



Consolidated Financial Statements of
WEST VAULT MINING INC.
(formerly West Kirkland Mining Inc.)
For the year ended December 31, 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
www.westvaultmining.com



Independent Auditor's Report

To the Shareholders and the Board of Directors of
West Vault Mining Inc. (formerly West Kirkland Mining Inc.)

Opinion

We have audited the consolidated financial statements of West Vault Mining Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Tim Holwill.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, British Columbia
April 22, 2021

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

	December 31, 2020	December 31, 2019
Assets		
Current:		
Cash	\$ 2,139,956	\$ 51,642
Accounts receivable	14,816	45,201
Prepaid expenses and deposits	53,502	23,924
Total current assets	2,208,274	120,767
Non-current assets:		
Reclamation bond (Note 3)	232,781	210,854
Property and equipment	-	8,155
Mineral properties (Note 4)	42,582,991	42,379,795
Total assets	\$ 45,024,046	\$ 42,719,571
Liabilities and Equity		
Current:		
Accounts payable and accrued liabilities	\$ 457,388	\$ 217,794
Total current liabilities	457,388	217,794
Non-current liabilities:		
Reclamation provision (Note 6)	70,437	71,853
Total liabilities	\$ 527,825	\$ 289,647
Equity:		
Share capital (Note 5)	\$ 74,559,615	\$ 56,629,650
Warrant reserve	311,323	-
Share based payment reserve (Note 5)	2,351,420	707,874
Foreign currency translation reserve	5,143,895	6,034,285
Deficit	(37,870,032)	(22,093,543)
Total shareholders' equity attributable to the shareholders of West Vault Mining Inc.	\$ 44,496,221	\$ 41,278,266
Non-controlling interest	-	1,151,658
Total shareholders' equity	44,496,221	42,429,924
Total liabilities and shareholders' equity	\$ 45,024,046	\$ 42,719,571

Going Concern (Note 1)
Commitments and contingencies (Note 10)
Subsequent Events (Note 13)

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

Approved by the Board of Directors and authorized for issue on April 22, 2021.

/s/ R. Michael Jones
Director

/s/ Kevin Falcon
Director

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

	Year ended December 31, 2020	Year ended December 31, 2019
Expenses		
Salaries and benefits	\$ 261,756	\$ 173,719
Professional Fees	201,090	111,747
Shareholder relations	127,918	25,693
Office and general	83,817	70,766
Consulting fees	66,000	66,000
Filing and transfer agent fees	63,273	49,414
Travel	2,368	9,810
Share-based compensation expense	1,486,851	-
Write down of exploration project (Note 4)	-	999,463
Loss before finance and other income	2,293,073	1,506,531
Finance and Other Income		
Interest income	(10,652)	(16,899)
Net loss	\$ 2,282,421	\$ 1,489,633
Item that may be subsequently reclassified to net loss		
Exchange differences on translating foreign operations	901,846	2,134,230
Comprehensive loss for the period	\$ 3,184,267	\$ 3,623,863
Loss attributable to:		
Shareholders of West Vault Mining	\$ 2,280,236	\$ 1,487,534
Non-controlling interest	2,185	2,099
Net Loss	\$ 2,282,421	\$ 1,489,633
Comprehensive loss attributable to:		
Shareholders of West Vault Mining	\$ 3,163,267	\$ 3,575,595
Non-controlling interest	21,000	48,268
Comprehensive Loss	\$ 3,184,267	\$ 3,623,863
Basic and diluted loss per share	\$ 0.05	\$ 0.04
Weighted average number of common shares outstanding:		
Basic and diluted	48,361,775	40,861,973

The accompanying notes are an integral part of these consolidated 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	40,846,839	\$ 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)	20,458	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	-	-	-	-	-	-	-	279,866	279,866
Other comprehensive loss	-	-	-	-	(2,088,061)	-	(2,088,061)	(46,169)	(2,134,230)
Net loss	-	-	-	-	-	(1,487,534)	(1,487,534)	(2,099)	(1,489,633)
Balance December 31, 2019	40,867,297	\$ 56,629,650	\$ -	\$ 707,874	\$ 6,034,285	\$ (22,093,543)	\$ 41,278,266	\$ 1,151,658	\$ 42,429,924
Share issuance – private placement	16,042,333	17,531,650	-	-	-	-	17,531,650	-	17,531,650
Share issuance costs	-	(977,165)	-	-	-	-	(977,165)	-	(977,165)
Shares issued upon exercise of options	80,000	75,480	-	(27,480)	-	-	48,000	-	48,000
Share compensation expense	-	-	-	1,671,026	-	-	1,671,026	-	1,671,026
Warrants	-	-	311,323	-	-	-	311,323	-	311,323
Contributions for project costs	-	-	-	-	-	-	-	121,038	121,038
Purchase remaining 25% Hasbrouck	1,000,000	1,300,000	-	-	(7,358)	(13,496,253)	(12,203,611)	(1,251,697)	(13,455,308)
Other comprehensive loss	-	-	-	-	(883,032)	-	(883,032)	(18,814)	(901,846)
Net Loss	-	-	-	-	-	(2,280,236)	(2,280,236)	(2,185)	(2,282,421)
Balance December 31, 2020	57,989,630	\$ 74,559,615	\$ 311,323	\$ 2,351,420	\$ 5,143,895	\$ (37,870,032)	\$ 44,496,221	\$ -	\$ 44,496,221

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)

	Year ended December 31, 2020	Year ended December 31, 2019
Cash flows provided by (used in):		
Operating activities		
Net loss	\$ (2,282,421)	\$ (1,489,633)
Items not involving cash:		
Write-down exploration property	-	999,463
Share-based compensation expense	1,486,851	-
Changes in non-cash working capital:		
Accounts receivable	17,137	(2,054)
Prepaid expenses and other	(38,435)	21,058
Accounts payable and accrued liabilities	240,545	43,233
Net cash used in operating activities	\$ (576,323)	\$ (427,933)
Investing activities		
Expenditures on mineral properties (Note 4)	\$ (871,647)	\$ (1,286,040)
Additions to reclamation bonds	(23,632)	-
Repayment of reclamation bonds	6,372	-
Net cash used in investing activities	\$ (888,907)	\$ (1,286,040)
Financing Activities		
Issuance of share capital	\$ 17,531,650	\$ -
Purchase 25% Hasbrouck Project	(13,455,309)	-
Share issuance costs	(665,842)	-
Proceeds from option exercises	48,000	-
Cash contributions from non-controlling interest	158,810	267,296
Net cash received from financing activities	\$ 3,617,309	\$ 267,296
Increase (Decrease) in cash	\$ 2,152,079	\$ (1,446,677)
Effect of exchange rate changes on cash denominated in a foreign currency	(63,765)	(7,081)
Cash, beginning of period	\$ 51,642	\$ 1,505,400
Cash, end of period	\$ 2,139,956	\$ 51,642
Supplemental disclosure of cash flow information		
Non-cash activities:		
Depreciation capitalized to mineral properties	\$ 7,992	\$ 8,155
Decrease in trade and other payables related to mineral properties	(25,292)	(20,099)

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

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

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.

Currently, the Company is not generating revenue from the Hasbrouck Project, and does not generate sufficient cash flows to support its operations. This condition calls into question the Company’s ability to continue as a going concern. In addition, should the Company decide to develop the Hasbrouck Project, the Company will need to raise additional financing. In response to the uncertainty caused by the lack of revenue and cash flows, the Company has taken several actions including actively monitoring cash flow forecasts and results, and what expenditures are required to maintain the Hasbrouck Project. At year end, the Company had \$2.1 million of cash; and subsequent to year end, the Company successfully raised US\$6 million (see Note 13).

Based on these actions, the Company has sufficient cash to fund its operations, working capital requirements and capital program for at least the next 12 months. As a result, after considering all relevant information, including its actions completed to date and its future plans, management has concluded that there is no material uncertainty related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern for a period of 12 months from the consolidated statement of financial position date. The estimates used by management in reaching this conclusion are based on information available as of the date these financial statements were authorized for issuance and include internally generated cash flow forecasts. Accordingly, actual results could differ from these estimates and resulting variances may be material to management’s assessment.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. While vaccines are currently being distributed, 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, cannot be reasonably estimated at this time. The pandemic could have material adverse impacts on our business, liquidity, results of operations and financial position in 2021.

2. Significant Accounting Policies and Basis of Presentation

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with accounting policies in full compliance with IFRS and were approved by the Board of Directors for distribution on April 22, 2021.

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

(b) Basis of Presentation

These consolidated financial statements have been prepared on a historical cost basis.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by the Company and its subsidiaries.

(c) Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned legal subsidiaries, WKM Corp, WKM (USA) Ltd. and Hasbrouck LLC. Control is achieved when the Company has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. All material intercompany transactions, balances, revenues and expenses are eliminated on consolidation.

(d) Foreign Currency

Items included in the consolidated financial statements are measured in each entity's functional currency. Each entity's functional currency is determined by the primary environment the entity operates in. The functional currency of the Company's subsidiaries, WKM USA Ltd. and Hasbrouck LLC, is the United States Dollar ("USD") and the functional currency of WKM Corp. and the ultimate parent company is the Canadian Dollar ("CAD").

The presentation currency of the Company is the CAD. For the purpose of presenting the financial statements, assets and liabilities of the Company's foreign subsidiaries are expressed in Canadian dollars using the closing rates at the date of the statement of financial position being presented. Revenue and expense items are translated at average exchange rates of the reporting period. The exchange differences that arise on translation are recognized as a component of other comprehensive income or loss and recorded in equity as "foreign currency translation reserve". Accumulated amounts in the foreign currency translation reserve will be recognized in profit or loss in the period when the foreign operation is disposed of.

Transactions in currencies which are not the entity's functional currency are translated to the functional currency at exchange rates at the date of the transaction. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical costs in a foreign currency are not retranslated.

The following exchange rates were used when preparing these consolidated financial statements:

CAD/USD

Year-end rate: 1.2732 (Dec 31, 2019 – 1.2988)

Year average rate: 1.3415 (Dec 31, 2019 – 1.3269)

(e) Property and Equipment

Property and equipment are stated at cost and are depreciated on a straight-line basis based on their estimated remaining useful lives.

The depreciation rates, useful lives and residual values are assessed annually.

(f) Exploration and Evaluation Expenditures

The Company is in the exploration stage with respect to its investment in mineral properties and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of mineral claims. Such costs include, but are not exclusive to, geological and geophysical studies, exploratory drilling and sampling. Capitalization of costs commences once the Company has obtained legal rights to

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

explore a specific area. The aggregate costs related to abandoned mineral claims are charged to operations at the time of any abandonment or when it has been determined that there is evidence of impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

(g) Development and Production Costs

When technical feasibility and commercial viability of a property is established and the Company determines that it will proceed with development, all exploration and evaluation costs attributable to that area are reclassified to construction in progress within property and equipment or as intangible assets depending on the nature of the expenditure. If economically recoverable ore deposits are developed, the capitalized costs of the related property will be amortized using the unit-of-production method following the commencement of production.

(h) Impairment of Non-Financial Assets

Non-financial assets are reviewed each reporting period for any indicators that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether an impairment exists. Where the asset does not generate cash inflows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Goodwill, any intangible asset with an indefinite useful life or any intangible asset not yet available for use is tested for impairment annually and whenever there is an indication that the asset may be impaired.

An asset or cash-generating unit's recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash inflows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized.

Industry specific indicators for an impairment review arise typically when one of the following circumstances applies:

- Substantive expenditure on further exploration and development activities is neither budgeted nor planned;
- Title to the asset is compromised;
- Adverse changes in commodity prices and markets; and
- Adverse variations in the exchange rate for the currency of operation.

(i) Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of common shares and share options are recognized as a deduction from equity, net of any tax effects. The proceeds from the issuance of units are allocated between common shares and purchase warrants based on the relative fair value method. Under this method, the proceeds are allocated to the components in proportion to their relative fair values. The market price on the date of the issuance of the shares and the market price of the publicly traded warrants on their first day of trading are used to determine the relative fair values.

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

(j) Share-based Payments

The share option plan allows the Company's board of directors to grant options to Company employees and consultants to acquire shares of the Company. The fair value of options granted to employees is measured by the Black-Scholes formula options pricing model and is recognized as a share-based compensation expense and recognized over the length of the vesting period of each tranche, while the corresponding amount is recognized in the share-based payments reserve. At each financial reporting date, the number of options recognized as an expense is adjusted to reflect the number of options actually expected to vest going forward. Upon cancellation or expiry, the fair value of the applicable options is transferred to deficit. An individual is classified as an employee when they are an employee for legal purposes, or primarily performing services similar to the services that would be provided by a legal employee.

(k) Loss Per Share

Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments such as options granted to employees. During the years ended December 31, 2020 and 2019 all outstanding share options and warrants were anti-dilutive.

(l) Income Taxes

Income tax expense comprises current and deferred income taxes. Income tax expense is recognized in profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred taxes are recorded using the liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to unused tax losses and unused tax credits and differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Temporary differences are not provided for i) the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable loss and is not a business combination, and ii) differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the unused tax losses and unused tax credits and temporary differences can be utilized.

(m) Restoration, Rehabilitation and Environmental Obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when the environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operation license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The capitalized costs are charged against profit or loss over the economic life of the related asset, through amortization using the unit-of-production method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense in profit or loss.

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degrees by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

(n) Measurement Uncertainties

i) Resource estimates

The Company relies on appropriately qualified persons to estimate mineral resources. The information relating to the geological data on the size, depth and shape of the ore body requires complex geological judgments to interpret the data. Changes in the indicated and inferred mineral resources estimates may impact the carrying value of the mining properties.

ii) Share-based payments

The Company follows accounting guidelines in determining the fair value of share-based compensation. The recognized fair value is derived based on subjective assumptions input into an option pricing model and is not based on historical cost. The model requires that management make forecasts as to future events, including estimates of the average future period of issued stock options before exercise, expiry or cancellation, future volatility of the Company's share price in the life of the options (using historical volatility as a reference), and the appropriate risk-free rate of interest. Share-based compensation also incorporates an expected forfeiture rate. The expected forfeiture rate is estimated annually based on historical forfeiture rates and expectations of future forfeiture rates.

The resulting fair value calculated is not necessarily the value that the holder of the options could receive in an arm's length transaction, given that there is no market for the options and they are not transferable.

iii) Impairment of mineral properties

The Company assesses its mineral properties quarterly to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance.

iv) Environmental reclamation

The Company must use judgement when it assesses environmental reclamation and closure costs. Costs have been estimated based on the Company's interpretation of current regulatory requirements, however changes in regulatory requirements and new information may result in revisions to estimates. The Company recognizes the fair value of liabilities for reclamation and closure costs in the period in which they are incurred. A corresponding increase to the carrying amount of the related assets is generally recorded and depreciated over the life of the asset.

(o) Significant Accounting Judgments

Critical judgments made by management in the process of applying the Company's accounting policies that have the most significant effect on amounts recognized in the Company's consolidated financial statements, apart from those involving estimations (see Note 2(n)), are those related to the economic recoverability of

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

mineral property deferred costs, the determination of functional currency for the Company and its subsidiaries, and the assumption that the Company will continue as a going concern.

(p) Adoption of new and revised Standards and Interpretations

There were no new or amended accounting standards or interpretations that had a significant impact on the Company's consolidated financial statements during the year ended December 31, 2020.

3. Reclamation Bonds

The Company's US subsidiaries, WK USA Ltd. and Hasbrouck LLC have posted total statewide bonds of US\$177,412 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 ("DOGM") for disturbance of ground required to complete exploration work on the formerly held TUG property for US\$5,414 (including interest). Amounts are converted to Canadian dollars as follows:

At December 31, 2020	BLM – Nevada		DOGM - Utah	
	USD	CAD	USD	CAD
WK USA Ltd.	\$ 37,219	\$ 47,387	\$ 5,414	\$ 6,893
Hasbrouck LLC	140,193	178,501	-	-
Total	\$ 177,412	\$ 225,888	\$ 5,414	\$ 6,893

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 13, 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:

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

Balance December 31, 2018	\$ 44,208,475
Permitting	597,008
Salaries and Wages	269,763
Land Holding Costs	345,828
Other	31,176
Write down deferred costs ¹	(999,463)
Foreign Exchange Movement	(2,072,992)
Balance December 31, 2019	\$ 42,379,795
Permitting	360,335
Salaries and Wages	435,791
Land Holding Costs	178,766
Other	63,632
Foreign Exchange Movement	(835,328)
Balance December 31, 2020	\$ 42,582,991

¹Writedown of capitalized costs related to exploration work done on the Tonopah Divide Property where the lease was allowed to expire.

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”), whereby the Company consolidated 100% ownership of the Hasbrouck Project. To acquire Waterton’s 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 \$13.5 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.

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.

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

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.

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. All amounts receivable from Waterton have been collected by the Company.

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.

Hasbrouck 1.1% NSR Royalty

In May 2017, the Company purchased an existing 1.1% NSR royalty (the "1.1% NSR Royalty") on the Hasbrouck Project from Newmont Corporation, and also acquired the rights to US\$1.0 million in payments due upon commercial production at the Hasbrouck Project. The Company traded its former TUG property for this royalty, which comprised a low-grade outcropping gold and silver deposit in the Long Canyon Trend, north-west Utah. The 1.1% NSR Royalty is a component of the approximate total 3.5% NSR royalty existing on the property. Subsequent to year end the Company entered into a 1.41% stream transaction modelled to financially offset the 1.1% NSR Royalty (See Subsequent Events for further details).

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 covered 25 mining claims on approximately 500 acres of unpatented land. The HOG Lease terms allowed for mining and required annual 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 outright for US\$500,000 at any time during the lease term. The fourth lease payment, at a rate of US\$30,000, was paid in November 2020. Subsequent to year end the Company purchased the Hill of Gold property, (see Subsequent Events for further details).

5. Share Capital

The authorized share capital consists of an unlimited number of common shares without par value. At December 31, 2020, the Company had 57,989,630 shares outstanding.

On August 13, 2020, 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 \$942,122 (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).

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

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.

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 fiscal 2020, 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.

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:

Exercise Price	Number Outstanding at December 31, 2020	Weighted Average Remaining Contractual Life (Years)	Number Exercisable at December 31, 2020
\$1.50	1,560,000	4.64	1,560,000
\$1.10	345,000	1.01	345,000
\$1.00	340,000	0.28	340,000
\$0.60	632,500	2.28	632,500
	2,877,500	3.17	2,877,500

The weighted average remaining contractual life of options outstanding at December 31, 2020 is 3.17 years.

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

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

Balance December 31, 2018	\$ 1,185,845
Share options expired	(477,971)
Balance December 31, 2019	707,874
Share options exercised	(27,480)
Share compensation expense	1,671,026
Balance December 31, 2020	2,351,420

For the year ended December 31, 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 \$1,486,851 and capitalized \$184,175 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	101%
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.

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

The weighted average exercise price for the outstanding and exercisable share purchase options at December 31, 2020 is \$1.20.

6. Reclamation Provision

The reclamation provision represents the estimated costs required to provide adequate restoration and rehabilitation of drilling activities in Nevada and Utah. The Company measures the reclamation costs at fair value, which is based on the net present value of future cash expenditures upon reclamation of drilling sites and related lands. Reclamation costs are capitalized to mineral properties and will be amortized over the life of the related mine once the mine commences commercial production.

At December 31, 2020, the provision of \$70,437 (2019 - \$71,853) for reclamation cost obligations has been adjusted to reflect risk and foreign exchange. The estimate has been discounted at its present value at a rate of approximately 0.36% per annum (2019 - 1.69%) being an estimate of the long-term, risk-free, pre-tax cost of borrowing. The undiscounted balance of the reclamation provision is \$58,843 (2019 - \$64,940) and is expected to be incurred between 2021 and 2030.

7. 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.

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

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 December 31, 2020, the Company does not have any long-term debt and is not subject to any externally imposed capital requirements.

8. 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 December 31, 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 December 31, 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 December 31, 2020:

	December 31, 2020	December 31, 2019
Cash	\$ 55,492	\$ 31,542
Accounts receivable	-	38,956
Prepaid expenses and other	4,202	1,688
Reclamation bond	232,781	210,854
Accounts payable and accrued liabilities	38,215	39,769

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

(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.

9. 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.

As at December 31, 2020	Canada	United States	Total
Current Assets	\$ 2,148,730	\$ 59,544	\$ 2,208,274
Mineral Properties	-	42,582,991	42,582,991
Other Assets	-	232,781	232,781
Total Assets	2,148,730	42,875,316	45,024,046
Accounts Payable and accrued liabilities	419,169	38,219	457,388
Net loss	2,193,623	88,798	2,282,421

As at December 31, 2019	Canada	United States	Total
Current Assets	\$ 48,625	\$ 72,142	\$ 120,767
Mineral Properties	-	42,379,795	42,379,795
Other Assets	-	219,009	219,009
Total Assets	48,625	42,670,946	42,719,571
Accounts Payable and accrued liabilities	178,024	39,770	217,794
Net loss	445,931	1,043,702	1,489,633

10. Related Party Transactions

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

	Year ended December 31, 2020	Year ended December 31, 2019
General Administration	\$ 24,000	\$ 24,000
Accounting fees	48,000	48,000
Rent	25,128	25,128
Directors Fees	94,250	101,750
Total Related Party Transactions	\$ 191,378	\$ 198,878

For the year ended December 31, 2020, the Company accrued and paid Platinum Group Metals Ltd., a company related by virtue of a common director and common officers, i) \$24,000 (December 31, 2019 - \$24,000) for day-to-day administration, reception and secretarial services, ii) \$48,000 (December 31, 2019 - \$48,000) for accounting services, and iii) \$25,128 (December 31, 2019 - \$25,128) for rent. Amounts payable at period end include an amount of \$23,208 payable to Platinum Group Metals Ltd. (December 31, 2019 \$36,234).

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

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.

Compensation of Key Management Personnel

	12 months ended December 31, 2020	12 months ended December 31, 2019
Salaries and management fees	\$ 387,400	\$ 312,900
Directors fees	94,250	101,750
Share-based payments	1,397,878	-
Total Related Party Transactions	\$ 1,879,528	\$ 414,650

11. 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.

12. Deferred Taxes

Income tax expense reported differs from the amount computed by applying the combined Canadian federal and provincial income tax rates, applicable to West Vault Mining Inc., to the loss before the tax provision due to the following:

	2020	2019
Net loss before income taxes	\$ (2,282,421)	\$ (1,489,633)
Canadian federal and provincial income tax rates	27%	27%
Income tax expense based on Canadian federal and provincial income tax rates	(616,254)	(402,201)
Increase (decrease) attributable to:		
Non-deductible expenditures	88	(2,504)
Non-deductible share-based payments	401,450	-
Changes in unrecognized deferred tax assets	175,853	167,832
Effects of different statutory tax rates on earnings of subsidiaries	96	146,298
Effect of foreign currency exchange rate change	48,327	91,584
Impact of change in DIT rates	-	(1,769)
Other	(9,560)	760
Income tax recovery	\$ -	\$ -

West Vault Mining Inc.
Notes to the consolidated financial statements
Years ended December 31, 2020 and 2019
(Audited - expressed in Canadian dollars)

The significant components of the Company's deferred tax assets and liabilities are as follows:

	December 31, 2020	December 31, 2019
Deferred tax assets		
Non-capital and net operating loss carry forwards	\$ 2,909,538	\$ 2,791,568
Total deferred tax assets	2,909,538	2,791,568
Deferred tax liabilities		
Mineral properties	\$ (2,909,538)	\$ (2,791,568)
Total deferred tax liabilities	(2,909,538)	(2,791,568)
Net deferred taxes	\$ -	\$ -

Unrecognized deductible temporary differences, unused tax losses, and unused tax credits are attributable to the following:

	2020	2019
Non-capital and net operating loss carry forwards ¹	\$ 40,302,287	\$ 37,707,634
Share issuance costs	839,885	95,476
Mineral properties	1,771,919	1,771,919
Pre-production investment tax credits	86,537	86,537
Tax value of property and equipment in excess of book	150,484	150,484
Other temporary differences	184,985	184,985
	\$ 43,336,097	\$ 39,997,035

¹The unrecognized tax losses and investment tax credits will begin to expire in 2029.

13. Subsequent Events

Stream Transaction

On March 1, 2021, the Company announced the closing of a gold and silver Purchase and Sale Agreement (the "Stream Agreement") with Sprott Private Resource Streaming and Royalty Corp for 1.41% of all the refined gold and silver to be produced over the life of mine from the Hasbrouck Project.

In consideration of the Stream Agreement, Sprott has paid the Company an advance purchase deposit of US\$6.0 million and is to advance an additional deposit of US\$1.0 million within 10 days of the Company announcing a Board approved construction decision for the Hasbrouck Project. Sprott may then elect to include the Hill of Gold property to the Stream Agreement by advancing a final deposit of US\$300,000 within 60 days following payment of the additional US\$1.0 million deposit. A cash transfer price payable upon delivery of refined gold and silver to Sprott has been set at 20% of the market value per ounce of metal, as quoted by the London Bullion Market Association on the date of delivery. The balance of the market value per ounce will be applied as a credit against the advance cash deposits by Sprott until the advances are fully utilized. Thereafter the price paid to the Company for the metals delivered will be 20% of the market value thereof.

Hill of Gold Buyout

On February 2, 2021, the Company announced the purchase of the Hill of Gold property in exchange for a one-time payment of US\$250,000, thereby extinguishing the pre-existing HOG Lease and related advance 2% NSR royalty payments.