
CR CAPITAL CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED JUNE 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim financial statements of CR Capital Corp. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the three and six months ended June 30, 2020 have not been reviewed by the Company's auditors.

CR Capital Corp.**Condensed Interim Statements of Financial Position****(Expressed in Canadian dollars)****(Unaudited)**

	As at June 30, 2020	As at December 31, 2019
ASSETS		
Current assets		
Cash	\$ 11,491	\$ 31,389
Amounts receivable and other assets (note 3)	12,475	10,226
Marketable securities (note 4)	-	25,000
Total assets	\$ 23,966	\$ 66,615
LIABILITIES AND SHAREHOLDERS' (DEFICIENCY) EQUITY		
Current liabilities		
Amounts payable and other liabilities (notes 5 and 13)	\$ 104,061	\$ 61,387
Flow-through share liability (note 6)	2,615	2,828
Total liabilities	106,676	64,215
Shareholders' (deficiency) equity		
Share capital (note 7)	24,622,976	24,576,144
Reserves (notes 8 and 9)	76,916	90,748
Accumulated deficit	(24,782,602)	(24,664,492)
Total shareholders' (deficiency) equity	(82,710)	2,400
Total liabilities and shareholders' (deficiency) equity	\$ 23,966	\$ 66,615

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)

Commitments (note 14)

Subsequent events (note 15)

CR Capital Corp.**Condensed Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian dollars)****(Unaudited)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Operating expenses				
Exploration and evaluation expenditures (note 11)	\$ 22,911	\$ 812	\$ 23,886	\$ 3,981
General and administrative (note 12)	71,703	47,463	96,687	84,372
Operating loss before the following items	(94,614)	(48,275)	(120,573)	(88,353)
Unrealized gain on marketable securities (note 4)	-	95,000	35,000	155,000
Realized loss on marketable securities (note 4)	-	(80,625)	(32,750)	(111,000)
Premium recovery on flow-through shares (note 6)	115	-	213	-
Net loss and comprehensive loss for the period	\$ (94,499)	\$ (33,900)	\$ (118,110)	\$ (44,353)
Basic and diluted net loss per share (note 10)	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding (note 10)	11,460,130	10,327,335	11,368,732	10,327,335

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

CR Capital Corp.**Condensed Interim Statements of Cash Flows****(Expressed in Canadian dollars)****(Unaudited)**

	Six Months Ended	
	June 30,	
	2020	2019
Operating activities		
Net loss for the period	\$ (118,110)	\$ (44,353)
Adjustments for:		
Share-based compensation (note 9(i))	-	19,760
Unrealized gain on marketable securities (note 4)	(35,000)	(155,000)
Realized loss on marketable securities (note 4)	32,750	111,000
Premium recovery on flow-through share (note 6)	(213)	-
Shares issued for acquisition of mining property (note 7(b)(i))	14,250	-
Shares issued for professional services (note 7(b)(ii))	4,750	-
Changes in non-cash working capital items:		
Amounts receivable and other assets	(2,249)	(1,416)
Amounts payable and other liabilities	42,674	(17,749)
Net cash (used in) operating activities	(61,148)	(87,758)
Investing activities		
Proceeds from sale of marketable securities (note 4)	27,250	99,000
Net cash provided by investing activities	27,250	99,000
Financing activities		
Proceeds from exercise of options (note 7(b)(iii))	14,000	-
Net cash provided by financing activities	14,000	-
Net change in cash	(19,898)	11,242
Cash, beginning of period	31,389	7,523
Cash, end of period	\$ 11,491	\$ 18,765

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

CR Capital Corp.**Condensed Interim Statements of Changes in Equity****(Expressed in Canadian dollars)****(Unaudited)**

	Share capital	Reserves	Accumulated deficit	Total
Balance, December 31, 2019	\$ 24,576,144	\$ 90,748	\$(24,664,492)	\$ 2,400
Shares issued for acquisition of mining property (note 7(b)(i))	14,250	-	-	14,250
Shares issued for professional services (note 7(b)(ii))	4,750	-	-	4,750
Stock options exercised	27,832	(13,832)	-	14,000
Net loss for the period	-	-	(118,110)	(118,110)
Balance, June 30, 2020	\$ 24,622,976	\$ 76,916	\$(24,782,602)	\$ (82,710)
Balance, December 31, 2018	\$ 24,570,737	\$ 105,559	\$(24,618,461)	\$ 57,835
Stock options expired	-	(20,996)	20,996	-
Share-based payments (note 9(i))	-	19,760	-	19,760
Net loss for the period	-	-	(44,353)	(44,353)
Balance, June 30, 2019	\$ 24,570,737	\$ 104,323	\$(24,641,818)	\$ 33,242

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

CR Capital Corp.

Notes to Condensed Interim Financial Statements

Three and Six Months Ended June 30, 2020

(Expressed in Canadian dollars)

(Unaudited)

1. Nature of operations and going concern

CR Capital Corp. (the "Company") was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Ontario Business Corporations Act on December 13, 2002. The Company is engaged in the acquisition, exploration and evaluation of properties for the mining of precious and base metals. The primary office of the Company is located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

The Company has limited working capital, has incurred a loss of \$118,110 for the six months ended June 30, 2020 (six months ended June 30, 2019 - loss of \$44,353) and as at June 30, 2020, had limited working capital and an accumulated deficit of \$24,782,602 (December 31, 2019 - \$24,664,492). These conditions indicate the existence of a material uncertainty that casts significant doubt as to whether the Company can continue as a going concern.

These unaudited condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

The Company's ability to continue to meet its obligations and carry out its activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing. The Company is investigating other sources of financing. Regardless, based on current projections and operating plans, the Company will likely be required to raise additional funds through equity financing or other means in order to carry out its activities. There is, however, no assurance that any such initiatives will be sufficient. These unaudited condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and classification of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

The business of acquisition, exploration and evaluation for minerals involves a high degree of risk and there can be no assurance that the current exploration programs will result in profitable operations.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The Company's continued existence is dependent upon the establishment of a sufficient quantity of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition of these assets.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

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Notes to Condensed Interim Financial Statements
Three and Six Months Ended June 30, 2020
(Expressed in Canadian dollars)
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2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim 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 IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of August 24, 2020, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2019, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2020 could result in restatement of these unaudited condensed interim financial statements.

New accounting standards adopted

IFRS 3, Business combinations (IFRS 3)

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The adoption of the amendments had no impact on the Company's unaudited condensed interim financial statements.

IAS 1, Presentation of financial statements ("IAS 1")

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's unaudited condensed interim financial statements.

IAS 8, Accounting policies, changes in accounting estimates and errors ("IAS 8")

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's unaudited condensed interim financial statements.

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Notes to Condensed Interim Financial Statements
Three and Six Months Ended June 30, 2020
(Expressed in Canadian dollars)
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3. Amounts receivable and other assets

	As at June 30, 2020	As at December 31, 2019
Sales tax receivable - Canada	\$ 4,200	\$ 6,158
Prepaid expenses	8,275	4,068
	\$ 12,475	\$ 10,226

4. Marketable securities

June 30, 2020	Number of shares	Cost	Unrealized loss	Fair value
Yorbeau Resources Inc. ("Yorbeau")	-	\$ -	\$ -	\$ -

December 31, 2019	Number of shares	Cost	Unrealized loss	Fair value
Yorbeau	1,000,000	\$ 60,000	\$ (35,000)	\$ 25,000

During the three and six months ended June 30, 2020, the Company sold nil and 1,000,000 shares of Yorbeau, respectively (three and six months ended June 30, 2019 - 2,500,000 and 3,500,000 shares, respectively) for gross proceeds of \$nil and \$27,250, respectively (three and six months ended June 30, 2019 - \$69,375 and \$99,000, respectively) and recorded a realized loss on marketable securities of \$nil and \$32,750, respectively (three and six months ended June 30, 2019 - realized loss of \$80,625 and \$111,000, respectively) in profit or loss.

During the three and six months ended June 30, 2020, the Company recorded an unrealized gain on marketable securities of \$nil and \$35,000, respectively (three and six months ended June 30, 2019 - unrealized gain of \$95,000 and \$155,000, respectively) in profit or loss.

5. Amounts payable and other liabilities

Amounts payable and other liabilities of the Company are principally comprised of amounts outstanding for purchases relating to general operating activities.

	As at June 30, 2020	As at December 31, 2019
Trade payables	\$ 67,238	\$ 55,605
Accrued liabilities	36,823	5,782
	\$ 104,061	\$ 61,387

The following is an aged analysis of the amounts payable and other liabilities:

	As at June 30, 2020	As at December 31, 2019
Less than 1 month	\$ 58,028	\$ 23,952
1 to 3 months	15,790	19,826
Greater than 3 months	30,243	17,609
	\$ 104,061	\$ 61,387

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Notes to Condensed Interim Financial Statements
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6. Flow-through share liability

The following is a continuity schedule of the liability of the flow-through shares issuance:

Balance, December 31, 2019	\$ 2,828
Settlement of flow-through share liability by incurring expenditures (i)	(213)
Balance, June 30, 2020	\$ 2,615

(i) The flow-through premium is derecognized through income as the eligible expenditures are incurred. For the six months ended June 30, 2020, the Company satisfied \$213 of the commitment by incurring eligible expenditures of approximately \$2,136 and as a result the flow-through premium has been reduced to \$2,615.

7. Share capital

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

As at June 30, 2020, the issued share capital amounted to \$24,622,976. Changes in issued share capital for the periods presented are as follows:

	Number of common shares	Amount
Balance, December 31, 2018 and June 30, 2019	10,327,335	\$ 24,570,737
Balance, December 31, 2019	11,277,335	\$ 24,576,144
Shares issued for acquisition of mineral property (i)	150,000	14,250
Shares issued for professional services (ii)	50,000	4,750
Stock options exercised (iii)	280,000	27,832
Balance, June 30, 2020	11,757,335	\$ 24,622,976

(i) Refer to note 11(i).

(ii) In connection with the option agreement (refer to note 11(i)), the Company paid a finder's fee of 50,000 common shares valued at \$4,750 to Michael Dehn, an arm's length third party, who aided the Company in identifying and acquiring the MJ Property (as defined in note 11(i)).

(iii) On May 15, 2020, 280,000 stock options with an exercise price of \$0.05 and expiry date of April 12, 2024 were exercised for gross proceeds of \$14,000.

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8. Warrants

The following table reflects the continuity of warrants for the periods ended June 30, 2020 and 2019:

	Number of warrants	Weighted average exercise price (\$)
Balance, December 31, 2018 and June 30, 2019	-	-
Balance, December 31, 2019 and June 30, 2020	950,000	0.075

The following table reflects the actual warrants issued and outstanding as of June 30, 2020:

Number of warrants outstanding	Grant date fair value(\$)	Exercise price (\$)	Expiry date
950,000	28,500	0.075	October 9, 2021

9. Stock options

The following table reflects the continuity of stock options:

	Number of stock options	Weighted average exercise price (\$)
Balance, December 31, 2018	792,500	0.28
Granted (i)	400,000	0.05
Cancelled	(162,500)	0.26
Balance, June 30, 2019	1,030,000	0.20
Balance, December 31, 2019	775,000	0.10
Exercised (note 7(b)(iii))	(280,000)	0.05
Balance, June 30, 2020	495,000	0.13

(i) On April 12, 2019, the Company granted 400,000 stock options to certain directors and officers of the Company. All options are exercisable at a price of \$0.05 per common share. The options vest immediately and expire in five years. The grant date fair value of \$19,760 or \$0.0494 per option was valued using the Black-Scholes valuation model with the following assumptions: share price of \$0.05, expected dividend yield of 0%, expected volatility of 223% which is based on historical volatility of the Company's share price, risk-free rate of return of 1.64% and an expected maturity of 5 years. For the three and six months ended June 30, 2020, \$nil (three and six months ended June 30, 2019 - \$19,760) was expensed to share-based compensation.

The following table reflects the actual stock options issued and outstanding as of June 30, 2020:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
April 9, 2023	0.15	2.78	375,000	375,000
April 12, 2024	0.05	3.79	120,000	120,000
		3.02	495,000	495,000

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10. Net loss per common share

The calculation of basic and diluted loss per share for the three and six months ended June 30, 2020 was based on the loss attributable to common shareholders of \$94,499 and \$118,110, respectively (three and six months ended June 30, 2019 - loss of \$33,900 and \$44,353, respectively) and the weighted average number of common shares outstanding of 11,460,130 and 11,368,732, respectively (three and six months ended June 30, 2019 - 10,327,335). Diluted loss per share did not include the effect of 495,000 stock options (June 30, 2019 - 1,030,000 stock options) and 950,000 warrants (June 30, 2019 - nil warrants) as they are anti-dilutive.

11. Exploration and evaluation expenditures

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Coppercorp Property				
General and geology	\$ 1,161	\$ 812	\$ 2,136	\$ 3,981
	\$ 1,161	\$ 812	\$ 2,136	\$ 3,981
Mount Jamie North Property (i)				
Property acquisition costs	\$ 21,750	\$ -	\$ 21,750	\$ -
	\$ 21,750	\$ -	\$ 21,750	\$ -
Total	\$ 22,911	\$ 812	\$ 23,886	\$ 3,981

(i) On June 3, 2020, the Company announced it entered into an option agreement with Bounty Gold Corp. (the "Vendor"), a private company, to purchase a 100% interest in the Mount Jamie North Property (the "MJ Property") located in Red Lake, Ontario. The MJ Property consists of 30 mineral claims totaling 445 hectares located in Todd Township, Red Lake Mining Division, District of Kenora, Northwestern Ontario.

Under the terms of the option agreement, the Company has the option to acquire a 100% interest in the MJ Property by making the following cash payments and share issuances:

- An initial cash payment of \$7,500 (paid) and the issuance of 150,000 common shares of the Company (issued and valued at \$14,250 - refer to note 7(b)(i)) by the seventh day following acceptance of the TSX Venture Exchange (the "TSXV") (the "Closing");
- A cash payment of \$7,500 and issuing 150,000 common shares within 180 days after the Closing; and
- A cash payment of \$10,000 and issuing 200,000 common shares within one year after the Closing.

The Company can, at its option, accelerate the cash payments and common share issuances described above. All common share issuances by the Company will be subject to a statutory 4-month hold period as per Canadian securities law.

In addition, the Company will pay a 2.0% Net Smelter Return royalty (the "NSR") to the Vendor on commencement of commercial production. The Company will have the right, at any time and upon 30 days' notice, to purchase 1.0% of the 2.0% NSR for \$1,000,000.

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12. General and administrative

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Professional fees	\$ 32,394	\$ 18,075	\$ 45,304	\$ 40,845
Management compensation (note 13)	20,000	-	20,000	-
Reporting issuer costs	1,770	4,771	10,310	9,804
Director fees (note 13)	9,000	-	9,000	-
Shareholder and investors relations	6,483	1,078	8,079	2,427
Office and general	2,018	3,759	3,903	11,459
Bank charges	38	20	91	77
Share-based compensation (note 9(i))	-	19,760	-	19,760
	\$ 71,703	\$ 47,463	\$ 96,687	\$ 84,372

13. Related party disclosures

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

Remuneration of directors and key management personnel (including Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and directors), other than consulting fees, of the Company was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Management compensation and salaries and benefits ⁽¹⁾⁽²⁾	\$ 33,635	\$ 4,635	\$ 38,270	\$ 9,270
Share-based compensation	\$ -	\$ 19,760	\$ -	\$ 19,760

(1) Salaries and benefits include director fees. The Board of Directors and select officers do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services and officers are entitled to fees and stock options for their services. During the year ended December 31, 2019, the directors of the Company have waived their director fees to conserve cash. During the three and six months ended June 30, 2020, \$9,000 was accrued for director fees. As at June 30, 2020, officers and directors (excluding the CFO) were owed \$29,000 (December 31, 2019 - \$2,260) and this amount was included in amounts payable and other liabilities.

(2) The amounts charged are recorded at their fair value.

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Notes to Condensed Interim Financial Statements
Three and Six Months Ended June 30, 2020
(Expressed in Canadian dollars)
(Unaudited)

13. Related party disclosures (continued)

The Company entered into the following transactions with related parties:

	Notes	Three Months Ended June 30,		Six Months Ended June 30,	
		2020	2019	2020	2019
Marrelli Support Services Inc. ("Marrelli Support")	(i)	\$ 4,979	\$ 6,828	\$ 10,456	\$ 13,664
DSA Corporate Services Inc. ("DSA")	(ii)	\$ 1,240	\$ (280)	\$ 1,645	\$ 4,315
Marrelli Press Release Services Limited ("Press Release")	(iii)	\$ -	\$ -	\$ 530	\$ -

(i) During the three and six months ended June 30, 2020, the Company paid professional fees of \$4,979 and \$10,456, respectively (three and six months ended June 30, 2019 - \$6,828 and \$13,664, respectively) to Marrelli Support, an organization of which Carmelo Marrelli is Managing Director. Carmelo Marrelli is the CFO of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. Marrelli Support also provides bookkeeping services to the Company. As at June 30, 2020, Marrelli Support was owed \$30,874 (December 31, 2019 - \$24,745) and this amount was included in amounts payable and other liabilities.

(ii) During the three and six months ended June 30, 2020, the Company paid professional fees of \$1,240 and \$1,645, respectively (three and six months ended June 30, 2019 - \$(280) and \$4,315, respectively) to DSA, an organization of which Carmelo Marrelli controls. Carmelo Marrelli is also the corporate secretary and sole director of DSA. These services were incurred in the normal course of operations for corporate secretarial matters. As at June 30, 2020, DSA was owed \$842 (December 31, 2019 - \$633) and this amount was included in amounts payable and other liabilities.

(iii) During the three and six months ended June 30, 2020, the Company paid professional fees of \$nil and \$530, respectively (three and six months ended June 30, 2019 - \$nil) to Press Release, an organization of which Carmelo Marrelli controls. Carmelo Marrelli is also the corporate secretary and sole director of Press Release. These services were incurred in the normal course of operations for press release matters. As at June 30, 2020, Press Release was owed \$nil (December 31, 2019 - \$470) and this amount was included in amounts payable and other liabilities.

All amounts due to related parties are unsecured, non-interest bearing and due on demand.

14. Commitments

Flow-through shares

Pursuant to the terms of a flow-through share agreement, the Company is in the process of complying with flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of June 30, 2020, the Company is committed to incurring approximately \$26,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2020 arising from the flow-through offerings.

The Government of Canada is considering to extend, by 12 months, the period to incur eligible flow-through share expenses,

CR Capital Corp.

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Three and Six Months Ended June 30, 2020
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15. Subsequent events

(i) On July 20, 2020, the Company closed the first tranche ("First Tranche") of the non-brokered private placement for aggregate gross proceeds of \$814,800. The First Tranche consisted of the sale of 5,810,000 units hard-dollar units ("Units") at a price of \$0.08 per Unit and 3,500,000 flow-through units ("FT Units") at a price of \$0.10 per FT Unit.

Each FT Unit consists of one flow-through common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "FT Warrant"), with each FT Warrant entitling the holder thereof to acquire one additional common share of the Company at a price of \$0.125 for a period of eighteen months following the closing of the offering. Each Unit consists of one common share of the Company and one common share purchase warrant (each a "Warrant"), with each Warrant entitling the holder thereof to acquire one additional common share of the Company at a price of \$0.10 for a period of eighteen months following the closing of the offering.

In connection with the First Tranche eligible finders were paid \$11,760 in cash compensation for their assistance with the First Tranche.

The Units, FT Units and underlying securities are subject to a customary four months and a day hold period.

In connection with the First Tranche, Brian Howlett, President, CEO and Director of the Company, acquired 211,250 Units.

(ii) On July 24, 2020, the Company closed the second and final tranche ("Second Tranche") of the non-brokered private placement for aggregate gross proceeds of \$185,200. The Second Tranche consisted of the sale of 440,000 Units at a price of \$0.08 per Unit and 1,500,000 FT Units at a price of \$0.10 per FT Unit.

In connection with the Second Tranche eligible finders were paid \$1,500 in cash compensation for their assistance with the First Tranche.

The Units, FT Units and underlying securities are subject to a customary four months and a day hold period.