prior to the commencement of commercial production.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31, 2020	October 31, 2019
Accounts payable	$ 19,968	$ 11,796
Accrued liabilities	28,650	31,846
Total	$ 48,618	$ 43,642

7. SHARE CAPITAL

a) Authorized:

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

b) Issued and Outstanding as at January 31, 2020: 9,390,001 common shares.

For the year ended October 31, 2019, the Company had the following share capital transactions:

(i) The Company issued 2,000,000 common shares at a price of $0.005 per share for gross proceeds of $10,000.

(ii) The Company issued 4,350,000 flow-through shares at a price of $0.02 per share for gross proceeds of $87,000.

For the purposes of the calculating the tax effect of any premium related to the issuance of the flow-through shares, the Company reviewed recent financings and compared it to determine if there was a premium paid on the shares. As a result, the Company recognized a premium on the flow-through shares issued of $61,500 which has been recognized as a premium in the statement of comprehensive loss as the Company had renounced the related exploration expenditures.

(iii) The Company issued 2,950,000 common shares at a price of $0.05 per share for gross proceeds of $147,500.

For the three-month period ended January 31, 2020, the Company had the following share capital transactions:

The Company issued 90,000 common shares at a price of $0.10 per share as consideration for the acquisition of exploration and evaluation assets (Note 5).

On December 16, 2019, the Company signed an engagement letter with Mackie Research Capital Corporation (the "Agent") to raise up to $350,000 in an initial public offering ("IPO") through the issuance of up to 3,500,000 common shares of the Company at a price of $0.10 per common share.

Pursuant to the terms of the engagement letter, the Company has agreed to pay to the Agent a commission of 10% of the gross proceeds of the IPO and grant Agent's Warrants which will entitle the Agent to purchase up to 10% of the common shares sold under the IPO, at a purchase price that is equal to the price per share offered in the IPO and exercisable for a period of 36 months from the closing date of the offering. In addition, the Company has agreed to pay a corporate finance fee of $25,000, cover the Agent's legal fees incurred pursuant to the IPO, and any other reasonable expenses of the Agent, and grant the Agent an option to increase the size of the offering by up to 15% by giving written notice of the Agent's exercise of the option at any time up to 48 hours prior to closing of the offering.

c) Stock Options

During the period ended January 31, 2020, the Company adopted a Stock Option Plan ('Plan') for directors, officers and employees, consultants of the Company. The Company may grant options to individuals, options are exercisable over periods of up to ten years, as determined by the Board of Directors of the Company, to buy shares of the Company at the fair market value on the date the option is granted. The maximum number of shares which may be issuable under the Plan can not exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

(Unaudited - Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

c) Stock Options (continued)

	Number Options		Weighted Average Exercise Price
Outstanding, October 31, 2018 and 2019	-	$	-
Granted	500,000		0.10
Outstanding, January 31, 2020	500,000	$	0.10

On January 1, 2020 the Company granted 500,000 stock options to certain directors and officers of the Company at an exercise price of $0.10 for a period of three years from the date of grant. The fair value of the stock options was estimated at $36,392 using the Black Scholes Option Pricing Model with the following assumptions:

Share price	$0.10
Risk free interest rate	1.65%
Expected life	3 years
Expected volatility	125%
Expected forfeiture rate	Nil
Expected dividends	Nil

As at January 31, 2020, the following options were outstanding:

Expiry Date	Number Options		Weighted Average Exercise Price	Weighted Average Exercise Period (years)
January 1, 2023	500,000	$	0.10	2.92

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions or is a member of key management. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company has incurred the following key management personnel cost from related parties:

	Three months ended January 31, 2020	Three months ended January 31, 2019
Management fees	$ 3,000	$ -
Total	$ 3,000	$ -

Management fees were incurred from a private company controlled by the Chief Executive Officer of the Company. Key management includes directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer.

As at January 31, 2020, $13,650 (October 31, 2019 - $10,500) due to a related party was included in accounts payable and accrued liabilities.

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at January 31, 2020 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Cash	$ 86,060	$ –	$ –	$ 86,060

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at January 31, 2020 because of the demand nature or short - term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities. The Company is not exposed to significant foreign currency risk.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and amounts receivable. To minimize the credit risk the Company places these instruments with a high quality financial institution. The majority of cash is deposited in a bank account held with a major bank in Canada. The Company has secondary exposure to credit risk on its amounts receivable. This risk is minimal as receivables consist primarily of refundable goods and services taxes owing from the Government of Canada.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. The Company's liquidity risk has been assessed as high.

11. SUPPLEMENTAL CASH FLOW INFORMATION

During the three-month periods ended January 31, 2020 and 2019 the Company incurred the following non-cash transactions that are not reflected in the statements of cash flows:

	Three months ended	
	January 31, 2020	**January 31, 2019**
Fair value of shares issued for mineral property option payments	$ 9,000	$ -