CANADA NICKEL COMPANY INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED JULY 31, 2020

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

MANAGEMENT'S RESPONSIBILITY LETTER

Management acknowledges responsibility for the preparation and presentation of the unaudited condensed interim consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed consolidated interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Canada Nickel Company Inc.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

As at		July 31, 2020		October 31 2019
ASSETS				
Current Assets				
Cash and cash equivalents	$	71,379	$	-
Prepaid expenses		229,503		-
Accounts receivable		899,145		-
Loan receivable (Note 5)		574,498		-
		1,774,525	$	-
Non-Current				
Exploration and evaluation assets (Note 6)		17,722,974		-
	$	19,497,499	$	-
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 6 and 10)	$	1,945,276	$	-
Flow through share premium (Note 12)		1,448,977	$	-
		3,394,253		-
SHAREHOLDERS' EQUITY				
Share capital (Note 7)		16,666,555		-
Contributed surplus		1,577,270		-
Deficit		(2,140,579)		-
		16,103,246		-
	$	19,497,499	$	-

See accompanying notes to these unaudited condensed interim consolidated financial statements.

Nature of Operations and Going Concern (Note 1)
Contingencies (Note 13)
Subsequent Events (Note 14)

Canada Nickel Company Inc.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2020	2019	**2020**	2019
Expenses				
Marketing and promotion	**$ 394,428**	$ -	**$ 971,169**	$ -
General and administrative	**102,571**	-	**391,919**	-
Consulting	**153,000**	-	**249,000**	-
Professional fees	**162,998**	-	**162,998**	-
Travel	**-**	-	**60,181**	-
Loss on settlment of accounts payable	**-**	-	**27,500**	-
Stock-based compensation	**129,190**	-	**277,812**	-
Net loss and comprehensive loss	**$ (942,187)**	$ -	**$ (2,140,579)**	$ -
Basic and diluted net loss and comprehensive loss per share (Note 11)	**$ (0.03)**	$ -	**$ (0.04)**	$ -
Weighted average number of common shares outstanding	**67,494,802**	-	**60,240,514**	-

See accompanying notes to these unaudited condensed interim consolidated financial statements.

Canada Nickel Company Inc.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

For the Nine Months Ended July 31,	2020	2019
Cash and cash equivalents (used in) provided by:		
Operating Activities		
Net loss for the period	$ (2,140,579)	$ -
Adjustment for:		
Stock-based compensation	277,812	-
Non-cash working capital items:		
Accounts receivable	(899,145)	-
Prepaid expenses	(229,503)	-
Accounts payable and accrued liabilities	1,972,776	-
	(1,018,639)	-
Financing Activities		
Proceeds on private placements	10,662,489	-
	10,662,489	-
Investing Activities		
Loan receivable, net of repayments	(574,498)	-
Cash portion of property acquisition and exploration expenditures (Note 5)	(8,997,973)	-
	(9,572,471)	-
Net change in cash and cash equivalents	71,379	-
Cash and cash equivalents, beginning of period	-	-
Cash and cash equivalents, end of period	$ 71,379	$ -

See accompanying notes to these unaudited condensed interim consolidated financial statements.

Canada Nickel Company Inc.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital	Contributed Surplus	Deficit	Total
Balance, October 31, 2018 and July 31, 2019	**$ -**	**$ -**	**$ -**	**$ -**
Balance, October 31, 2019	$ 0.25	$ -	$ -	$ 0.25
Private placements, net of costs (Note 6)	10,600,808	-	-	10,600,808
Flow-through share premium (Notes 6 and 10)	(1,448,977)	-	-	(1,448,977)
Shares issued for property	8,615,000	-	-	8,615,000
Issuance of warrants	(1,341,074)	1,341,074	-	-
Exercise of warrants	103,298	(41,616)	-	61,682
Share-based compensation	-	277,812	-	277,812
Shares issued on settlement of accounts payable	137,500	-	-	137,500
Net loss and comprehensive loss for the period	-	-	(2,140,579)	(2,140,579)
Balance, July 31, 2020	**$ 16,666,555**	**$ 1,577,270**	**$ (2,140,579)**	**$ 16,103,246**

See accompanying notes to these unaudited condensed interim consolidated financial statements.

1. Nature of Operations and Going Concern

Canada Nickel Company Inc. ("Canada Nickel" or the "Company") was incorporated on October 11, 2019 under the laws of the Province of Ontario, Canada, and its head office is located at 120 Adelaide Street West, Suite 2500, Toronto, Ontario, M5H 1T1.

On February 27, 2020, the Company's common shares commenced trading on the TSX Venture Exchange under the symbol TSX-V:CNC.

On July 27, 2020, the Company incorporated a wholly owned subsidary NetZero Metals Inc.

The Company is engaged in the exploration and discovery of nickel sulphide assets to deliver future supply for the high growth electric vehicle, green energy and stainless steel markets. The Company owns 100 per cent of the Crawford Nickel-Cobalt Sulphide Project (“Crawford” or “the Project”), which is located adjacent to major infrastructure in the world class Timmins-Cochrane mining camp of northern Ontario, Canada.

These condensed interim consolidated financial statements have been prepared on the basis of a going concern, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has not earned significant revenues. The ability of the Company to continue as a going concern is dependent upon the discovery of economically recoverable reserves; confirmation of the Company’s ownership in the underlying mineral claims; the acquisition of required permits to mine; the ability of the Company to obtain necessary financing to complete exploration and development; and the future profitable production or proceeds from disposition of such properties. These financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. All of these outcomes are uncertain and taken together indicate the existence of material uncertainties that cast significant doubt over the ability of the Company to continue as a going concern.

As the Company has no revenue producing mines, the Company's ability to continue as a going concern is dependent upon its ability to raise funds in the capital markets, or through the sale of assets. The Company is in the exploration and evaluation stage and as is common with many exploration companies, it raises financing for its exploration and acquisition activities in discrete tranches. The Company has incurred ongoing losses and negative cashflows from operations, and had a working capital deficiency of $1,619,728 at July 31, 2020 (October 31, 2019 - a working capital deficiency of $nil). The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company will be required to curtail operations, exploration, and development activities and there would be significant uncertainty whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business.

As at July 31, 2020, the Company does not have sufficient cash on hand to meet operational expenses for the next twelve months. The Company plans to raise additional capital to execute its business plan, however the Company may increase or decrease expenditures as necessary to adjust to a changing capital market environment.

These condensed interim consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. If management is unsuccessful in securing capital, the Company’s assets may not be realized or its liabilities discharged at their carrying amounts and these differences could be material.

The financial statements were approved by the Board of Directors on September 29, 2020.

2. Accounting Policies

a) Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by International Financial Reporting Interpretations Committee ("IFRIC").

b) Basis of Presentation

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments. In addition, these unaudited condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these unaudited condensed interim consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the unaudited condensed interim consolidated financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

c) Recent Accounting Pronouncements Adopted

In January 2016, the IASB issued IFRS 16, Leases (IFRS 16). IFRS 16 is effective for periods beginning on or after January 1, 2019, with early adoption permitted. IFRS 16 eliminates the current dual model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. The Company adopted this standard on November 1, 2019, with no resulting impact on its condensed interim consolidated financial statements.

On June 7, 2017, the IASB issued IFRIC Interpretation 23 - Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. The Company adopted this standard on November 1, 2019, with no resulting impact on its condensed interim consolidated financial statements.

d) Flow-through Shares

The Company will, from time to time, issue flow-through shares to finance a portion of its exploration programs. The issue of flow-through shares is in substance an issue of ordinary shares and the sale of tax deductions. The sale of tax deductions is measured using the residual method. At the time the flow-through shares are issued, the sale of tax deductions is deferred and presented as other liabilities in the statement of financial position. Pursuant to the terms of the flow-through share agreements, the Company agrees to incur qualifying expenditures and renounce the tax deductions associated with these qualifying expenditures to the subscribers at an agreed upon date. The renouncement may occur prospectively or retrospectively based on the flow-through share agreement.

The excess of cash consideration received over the market price of the Company's shares at the date of the announcement of the flow-through share financing is recorded as a liability which is extinguished as eligible expenditures are made when the tax effect of the temporary differences, resulting from the renunciation, is recorded. The difference between the liability and the value of the tax assets renounced is recorded as a deferred tax expense.

(Expressed in Canadian Dollars)

2. Accounting Policies (Continued)

d) Flow-through Shares (Continued)

A deferred tax liability is recognized for the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures that are capitalized to exploration and evaluation assets and their tax basis. If the Company has sufficient tax assets to offset the deferred tax liability, the liability will be offset by the recognition of a corresponding deferred tax asset.

e) Basis of Consolidation

The condensed interim consolidated financial statements of the Company consolidate the accounts of the Company. and its wholly owned subsidiary, NetZero Mertals Inc. All intercompany transactions and balances are eliminated on consolidation.

Subsidiaries are entities over which the Company has control, where control is defined to exist when the Company is exposed to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date control is transferred to the Company, and are de-consolidated from the date control ceases.

3. Capital Management

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- To maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to be shareholders' equity, comprising share capital, contributed surplus, and deficit, which at July 31, 2020, totalled $16,103,246 (October 31, 2019 - $0.25).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating and capital expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the nine months ended July 31, 2020. The Company is not subject to externally imposed capital requirements.

4. Promissory Notes

During the nine months ended July 31, 2020, the Company entered into two promissory notes whereby an aggregate of $650,000 was advanced to two publicly listed companies. The amounts advanced were unsecured, bear no interest and were due on demand. The promissory notes outstanding as of July 31, 2020 are as follows:

Balance, October 31, 2019	$ -
Amounts advanced to Noble Mineral Exploration Inc.	250,000
Amounts advanced to Spruce Ridge Resources Ltd.	400,000
Payment received during the period	(650,000)
Balance, July 31, 2020	**$ -**

(Expressed in Canadian Dollars)

5. Loan Receivable

On June 26, 2020, the Company extended a $625,000 interest-free unsecured loan (the "Loan") to Noble Mineral Exploration Inc.. The loan has a maturity date of June 25, 2021 and will be interest-free until maturity, unless Noble fails to make a payment due. Under the Loan, Noble has agreed that if it sells any Canada Nickel securities that it owns, a minimum of 50% of the proceeds of that sale will be paid to Lender (until the principal amount of the Loan has been repaid). If Noble fails to make any payment due under the Loan, interest at 12% per annum will accrue (compounded monthly) retroactive to the date of the Loan until all principal and interest has been repaid. Noble has the right to prepay the Loan at any time. The promissory notes outstanding as of July 31, 2020 are as follows:

Balance, October 31, 2019	$	-
Amounts advanced to Noble Mineral Exploration Inc.		625,000
Payment received during the period		(50,503)
Balance, July 31, 2020	**$**	**574,497**

6. Exploration and Evaluation Expenditures

	Nine Months Ended July 31, 2020	October 11, 2019 (Incorporation) to October 31 2019
Crawford Project, Timmins, Canada		
Balance, beginning of period	$ -	$ -
Acquisition costs	11,153,095	-
Drilling	3,924,361	-
Assays	1,064,257	-
Geological and consulting	1,335,596	-
Metallurgical services	165,900	-
Prospecting and reconnaissance	15,000	-
Support costs	64,765	-
Total, End of Period	**$ 17,722,974**	$ -

In October 2019, Noble, Canada Nickel, Spruce Ridge Resources Ltd. (TSXV SHL) ("Spruce Ridge") and certain private investors (the "Investors") entered into a binding letter of intent and a subsequent Implementation Agreement on November 14, 2019, to facilitate Canada Nickel's consolidation of 100% ownership of the Crawford Project, as more particularly described below As a part of the Agreement, Canada Nickel paid consideration of $2,000,000 cash and 12,000,000 Common Shares (ascribed a fair value of $3,000,000) to Noble. On February 18, 2020, the Company issued a further 20,000,000 Common Shares (ascribed a fair value of $5,000,000) to Spruce Ridge.

The Crawford Ultramafic Complex, a 8-kilometre long body of peridotite, dunite and their serpentinized equivalents, entirely under cover, was defined by a helicopter-borne magnetic and electromagnetic survey and an airborne gravity survey, both conducted over of the entire project area of 100 sq. km. An Artificial Intelligence (A.I.) review of data, provided by Albert Mining Inc. also identified the area as being prospective for nickel.

The Implementation Agreement

Noble, Canada Nickel, and certain other parties entered into an implementation agreement dated November 14, 2019 to, among other things, facilitate the transfer of the Crawford Nickel Assets from Noble to Canada Nickel and contemplate the share exchange pursuant to the Arrangement (the "Implementation Agreement").

6. Exploration and Evaluation Expenditures (Continued)

The Implementation Agreement (Continued)

Pursuant to the Implementation Agreement, the following transactions have been undertaken and/or are proposed to be completed.

a) Noble has transferred to Canada Nickel its beneficial interest in all of Noble's mineral and property interests in the Crawford Nickel Assets except for Noble's right under the Crawford JV Agreement to receive any common shares of Spruce that it has not already been issued, in consideration for which Noble was issued 12,000,000 Canada Nickel Common Shares (the "Noble Consideration Shares") and an interest free promissory note in the principal amount of $2,000,000.

b) Resolute and Noble have entered into a royalty assignment agreement (the "Royalty Assignment Agreement") dated December 2, 2019, assigned to Noble (or a subsidiary of Noble) the 5% net smelter returns royalty held by Resolute over certain properties of Noble, including the properties included in the Crawford Nickel Assets that are not mining claims, pursuant to a royalty agreement (the "NSR"), in consideration for total cash payments of $2,000,000 comprised of an initial deposit of $50,000 (which was paid), a second payment of $950,000 (which Noble anticipates paying shortly after the Record Date) and a third payment of $1,000,000 (which also remains to be paid). The Royalty Assignment Agreement was approved by the TSX Venture.

c) Before Noble completed the NSR purchase from Resolute, Noble must satisfy the following conditions:

   (i) Franco-Nevada Corporation ("Franco-Nevada") and Noble entered into a waiver and consent agreement (the "Franco-Nevada Waiver");
   (ii) Franco-Nevada and Noble entered into a royalty agreement (the "New Royalty Agreement") granting Franco-Nevada a 2% net smelter returns royalty on those properties currently included in Project 81 that are not mining claims (the "New NSR") (to replace the NSR once it has been purchased by Noble from Resolute);
   (iii) pursuant to the Franco-Nevada Waiver, the New NSR over the "Block B Properties" was assigned to Franco-Nevada; and
   (iv) pursuant to the Franco-Nevada Waiver, Noble issued to Franco-Nevada a number of Noble Common Shares having a value of $500,000 (the "Franco-Nevada Shares").

d) After completion of the preceding transactions, Canada Nickel completed a series of private placements.

e) After the completion of certain portions of the private placements, Canada Nickel paid Noble $2,000,000 in repayment of the promissory note issued as partial payment for the Crawford Nickel Assets, following which Noble paid part or all of the payments due to Resolute under the Royalty Assignment Agreement.

f) After completion of some portions of the private placements but before the completion of the Arrangement by Noble, the Crawford JV Agreement is to be terminated on the following conditions:

   (i) Noble issued to Spruce an interest-free promissory note in the principal amount of $1,000,000 (the "Noble Promissory Note", and 10,000,000 common share units of Noble (each comprised of one common share of Noble and one half of one warrant exercisable at $0.15 per share for three years) (the "Spruce Units");
   (ii) Canada Nickel issued 20,000,000 Canada Nickel Common Shares to Spruce (the "Spruce Consideration Shares") for a deemed aggregate value of $5,000,000;
   (iii) Spruce issued 2,000,000 common shares of Spruce to Noble for deemed aggregate value of $130,000; and
   (iv) Noble transferred to Spruce beneficial interest in the Crawford VMS Assets, with Noble having a right to acquire up to a 25% beneficial interest in the Crawford VMS Assets and Spruce retaining its right (as under the Crawford JV Agreement) to exchange parcels ormining claims currently included within the Crawford VMS Assets with other properties of Noble that are located in Crawford Township, Ontario and that are of a similar size.

6. Exploration and Evaluation Expenditures (Continued)

The Implementation Agreement (Continued)

g) It is anticipated that included among the agreements to be entered into among the parties in implementing the steps in (f)(i) through (f)(iv) there may be an agreement between Noble and Spruce with respect to the Crawford VMS Assets.

h) Concurrently with the termination of the Crawford JV Agreement, the JV Amending Agreement was terminated on the following conditions:

  (i) Spruce transfered to the Investors 10,000,000 Canada Nickel Common Shares (those shares to be taken from the Spruce Consideration Shares received by Spruce) for a deemed aggregate value of $2,500,000; and
  (ii) Spruce issued to the Investors 10,000,000 common share units of Spruce (each unit being comprised of one common and one common share purchase warrant exercisable for 3 years at $0.10 per common share of Spruce), for a deemed aggregate value of $650,000.

i) After completion of the above transactions, Noble and Canada Nickel completed a share exchange transaction by the Plan of Arrangement pursuant to the Business Corporations Act (Ontario) contemplated by the Arrangement Agreement dated November 14, 2019 that resulted in 10,000,000 of the Noble Consideration Shares being distributed or transferred Noble Shareholder on a pro-rata basis with Noble retaining the remaining 2,000,000 Noble Consideration Shares.

j) After completion of the Arrangement, Noble paid $1,000,000 in cash to Spruce in repayment of the Noble Promissory Note.

Crawford Annex Agreement with Noble Mineral Exploration

On May 22, 2020, the Company closed a definitive agreement with Noble Mineral Exploration Inc. to acquire an additional property and enter into option agreements on 5 other targets near its Crawford Project.

The Company paid Noble $500,000 in cash and issue 500,000 Canada Nickel common shares (ascribed a fair value of $615,000) to acquire the Crawford Annex property and the option to earn up to an 80% interest in 5 additional nickel targets within Noble's Project 81 land package. The Crawford Annex comprises 4,909 hectares in Crawford and Lucas township and the 5 option areas (Crawford-Nesbitt-Aubin, NesbittNorth, Aubin-Mahaffy, Kingsmill-Aubin, and MacDiarmid) ("Option Properties") range in size of 903 to 5,543 hectares. The Company can earn up to an 80% interest in each of the Option Properties on the following terms and conditions:

1) Canada Nickel can initially earn a 60% interest in each of the Option Properties within 2 years by:

   - funding at least $500,000 of exploration and development expenditures on each option property;
   - paying all property maintenance costs for each option property, including all applicable mining land taxes;and
   - making a payment to Noble of an additional $250,000 in cash or, at Noble's election, Canada Nickel common shares.

2) Canada Nickel has the right to then increase their interest to 80% in each of the Option Properties within 3 years by funding an additional $1,000,000 of exploration and development expenditures on each option property (for a total of $1,500,000 per option property)

If the conditions to earn a 60% interest or 80% interest have been satisfied, a joint venture would be formed on that basis and a 2% net smelter return royalty would be granted to Noble on the portion of the property which are mining claims and currently do not have any royalty on them. (the overall result would be a total of 2% on each property).

(Expressed in Canadian Dollars)

7. Share Capital

a) Authorized share capital

At July 31, 2020 the authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value.

b) Common shares issued

	Number of Common Shares	Amount
Balance, October 31, 2018 and July 31, 2019	-	$ -
Balance, October 31, 2019	1	$ 0.25
Shares issued pursuant to private placements, net of costs	35,146,789	$ 10,600,808
Shares issued for property	32,500,000	$ 8,615,000
Shares issued on settlement of accounts payable	275,000	$ 137,500
Flow through share premium (Note 10)	-	$ (1,448,977)
Issuance of warrants	-	$ (1,341,074)
Exercise of warrants	108,214	$ 103,298
Balance, July 31, 2020	**68,030,004**	**$ 16,666,555**

On November 13, 2019, the Company completed a private placement consisting of the sale of 10,100,000 common shares at a price of $0.25 per share for total gross proceeds of $2,525,000. Costs of issue amounted to $95,000 cash, and 200,000 common shares (ascribed a fair value of $50,000).

Between December 3, 2019 and December 20, 2019, the Company completed four tranches of a private placement consisting of the sale of 3,370,000 common shares at a price of $0.25 per share for total gross proceeds of $842,500. Costs of issue amounted to $51,653.

Between December 20, 2019 and December 30, 2019, the Company completed private placement financings consisting of the sale of an aggregate of 2,013,666 flow-through shares at a price of $0.30 per flow-through share for total gross proceeds of $604,100. Cash costs of issue amounted to $34,435.

On January 29, 2020, the Company completed a private placement consisting of the sale of 892,000 common shares at a price of $0.25 per share for total gross proceeds of $223,000.

On February 13, 2020, the Company closed a private placement, issuing 550,000 common shares for aggregate proceeds of $137,500.

On February 14, 2020, the Company closed a private placement, issuing 4,000,000 flow-through shares at a price of $0.3625 for aggregate proceeds of $1,450,000. Total cash costs of issue were $59,502.

On February 18, 2020, under the terms of the Implementation agreement, the Company issued 20,000,000 common shares to Spruce Ridge Resources, with an ascribed fair value of $5,000,000.

On February 19, 2020, the Company closed a private placement, issuing 800,000 common shares at a price of $0.25 shares for aggregate proceeds of $200,000.

On February 21, 2020, the Company completed a private placement, issuing 3,074,333 Common Shares at a price of $0.25 for aggregate gross proceeds of $768,583.

On April 8, 2020, the Company settled $110,000 of accounts payable through the issuance of 275,000 Common Shares, ascribed a fair value of $137,500, resulting in a $27,500 loss on settlement of accounts payable charged to the Company's condensed interim consolidated statement of loss and comprehensive loss.

(Expressed in Canadian Dollars)

7. Share Capital (Continued)

On May 5, 2020, the Company closed a non-brokered private placement for aggregate gross proceeds of $4,449,670 of (i) 1,642,890 units of the Company at an offer price of $0.35 per unit, (ii) 4,390,000 common shares of the Company each of which qualifies as a "flow-through share" as defined in subsection 66(15) of the Income Tax Act (Canada) (the "Tax Act") at an offer price of $0.40 per flow-through share, and (iii) 4,113,900 flow-through units of the Company (the "FT Units") at an offer price of $0.515 per FT Unit. Cash costs of issue were $898,294. Additionally, 608,807 broker warrants were issued with the same terms as the other warrants issued in conjunction with this financing.

Each Unit consists of one common share of the Company and one-half of one transferable common share purchase warrant of the Company (each whole common share purchase warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one common share of the Company at a price of $0.57 per common share for a period of 30 months following the closing date of the Offering, subject to adjustment and acceleration in certain events.

The 3,487,202 warrants issued in conjunction with this financing are each exercisable for one common share of the Company at a price of $0.57 until November 5, 2022. The purchase warrants issued were assigned an aggregate fair value of $1,341,074 using the Black-Scholes valuation model, relative value method, with the following assumptions: dividend yield 0%, expected volatility 100%, risk-free rate of return 0.29% and expected life of 2.5 years.

8. Stock Options

The following table reflects the continuity of stock options for the nine months ended July 31, 2020, and 2019:

	Number of Stock Options	Weighted Average Exercise Price ($)
Balance, October 31, 2018 and July 31, 2019	-	-
Balance, October 31, 2019	-	-
Granted	4,487,500	0.25
Balance, July 31, 2020	**4,487,500**	**0.25**

As at July 31, 2020, no options were exercisable.

On January 13, 2020, the Company granted 4,487,500 options to employees, consultants, directors and officers of the Company, exercisable for a period of 5 years at $0.25. The options were assigned a fair value of $838,714 using the Black-Scholes valuation model with the following assumptions: 5 year expected life, volatility of 100%, risk-free interest rate of 1.66%, and a dividend yield and forfeiture rate of 0%. The options vest at a rate of one third on the anniversary date of the grant, and a further one third each year thereafter.

The following table reflects the actual stock options issued and outstanding as of July 31, 2020:

Expiry Date	Exercise Price ($)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding
January 13, 2023	0.25	4.47	4,487,500

(Expressed in Canadian Dollars)

9. Warrants

The following table reflects the continuity of stock options for the nine months ended July 31, 2020, and 2019:

	Number of Stock Options	Weighted Average Exercise Price ($)
Balance, October 31, 2018 and July 31, 2019	-	-
Balance, October 31, 2019	-	-
Issued	3,487,202	0.57
Exercised	(108,214)	0.57
Balance, July 31, 2020	**3,378,988**	**0.57**

On July 16, 2020, under the terms of the warrant indenture, the Company accelerated the expiry date of the outstanding warrants from November 5, 2022 to September 14, 2020. Subsequent to July 31, 2020, all remaining warrants were exercised.

10. Related Party Balances and Transactions

Related parties include the Board of Directors and management, close family members and enterprises that are controlled by these individuals; as well as certain persons performing similar functions.

The Company entered into the following transactions with related parties:

		Three Months Ended July 31, 2020	Three Months Ended July 31, 2019	Nine Months Ended July 31, 2020	Nine Months Ended July 31, 2019
Chief Executive Officer fees	(i)	**$ 45,000**	$ -	**$ 135,000**	$ -
Marrelli Support Services Inc.	(ii)	**$ 13,968**	$ -	**$ 37,366**	$ -
Consulting fees paid to a director	(iii)	**$ 18,000**	$ -	**$ 102,000**	$ -
Share based compensation		**$ 73,409**	$ -	**$ 157,860**	$ -

(i) As at July 31, 2020, $355,264 (October 31, 2019 - $nil) was included in accounts payable and accrued liabilities with respect to CEO fees and reimbursable expenditures.

(ii) During the three and nine months ended July 31, 2020, the Company expensed $13,968 and $37,366, respectively (three and nine months ended July 31, 2019 - $nil) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. (the "DSA"), together known as the "Marrelli Group" for:

(i) Robert D.B. Suttie to act as Chief Financial Officer ("CFO") of the Company, commencing December 1, 2019;
(ii) Bookkeeping and office support services;
(iii) Corporate filing services

The Marrelli Group is also reimbursed for out of pocket expenses.

Both Marrelli Support and DSA are private companies. Robert Suttie is the President of Marrelli Support.

As of July 31, 2020 the Marrelli Group was owed $2,132 (October 31, 2019 - $nil) and these amounts were included in due to related parties.

(iii) During the three and nine months ended July 31, 2020 $18,000 and $102,000, respectively was paid to a director for consulting services rendered. As of July 31, 2020, $18,000 (October 31, 2019 - $nil) was included in accounts payable and accrued liabilities.

10. Related Party Balances and Transactions (Continued)

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

11. Net Loss Per Common Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted loss per share is the same as basic loss per share for the nine months ended July 31, 2020.

12. Flow-through Share Liability

The Flow-Through Common Shares issued in the private placement tranches completed between December 20, 2019 and December 30, 2019 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be $100,683. As at July 31, 2020, the Company was committed to spend $604,100 in eligible flow-through expenditures by December 31, 2020.

The Flow-Through Common Shares issued in the private placement completed February 14, 2020 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be $450,000. As at July 31, 2020, the Company was committed to spend $1,450,000 in eligible flow-through expenditures by December 31, 2021.

The Flow-Through Common Shares issued in the private placements completed May 5, 2020 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be $898,294. As at July 31, 2020, the Company was committed to spend $3,874,659 in eligible flow-through expenditures by December 31, 2021.

13. Contingencies

The outbreak of the novel strain of corona virus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions.

Management cannot accurately predict the future impact COVID-19 may have on:

- Global base metal prices;
- The severity and the length of potential measures taken by governments to manage the spread of the virus and their effect on labour availability and supply lines;
- Availability of essential supplies;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding

At the date of the approval of these financial statements, the Canadian government has not introduced measures which impede the activities of the Company. Management believes the business will continue and accordingly, the current situation bears no impact on management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

14. Subsequent Events

On September 10, 2020, the Company closed a non-brokered private placement financing for aggregate gross proceeds of $1,774,500. 682,500 flow-through common shares of the Company were issued for $2.60 per share.

On September 14, 2020, the Company announced it had initated a bought deal offering for approximately $13 million. The Underwriters have agreed to purchase, on a "bought deal" private placement basis,5,350,000 units of the Company at a price of $1.50 per Unit , for total gross proceeds of $8,025,000, and 2,950,000 flow-through shares of the Company at a price of $1.70 per FT Share,for total gross proceeds of $5,015,000