



**Condensed Consolidated Interim Financial Statements of**

**WEST VAULT MINING INC.**  
**(formerly West Kirkland Mining Inc.)**

**For the period ended September 30, 2020**  
*(Expressed in Canadian dollars)*

Office:  
Suite 838  
1100 Melville Street  
Vancouver, BC V6E 4A6  
Canada

TSXV: WVM  
Phone: (604) 685-8311  
Fax: (604) 484-4710  
[info@westvaultmining.com](mailto:info@westvaultmining.com)  
[www.westvaultmining.com](http://www.westvaultmining.com)

Under National Instrument 51-102, "Continuous Disclosure Obligations", 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 the financial statements have not been reviewed by an auditor.

The Company's external auditors, Deloitte LLP, have not performed a review of these financial statements.

November 24, 2020

**West Vault Mining Inc.**  
**Consolidated Statements of Financial Position**  
(Expressed in Canadian dollars)

	September 30, 2020	December 31, 2019
<b>Assets</b>		
<b>Current:</b>		
Cash	\$ 2,627,927	\$ 51,642
Accounts receivable	31,986	45,201
Prepaid expenses and deposits	40,737	23,924
<b>Total current assets</b>	<b>2,700,650</b>	<b>120,767</b>
Non-current assets:		
Reclamation bond (Note 3)	212,437	210,854
Property and equipment	4,187	8,155
Mineral properties (Note 4)	44,504,258	42,379,795
<b>Total assets</b>	<b>\$ 47,421,532</b>	<b>\$ 42,719,571</b>
<b>Liabilities and Equity</b>		
<b>Current:</b>		
Accounts payable and accrued liabilities	\$ 200,522	\$ 217,794
<b>Total current liabilities</b>	<b>200,522</b>	<b>217,794</b>
Non-current liabilities:		
Reclamation provision	73,795	71,853
<b>Total liabilities</b>	<b>\$ 274,317</b>	<b>\$ 289,647</b>
<b>Equity:</b>		
Share capital (Note 5)	\$ 74,675,160	\$ 56,629,650
Warrant reserve	311,323	-
Share based payment reserve (Note 5)	2,504,618	707,874
Foreign currency translation reserve	7,274,207	6,034,285
Deficit (Note 4)	(37,618,093)	(22,093,543)
<b>Total shareholders' equity attributable to the shareholders of West Vault Mining Inc.</b>	<b>\$ 47,147,215</b>	<b>\$ 41,278,266</b>
Non-controlling interest	-	1,151,658
<b>Total shareholders' equity</b>	<b>47,147,215</b>	<b>42,429,924</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 47,421,532</b>	<b>\$ 42,719,571</b>

Going Concern (Note 1)  
Commitments and contingencies (Note 10)  
Subsequent Events (Note 11)

The accompanying notes are an integral part of these consolidated financial statements.

Approved by the Board of Directors and authorized for issue on November 24, 2020.

/s/ R. Michael Jones  
Director

/s/ Kevin Falcon  
Director

**West Vault Mining Inc.**  
**Consolidated Statements of Loss and Comprehensive Loss (Income)**  
(Expressed in Canadian dollars)

	<b>Three months ended September 30, 2020</b>	Three months ended September 30, 2019	<b>Nine months ended September 30, 2020</b>	Nine months ended September 30, 2019
<b>Expenses</b>				
Salaries and benefits	\$ 124,746	\$ 42,140	\$ 220,734	\$ 119,786
Professional Fees	58,145	33,944	94,319	69,595
Shareholder relations	27,175	5,890	63,401	25,370
Office and general	23,163	17,165	61,405	50,277
Consulting fees	16,500	16,500	49,500	49,500
Filing and transfer agent fees	12,674	8,837	45,707	39,312
Travel	-	264	2,368	9,810
Share-based compensation expense	1,640,048	-	1,640,048	-
Write down of exploration project (Note 6)	-	1,002,524	-	1,002,524
Loss before finance and other income	<b>1,902,451</b>	1,127,264	<b>2,177,482</b>	1,366,174
<b>Finance and Other Income</b>				
Interest income	<b>(2,383)</b>	(3,233)	<b>(6,468)</b>	(15,979)
<b>Net loss</b>	<b>\$ 1,900,068</b>	\$ 1,124,031	<b>\$ 2,171,014</b>	\$ 1,350,195
<b>Item that may be subsequently reclassified to net loss</b>				
Exchange differences on translating foreign operations	<b>937,476</b>	(520,487)	<b>(1,266,095)</b>	1,300,126
<b>Comprehensive (income) loss for the period</b>	<b>\$ 2,837,544</b>	\$ 603,544	<b>\$ 904,919</b>	\$ 2,650,321
Loss attributable to:				
Shareholders of West Vault Mining	\$ 1,898,014	\$ 1,122,064	\$ 2,168,867	\$ 1,348,134
Non-controlling interest	2,054	1,967	2,147	2,061
Net Loss	<b>\$ 1,900,068</b>	\$ 1,124,031	<b>\$ 2,171,014</b>	\$ 1,350,195
Comprehensive (income) loss attributable to:				
Shareholders of West Vault Mining	\$ 2,871,501	\$ 611,853	\$ 883,958	\$ 2,564,798
Non-controlling interest	<b>(33,957)</b>	(8,309)	<b>20,961</b>	85,523
Comprehensive (Income) Loss	<b>\$ 2,837,544</b>	\$ 603,544	<b>\$ 904,919</b>	\$ 2,650,321
Basic and diluted loss per share	<b>\$ 0.04</b>	\$ 0.03	<b>\$ 0.05</b>	\$ 0.03
<b>Weighted average number of common shares outstanding:</b>				
Basic and diluted	<b>50,642,119</b>	36,846,839	<b>45,129,064</b>	40,860,178

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

**West Vault Mining Inc.**  
**Consolidated Statements of Changes in Equity**  
(Expressed in Canadian dollars)

	<u>Share Capital</u>		Warrant Reserve	Share Based Payment Reserve	Foreign Currency Translation Reserve	Deficit	Attributable to the Shareholders of the Parent Company	Non-Controlling Interest	Total
	Number	Amount							
Balance at December 31, 2018	40,846,838	\$ 56,616,352	\$ 4,418,817	\$ 1,185,845	\$ 8,122,346	\$ (25,502,797)	\$ 44,840,563	\$ 920,060	\$ 45,760,623
Share issuance – water rights (Note 5)	20,459	13,298	-	-	-	-	13,298	-	13,298
Expired stock options	-	-	-	(477,971)	-	477,971	-	-	-
Expired warrants	-	-	(4,418,817)	-	-	4,418,817	-	-	-
Contributions for project costs	-	-	-	-	-	-	-	241,586	241,586
Other comprehensive loss	-	-	-	-	(1,216,664)	-	(1,216,664)	(83,462)	(1,300,126)
Net loss	-	-	-	-	-	(1,348,134)	(1,348,134)	(2,061)	(1,350,195)
<b>Balance September 30, 2019</b>	<b>40,867,297</b>	<b>\$ 56,629,650</b>	<b>\$ -</b>	<b>\$ 707,874</b>	<b>\$ 6,905,682</b>	<b>\$ (21,954,143)</b>	<b>\$ 42,289,063</b>	<b>\$ 1,076,123</b>	<b>\$ 43,365,186</b>
Contributions for project costs	-	-	-	-	-	-	-	38,280	38,280
Other comprehensive income	-	-	-	-	(871,397)	-	(871,397)	37,293	(834,104)
Net loss	-	-	-	-	-	(139,400)	(139,400)	(38)	(139,438)
<b>Balance December 31, 2019</b>	<b>40,867,297</b>	<b>\$ 56,629,650</b>	<b>\$ -</b>	<b>\$ 707,874</b>	<b>\$ 6,034,285</b>	<b>\$ (22,093,543)</b>	<b>\$ 41,278,266</b>	<b>\$ 1,151,658</b>	<b>\$ 42,429,924</b>
Share issuance – private placement	17,042,333	18,831,650	-	-	-	-	18,831,650	-	18,831,650
Share issuance costs	-	(861,620)	-	-	-	-	(861,620)	-	(861,620)
Shares issued upon exercise of options	80,000	75,480	-	-	-	-	75,480	-	75,480
Share compensation expense	-	-	-	1,796,744	-	-	1,796,744	-	1,796,744
Warrants	-	-	311,323	-	-	-	311,323	-	311,323
Contributions for project costs	-	-	-	-	-	-	-	121,000	121,000
Purchase remaining 25% Hasbrouck	-	-	-	-	(7,358)	(13,355,683)	(13,363,041)	(1,251,697)	(14,614,738)
Other comprehensive loss	-	-	-	-	1,247,280	-	1,247,280	(18,814)	1,228,466
Net Loss	-	-	-	-	-	(2,168,867)	(2,168,867)	(2,147)	(2,171,014)
<b>Balance September 30, 2020</b>	<b>57,989,630</b>	<b>\$ 74,675,160</b>	<b>\$ 311,323</b>	<b>\$ 2,504,618</b>	<b>\$ 7,274,207</b>	<b>\$ (37,618,093)</b>	<b>\$ 47,147,214</b>	<b>\$ -</b>	<b>\$ 47,147,215</b>

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

**West Vault Mining Inc.**  
**Consolidated Statements of Cash flows**  
(Expressed in Canadian dollars)

	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Cash flows provided by (used in):		
<b>Operating activities</b>		
Net loss	\$ (2,171,014)	\$ (1,350,195)
Items not involving cash:		
Write-down exploration property	-	1,002,524
Share-based compensation expense	1,640,048	-
Changes in non-cash working capital:		
Accounts receivable	(8,324)	1,718
Prepaid expenses and other	(4,652)	(15,370)
Accounts payable and accrued liabilities	(18,576)	48,587
Net cash used in operating activities	\$ (562,518)	\$ (312,736)
<b>Investing activities</b>		
Expenditures on mineral properties (Note 4)	\$ (730,788)	\$ (1,063,248)
Net cash used in investing activities	\$ (730,788)	\$ (1,063,248)
<b>Financing Activities</b>		
Issuance of share capital	\$ 18,831,650	\$ -
Purchase 25% Hasbrouck Project	(14,614,738)	-
Share issuance costs	(550,297)	-
Proceeds from option exercises	48,000	-
Cash contributions from non-controlling interest	143,592	158,454
Net cash received from financing activities	\$ 3,858,207	\$ 158,454
Increase (Decrease) in cash	\$ 2,564,901	\$ (1,217,530)
Effect of exchange rate changes on cash denominated in a foreign currency	11,384	(2,366)
Cash, beginning of period	\$ 51,642	\$ 1,505,400
<b>Cash, end of period</b>	<b>\$ 2,627,927</b>	<b>\$ 285,504</b>
<b>Supplemental disclosure of cash flow information</b>		
Non-cash activities:		
Depreciation capitalized to mineral properties	\$ 6,421	\$ 6,233
Decrease in trade and other payables related to mineral properties	12,086	71,439

The accompanying notes are an integral part of these consolidated financial statements.

# West Vault Mining Inc.

## Notes to the condensed consolidated interim financial statements

### Period ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

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#### 1. Nature of Operations and Continuance of Operations

West Vault Mining Inc. (formerly West Kirkland Mining Inc.) (“West Vault” or the “Company”) was incorporated on April 3, 2007, under the Company Act of the Province of British Columbia, Canada. The Company was a capital pool corporation, and on May 28, 2010, completed its Qualifying Transaction as that term is defined in TSX Venture Exchange Policy 2.4. On June 25, 2020 the Company’s shareholders approved the Company’s name change from West Kirkland Mining Inc to West Vault Mining Inc. These consolidated financial statements reflect the financial position, financial performance and cash flows of the Company’s legal subsidiaries, WK Mining Corp. (“WKM Corp.”), WK Mining (USA) Ltd. (“WK USA Ltd.”) and WK-Allied Hasbrouck LLC (“Hasbrouck LLC”).

The Company is an exploration and development company working on mineral properties it has staked or acquired in Nevada. The Company’s flagship project consists of the 100% owned Hasbrouck & Three Hills gold properties (together the “Hasbrouck Project” and individually the “Hasbrouck Mine” and the Three Hills Mine”). An updated pre-feasibility study and declaration of reserves was completed for the Hasbrouck Project in September 2016. The Company defers all acquisition, exploration and development costs related to the properties on which it is conducting exploration and advancing development. The recoverability of these amounts depends upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary permitting and financing, and future profitable production, or alternatively, upon the Company’s ability to dispose of its interests on a profitable basis.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assume that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the period, the Company incurred a loss of \$2.2 million and has a history of operating losses, which may cast significant doubt regarding the Company’s ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts on the statements of financial position. External financing, predominantly by the issuance of equity to the public, will be sought to finance the operations of the Company; however, there is no certainty that such funds will be available at terms acceptable to the Company. These material uncertainties could cast significant doubt upon the Company’s ability to continue as a going concern.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease has resulted in various lockdowns and social distancing measures that have been and will continue to be implemented in British Columbia and Nevada. These measures could slow further development at the Hasbrouck Project. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on our business operations, including development at the Hasbrouck Project, can not be reasonably estimated at this time. The pandemic could have material adverse impacts on our business, liquidity, results of operations and financial position in 2020.

#### 2. Statement of Compliance and Basis of Presentation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) using accounting policies consistent with IFRS and follow the same accounting policies and methods of application as our most recent annual financial statements. Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS have been condensed or omitted and these unaudited condensed consolidated interim financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2019.

#### 3. Reclamation Bonds

The Company’s US subsidiaries, WK USA Ltd. and Hasbrouck LLC have posted total statewide bonds of US\$153,846 to the Bureau of Land Management (“the BLM”), while WKM USA Ltd, has also posted a bond to the Division of Oil, Gas and Mining of Utah (“DOG M”) for disturbance of ground required to complete

# West Vault Mining Inc.

## Notes to the condensed consolidated interim financial statements

### Period ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

exploration work on the formerly held TUG property for US\$5,414 (including interest). Amounts are converted to Canadian dollars as follows:

At September 30, 2020:	BLM – Nevada		DOGM - Utah	
	USD	CAD	USD	CAD
WK USA Ltd.	\$ 32,916	\$ 43,907	\$ 5,414	\$ 7,222
Hasbrouck LLC	120,930	161,308	-	-
Total	\$ 153,846	\$ 205,215	\$ 5,414	\$ 7,222

At December 31, 2019:	BLM – Nevada		DOGM - Utah	
	USD	CAD	USD	CAD
WK USA Ltd.	\$ 37,921	\$ 49,252	\$ 5,414	\$ 7,032
Hasbrouck LLC	119,010	154,570	-	-
Total	\$ 156,931	\$ 203,822	\$ 5,414	\$ 7,032

Bond amounts posted with DOGM are expected to be returned to the Company once reclaimed areas at TUG are inspected and approved.

#### 4. Mineral Properties

The Company's flagship project is the Hasbrouck Project. The Company purchased 75% of the Hasbrouck Project in April 2014, with the remaining 25% purchased August 14, 2020 (see details on both transactions below). Since acquiring 75% of the project in 2014 the Company has been the project operator. The project is held in the Hasbrouck LLC where the Company now owns 100% of the issued shares. All costs incurred by all parties on the Hasbrouck Project since 2016 are included in the table below, including the Company's 100% owned 1.1% Net Smelter Return ("NSR") royalty.

<b>Balance December 31, 2018</b>	<b>\$ 44,208,475</b>
Permitting	597,008
Salaries and Wages	269,763
Land Holding Costs	345,828
Other	34,167
Write down deferred costs	(1,002,524)
Foreign Exchange Movement	(2,072,922)
<b>Balance December 31, 2019</b>	<b>\$ 42,379,795</b>
Permitting	336,794
Salaries and Wages	387,045
Land Holding Costs	242,000
Other	13,312
Foreign Exchange Movement	1,145,312
<b>Balance September 30, 2020</b>	<b>\$ 44,504,258</b>

#### Hasbrouck Project

##### 25% Acquisition – 2020

On August 13, 2020 the Company closed a sale and purchase agreement with Clover Nevada LLC, a wholly owned subsidiary of Waterton Precious Metals Fund II Cayman LP ("Waterton"), first announced on July 22, 2020, whereby the Company consolidated 100% ownership of the Hasbrouck Project. To acquire Waterton's



# West Vault Mining Inc.

## Notes to the condensed consolidated interim financial statements

### Period ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

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25% interest in the Hasbrouck Project, the Company paid Waterton US\$10 million in cash and issued 1.0 million common shares worth \$1.3 million based on the share price at the time of issuance. The transaction was subject to the completion of a concurrent financing by the Company (see Note 5).

In the event of a change of control of the Company, or if the Company sells substantially all of the Hasbrouck Project within six, twelve or eighteen months from the closing of the transaction, Waterton will be entitled to a cash payment calculated as a declining percentage of the consideration received in excess of US\$50 million at a rate of 25%, 12.5% or 6.25% respectively.

As part of the purchase agreement, Waterton has agreed for a period of three years from closing of the Transaction to vote the Shares, as well as any other common shares of West Vault that Waterton acquires during such period, in accordance with West Vault's management's recommendations, except in the case of fundamental changes, acquisitions, financings and change of control transactions.

As the Company controlled the Hasbrouck Project both before and after the 25% purchase, no gain or loss was recognized upon the acquisition of the remaining 25%. The \$13.4 million difference between the consideration paid and the \$1.25 million non-controlling interest that was eliminated was recognized directly in the equity of the Company, as parent.

In 2019 the Company elected not make further lease payments or complete additional exploration work on the Tonapah Divide claims, located adjacent to the Hasbrouck Mine. Capitalized costs of US\$754,231 (\$1,002,524) related to the Tonopah Divide claims were written off effective September 30, 2019.

#### 75% Acquisition – 2014

On January 24, 2014, the Company signed a purchase agreement (the "Hasbrouck PA") with Allied Nevada Gold Corp. ("ANV") to acquire a 75% interest in ANV's Hasbrouck Project. The Company made a non-refundable US\$500,000 cash deposit upon execution of the letter agreement and an additional US\$19.5 million payment on April 23, 2014 at which time the Company's purchase was completed.

#### Activity on the Hasbrouck Project

The Hasbrouck Project consists of the Three Hills Mine and the Hasbrouck Mine. As per the 2016 pre-feasibility study on the Hasbrouck Project, the Three Hills Mine is scheduled to commence construction three years prior to the Hasbrouck Mine. Federal permits for the Three Hills Mine were obtained in 2015 and the Company's main activity in 2020 was to obtain the federal mining permit for the Hasbrouck Mine. On November 5, 2020 the Company announced it had obtained the federal permit to construct and operate the Hasbrouck Mine, (see subsequent events for further details).

The Hasbrouck Project is held in a limited liability corporation, Hasbrouck LLC, for ownership and operating purposes. Until August 13, 2020 Waterton owned a 25% interest in Hasbrouck LLC and was required to fund their 25% share of expenditures. Effective August 13, 2020 the Company purchased the remaining 25% of the Hasbrouck Project from Waterton. At September 30, 2020 the Company recorded \$16,411 (September 30, 2019 \$108,159) in accounts receivable due from Waterton for their share of project costs to August 13, 2020, which was paid subsequent to period end.

#### **Other Properties related to the Hasbrouck Project**

The Company holds royalties over the Hasbrouck Project and rights to mineral properties located between the Hasbrouck Mine and the Three Hills mine, which are held as possible sources of heap leach ore to augment planned production at the Three Hills Mine.

#### 1.1% Hasbrouck Royalty

In May 2017 the Company purchased an existing 1.1% NSR royalty on the Hasbrouck Project, plus the rights to US\$1.0 million in payments due upon commercial production at the Hasbrouck Project. The Company

# West Vault Mining Inc.

## Notes to the condensed consolidated interim financial statements

### Period ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

traded its former property TUG for this royalty. This 1.1% royalty is a component of the total 3.5% NSR royalty existing on the property and is 100% owned by the Company.

#### Hill of Gold Property

In November, 2016 the Company signed a ten-year Mineral Lease and Option to Purchase Agreement (the "HOG Lease") for a 100% interest in the Hill of Gold property located midway between the Three Hills Mine and the Hasbrouck Mine. The HOG Lease terms allow for mining and involve annual lease payments as pre-payments on a 2% NSR royalty of US\$25,000 for the first three years and thereafter US\$30,000 per year, with the option of buying the mining claims and royalty for US\$500,000 at any time during the lease term. The lease covers 25 mining claims on approximately 500 acres of unpatented land. The fourth lease payment, now at a rate of US\$30,000, was paid when due in November 2020.

## 5. Share Capital

The authorized share capital consists of an unlimited number of common shares without par value.

On June 29, 2020, the Company completed a consolidation of its common shares on the basis of one new share for ten old shares (1:10). All share numbers in these financial statements are presented on a post consolidation basis. At September 30, 2020 the Company had 57,989,630 shares outstanding.

On August 13, the Company closed both a brokered private placement and a non-brokered private placement, both at a subscription price of \$1.15 per common share, issuing 5,520,000 and 8,855,000 million shares for gross proceeds of \$6,348,000 and \$10,183,250 respectively. Total fees of \$826,577 (including warrants valued at \$311,323) were incurred on the offerings.

On August 13, 2020 the Company issued 1,000,000 common shares at a deemed price of C\$1.30 to Waterton as part of the acquisition of 25% of the Hasbrouck Project (see Note 4 for further details).

On January 21, 2020, the Company closed a non-brokered private placement of 1,667,333 shares at a price of \$0.60 per share for gross proceeds of \$1,000,400. Finders fees, legal and exchange fees totaled \$35,043.

During the period the Company issued 80,000 common shares upon the exercise of 80,000 share purchase options. Total proceeds of \$48,000 were received by the Company.

On April 5, 2019 the Company issued 20,458 common shares (worth US\$10,000) to Liberty Moly in consideration for leased water rights on the Hasbrouck Project.

#### Warrant Reserve

In connection with the 2020 brokered private placement the Company issued 331,200 warrants to brokers connected with the financing. Each warrant is exercisable for one common share at a price of \$1.15 until August 14, 2022. A fair value of \$311,323 was attributed to these warrants by using the Black Scholes pricing model using the following weighted average assumptions:

Expected life	2.0 years
Risk-free interest rate	0.28%
Expected volatility	121%
Expected dividends	-
Weighted average fair value of warrant granted	\$0.94

In April 2014 the Company issued 22,094,083 listed warrants (on a post share consolidation basis) in relation to the financing of the acquisition of 75% of the Hasbrouck Project (as described above). Each warrant was exercisable for one common share at a price of \$3.00 at any time prior to April 17, 2019. The \$4,418,817 fair value of these warrants was estimated by the relative fair value method using the share price on the issue date of the shares and the warrant price from the first day of public trading. These warrants expired during fiscal 2019 and their recorded fair value was transferred to retained earnings.

# West Vault Mining Inc.

## Notes to the condensed consolidated interim financial statements

### Period ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

#### Share based payment reserve

The Company established a stock option plan (the "Plan") on May 1, 2007, whereby options can be granted to directors, officers, employees and consultants at the discretion of the Board of Directors. The number of options that can be granted may not exceed 10% of the Company's total shares issued and outstanding.

The following table summarizes the Company's outstanding share options:

<b>Exercise Price</b>	<b>Number Outstanding at September 30, 2020</b>	<b>Weighted Average Remaining Contractual Life (Years)</b>	<b>Number Exercisable at September 30, 2020</b>
\$1.50	1,560,000	4.89	1,560,000
\$1.10	345,000	1.26	345,000
\$1.00	340,000	0.53	340,000
\$0.60	632,500	2.53	632,500
	<b>2,877,500</b>	<b>3.42</b>	<b>2,877,500</b>

The weighted average remaining contractual life of options outstanding at September 30, 2020 is 3.42 years.

The following table summarizes the Company's share-based payment reserve:

<b>Balance December 31, 2018</b>	<b>\$ 1,185,845</b>
Share options expired	(477,971)
<b>Balance December 31, 2019</b>	<b>707,874</b>
Share options exercised	(27,480)
Share compensation expense	1,824,224
<b>Balance September 30, 2020</b>	<b>2,504,618</b>

For the period ended September 30, 2020, 1,560,000 share options were granted to various employees, consultants and directors associated with the Company. Each share option is exercisable at a price of \$1.50 for a period of five years and vests immediately. The Company expensed \$1,640,048 and capitalized \$184,176 to the Hasbrouck/Three Hills property related to these options. At the grant dates the Black Scholes model was used to value these options using the following weighted average assumptions:

Expected life	5 years
Risk-free interest rate	0.30%
Expected volatility	117%
Expected dividends	-

During the previous fiscal year, 557,500 stock options expired at a fair value of \$477,971. The fair value of these options was transferred from share-based payment reserve to deficit.

	<b>Number</b>	<b>Weighted average exercise price</b>
<b>December 31, 2018</b>	<b>1,955,000</b>	<b>\$1.00</b>
Cancelled	(557,500)	\$1.50
<b>December 31, 2019</b>	<b>1,397,500</b>	<b>\$0.80</b>
Exercised	(80,000)	\$0.60
Granted	1,560,000	\$1.50
<b>September 30, 2020</b>	<b>2,877,500</b>	<b>\$1.20</b>

The weighted average exercise price for the outstanding and exercisable share purchase options at September 30, 2020 is \$1.20.

# West Vault Mining Inc.

## Notes to the condensed consolidated interim financial statements

### Period ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

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#### 6. Capital Risk Management

The Company's objectives in managing its liquidity and capital are to safeguard the Company's ability to continue as a going concern and to provide financial capacity to meet its strategic objectives. The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued share capital, reserves and accumulated deficit.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt and acquire or dispose of mineral rights.

As at September 30, 2020 the Company does not have any long-term debt and is not subject to any externally imposed capital requirements.

#### 7. Financial Risk Management

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks.

##### (a) Fair Value

As at September 30, 2020 the Company's financial instruments consist of cash, accounts receivable, reclamation bonds, accounts payable and accrued liabilities. The fair values of accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of these instruments and the fair value of the reclamation bonds approximates their fair value due to the fact they earn interest at rates approximating market rates.

##### (b) 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 is exposed to the short-term interest rates through the interest earned on cash balances; however, management does not believe this exposure is significant.

##### (c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations. The Company is exposed to credit risk through its cash, which is held in large Canadian financial institutions and accounts receivable. The Company believes this credit risk is insignificant.

##### (d) Foreign Currency Risk

Foreign currency risk is the risk that the fair value of financial instruments or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company operates in Canada and the United States and is therefore exposed to foreign currency risk arising from transactions denominated in U.S. dollars. Certain amounts of the Company's accounts payable and accrued liabilities are denominated in U.S. dollars. A 10% change in the exchange rate between the Canadian and United States dollar would have an effect on the loss before income taxes as at September 30, 2020 of approximately \$385 (December 31, 2019, \$4,424). The Company monitors its net exposure to foreign currency fluctuations and adjusts its cash held in U.S. dollars accordingly. The following table lists the Canadian dollar equivalent of financial instruments and other current assets denominated in U.S. dollars as of September 30, 2020:

# West Vault Mining Inc.

## Notes to the condensed consolidated interim financial statements

### Period ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

	September 30, 2020	December 31, 2019
Cash	\$ 4,495	\$ 31,542
Accounts receivable	16,423	38,956
Prepaid expenses and other	8,404	1,688
Reclamation bond	212,437	210,854
Accounts payable and accrued liabilities	40,896	39,769

#### (e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operation period.

#### 8. Segmented Information

The Company operates in one segment being the exploration and development of mineral properties in Nevada. The Company operates in two geographical areas being Nevada and Canada. All of the Company's non-current assets are held in Nevada.

#### 9. Related Party Transactions

The Company paid remuneration for the following items with companies related by way of directors in common:

	3 months ended September 30, 2020	3 months ended September 30, 2019	9 months ended September 30, 2020	9 months ended September 30, 2019
General Administration	\$ 6,000	\$ 6,000	\$ 18,000	\$ 18,000
Accounting fees	12,000	12,000	36,000	36,000
Rent	6,282	6,282	18,846	18,846
Directors Fees	22,500	32,500	71,750	75,453
Total Related Party Transactions	\$ 46,782	\$ 56,782	\$ 144,596	\$ 148,299

For the nine month period ended September 30, 2020 the Company accrued and paid \$18,000 (September 30, 2019 - \$18,000) for day-to-day administration, reception and secretarial services and \$36,000 (September 30, 2019 - \$36,000) for accounting services; and \$18,846 (September 30, 2019 - \$18,846) for rent to Platinum Group Metals Ltd., a company related by virtue of a common director and common officers. Amounts payable at period end include an amount of \$23,037 payable to Platinum Group Metals Ltd. (December 31, 2019 \$36,234).

These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the parties.

#### 10. Commitments and Contingencies

To acquire certain other mineral property interests or to continue to hold current properties in Nevada the Company must make optional acquisition and exploration expenditures in order to satisfy the terms of existing option agreements, failing which the rights to such mineral properties will revert to the property vendors. For details of the Company's mineral property acquisitions and optional expenditure commitments see Note 4. The Company has no other identified commitments or contingencies.

## **West Vault Mining Inc.**

### **Notes to the condensed consolidated interim financial statements**

#### **Period ended September 30, 2020 and 2019**

(Unaudited - expressed in Canadian dollars)

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#### **11. Subsequent Events**

On November 5, 2020 the Company announced the receipt of a Decision Record (“DR”) from the Bureau of Land Management of a Finding Of No Significant Impact based on the analysis in the Environmental Assessment (“EA”) for the Hasbrouck Mine. The DR signifies completion of requirements under the National Environmental Policy Act and EA process, and is the final major permitting step to allow construction at the Hasbrouck Mine.