Condensed Interim Financial Statements of

WALLBRIDGE MINING COMPANY LIMITED

Three months ended March 31, 2021

(Unaudited)

WALLBRIDGE MINING COMPANY LIMITED

Condensed Interim Statements of Financial Position
(expressed in Canadian Dollars)

(Unaudited)

	Note	March 31, 2021	December 31, 2020
Assets			
Current assets:			
Cash and cash equivalents		$ 70,876,394	$ 85,049,725
Marketable securities	4	654,625	842,643
Amounts receivable	5	11,870,904	11,737,210
Deposits and prepaid expenses		389,116	182,210
		83,791,039	97,811,788
Restricted cash	7	1,441,105	1,441,105
Amounts Receivable	5	16,974,248	10,525,248
Investment in associates		1,228,563	1,228,719
Exploration and evaluation assets	6	220,008,477	210,883,528
Property and equipment		7,518,891	7,266,428
		$ 330,962,323	$ 329,156,816
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable and accrued liabilities		$ 12,998,617	$ 9,729,050
Flow-through premium liability		20,000	20,000
Current portion of provision for closure plan	7	1,180,880	787,277
Current portion of lease liability		127,855	126,380
		14,327,352	10,662,707
Lease liability		66,126	101,058
Provision for closure plan	7	2,502,500	2,956,712
Deferred tax liability		6,325,000	5,592,000
		23,220,978	19,312,477
Equity			
Share capital	9	372,780,623	372,379,125
Warrants		46,385	264,441
Contributed surplus		11,821,190	11,636,743
Deficit		(76,835,835)	(74,364,952)
Accumulated Other Comprehensive Loss		(71,018)	(71,018)
Total Equity		307,741,345	309,844,339
Commitments and contingencies	10, 11		
Subsequent events	11		
		$ 330,962,323	$ 329,156,816

See accompanying notes to condensed interim financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Condensed Interim Statements of Net Loss and Comprehensive Loss
(expressed in Canadian Dollars)

(Unaudited)

		Three months ended March 31,			
	Note		**2021**		**2020**
Other expenses and (income):					
General and administrative expenses		$	1,282,891	$	1,148,167
Unrealized loss on marketable securities			375,518		-
Stock based compensation	*9 (b)*		114,512		16,566
Depreciation of property and equipment			39,895		35,712
Interest income			(77,821)		(259,078)
Other income relating to flow-through share premium			-		(1,101,437)
Interest on lease liability			2,732		14,544
Share of comprehensive loss in investment in associate			156		116
Loss (profit) before income taxes			1,737,883		(145,410)
Deferred tax expense			733,000		2,430,000
Net loss for the period		$	2,470,883	$	2,284,590
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Net change in fair value of long term investment			-		384,718
Total comprehensive loss for the period		$	2,470,883		2,669,308
Weighted average number of common shares - basic and diluted			788,635,216		588,449,327
Net loss per share - basic and diluted		$	0.00		0.00

WALLBRIDGE MINING COMPANY LIMITED

Statements of Changes in Equity
(expressed in Canadian Dollars)

(Unaudited)

	Number of Shares		Share Capital		Warrants		Contributed Surplus		Deficit		Other Comprehensive Loss		Total
Balance, December 31, 2019	**586,997,997**	**$**	**149,440,804**		**422,226**		**8,033,385**		**(54,510,670)**		**(96,180)**	**$**	**103,289,565**
Exercise of warrants	35,000		24,300		(3,300)		-		-		-		21,000
Exercise of stock options	637,500		125,397		-		(46,461)		-		-		78,936
Acquistion of exploration asset	3,000,000		1,320,000		-		-		-		-		1,320,000
Deferred share units vested and shares issued	996,464		812,313		-		(812,313)		-		-		-
Warrants issued for acquisition of exploration asset	-		-		129,500		-		-		-		129,500
Share based compensation	-		-		-		22,311		-		-		22,311
Deferred share units granted	-		-		-		27,500		-		-		27,500
Long term investment - net change in fair value	-		-		-		-		-		(384,718)		(384,718)
Net loss	-		-		-		-		(2,284,590)		-		(2,284,590)
Balance, March 31, 2020	**591,666,961**	**$**	**151,722,814**		**548,426**		**7,224,422**		**(56,795,260)**		**(480,898)**		**102,219,504**
Balance, December 31, 2020	**788,635,216**	**$**	**372,379,125**		**264,441**		**11,636,743**		**(74,364,952)**		**(71,018)**	**$**	**309,844,339**
Exercise of warrants	377,689		377,641		(218,056)		-		-		-		159,585
Exercise of stock options	200,000		23,857		-		(8,857)		-		-		15,000
Share based compensation	-		-		-		132,679		-		-		132,679
Deferred share units granted	-		-		-		60,625		-		-		60,625
Net loss	-		-		-		-		(2,470,883)		-		(2,470,883)
Balance, March 31, 2021	**789,212,905**	**$**	**$ 372,780,623**	**$**	**46,385**	**$**	**11,821,190**	**$**	**(76,835,835)**	**$**	**(71,018)**	**$**	**307,741,345**

See accompanying notes to condensed interim financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Condensed Interim Statements of Cash Flows
(expressed in Canadian Dollars)

(Unaudited)

	Three months ended March 31, 2021	2020
Cash flows from (used in) operating activities:		
Net loss for the period	$ (2,470,883)	$ (2,284,590)
Adjustments for:		
Deferred tax expense	733,000	2,430,000
Depreciation of property and equipment	39,895	35,712
Unrealized loss on marketable securities	375,518	-
Other income relating to flow-through share premium	-	(1,101,437)
Share based compensation	114,512	16,566
Share of comprehensive loss in investment in associate	156	116
Interest on lease liability	2,732	14,544
Closure plan disbursements	(60,609)	(157,786)
Changes in non-cash working capital:		
Amounts receivable	(133,694)	(370,982)
Deposits and prepaid expenses	(206,906)	(161,188)
Accounts payable and accrued liabilities	722,984	(87,756)
	(883,295)	(1,666,801)
Cash flows from (used in) financing activities:		
Exercise of stock options	15,000	78,936
Exercise of warrants	159,585	21,000
Lease payments	(36,188)	(472,898)
	138,397	(372,962)
Cash flows from (used in) investing activities:		
Exploration and evaluation assets expenditures	(11,388,054)	(8,662,388)
Acquistion of equipment	(2,079,093)	(389,796)
Exploration and evaluation assets cost recoveries	38,714	-
Deferred costs	-	(131,456)
	(13,428,433)	(9,183,640)
Net decrease in cash and cash equivalents	(14,173,331)	(11,223,403)
Cash and cash equivalents, beginning of the period	85,049,725	57,093,881
Cash and cash equivalents, end of the period	$ 70,876,394	$ 45,870,478
Summary of non-cash transactions:		
Exploration expenditures - change in accounts payable and accrued liabilities	$ 4,099,899	$ 213,712
Exploration expenditures - capitalized depreciation of equipment	294,045	118,078
Exploration asset acquisition - warrants and shares issued	-	1,449,500
Exploration expenditures - capitalized stock based compensation	18,167	5,745
Exploration recoveries included in amounts receivable	-	1,348,456
Exploration asset - option payment received in marketable securities	187,500	-
Property and Equipment purchases - changes in accounts payable	1,492,690	130,050
Settlement of accounts payable with deferred stock units	60,625	27,500

See accompanying notes to condensed interim financial statements.

1. Nature of operations:

Wallbridge Mining Company Limited ("Wallbridge" or the "Company") is incorporated under the laws of Ontario and is engaged in the acquisition, discovery, development and production of metals focusing on gold, copper, nickel and platinum group metals. The Company's head office is located at 129 Fielding Road in Lively, Ontario, Canada.

2. Basis of presentation:

(a) Statement of compliance:

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting. The accounting policies used in the preparation of these unaudited condensed interim financial statements are consistent with those used in the annual financial statements for the year ended December 31, 2020. These statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended December 31, 2020.

(b) Judgments and estimates:

Preparing the condensed interim financial statements requires Management to make certain judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these unaudited condensed interim financial statements, significant judgments and estimates made by Management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended December 31, 2020.

(c) Functional and presentation currency:

These unaudited condensed interim financial statements are presented in Canadian dollars which is the Company's functional currency.

3. Recent accounting pronouncements:

(a) IAS 16, Property, Plant and Equipment

The IASB issued an amendment to IAS 16, Property, Plant and Equipment, to prohibit the deducting from property, plant and equipment amounts received from selling items produced while preparing an asset for its intended use. Instead, sales proceeds and its related costs must be recognized in profit or loss. The amendment will require companies to distinguish between costs associated with producing and selling items before the item of property, plant and equipment is available for use and costs associated with making the item of property, plant and equipment available for its intended use. The amendment is effective for annual periods beginning on or after January 1, 2022, with earlier application permitted. The Company anticipates no impact to the financial statements as a result of this amendment.

(b) IAS 1, Presentation of Financial Statements

The IASB issued an amendment to IAS 1, Presentation of Financial Statements, to clarify one of the requirements under the standard for classifying a liability as non-current in nature, specifically the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendment includes:

- Specifying that an entity's right to defer settlement must exist at the end of the reporting period;
- Clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement;
- Clarifying how lending conditions affect classification; and
- Clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The Company anticipates no impact to the financial statements as a result of this amendment.

4. Fair value of financial instruments:

Financial assets and liabilities are grouped into three levels based on significant inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

Carrying values for cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities approximates their fair value due to their short term maturities.

At March 31, 2021, the Company holds investments in Ready Set Gold Corp., Goldseek Resources Inc., and CBLT Inc. which are classified as marketable securities and carried at FVTPL and classified as level 1 at $654,625 (December 31, 2020 - $842,643).

The Company's lease liabilities are classified as level 2. The fair values of lease liabilities are calculated using discounted cash flows based on the cost of borrowing.

(expressed in Canadian Dollars)

5. Amounts receivable:

	March 31, 2021	December 31, 2020
Harmonized Sales Tax and Quebec Sales Tax	$ 1,382,417	$ 984,135
Quebec tax credits	27,087,369	20,638,369
Other receivables	375,366	639,954
	$ 28,845,152	$ 22,262,458
Current portion of amounts receivable	(11,870,904)	(11,737,210)
	$ 16,974,248	$ 10,525,248

The Company is entitled to refundable tax credits and tax credits on qualified exploration expenditures incurred in Quebec. Of the $27,087,369 Quebec tax credits on qualified exploration expenditures incurred in Quebec, $6,449,000 relates to 2021 expenditures, $10,525,248 relates to 2020 expenditures, and $10,113,121 relates to 2019 and 2018 expenditures.

The Company has claimed certain government assistance relating to exploration expenditures incurred in Quebec in 2018 of approximately $394,000 which has not been recorded as there is no history of receipt and the Company does not have reasonable assurance as to its collection.

(expressed in Canadian Dollars)

6. Exploration and evaluation assets:

Total exploration and evaluation expenditures are detailed as follows:

	Balance December 31 2020	Expenditures	Disposition/ Recovery	Balance, March 31, 2021
Fenelon Gold Property (a)	$ 102,876,588	15,447,755	(6,449,000)	111,875,343
Martinière (b)	28,022,654	8,352	-	28,031,006
Grasset (c)	27,722,680	214,181	-	27,936,861
Detour East (d)	14,082,918	3,003	-	14,085,921
Hwy 810	4,412,159	13,300	-	4,425,459
Other Quebec Properties (e)	16,675,477	52,859	-	16,728,336
Beschefer (f)	1,105,000	3,454	(187,500)	920,954
Sudbury Properties subject to Loncan exploration joint venture agreements	12,056,396	53,914	(38,714)	12,071,596
Other Sudbury Properties	3,300,871	165	-	3,301,036
Other Ontario Properties	628,785	3,180	-	631,965
	$210,883,528	15,800,163	(6,675,214)	220,008,477

(expressed in Canadian Dollars)

6. Exploration and evaluation assets (continued):

	Balance December 31, 2019	Acquisitions [1]	Expenditures	Impairment	Disposition/ Recovery	Balance, December 31, 2020
Fenelon Gold Property (a)	$ 30,950,891	52,115,927	34,181,215	-	(14,371,445)	$102,876,588
Martinière (b)	-	28,014,000	8,654	-	-	28,022,654
Grasset (c)	-	27,627,000	95,680	-	-	27,722,680
Detour East (d)	-	14,073,000	9,918	-	-	14,082,918
Hwy 810	-	13,577,000	1,083	(9,165,924)	-	4,412,159
Other Quebec Properties (e)	-	16,527,000	148,477	-	-	16,675,477
Beschefer (f)	-	2,108,700	6,235	(1,009,935)	-	1,105,000
Sudbury Properties subject to Loncan exploration joint venture agreements	12,048,999	-	269,286		(261,889)	12,056,396
Other Sudbury Properties	3,282,411	-	18,460	-	-	3,300,871
Other Ontario Properties	-	1,575,629	108,155	(1,201)	(1,053,798)	628,785
	$46,282,301	155,618,256	34,847,163	(10,177,060)	(15,687,132)	$210,883,528

[1] *Acquisitions of $153,509,556 are pursuant to the Balmoral transaction and $2,108,700 is the acquisition of Beschefer.*

(a) Fenelon Gold Property:

Fenelon Gold is located in the Nord-du-Québec administrative region, approximately 75 km west-northwest of the town of Matagami, in the province of Québec, Canada. In May 2020, Wallbridge acquired the surrounding properties to Fenelon Gold from Balmoral. Wallbridge owns a 100% undivided interest in Fenelon Gold including the newly acquired surrounding properties, together called Fenelon Gold. Fenelon Gold is subject to three separate royalties equaling to 4% net smelter return royalty (“NSR”) on any future production on 19 claims and one lease and subject to 0% to 1% NSR on any future production on the remaining claims. Buyout provisions exist for a portion of these royalties.

Included in the first quarter of 2021 expenditures of $15,447,755 are $15,135,543 of exploration costs, depreciation of capital assets of $294,045, and stock option expense of $18,167. Recovery of $6,449,000 is from Quebec refundable tax credits relating to 2021 expenditures in the three months ended March 31, 2021.

6. Exploration and evaluation assets (continued):

(a) Fenelon Gold Property (continued):

Included in the 2020 expenditures of $34,181,215 are $24,945,140 relating to surface exploration, $8,532,928 of site operations and underground exploration costs, depreciation of capital assets of $580,878, and stock option expense of $122,269. Recovery of $14,371,445 is related to Quebec Tax Credits.

(b) Martinière, Quebec:

The Martinière project is located approximately 110 km west of the town of Matagami and is part of the Detour-Fenelon Gold Trend land package. The Company owns 100% interest in the Martinière property.

There is a 2% net smelter return ("NSR") royalty on the majority of the Martinière property and payable on commencement of commercial production.

(c) Grasset, Quebec:

The Company owns 100% interest in the Grasset Property. The Grasset property is located immediately east of and adjoins the Fenelon Property. There are no underlying royalties on the Grasset Property.

(d) Detour East, Quebec:

The Company owns a 100% interest in the Detour East Property, except for 18 claims, which are in a 63% / 37% participatory joint venture with Encana Corp. and for which the Company is the operator. There is a NSR royalty of 2%, which relates to the entirety of the property, payable to a former property owner, which may be repurchased at any time for $1,000,000 for the first 50% of the NSR interest and $2,000,000 for the remainder.

6. Exploration and evaluation assets (continued):

(d) Detour East, Quebec (continued):

On November 23, 2020, the Company entered into an option agreement ('the Detour Option Agreement") with a wholly owned subsidiary of Kirkland. Under the terms of the Detour Option Agreement, the Company granted Kirkland the option to acquire up to an undivided 50% interest in Detour East by funding expenditures of $7,500,000 over five years, with a minimum commitment of $2,000,000 in the first two years ($500,000 by the first anniversary and $1,500,000 by the second anniversary of entering into the agreement). During the option period, Kirkland shall have the right to act as operator of Detour East. Upon satisfaction of the Detour East option, the Company and Kirkland shall form a joint venture on Detour East with Kirkland acting as the operator. Upon the formation of the joint venture, Kirkland will hold the right to acquire an additional 25% interest in Detour East by incurring additional expenditures of $27,500,000 within the first five years of the formation of the joint venture. Upon Kirkland having incurred additional expenditures of $27,500,000, Kirkland shall have earned an undivided 75% interest in Detour East. After Kirkland has earned an undivided 75% interest any additional funds required will be contributed by the joint venture parties based on their then proportional interests. Should either the Company or Kirkland elect not to fund a program, its joint venture interest will be diluted pro-rata. If either the Company or Kirkland commit to fund a program, and fails to contribute its share of the funding, their joint venture interest will be diluted at three times the pro-rata rate.

(e) Other Quebec Properties:

On March 16, 2021, the Company and Midland Exploration Inc. amended the agreement on the Casault property to change the initial spending requirement of $750,000 by June 30, 2021 to $1,250,000 by December 31, 2021, and $500,000 to be spent by June 30, 2022 such that $1,750,000 is to be incurred by June 30, 2022.

The Company has incurred $76,124 of expenditures towards the December 31, 2021 commitment of $1,250,000.

(expressed in Canadian Dollars)

6. Exploration and evaluation assets (continued):

(f) Beschefer:

On February 26, 2021, the Company entered into an option agreement with Goldseek Resources Inc. ("Goldseek") for Goldseek to earn a 100% interest in the Beschefer Property, located in the province of Quebec. Goldseek can exercise its option by incurring aggregate expenditures and issuing shares in Goldseek over a four year period as follows:

	Expenditures	Common shares to be issued
Upon execution of the agreement	$ -	750,000
On or before February 26, 2022	500,000	750,000
On or before February 26, 2023	750,000	750,000
On or before February 26, 2025	1,750,000	2,033,672
	$3,000,000	4,283,672

The Company received 750,000 common shares of Goldseek on March 9, 2021. The shares are subject to a four month hold period. In accordance with the Company's accounting policy, this amount was credited to the related exploration and evaluation asset. The Company does not record any expenditures made by Goldseek.

Goldseek may accelerate its expenditures and the option will be effectively exercised when they have incurred expenditures which total $3,000,000 and issue 4,283,672 common shares.

(expressed in Canadian Dollars)

7. Provision for Closure Plans:

Provision for closure plan, December 31, 2019	$ 2,688,759
Change in estimate of closure plan expenditure on Broken Hammer	2,676,646
Provision for Martinière property reclamation, arising on the acquisition of Balmoral	100,000
Closure plan expenditures relating to Broken Hammer during the year	(1,721,416)
Provision for closure plans, December 31, 2020	$ 3,743,989
Closure plan expenditures relating to Broken Hammer during the three months ended March 31, 2021	(60,609)
	$ 3,683,380
Current portion, March 31, 2021	(1,180,880)
Provision for closure plan, March 31, 2021, long term	$ 2,502,500

The key assumptions applied for determination of the obligation were an inflation rate of 1.5% and a discount rate of 0.5% (December 31, 2020 - an inflation rate of 1.5% and a discount rate of 0.5%). The Broken Hammer mine has been in a state of inactivity since 2015 and closure plan activities have been ongoing. The long term balance of $1,412,640 for the Broken Hammer Project is expected to be incurred between 2022 and 2032 and the $1,089,860 on the Fenelon Gold property is expected to be incurred between 2024 and 2029. The closure plan liability at Fenelon Gold is based on the current closure plan which may be required to be amended based on future activities on the property.

At March 31, 2021 and December 31, 2020, the Company has one-year renewable letters of credit, secured by cash and cash equivalents, of $1,441,105 supporting the closure plans. At March 31, 2021, the estimated provision payable for the costs relating to the closure plan for the Broken Hammer project is $2,493,520, the Fenelon Gold Property is $1,089,860 and the Martinière property of $100,000 (December 31, 2020 - $2,554,129, $1,089,860, and $100,000 respectively).

(expressed in Canadian Dollars)

8. Related party transactions:

The Company had the following transactions with related parties:

	Three months ended March 31, 2021	2020
Lonmin Canada Inc. ("Loncan") (a)		
Recovery of costs billed to Loncan plus 10% fee	$ (52,648)	$ (58,159)
William Day Construction Limited ("William Day") (b)		
Closure plan expenditures – Broken Hammer	-	22,750
Gemibra Media (c)		
Social media services	13,100	-

(a) The Company owns 17.8% of Loncan (December 31, 2020 – 17.8%). Effective October 28, 2019, the Company has an operatorship agreement with Loncan and receives a 10% fee on exploration expenditures incurred in Loncan, three directors of the Company and William Day are minority shareholders of Loncan, and the Company has representation on the board of directors of Loncan. At March 31, 2021, the Company has a receivable from Loncan of $245,796 (December 31, 2020 - $196,276). These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

(b) Shawn Day is a director and the President of William Day, and became a director of the Company in 2017. William Day provided services to the Company as noted above. At March 31, 2021, the Company has a payable of $nil to William Day (December 31, 2020 - $6,924) . These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

As part of the consideration for granting a loan to the Company in 2016, the Company entered into a cooperation agreement granting William Day the right of first opportunity to bid on commercially reasonable terms, all contracts relating to the construction of surface facilities, and transportation services for mining operations.

(c) A principal of Gemibra Media is a close family member of Marz Kord, the President and CEO, and director of the Company. At March 31, 2021, the Company has a payable to Gemibra Media of $4,520 (December 31, 2020 - $2,500). In October 2020, the Company entered into an agreement for Gemibra Media to provide social media services at $2,500 per month for a term of six months. In March 2021, the Company entered into two agreements to provide social media, website and video production services for a total of $4,000 per month for a term of ten months. These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

(expressed in Canadian Dollars)

9. Shareholders' equity:

(a) Share capital transactions:

	Number of shares	Share capital
Balance, December 31, 2020	788,635,216	$372,379,125
Shares issued upon exercise of warrants (i)	377,689	377,641
Shares issued upon exercise of stock options (ii)	200,000	23,857
Balance, March 31, 2021	789,212,905	$372,780,623

(i) During the three months ended March 31, 2021, 377,689 common shares were issued upon exercise of warrants at an exercise price of $0.42 for total proceeds of $159,585. Value of the warrants exercised of $218,056 are included in share capital.

(ii) During the three months ended March 31, 2021, 200,000 common shares were issued upon exercise of stock options at an average exercise price of $0.075 for total proceeds of $15,000. Value of the stock options exercised of $8,857 are included in share capital.

(b) Share Based Compensation Plan:

A summary of the Company's stock options are as follows:

	March 31, 2021		December 31, 2020	
Stock Options	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, beginning of period	9,519,724	$0.588	4,855,000	$0.165
Replacement stock options	-	-	6,871,647	$0.70
Granted	4,294,200	$0.64	1,423,000	$0.92
Cancelled	-	-	(12,000)	$0.93
Exercised	(200,000)	$0.075	(3,568,423)	$0.34
Expired unexercised	(734,850)	$0.85	(49,500)	$0.343
Outstanding, end of period	12,879,074	$0.60	9,519,724	$0.588

(expressed in Canadian Dollars)

9. Shareholders' equity (continued):

(b) Share Based Compensation Plan (continued):

At March 31, 2021, 7,885,374 stock options were exercisable (December 31, 2020 – 8,820,224). The weighted average exercise price of options exercisable at March 31, 2021 is $0.55 per share (December 31, 2020 - $0.56). The weighted average remaining contractual life of stock options outstanding is 4.2 years (December 31, 2020 – 2.83 years).

For the three months ended March 31, 2021 $114,512 (three months ended March 31, 2020 - $16,566) of expense relating to stock options was recorded in share based compensation, and $18,167 (three months ended March 31, 2020 - $5,745) was capitalized to exploration and evaluation assets.

On March 19, 2021, 4,294,200 stock options were granted at an exercise price of $0.64 which will expire on March 19, 2028. The stock options will vest over three years (1,431,400 per year) on March 19, 2022, March 19, 2023, and March 19, 2024. The fair value of stock options granted during the three months ended March 31, 2021 has been estimated using the Black-Scholes pricing model to be $1,391,321 or $0.324 per common share.

The assumptions used in the pricing model are as follows:

	March 31, 2021	December 31, 2020
Estimated risk free interest rate	0.58%	0.29% to 0.31%
Expected life	3.2 years	3.2 to 3.5 years
Expected volatility *	84.2%	87.9% to 94.9%
Expected dividends	$Nil	$Nil
Forfeiture rate *	3.3%	3.3%

* The expected volatility used was based on the historical volatility of the Company's share price over a period equivalent to the expected life of the options prior to their grant date. The forfeiture rate is based on historical rate of forfeitures at the time of stock option grant.

(expressed in Canadian Dollars)

9. Shareholders' equity (continued):

The following table summarizes the stock options outstanding at March 31, 2021:

Exercise Price	Number	Exercisable	Expiry Date
$1.270	124,250	124,250	November 7, 2021
$0.990	248,500	248,500	December 23, 2021
$1.100	1,269,124	1,269,124	March 2, 2022
$0.085	105,000	105,000	June 5, 2022
$0.075	100,000	100,000	November 9, 2022
$0.075	450,000	450,000	July 5, 2023
$0.250	191,700	191,700	September 7, 2023
$0.165	400,000	400,000	December 7, 2023
$0.155	1,475,000	1,475,000	January 3, 2024
$0.175	200,000	200,000	January 28, 2024
$0.250	624,800	624,800	April 12, 2024
$0.420	200,000	200,000	July 21, 2024
$0.785	200,000	200,000	December 8, 2024
$0.660	1,597,500	1,597,500	January 30, 2025
$0.930	1,299,000	649,500	May 11, 2025
$0.770	100,000	50,000	December 12, 2025
$0.640	4,294,200	-	March 19, 2028
Outstanding options	12,879,074	7,885,374	

A summary of the Company's Deferred Stock Units ("DSUs") are as follows:

	March 31, 2021	December 31, 2020
DSUs	Number	Number
Outstanding, beginning of year	6,420,004	7,211,107
Granted	77,924	205,361
Exercised	-	(996,464)
Outstanding, end of year	6,497,928	6,420,004

In January 2021, a total of 77,924 DSUs were granted to the directors of the Company in settlement of 2020 directors' fees owing of $60,625. In April 2021, 104,332 DSUs were granted to the directors of the Company in settlement of the first quarter of 2021 directors fees owing of $66,250.

(expressed in Canadian Dollars)

9. Shareholders' equity (continued):

(c) Share purchase warrants:

Each warrant entitles the holder to purchase one common share.

At March 31, 2021, the Company has reserved shares for issuance as follows:

	March 31, 2021		December 31, 2020	
Warrants	Number	Average Price	Number	Average Price
Outstanding, beginning of period	4,088,423	$0.49	6,591,591	$0.60
Issued	-	-	500,000	$1.00
Replacement warrants	-	-	4,941,220	$0.40
Exercised	(377,689)	$0.42	(7,944,388)	$0.56
Outstanding, end of period	3,710,734	$0.50	4,088,423	$0.49

No warrants were issued during the three months ended March 31, 2021.

The following table summarizes the warrants outstanding and exercisable at March 31, 2021:

Number	Exercise Price	Expiry Date
85,296	$0.42	April 25, 2021 [(1)]
3,125,438	$0.42	May 8, 2021 [(2)]
500,000	$1.00	March 17, 2025
3,710,734		

(1) 85,296 warrants were exercised in April 2021.

(2) 3,208,249 warrants were exercised in April and May 2021 and 2,485 warrants expired unexercised on May 8, 2021

10. Commitments and contingencies:

Contingencies:

Various legal, tax and environmental matters are outstanding from time to time due to the nature of the Company's operations. While the final outcome with respect to actions outstanding or pending at March 31, 2021 cannot be predicted with certainty, it is management's opinion that it is more likely than not that these actions will not result in the outflow of resources to settle the obligation; therefore, no amounts have been accrued.

Commitments:

- The Company has a commitment of flow-through share expenditures of approximately $238,000.

- In December 2020, the Company signed an agreement with McGill University to sponsor a research project on the Detour Fenelon gold district for $240,000 which is payable at $60,000 per year for four years. The first payment was made in January 2021.

11. Subsequent Events:

On April 15, 2021, the Company completed a "bought deal" public offering through the issuance of an aggregate of 21,063,400 flow-through common shares of the Company at a price of $0.95 (the “Offering Price”) per flow-through share for gross proceeds of $20,010,230 to the Company, inclusive of the full exercise of the over-allotment option by the Underwriters to acquire an additional 2,747,400 flow-through shares at the Offering Price. The flow-through shares were issued and sold pursuant to the terms of an underwriting agreement dated March 31, 2021. The Underwriters were paid a cash commission of 5.5% on the gross proceeds of the Offering.

In connection with the Offering, Kirkland Lake Gold Inc. (“Kirkland Lake”) was a back-end buyer and acquired 2,085,277 Common Shares to maintain its ownership interest in the Company at approximately 9.9% (on a non-diluted basis) in accordance with the non-dilution rights granted to Kirkland Lake by the Company pursuant to a participation agreement between the Company and Kirkland Lake dated December 6, 2019.

In respect of the Offering, the flow-through shares were offered by way of a short form prospectus dated April 12, 2021, filed in all of the provinces of Canada.

The flow-through shares will qualify as "flow-through shares" within the meaning of subsection 66(15) of the Income Tax Act (Canada) and, in respect of eligible Quebec resident purchasers, section 359.1 of the Taxation Act (Quebec). The gross proceeds from the sale of the flow-through shares will be used to support the Company’s 170,000 metre drill program in 2021 at the Fenelon Project, which will qualify as “Canadian exploration expenses” ("CEE") and “flow-through mining expenditures”, both within the meaning of the Income Tax Act (Canada). The Company will renounce such CEE with an effective date of no later than December 31, 2021.