**MOUNTAIN BOY MINERALS LTD.**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**For the three months ended February 29, 2020 and 2019**

Mountain Boy Minerals Ltd.
Suite 410 – 325 Howe Street
Vancouver, BC V6C 1Z7

Trading Symbol: MTB
Telephone: 604-687-3520
Fax: 1-888-889-4874

## NOTICE OF NO AUDITOR REVIEW OF

## INTERIM FINANCIAL STATEMENTS

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

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

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

**MOUNTAIN BOY MINERALS LTD.**
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**
(Expressed in Canadian dollars)

| | Note | February 29, 2020 (Unaudited) | November 30, 2019 (Audited) |
|---|---|---|---|
| **ASSETS** | | | |
| **Current** | | | |
| Cash | | $ 390,625 | $ 169,653 |
| Deferred financing costs | | - | 3,000 |
| Marketable securities | 4 | 420,224 | 561,206 |
| Receivables | 5(f) | 6,026 | 9,447 |
| Due from joint venture partners | 5(b) | - | - |
| Prepaid expenses | | 9,735 | 7,143 |
| | | 826,610 | 750,449 |
| **Non-current** | | | |
| Exploration and evaluation assets | 5 | 14,472,382 | 14,272,224 |
| Reclamation bonds | | 120,954 | 120,954 |
| | | 14,593,336 | 14,393,178 |
| | | $ 15,419,946 | $ 15,143,627 |
| **LIABILITIES** | | | |
| **Current** | | | |
| Trade and other payables | | $ 106,068 | $ 104,075 |
| Due to joint venture partner | 5(b) | - | 50,000 |
| | | 106,068 | 154,075 |
| **Non-current** | | | |
| Deferred tax liabilities | | 3,142,000 | 3,142,000 |
| | | 3,248,068 | 3,296,075 |
| **SHAREHOLDERS' EQUITY** | | | |
| Share capital | 6 | 24,715,588 | 24,338,570 |
| Shares subscriptions | | - | 55,000 |
| Contributed surplus | 6 | 4,331,317 | 4,328,023 |
| Deficit | | (16,875,027) | (16,874,041) |
| | | 12,171,878 | 11,847,552 |
| | | $ 15,419,946 | $ 15,143,627 |

Corporate Information – Note 1
Going Concern – Note 2(c)
Subsequent Events – Note 11

These financial statements were authorized for issue by the Board of Directors on April 16, 2020.
They are signed on the Company's behalf by:

| | | | |
|---|---|---|---|
| *"Mark T. Brown"* | Director | *"Lawrence Roulston"* | Director |
| Mark T. Brown | | Lawrence Roulston | |

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

**MOUNTAIN BOY MINERALS LTD.**
**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**
(Unaudited, expressed in Canadian dollars)

| | Note | For the three months ended February 29 2020 | 2019 |
|---|---|---|---|
| Expenses | | | |
| Accounting and audit fees | | $ 24,322 | $ 22,656 |
| Filing fees | | 3,490 | 3,321 |
| Investor relations | | 9,000 | 9,000 |
| Legal fees | | 214 | 3,734 |
| Management fees | | 17,900 | 4,700 |
| Office and miscellaneous | | 2,383 | 1,951 |
| Shareholder communications | | 5,353 | 5,582 |
| Telephone | | 146 | 116 |
| Transfer agent fees | | 1,245 | 2,794 |
| | | (64,053) | (53,854) |
| Other items | | | |
| Gain on settlement of debt | 5(b) | - | 172,757 |
| Fair value gain (loss) on marketable securities | 4 | 147,019 | (417,436) |
| Realized (loss) on marketable securities | 4 | (84,240) | - |
| Other income | | 288 | 419 |
| | | 63,067 | (244,260) |
| Net loss and comprehensive loss | | $ (986) | $ (298,114) |
| Basic and diluted loss per share | | $ (0.00) | $ (0.01) |
| Weighted average number of shares outstanding | | 35,918,514 | 34,310,382 |

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

**MOUNTAIN BOY MINERALS LTD.**
**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**
(Unaudited, expressed in Canadian dollars)

| | Note | Number of shares | Share capital | Share subscriptions | Contributed surplus | Deficit | Total shareholders' equity |
|---|---|---|---|---|---|---|---|
| **Balance as at November 30, 2018** | | 34,310,382 | $ 24,189,850 | $ - | $ 4,245,063 | $ (15,283,766) | $ 13,151,147 |
| Share issurance costs | | - | (1,480) | - | - | - | (1,480) |
| Net loss and comprehensive loss | | - | - | - | - | (298,114) | (298,114) |
| **Balance as at February 28, 2019** | | 34,310,382 | 24,188,370 | - | 4,245,063 | (15,581,880) | 12,851,553 |
| Share subscription | 6 | - | - | 55,000 | - | - | 55,000 |
| Property option payments | 6 | 760,000 | 150,200 | - | - | - | 150,200 |
| Share-based payments | | - | - | - | 82,960 | - | 82,960 |
| Net loss and comprehensive loss | | - | - | - | - | (1,292,161) | (1,292,161) |
| **Balance as at November 30, 2019** | | 35,070,382 | 24,338,570 | 55,000 | 4,328,023 | (16,874,041) | 11,847,552 |
| Private placements | 6 | 1,040,000 | 260,000 | (55,000) | - | - | 205,000 |
| Share issurance costs | 6 | - | (24,482) | - | 3,294 | - | (21,188) |
| Property option payments | 6 | 600,000 | 141,500 | - | - | - | 141,500 |
| Net loss and comprehensive loss | | - | - | - | - | (986) | (986) |
| **Balance as at February 29, 2020** | | **36,710,382** | **$ 24,715,588** | **$ -** | **$ 4,331,317** | **$ (16,875,027)** | **$ 12,171,878** |

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

**MOUNTAIN BOY MINERALS LTD.**
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**
(Unaudited, expressed in Canadian dollars)

| | For the three months ended February 29 2020 | 2019 |
|---|---|---|
| **Cash provided by (used for):** | | |
| **Operating activities** | | |
| Net loss | $ (986) | $ (298,114) |
| Items not involving cash: | | |
| Gain on settlement of debt | - | (172,757) |
| Fair value loss on marketable securities | (147,019) | 417,436 |
| Realized loss on marketable securities | 84,240 | - |
| Changes in non-cash working capital items: | | |
| Receivables | 3,421 | 343 |
| Deferred financing costs | 3,000 | - |
| Prepaid expenses | (2,592) | (2,153) |
| Trade and other payables | 2,382 | (3,270) |
| Cash used in operating activities | (107,554) | (58,515) |
| **Investing activities** | | |
| Exploration and evaluation assets | (59,047) | (38,951) |
| Proceeds from sale of marketable securities | 203,761 | - |
| Reclamation bonds | - | (63) |
| Cash provided by (used in) investing activities | 144,714 | (39,014) |
| **Financing activities** | | |
| Net proceeds from issuance of common shares | 183,812 | (1,480) |
| Cash provided by (used in) financing activities | 183,812 | (1,480) |
| **Net increase (decrease) in cash** | 220,972 | (99,009) |
| **Cash - beginning of the period** | 169,653 | 160,313 |
| **Cash - end of the period** | $ 390,625 | $ 61,304 |

*Supplemental disclosure with respect to cash flows - Note 8*

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

1. Corporate Information

Mountain Boy Minerals Ltd. (the "Company") is an exploration stage company incorporated on April 26, 1999, under the laws of the Province of British Columbia, Canada. Its principal business activity is the acquisition, exploration and evaluation of mineral properties located in the Province of British Columbia, Canada. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "MTB".

The Company's head office is 410-325 Howe Street, Vancouver, BC V6C 1Z7.

2. Basis of Preparation

a) Statement of Compliance

These 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 IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

b) Basis of Measurement

These condensed interim financial statements have been prepared using the historical cost basis except for financial instruments that have been measured at fair value.

The condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency and presentation currency.

The preparation of condensed interim financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

c) Going Concern

At February 29, 2020, the Company has not generated revenue or cash flow from operations and has an accumulated deficit of $16,875,027 and expects to incur further losses in the exploration and evaluation of its mineral properties. These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has not yet determined whether its mineral properties contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the Company's ability to obtain adequate financing to develop the reserves, and its ability to commence profitable operations in the future. These conditions form a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

To date, the Company has been able to fund its operations and its mineral property exploration programs through equity financings and the sale of a non-core asset. The continued volatility in the equity markets may make it difficult to raise capital through the private placement of shares. The junior mining industry is considered speculative in nature which could make it more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with its financing ventures.

(Unaudited, expressed in Canadian dollars)

2. Basis of Preparation – (continued)

c) Going Concern (continued)

These condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

d) New accounting standards and interpretations

There were no new accounting standards and interpretations which had a material impact on adoption during the three months ended February 29, 2020.

Pronouncements that are not applicable or that do not have a significant impact on the Company have not been included in these condensed interim financial statements.

3. Significant Accounting Policies

These unaudited condensed interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the year ended November 30, 2019.

These unaudited condensed interim financial statements do not include all note disclosures required by IFRS for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended November 30, 2019. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the three-month period ended February 29, 2020 are not necessarily indicative of the results that may be expected for the current fiscal year ending November 30, 2020.

4. Marketable Securities

The Company holds shares of a publicly traded company which are measured and presented at the observable market share price as at the date of the statements of financial position.

| **February 29, 2020** | **Shares** | **Cost** | **Fair value** |
|---|---|---|---|
| Ascot Resources Ltd. | 700,374 | $ 630,337 | $ 420,224 |

| **November 30, 2019** | **Shares** | **Cost** | **Fair value** |
|---|---|---|---|
| Ascot Resources Ltd. | 1,020,374 | $ 918,337 | $ 561,206 |

| | **Three months ended** | |
|---|---|---|
| | **February 29, 2020** | **February 28, 2019** |
| Net changes in fair value on marketable securities through profit or loss: | | |
| Realized loss | (84,240) | - |
| Change in unrealized gain (loss) | 147,019 | (417,436) |

5. Exploration and Evaluation Assets

a) Barbara (BA) and Surprise Creek Properties

By an agreement dated September 21, 2006, the Company acquired a 50% interest in the Barbara property which consists of ten mineral claims situated in the Skeena Mining Division of British Columbia. The Company was required to complete an 800 metre drill program on the property (completed). The property is subject to a 2% net smelter return royalty to a former director of the Company of which 1% may be purchased for $500,000. During the year ended November 30, 2007, the Company acquired the remaining 50% interest in the property.

On January 28, 2010, the Company entered into an option and joint venture agreement with Great Bear Resources Ltd. ("Great Bear") which granted Great Bear the option to acquire up to a 70% interest in the Barbara, Stro, Booze and George Copper properties. On April 1, 2010, the Company received TSX-V approval for the agreement and issued 120,000 common shares valued at $1.00 per share as a finder's fee with respect to this transaction. The agreement gave Great Bear the option to earn an initial 50% interest in the Barbara and George Copper properties by paying $158,000 (paid) and incurring $5,500,000 in exploration expenditures on or before December 31, 2013 (incurred).

The agreement was amended on October 25, 2010 in which Great Bear could earn an additional 20% interest by completing a bankable feasibility study on or before December 31, 2015. Great Bear did not complete a bankable feasibility study by December 31, 2015 and therefore did not execute their option to acquire an additional 20% interest in the properties. In consideration of the amendment, Great Bear included the Surprise Creek Property under the terms of the agreement and the acquisition costs for the Surprise Creek Property were borne entirely by Great Bear, and were applied against the earn-in requirement towards the Barbara Property. The Surprise Creek Property consists of 19 mineral claims situated in the Skeena Mining Division of British Columbia.

On October 18, 2016, the Company and Great Bear amended their agreement and entered into separate joint venture agreements for the Barbara and Surprise Creek Properties. The joint venture agreements set Great Bear as the operator of the Barbara Property and set the Company as the operator of the Surprise Creek Property. Both the Company and Great Bear retain a 50% ownership interest in the Surprise Creek and Barbara Properties.

On June 1, 2017, the Company and Great Bear entered into an additional option agreement in which the Company was granted the option to acquire Great Bear's 50% interest in the Barbara and Surprise Creek properties by issuing a total of 2,000,000 common shares and paying $1,300,000 to Great Bear in stages between the date of TSX-V acceptance of the agreement and August 20, 2020 as follows:

5. Exploration and Evaluation Assets – (continued)

a) Barbara (BA) and Surprise Creek Properties – (continued)

- On signing, Great Bear will receive 500,000 shares (issued)
- $150,000 by August 20, 2017 (paid);
- $150,000 by November 20, 2017 (paid);
- 500,000 shares by April 15, 2018 (issued) and $300,000 by August 20, 2018 (deferred to March 20, 2019 by issuing 120,000 shares; the Company transferred 323,000 common shares of Ascot to Great Bear in lieu of making the $300,000 cash payment (Note 6(e)));
- 500,000 shares by April 15, 2019 (issued) and $350,000 by August 20, 2019 (the Company transferred 425,000 common shares of Ascot to Great Bear in lieu of making the $350,000 cash payment (Note 6(e)));
- 500,000 shares by April 15, 2020 (issued) and $350,000 by August 20, 2020.

In addition, the Company will make cash payments to Great Bear on achieving certain milestones toward establishing an economic resource, which could amount to as much as $3,700,000 were both properties to go into production.

b) Red Cliff Property

The Company had a 100% interest in the Red Cliff claims which are located in the Skeena Mining Division of British Columbia. The Red Cliff property was subject to a 2% net smelter return royalty (“NSR”) of which 1% may be purchased for $1,000,000.

On November 19, 2008, Decade Resources Ltd. (“Decade”), a public company, with a former director in common with the Company acquired a 60% interest in Red Cliff claims by incurring $1,250,000 in exploration expenditures on the Red Cliff Claims. Decade became the operator of the property.

On October 31, 2011, the Company informed Decade that it could not finance its share of exploration expenditures and therefore would have its interest diluted under the terms of the joint venture agreement. At October 31, 2011, the Company owed Decade $435,785 in exploration expenditures related to its 40% interest in the Red Cliff property. Effective November 1, 2011, the Company agreed to dilute its interest by 5% in lieu of the $435,785 thereby reducing its interest to 35%.

On October 23, 2017, Decade and the Company purchased a 1% NSR in the Red Cliff claims whereby the Company paid $3,500 in cash and issued 34,286 common shares for the Company’s 35% interest in the NSR.

On March 28, 2019, Decade and the Company signed a settlement and amending agreement to settle the amount owed by the Company to Decade (net of the receivable from Decade) up to the date of the agreement being $925,000 and such amount shall be paid on or before June 30, 2019. As a result, the Company recorded a gain on settlement of debt of $172,757 during the year ended November 30, 2019. As of November 30, 2019, the Company had a balance payable to Decade of $50,000 (paid during the three months ended February 29, 2020) for joint venture exploration costs on Red Cliff which was included in due to joint venture partner.

During the three months ended February 29, 2020, the Company incurred $2,300 (November 30, 2019: $8,533) in joint venture exploration costs on the Red Cliff property.

(Unaudited, expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)

c) American Creek West Project (formerly Mountain Boy Silver Property)

The Company has a 100% interest in seven mineral claims located in the Skeena Mining Division in the Province of British Columbia.

The claims are subject to a 2% net smelter return royalty which may be purchased for $1,000,000, or one half of it may be purchased for $500,000.

On March 1, 2019, the Company entered into an option agreement to earn 100% interest in the Dorothy Property. To earn the 100% interest, over a four-year period the Company is to pay a total of $120,000 to the optionors plus issue 800,000 common shares as purchase consideration.

| | | Cash | | Shares | | | Cumulative Exploration Work Commitments | |
|---|---|---|---|---|---|---|---|---|
| 5 days from TSXV approval | $ | 5,000 | Paid | 100,000 | Issued | $ | - | |
| March 1, 2020 | | 15,000 | Paid | 100,000 | Issued | $ | 50,000 | Met |
| March 1, 2021 | | 25,000 | | 150,000 | | $ | 125,000 | |
| March 1, 2022 | | 25,000 | | 200,000 | | $ | 200,000 | |
| March 1, 2023 | | 50,000 | | 250,000 | | $ | 500,000 | |
| **TOTAL** | $ | 120,000 | | 800,000 | | | | |

On March 17, 2019, the Company entered into an option agreement to acquire a 100% interest in a portion of the Silver Crown property. Under the agreement with Auramex Resources Corp. (“Auramex”), the Company participated in an underlying option agreement, by which the two companies divide the property based on the relative areas, each taking portions adjacent to existing projects, with Auramex being responsible for 15% of the payments to the underlying owners and the Company being responsible for 85% of the payments.

Auramex and the Company have one director in common with the decision on this agreement determined by the other directors.

The underlying Auramex option of the Silver Crown property is an arm's-length transaction and, in order to exercise the option, Auramex must pay to the vendor a total of $120,000 and 500,000 common shares of Auramex over a four-year period. The vendor retains a 2% net smelter return royalty, of which one-half can be purchased for $1 million until 90 days after the start of commercial production, with an advance royalty commencing in 2026. Auramex is required to keep the property in good standing. The Company is required to pay Auramex back 85% of the payments that Auramex made in cash within 5 business days and for the payments Auramex made in shares, the Company will make an equivalent cash payment based on the value that Auramex records as the transaction.

(Unaudited, expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)

c) American Creek West (formerly Mountain Boy Silver Property) – (continued)

| | Cash | | Shares | |
|---|---|---|---|---|
| March 15, 2019 | $ 10,000 | Paid by Auramex and reimbursed by the Company | - | |
| 5 days from TSXV approval | - | | 100,000 | Issued by Auramex and reimbursed by the Company |
| March 15, 2020 | 15,000 | Paid subsequently | 100,000 | Reimbursed subsequently |
| March 15, 2021 | 20,000 | | 100,000 | |
| March 15, 2022 | 25,000 | | 100,000 | |
| | 50,000 | | 100,000 | |
| **TOTAL** | $ 120,000 | | 500,000 | |

d) More Creek Property

The More Creek property is located in the Skeena Mining Division in the Province of British Columbia. On August 23, 2019, the Company acquired 100% interest in this property through staking and a purchase agreement with a third party by issuing 160,000 common shares of the Company (issued).

e) Other Properties

*Stro, Booze and George Copper Properties*
The Company has a 100% interest in the Stro, Booze and George Copper mineral properties located in the Skeena Mining Division of British Columbia.

As part of the joint venture and option agreement on the Barbara property, the Company granted Great Bear Resources Ltd. the option to acquire up to a 70% interest in the Stro, Booze and George Copper properties. See Note 5(a) – Barbara and Surprise Creek Properties.

5. Exploration and Evaluation Assets – (continued)

e) Other Properties – (continued)

*West George Copper Property*
On August 30, 2017, the Company entered into an option agreement with Auramex Resource Corp. ("Auramex") whereby the Company can earn a 60% interest in West George Copper property as follows:

- On signing, Auramex received $700,000 in portable assessment credits;
- $10,000 cash (paid) and $30,000 of work expenditures before the second anniversary (amended and extended to August 30, 2020);
- $20,000 cash and $50,000 of work expenditures before the third anniversary;
- After earning a 60% interest, each $250,000 of work expenditures will increase the percentage ownership by 5%;
- If the Company earns a 95% interest, the remaining 5% converts to a 1.5% net smelter return royalty;
- Once the option is exercised, Auramex will receive a 2% net smelter return royalty of which 1% can be purchased for $1,000,000.

The property consists of 288 hectares adjacent to the Company's 100% owned George Copper property.

*Manuel Creek Property*
On December 9, 2016, the Company acquired a 100% interest in the Manuel Creek zeolite property located northeast of Keremeos, British Columbia for $15,000.

The Company acquired two claims covering the Manuel Creek zeolite property for $3,500 in April 2018.

On March 5, 2020, the Company signed an agreement to sell its interest in the Manuel Creek property for $30,000 (of which $5,000 was received subsequently). Upon receiving $15,000 from this purchaser, the Company will transfer the title to the purchaser and retain a 3% net smelter royalty ("NSR"). The purchaser may purchase 2% NSR with each 1% of the NSR for an additional $100,000.

f) British Columbia Mining Exploration Tax Credit ("BC METC")
During the three months ended February 29, 2020, the Company received $nil BC METC (year ended November 30, 2019 - $215,032) which was recorded as a reduction of exploration and development costs.

(Expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)

| | Barbara and Surprise Creek | Red Cliff | American Creek West | More Creek | Other Properties | Total |
|---|---|---|---|---|---|---|
| **Property acquisition costs** | | | | | | |
| Balance November 30, 2019 | $ 1,662,495 | $ 201,974 | $ 959,942 | $ 35,876 | $ 53,557 | $ 2,913,844 |
| Property payments | 117,500 | - | 39,000 | - | - | 156,500 |
| Balance February 29, 2020 | 1,779,995 | 201,974 | 998,942 | 35,876 | 53,557 | 3,070,344 |
| **Deferred exploration costs** | | | | | | |
| Balance November 30, 2019 | 4,398,134 | 5,251,939 | 1,745,320 | 36,483 | 141,536 | 11,573,412 |
| Assays | 302 | - | 209 | - | - | 511 |
| Camp costs | - | - | (2,500) | - | - | (2,500) |
| Geological | 12,100 | 2,300 | 24,800 | 4,600 | 300 | 44,100 |
| Helicopter | - | - | 1,547 | - | - | 1,547 |
| | 12,402 | 2,300 | 24,056 | 4,600 | 300 | 43,658 |
| Balance February 29, 2020 | 4,410,536 | 5,254,239 | 1,769,376 | 41,083 | 141,836 | 11,617,070 |
| **Less:** | | | | | | |
| Mining tax credit | - | (215,032) | - | - | - | (215,032) |
| **Total** | $ 6,190,531 | $ 5,241,181 | $ 2,768,318 | $ 76,959 | $ 195,393 | $ 14,472,382 |

(Expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)

| | Barbara and Surprise Creek | Red Cliff | American Creek West | More Creek | Other Properties | Total |
|---|---|---|---|---|---|---|
| **Property acquisition costs** | | | | | | |
| Balance November 30, 2018 | $ 1,027,065 | $ 201,974 | $ 920,547 | $ - | $ 43,557 | $ 2,193,143 |
| Property payments | 635,430 | - | 39,395 | 35,876 | 10,000 | 720,701 |
| Balance November 30, 2019 | 1,662,495 | 201,974 | 959,942 | 35,876 | 53,557 | 2,913,844 |
| **Deferred exploration costs** | | | | | | |
| Balance November 30, 2018 | 4,164,533 | 5,243,406 | 1,583,097 | - | 136,756 | 11,127,792 |
| Assays | 16,235 | - | 14,795 | 2,036 | - | 33,066 |
| Camp costs | 33,406 | 240 | 25,876 | 6,320 | - | 65,842 |
| Drilling | 10,059 | - | - | - | - | 10,059 |
| General and administration | 669 | - | 497 | 85 | - | 1,251 |
| Geological | 127,096 | 8,293 | 101,895 | 19,521 | 1,200 | 258,005 |
| Helicopter | 44,095 | - | 13,387 | 8,160 | - | 65,642 |
| Holding costs | - | - | - | 93 | 3,580 | 3,673 |
| Labour | - | - | 2,000 | - | - | 2,000 |
| Supplies and miscellaneous | 1,889 | - | 1,286 | 39 | - | 3,214 |
| Trucking | 152 | - | 2,487 | 229 | - | 2,868 |
| | 233,601 | 8,533 | 162,223 | 36,483 | 4,780 | 445,620 |
| Balance November 30, 2019 | 4,398,134 | 5,251,939 | 1,745,320 | 36,483 | 141,536 | 11,573,412 |
| **Less:** | | | | | | |
| Mining tax credit BC METC | - | (215,032) | - | - | - | (215,032) |
| **Total** | $ 6,060,629 | $5,238,881 | $ 2,705,262 | $ 72,359 | $ 195,093 | $14,272,224 |

6. Share Capital

a) Authorized

Unlimited common shares without par value

b) Details of issuance of common shares

*During the Three Months Ended February 29, 2020:*

On December 19, 2019, the Company completed a non-brokered private placement by issuing 1,040,000 flow-through shares ("FT Share") at a price of $0.25 per FT Share for gross proceeds of $260,000 (of which $55,000 was received during the year ended November 30, 2019). In connection with the financing, the Company paid $15,000 as a cash finder's fee and issued 60,000 finder's warrants, each of which is exercisable into one common share at a price of $0.25 for a period of 12 months. The finder's warrants were ascribed with a value of $3,294 using the Black-Scholes Option Pricing Model. The Company also incurred an additional $6,188 share issue costs.

On February 25, 2020, the Company issued 500,000 common shares with a fair value of $117,500 to Great Bear pursuant to the June 1, 2017 option agreement (Note 6(a)).

On February 26, 2020, the Company issued 100,000 common shares with a fair value of $24,000 to the optionors for Dorothy Property (Note 6(c)).

*During the Year Ended November 30, 2019:*

The Company issued 100,000 common shares with a fair value of $20,000 to the optionors for an option payment on the Dorothy property (Note 5(c)).

The Company issued 500,000 common shares with a fair value of $95,000 to Great Bear pursuant to the June 1, 2017 option agreement (Note 5(a)).

The Company issued 160,000 common shares with a fair value of $35,200 to purchase the More Creek property (Note 5(d)).

In November 2019, the Company received $55,000 for a non-brokered private placement that closed in December 2019.

(Unaudited, expressed in Canadian dollars)

6. Share Capital – (continued)

c) Warrants

A continuity of warrants for the three months ended February 29, 2020 is as follows:

| Expiry date | Exercise price ($) | November 30, 2019 | Issued | Exercised | Expired | February 29, 2020 |
|---|---|---|---|---|---|---|
| November 19, 2020 | 0.30 | 640,000 | - | - | - | 640,000 |
| Warrants outstanding | | 640,000 | - | - | - | 640,000 |
| Weighted average exercise price ($) | | $ 0.30 | $ - | $ - | $ - | $ 0.30 |

The weighted average remaining life of the outstanding warrants as at February 29, 2020 is 0.72 years (November 30, 2019 – 0.97 years).

A continuity of warrants for the year ended November 30, 2019 is as follows:

| Expiry date | Exercise price ($) | November 30, 2018 | Issued | Exercised | Expired | November 30, 2019 |
|---|---|---|---|---|---|---|
| March 15, 2019 | 0.50 | 728,733 | - | - | (728,733) | - |
| September 25, 2019 | 0.50 | 566,000 | - | - | (566,000) | - |
| September 25, 2019 | 0.65 | 720,000 | - | - | (720,000) | - |
| November 19, 2020 | 0.30 | 640,000 | - | - | - | 640,000 |
| Warrants outstanding | | 2,654,733 | - | - | (2,014,733) | 640,000 |
| Weighted average exercise price ($) | | $ 0.49 | $ - | $ - | $ 0.55 | $ 0.30 |

d) Share Purchase Option Compensation Plan

The Company has a stock option plan under which the maximum number of stock options available for grant cannot exceed 10% of the issued and outstanding common shares of the Company at the date of the grant. Stock options may be granted for a maximum term of five years and expire 90 days from termination of employment or holding office as a director or officer of the Company. Unless otherwise stated, stock options vest when granted.

A continuity of options for the three months ended February 29, 2020 is as follows:

| Expiry date | Exercise price ($) | November 30, 2019 | Issued | Exercised | Expired / forfeited | February 29, 2020 |
|---|---|---|---|---|---|---|
| August 17, 2021 | 0.25 | 240,000 | - | - | - | 240,000 |
| September 7, 2021 | 0.375 | 600,000 | - | - | - | 600,000 |
| July 10, 2023 | 0.40 | 2,160,000 | - | - | - | 2,160,000 |
| July 10, 2024 | 0.21 | 400,000 | - | - | - | 400,000 |
| Options outstanding | | 3,400,000 | - | - | - | 3,400,000 |
| Options exercisable | | 3,000,000 | - | - | - | 3,400,000 |
| Weighted average exercise price ($) | | $ 0.36 | $ - | $ - | $ - | $ 0.36 |

The weighted average remaining life of the outstanding options as at February 29, 2020 is 3.02 years (November 30, 2019 – 3.27 years).

(Unaudited, expressed in Canadian dollars)

6. Share Capital – (continued)

d) Share Purchase Option Compensation Plan – (continued)

A continuity of options for the year ended November 30, 2019 is as follows:

| Expiry date | Exercise price ($) | November 30, 2018 | Issued | Exercised | Expired / forfeited | November 30, 2019 |
|---|---|---|---|---|---|---|
| August 17, 2021 | 0.25 | 240,000 | - | - | - | 240,000 |
| September 7, 2021 | 0.375 | 600,000 | - | - | - | 600,000 |
| July 10, 2023 | 0.40 | 2,160,000 | - | - | - | 2,160,000 |
| July 10, 2024 | 0.21 | - | 400,000 | - | - | 400,000 |
| Options outstanding | | 3,000,000 | 400,000 | - | - | 3,400,000 |
| Options exercisable | | 3,000,000 | 400,000 | - | - | 3,400,000 |
| Weighted average exercise price ($) | | $ 0.38 | $ 0.21 | $ - | $ - | $ 0.36 |

The fair value of the stock options granted during the three months ended February 29, 2020 was $nil. The following table summarizes the assumptions used in the Black-Scholes Option Pricing Model to estimate the fair value of the options:

| | February 29, 2020 | February 28, 2019 |
|---|---|---|
| Risk-free interest rate | Nil | Nil |
| Expected stock price volatility | Nil | Nil |
| Expected option life in years | Nil | Nil |
| Expected dividend yield | Nil | Nil |
| Forfeiture rate | Nil | Nil |
| Share price on grant date | Nil | Nil |

(Unaudited, expressed in Canadian dollars)

6. Share Capital – (continued)

e) Finder's warrants

A continuity of finder's warrants for the three months ended February 29, 2020 is as follows:

| Expiry date | Exercise price ($) | November 30, 2019 | Issued | Exercised | Expired | February 29, 2020 |
|---|---|---|---|---|---|---|
| December 19, 2020 | 0.25 | - | 60,000 | - | - | 60,000 |
| Warrants outstanding | | - | 60,000 | - | - | 60,000 |
| Weighted average exercise price ($) | | $ - | $ 0.25 | $ - | $ - | $ 0.25 |

The weighted average remaining life of the outstanding finder's warrants as at February 29, 2020 is 0.81 years (November 30, 2019 – nil).

The fair value of the finder's warrants issued during the three months ended February 29, 2020 was $3,294. The following table summarizes the assumptions used in the Black-Scholes Option Pricing Model to estimate the fair value of the finder's warrants:

| | February 29, 2020 | February 28, 2019 |
|---|---|---|
| Risk-free interest rate | 1.71% | Nil |
| Expected stock price volatility | 91.67% | Nil |
| Expected warrant life in years | 1 year | Nil |
| Expected dividend yield | Nil | Nil |
| Share price on grant date | $0.195 | Nil |

(Unaudited, expressed in Canadian dollars)

7. Related Party Transactions

Payments to related parties were made in the normal course of operations and were valued at fair value. Amounts due to or from related parties are unsecured, non-interest bearing and due on demand. There are no commitments or guarantees associated with the outstanding balances.

| | | Three months ended | | As at | As at |
|---|---|---|---|---|---|
| | | February 29 | February 28 | February 29 | November 30 |
| Amounts in accounts payable: | Services for: | 2020 | 2019 | 2020 | 2019 |
| Lawrence Roulston | Management fee | $ 30,000 | $ 15,000 | $ - | |
| Rene Bernard | Consulting fee and management fee | 5,000 | - | - | - |
| A private company controlled by a director of the Company [(a)] | Accounting and management services | 27,321 | 22,656 | 6,284 | 8,400 |
| A private company controlled by an officer of the Company [(b)] | Marketing services | 9,000 | 9,000 | - | - |
| A public company with a director in common with the Company [(c)] | Geological services | - | 22,000 | - | - |
| A private company controlled by an officer of the Company [(d)] | Geological services | 24,000 | - | - | - |
| Total | | $ 95,321 | $ 68,656 | $ 6,284 | $ 8,400 |

(a) Mark T. Brown, a director of the Company, is the president of this private company.
(b) Nancy Curry was appointed as the Vice President Corporate Development effective July 3, 2018.
(c) Lawrence Roulston, a director and Chief Executive Officer of the Company, is also a director of this public company.
(d) Lucia Theny, the Vice President Exploration effective April 23, 2019, is a co-owner of this private company where it employs several geologists to provide geological services to the Company.

(Unaudited, expressed in Canadian dollars)

7. Related Party Transactions – (continued)

Key management personnel compensation includes all compensation paid to executive management and members of the board of directors of the Company.

For the three months ended February 29, 2020:

| | Short-term employee benefits | Post-employment benefits | Other long-term benefits | Termination benefits | Other expenses | Share-based payments (1) | Total |
|---|---|---|---|---|---|---|---|
| Lawrence Roulston Chief Executive Officer, Director | $30,000 | $Nil | $Nil | $Nil | $Nil | $Nil | $30,000 |
| Winnnie Wong Chief Financial Officer | $Nil | $Nil | $Nil | $Nil | $Nil | $Nil | $Nil |
| Lucia Theny VP Exploration | $Nil | $Nil | $Nil | $Nil | $Nil | $Nil | $Nil |
| Total: | $30,000 | $Nil | $Nil | $Nil | $Nil | $Nil | $30,000 |

For the three months ended February 28, 2019:

| | Short-term employee benefits | Post-employment benefits | Other long-term benefits | Termination benefits | Other expenses | Share-based payments (1) | Total |
|---|---|---|---|---|---|---|---|
| Lawrence Roulston Chief Executive Officer, Director | $15,000 | $Nil | $Nil | $Nil | $Nil | $Nil | $15,000 |
| Winnnie Wong Chief Financial Officer | $Nil | $Nil | $Nil | $Nil | $Nil | $Nil | $Nil |
| Total: | $15,000 | $Nil | $Nil | $Nil | $Nil | $Nil | $15,000 |

(1) Share-based payments are the fair values of the stock options granted during the three months ended February 29, 2020 and 2019 calculated using the Black-Scholes Option Pricing Model (see Note 6(d)).

## 8. Non-Cash Transactions

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statements of cash flows. The following transactions were excluded from the statements of cash flows:

*During the three months ended February 29, 2020:*

a) The Company issued 500,000 common shares with a fair value of $117,500 to Great Bear for an option payment on the Barbara and Surprise Creek properties and 100,000 common shares with a fair value of $24,000 for an option payment on the Dorothy property.

b) The Company issued 60,000 finder's warrants with a Black-Scholes Option Pricing Model value of $3,294 as share issue costs.

*During the three months ended February 28, 2019:*

a) The Company accrued BC METC of $83,787 which is included in receivables.

## 9. Financial Instruments

The fair values of the Company's financial assets and liabilities approximate their carrying amounts because of their current nature.

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

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

9. Financial Instruments – (continued)

The Company's financial instruments consist of cash, marketable securities, reclamation bonds, and trade and other payables. Cash and marketable securities are measured at fair value through profit and loss. Reclamation bonds are measured at amortized cost. Trade and other payables are measured at amortized cost.

The fair value of the Company's cash and marketable securities is measured using level one of the fair value hierarchy.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

*Credit Risk*
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

*Interest Rate Risk*
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to interest rate risk.

*Liquidity Risk*
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable are all current and due within 90 days of the balance sheet date. At February 29, 2020, the Company had working capital of $720,542 which will provide sufficient capital to meet its short-term financial obligations.

*Market Risk*
Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The sale of financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk in trading its investments, and unfavourable markets conditions could result in dispositions of investments at less than favourable prices. The Company's investments are accounted for at estimated fair values and are sensitive to changes in markets prices, such that changes in market prices results in a proportionate change in the carrying value of the Company's investments.

## 10. Capital Disclosures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue the development of its mineral properties, finance corporate overhead costs, meet obligations as they come due, and to maintain a flexible capital structure which optimizes the cost of capital within a framework at an acceptable risk. In the management of capital, the Company includes the components of shareholders' equity, as well as cash. The Company has no earning and therefore has historically financed its acquisition and exploration activities and corporate overhead costs by the sale of common shares.

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 its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. In order to maximize development efforts, the Company does not pay out dividends.

The Company is dependent on the capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resources markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects. The Company is not subject to any externally imposed capital requirements.

## 11. Subsequent Events

a) On March 17, 2020, the Company granted 250,000 options to a director at an exercise price of $0.25 for a period of five years.

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