LUCKY MINERALS INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NINE MONTHS ENDED JULY 31, 2020

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management of Lucky Minerals Inc.

Lucky Mineral Inc.'s independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

LUCKY MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian dollars)

	Note	July 31, 2020	October 31, 2019
		($)	($)
ASSETS			
Current assets			
Cash		953,832	1,966
Sales taxes receivable		31,171	–
Subscription receivable	**8**	100,000	–
Prepaid and deposit		143,027	–
Other receivable		4,129	189,859
		1,232,159	191,825
Equipment	**4**	3,335	4,304
Exploration and evaluation assets	**5**	6,028,615	5,558,442
Right-of-use asset	**12**	72,389	–
TOTAL ASSETS		7,336,498	5,754,571
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	**6**	496,653	1,553,169
Due to related parties	**10**	221,916	728,647
Lease liability	**12**	39,210	–
Special warrants liability	**8**	188,224	–
Loans payable	**7**	–	584,028
		946,003	2,865,844
Non-current liabilities			
Convertible debenture liability	**11**	1,027,395	927,972
Derivative liability	**11**	18,329	18,329
Lease liability	**12**	28,500	–
TOTAL LIABILITIES		2,020,227	3,812,145
Shareholders' equity			
Share capital	**8**	13,328,013	9,618,307
Alloted but not issued	**8**	138,825	138,825
Other capital reserve		3,559,336	2,436,355
Deficit		(11,709,903)	(10,251,061)
TOTAL SHAREHOLDERS' EQUITY		5,316,271	1,942,426
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		7,336,498	5,754,571

Nature of operations and going concern (Note 1)
Contingency (Note 14)

Approved and authorized for issuance by the Board of Directors on September 24, 2020

"Adrian Rothwell"	*"François Perron"*
Adrian Rothwell	François Perron
Director	Director

The accompanying notes are an integral part to the condensed interim consolidated financial statements

LUCKY MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended July 31, 2020	Three months ended June 30, 2019	Nine months July 31, 2020	Nine months June 30, 2019
		($)	($)	($)	($)
Expenses					
Advertising and promotion		86,389	109,528	177,782	417,560
Amortization	**4 & 12**	8,438	477	25,129	1,432
Bank charges and interest		2,053	1,498	4,319	9,604
Salary and wages		18,531	–	18,531	–
Consulting		219,690	206,863	514,579	1,322,560
Directors' fees		15,000	4,000	3,750	52,000
Foreign exchange loss (gain)		15,038	365	(7,054)	1,664
Insurance		4,837	4,863	15,512	13,714
Management	**10**	60,000	–	187,500	4,500
Office and administration		9,116	2,441	64,027	26,805
Lease liability accretion	**12**	2,477	–	7,162	–
Rent		–	57	–	38,281
Professional fees		26,094	41,454	229,159	174,818
Property investigation		–	–	–	1,278
Exploration and evaluation		120,061	110,685	236,778	425,968
Share based compensation		982,046	–	982,046	402,600
Transfer agent and regulatory fees		52,317	13,829	106,336	72,488
Travel		1,720	40,163	36,874	175,360
Loss before other items:		(1,623,807)	(536,223)	(2,602,430)	(3,140,632)
Accretion and interest expense	**11**	(105,702)	(217,892)	(306,078)	(427,838)
Interest income		27	285	27	3,887
Other income		101,536	–	101,536	–
Gain on settlement of debt	**8**	61,222	–	1,319,029	–
Change in fair value for special warants	**8**	29,074	–	29,074	–
Net loss		(1,537,650)	(753,830)	(1,458,842)	(3,564,583)
Other comprehensive income					
Translation adjustment		–	(42,924)	–	(8,669)
Net loss and comprehensive Loss		(1,537,650)	(796,754)	(1,458,842)	(3,573,252)
Loss per share, basic and diluted		(0.04)	(0.05)	(0.05)	(0.24)
Weighted average number of outstanding shares		36,100,561	16,056,633	26,562,496	15,147,135

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LUCKY MINERALS INC.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited - Expressed in Canadian dollars)

		Common shares		Share subscriptions Received	Alloted but not issued	Reserves				
	Note	Number	Amount			Options	Warrants	Conversion Rights	Deficit	Shareholders' Equity
		(#)	($)	($)	($)	($)	($)	($)	($)	($)
Balance, September 30, 2018		**11,076,904**	**4,700,215**	**224,650**	**60,000**	**1,076,218**	**466,000**	**–**	**(6,127,348)**	**399,735**
Shares issuance on private placement, net of shares issuance costs		1,111,107	1,250,000	(224,650)	–	–	–	–	–	1,025,350
Shares issued for acquisition of mineral property interest		2,133,333	2,532,559	–	–	–	–	–	–	2,532,559
Fair value of broker's compensation option units for convertible debenture transaction costs		–	–	–	–	–	294,688	–	–	294,688
Conversion rights initial recognition upon issuance of convertible debenture		–	–	–	–	–	–	150,615	–	150,615
Shares issued on conversion of convertible debentures		1,437,511	1,381,934	–	–	–	–	(67,842)	–	1,314,092
Service paid in shares		400,000	310,001	–	–	–	–	–	–	310,001
Service paid in cash instead of shares issuance		–	–	–	(60,000)	–	–	–	–	(60,000)
Share-based compensation		–	–	–	–	402,600	–	–	–	402,600
Net loss and comprehensive loss		–	–	–	–	–	–	–	(3,573,252)	(3,573,252)
Balance, June 30, 2019		**16,158,855**	**10,174,709**	**–**	**–**	**1,478,818**	**760,688**	**82,773**	**(9,700,600)**	**2,796,388**
Balance, October 31, 2019		**16,556,527**	**9,618,307**	**–**	**138,825**	**1,933,477**	**502,878**	**–**	**(10,251,061)**	**1,942,426**
Shares issuance on private placement, net of shares issuance costs	**8**	25,205,504	3,234,538	–	–	–	140,935	–	–	3,375,473
Shares issued for debt, net of issuance costs	**8**	4,490,802	438,535	–	–	–	–	–	–	438,535
Shares issued in lieu of cash for convertible debenture interest payment	**11**	200,727	36,633	–	–	–	–	–	–	36,633
Share-based compensation		–	–	–	–	982,046	–	–	–	982,046
Net loss and comprehensive loss		–	–	–	–	–	–	–	(1,458,842)	(1,458,842)
Balance, July 31, 2020		**46,453,560**	**13,328,013**	**–**	**138,825**	**2,915,523**	**643,813**	**–**	**(11,709,903)**	**5,316,271**

The accompanying notes are an integral part to the condensed interim consolidated financial statements

LUCKY MINERALS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED
(Unaudited - Expressed in Canadian dollars)

	Nine Months Ended July 31, 2020	Nine Months Ended June 30, 2019
	($)	($)
Operating activities		
Gain (Loss) for the period	(1,458,842)	(3,564,583)
Adjustments for non-cash items		
Share based compensation	982,046	712,600
Gain on shares for debt settlement	(1,319,029)	–
Gain on special warrants	(29,074)	–
Lease liability accretion expense	7,162	–
Convertible accretion expense	265,022	380,453
Accrued interest expense	41,013	48,633
Accrued interest income	–	(3,887)
Amortization	25,129	1,432
	(1,486,573)	(2,425,352)
Changes in non-cash operating working capital		
Prepaid expenses and other receivable	11,532	(134,875)
Accounts payable and accrued liabilities	(168,084)	(217,404)
Cash used in operating activities	(1,643,125)	(2,777,631)
Investing activities		
Option payment for mining interests	–	(65,745)
Exploration and evaluation asset expenditures	(470,173)	(720,969)
Cash used in financing activities	(470,173)	(786,714)
Financing activites		
Proceeds from convertible debenture issuance net of issuance costs	–	2,500,746
Proceeds from common shares issuance net of issuance costs	3,492,771	1,025,350
Share issuance costs related to shares for debt settlement	(55,454)	–
Proceeds from share subscription received in advance	–	(45,737)
Lease payment	(36,000)	–
Changes in due to related parties	(137,211)	198,533
Advances from related parties	33,437	–
Repayment of interest bearing loan from related parties	(36,853)	–
Proceeds from loan payable	–	578,374
Repayment of loan payable	(195,526)	(657,079)
Cash provided by financing activities	3,065,164	3,600,187
Effect of foreign exchange	–	(8,669)
Change in cash	951,866	27,173
Cash, beginning of the year	1,966	906
Cash, end of the period	953,832	28,079

The accompanying notes are an integral part to the condensed interim consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Lucky Minerals Inc. (the “Company”), incorporated under the British Columbia Business Corporations Act on May 7, 2007, is an exploration stage company engaged principally in the acquisition, exploration, and evaluation of mineral properties. The Company’s head office and principal business address is Suite 1015, 789 West Pender, Vancouver, British Columbia V6C 2X1.

The Company presently has no proven or probable reserves and on the basis of information to date, it has not yet determined whether its properties contain economically recoverable ore reserves. The Company has not generated any revenues from its operations to date and consequently is considered to be in the exploration stage. The amounts shown as exploration and evaluation assets represent acquisition costs incurred to date, less any amounts written off, and do not necessarily represent present or future values. The recoverability of the carrying amounts for exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the Company raising capital, the sale or entering into a joint venture of the Company’s exploration and evaluation assets, and/or the attainment of profitable operations.

These condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future. At July 31, 2020 the Company had a working capital of $286,156 (October 31, 2019: working capital deficit of $2,674,019). During the nine-month period ended July 31, 2020 the Company incurred a loss of $1,458,842 (June 30, 2019: $3,564,583).

The Company continues to incur operating losses, has limited financial resources, no source of operating cash flow, and no assurances that sufficient funding will be available to conduct further exploration and development of its mineral properties. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to fund its mineral properties through the issuance of capital stock or joint ventures and to realize future profitable production or proceeds from the disposition of its mineral interests. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

Since March 2020, several governmental measures have been implemented in Canada and the rest of the world in response to the coronavirus (COVID-19) pandemic. While the impact of COVID-19 and these measures are expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company’s business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in this and future fiscal years. The Company continues to operate its business, and adheres to Canadian Federal and Provincial, US Federal and State, and Ecuadorian Federal and State emergency measures as those are developed. These government measures, which could include government mandated temporary closures of international borders, of the Company or its contractors or restrictions on travel of various personnel, could impact the Company’s ability to conduct its exploration programs in a timely manner, and the Company is evaluating the best way to move its exploration activities forward during this time and when emergency measures are lifted.

Management plans to continue to secure the necessary financing through a combination of equity financing and entering into joint venture arrangements; however, there is no assurance that the Company will be successful in these actions. These condensed interim consolidated financial statements do not give effect to adjustments to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION and SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

a) Statement of compliance

In November 2019, the Company's Board of Directors approved a resolution to change the Company's year end from September 30th to October 31st. Accordingly, these financial statements are prepared as at July 31, 2020 and June 30, 2019 for comparative purposes.

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for derivative financial instruments and financial instruments at fair value, if any held, that have been measured at fair value. These condensed interim consolidated financial statements are presented in Canadian dollars, except where otherwise noted.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. Interim financial statements do not include all the information required for full annual financial statements. These condensed interim consolidated financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended October 31, 2019. These condensed interim consolidated financial statements were reviewed by the Audit Committee, and the Board of Directors approved and authorized them for issuance on September 24, 2020.

b) Basis of Consolidation

These condensed consolidated interim financial statements included the accounts of the Company and its wholly owned subsidiaries, Lucky Minerals Montana, Inc ("LMMI"), incorporated in the United States, and Goldmindex S.A. ("Goldmindex"), incorporated in Ecuador. All significant inter-company transactions, balances, and unrealized foreign exchange translation gains or losses have been eliminated.

c) Basis of measurement

The financial statements have been prepared on a historical cost basis. The presentation currency of the Company and the functional currency of the Company is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at rates approximating those in effect at the time of the transactions. Monetary items are translated at the exchange rate in effect at the balance sheet date and non-monetary items are translated at historical exchange rates. Translation gains and losses are reflected in the consolidated statements of loss and comprehensive loss for the period. Unless otherwise indicated, all dollar amounts in these condensed interim consolidated financial statements are in Canadian dollars. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

d) Significant accounting estimates and judgments

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Judgments

(i) The assessment by management of the Company's liquidity position and whether going concern disclosure is required in the condensed interim consolidated financial statements.

As part of this process, management prepares cash flow budgets detailing expected expenditures for at least the next twelve months. The assessment of the Company's liquidity position takes into account the Company's working capital position, the timing of discretionary and non-discretionary expenditures and also the status of any potential equity financings.

(ii) The carrying amount of the Company's exploration and evaluation assets does not necessarily represent present or future values, and these assets have been accounted for under the assumption that the carrying value will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and future profitable production or proceeds from the disposition of the exploration and evaluation assets themselves.

Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets. Management reviewed exploration and evaluation assets for the years ended October 31, 2019 and September 30, 2018 and did not identify any impairment indicators.

Estimates and assumptions

While management believes that its judgments and estimates are reasonable, actual results could differ from those estimates and could impact future results of comprehensive loss and cash flows. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

e) Significant accounting policies

The same accounting policies have been used in the preparation of these condensed interim consolidated financial statements as those used in the most recent audited annual financial statements and in the opinion of management reflect all the adjustments considered necessary for the fair presentation in accordance with IFRS of the result of the interim periods presented.

f) Adoption of new accounting standards

IFRS 16, Leases ("IFRS 16")

In January 2016, the IASB issued IFRS 16, replacing IAS 17 - Leases. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its statement of financial position, providing the reader with greater transparency of an entity's lease obligations.

The Company elected to use the modified retrospective transition approach, which provides lessees a method for recording existing leases at adoption with no restatement of prior period financial information. Under this approach, a lease liability was recognized at January 1, 2019 in respect of leases previously classified as operating leases, measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at transition. The associated right-of-use assets were measured at amounts equal to the respective lease liabilities, subject to certain adjustments allowed under IFRS 16.

In addition, the Company elected to utilize practical expedients permitted under the transition guidance within the new standard, which among other things, allowed the Company to apply a single discount rate to a portfolio of leases with reasonably similar characteristics, and rely on its assessment as to whether leases are onerous applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review.

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.
- Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:
- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognized where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying value.

As of the initial adoption date of January 1, 2019, the Company does not have any leases that are required to be recognized as assets and liabilities.

(Unaudited - Expressed in Canadian dollars)

3. ACQUISITION OF GOLDMINDEX S.A.

During the year ended September 30, 2018, the Company entered into agreement to acquire 100% of Goldmindex S.A. ("Goldmindex"), pursuant to which the Company paid $250,000 on September 11, 2018, issued 15,970,489 common shares on October 26, 2018 and a further 29,511 common shares on January 18, 2019. The shares are subject to an escrow agreement that releases them over three years.

The transaction was accounted for as an acquisition of net assets, rather than a business combination, as the net assets acquired did not represent a separate business operation.

The net assets of Goldmindex acquired are as follows:

Consideration paid:		
Fair value of restricted shares issued	$	2,142,967
Cash paid		250,000
Total consideration		2,392,967
Value of net assets acquired		
Cash		45,266
Prepaid expenses		18,261
Receivables		20,846
Liabilities		(1,476,307)
Exploration and evaluation asset		3,784,901
Net assets Acquired	$	2,392,967

4. EQUIPMENT

		Computer		Vehicle		Total
Cost						
Balance, October 31, 2019	$	8,464	$	14,050	$	22,514
Balance, July 31, 2020		8,464		14,050		22,514
Accumulated Depreciation						
Balance, October 31, 2019		4,631		13,579		18,210
Charge for the period		863		106		969
Balance, July 31, 2020		5,494		13,685		19,179
Net Carrying Amount						
July 31, 2020	**$**	**2,970**	**$**	**365**	**$**	**3,335**
October 31, 2019	**$**	**3,833**	**$**	**471**	**$**	**4,304**

(Unaudited - Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Fortuna	Emigrant	St. Julien	Total
	($)	($)	($)	($)
Balance, September 30, 2018	-	717,473	150,855	868,328
Acquisition	3,784,901	-	65,746	3,850,647
Tenure costs	720,790	118,677	-	839,467
Balance, October 31, 2019	**4,505,691**	**836,150**	**216,601**	**5,558,442**
Acquisition	-	-	-	-
Tenure costs	819,416	-	-	819,416
Partner recovery	(349,243)	-	-	(349,243)
Balance, July 31, 2020	**4,975,864**	**836,150**	**216,601**	**6,028,615**

a) *Fortuna Project, Ecuador*

Goldmindex owns the rights to the Fortuna Concession (“Fortuna Project”) in Ecuador. The property consists of 12 contiguous mining concessions which have been granted for a period of 25 years.

On June 9, 2020, in respect of a memorandum of understanding entered into in March 2020, the Company and First Quantum Minerals Ltd. (“First Quantum”), entered into an option agreement (“Option Agreement”) pursuant to which First Quantum has the right to earn, over 3 phases, an undivided 70% interest in the property, in consideration of:

Phase I	Exclusivity period	First Quantum will incur all tenure costs on the property.
Phase II	Target testing	First Quantum will incur all tenement fees and provide a proposed work program on the selected concessions. Additionally, on or before December 25, 2020, First Quantum will provide notice to the Company of its intent to continue to target test.
Phase III	Earn-in	First Quantum and the Company will enter into an option agreement and First Quantum shall make a one-time cash payment to Lucky of US$1,000,000. The earn-in period is for a maximum of five years in which First Quantum must drill a total of 5,000 m per year on the optioned property, failing which First Quantum is required to pay the Company an annual payment of US$1,000,000, with a one-time 12-month deferral option on payment of US$500,000. If drilling has been completed before the five-year term is up and First Quantum is moving toward the achievement of all geological, mining, metallurgical, environmental, social and economic studies necessary to make a commercial decision to mine, Lucky may waive this penalty fee. Upon completion of this work commitment and preparation of a NI 43-101 compliant resource report demonstrating a minimum of 500,000 tonnes of payable copper, the Company and First Quantum will enter into a joint venture agreement whereby the Company retains a 30% interest in the project by financing its share of a

(Unaudited - Expressed in Canadian dollars)

feasibility study, up to a maximum commitment of US$1,500,000, above which all costs are First Quantum's obligation. Should the Company elect not to finance this study, it will retain a 15% interest in the project, at no cost, through to the completion of a feasibility study.

During the nine months ended July 31, 2020, the Company paid tenure costs totalling $819,416 at the Fortuna project, and received, in connection with the First Quantum Option and Joint Venture, reimbursements totalling of $349,243 in respect of the 12 concessions for the period January 23, 2020 to March 31, 2020, and in respect of 4 concessions from the period April 1 to July 31, 2020.

b) *Emigrant Project, Montana, USA*

On June 15, 2014, the Company entered into an assigned option agreement, as amended (the "Assignment Agreement"), pursuant to which the Company has the option to acquire a 100% interest in certain claims in Montana, in consideration for making the following payments:

Date Due	**US$**	
June 1, 2013	5,000	(paid)
October 1, 2013	5,000	(paid)
June 1, 2014	15,000	(paid)
June 1, 2015	20,000	(paid)
June 1, 2016	25,000	(paid)
June 1, 2017	30,000	(1)
June 1, 2018	35,000	(2)
June 1, 2019	10,000	(3)
June 1, 2020	10,000	(4)
Annual payment until total consideration of US$1,000,000 is reached	50,000	

(1) amended in May 2016, as to US$10,000 per year from June 1, 2016 until the Company has received permission to drill and explore the property, after which the original payment schedule resumes; the Company paid US$10,000 during the year ended September 30, 2017

(2) amended in June 2018, pursuant to which the Company paid US$12,000 during the year ended September 30, 2018

(3) amended in June 2019 to postpone the June 1, 2019 date to June 1, 2020, subject to a penalty of US$5,000 to be added to the June 1, 2020 payment

(4) In November 2015, the Company and the Montana Department of Environmental Quality ("DEQ") were served with a complaint contending that the DEQ improperly issued an exploration license to the Company. The Montana Sixth Judicial District Court held for plaintiff. The Company, the DEQ and the Montana Attorney General all appealed (the "Appeal") to the Supreme Court of Montana. On May 26, 2020, the Company gave notice to the optionor that it was exercising its right to seek relief under the Force Majeure clause in the Assignment Agreement, to extend the due date on the June 1, 2020 option payment until the Appeal decision from the Supreme Court of Montana is rendered. The optionor confirmed the acceptance of the Company's exercise of the Force Majeure clause, and the Appeal is pending.

The optionor retains a 2% net smelter royalty ("NSR"), of which the Company may acquire 1.8% by paying US$1,500,000 within 9 months of commercial production. On June 14, 2017, the right, title and interest to the claims were released to the Company; however, the balance of payments to acquire the 100% interest in the claims remain outstanding.

(Unaudited - Expressed in Canadian dollars)

c) St. Julian Project, Montana, USA

On November 1, 2015 the Company entered into an option agreement ("Option Agreement") to acquire a 100% interest of certain patented and unpatented mineral claims located in Montana, pursuant to the following:

Date Due	US$	
November 1, 2015	10,000	(paid)
February 1, 2016	10,000	(paid)
November 1, 2016	30,000	(paid)
November 1, 2017	40,000	(paid)
November 1, 2018	50,000	(paid)
November 1, 2019	60,000	(1)
November 1, 2020	70,000	
November 1, 2021	80,000	
November 1, 2022	90,000	
November 1, 2023	100,000	
November 1, 2024	110,000	
November 1, 2025	120,000	

(1) In November 2015, the Company and the Montana Department of Environmental Quality ("DEQ") were served with a complaint contending that the DEQ improperly issued an exploration license to the Company. The Montana Sixth Judicial District Court held for plaintiff. The Company, the DEQ and the Montana Attorney General all appealed (the "Appeal") to the Supreme Court of Montana. On May 26, 2020, the Company gave notice to the optionor that it was exercising its right to seek relief under the Force Majeure clause in the Assignment Agreement, to extend the due date on the June 1, 2020 option payment until the Appeal decision from the Supreme Court of Montana is rendered. The optionor confirmed the acceptance of the Company's exercise of the Force Majeure clause, and the Appeal is pending.

The optionor retains a 3% NSR, of which the Company may buy back 2% by paying US$5,000,000 within 12 months of commercial production, and the remaining 1% by paying US$2,500,000 within 24 months of commercial production.

On March 8, 2017, the Company issued 50,030 common shares with a fair value of $4,502 to the optionor of the property as consideration for an extension of the property option payment.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	July 31, 2020	October 31, 2019
	($)	($)
Accounts payable	280,146	1,308,819
Accrued liabilities	261,507	244,350
	496,653	1,533,169

7. LOANS PAYABLE

a) On March 26, 2019, the Company entered into an agreement for a US$100,000 in respect of the advance made by the creditor to Goldmindex. The loan was unsecured and bore interest of 12% per month. On June

(Unaudited - Expressed in Canadian dollars)

1, 2019, the terms of loan were amended for an interest rate of 50% per year if the Company did not repay the loan balance 30 days after the date of advance. At February 18, 2020, accrued interest of $59,061 had been recorded. The loan and interest were settled in February 2020.

b) Between February and October 2019, a total of $326,861 was advanced to the Company. The loans were unsecured and bore interest of 12% per annum. At December 5, 2019, accrued interest of $24,479 had been recorded. The loans and interest were settled on December 5, 2019 by way of common shares of the Company.

c) Between March and May 2019, a consultant of the Company advanced $55,548 to the Company. The loan was unsecured and bore interest of 12% per annum. At December 5, 2019, accrued interest of $4,509 had been recorded. The loan and interest were settled on December 5, 2019 by way of common shares of the Company.

8. SHARE CAPITAL

a) Share consolidation

Effective June 10, 2020 the common shares of the Company were consolidated on the basis of 1 new common share for each 7.5 then outstanding common share (the "Share Consolidation"). All information relating to earnings/loss per share, issued and outstanding common shares, share options and warrants (Note 11), and per share amounts in these condensed interim consolidated financial statements have been adjusted retrospectively to reflect the Share Consolidation.

b) Authorized

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

c) Share issuances during the period ended July 31, 2020

Shares for Debt

In respect of common shares issued in lieu of cash payment for convertible debenture interest, the Company issued the following:

Date	Shares (#)	Deemed Price ($/sh)	Payment on Interest ($)	Fair Value of Shares Issued ($)	Gain Recognised on Settlement ($)
December 31, 2019	100,364	0.150	82,800	15,055	67,745
June 30, 2020	100,363	0.215	82,800	21,578	61,222
	200,727		**165,600**	**36,633**	**128,967**

In respect of common shares issued to settle loans, the Company issued the following:

(Unaudited - Expressed in Canadian dollars)

Date	Shares	Deemed Price	Total Value of Loans	Fair Value of Shares Issued	Gain Recognised on Settlement
	(#)	($/sh)	($)	($)	($)
December 5, 2019	4,186,647	0.375	1,569,993	460,531	1,109,462
March 11, 2020	304,155	0.375	114,057	33,457	80,600
	4,490,802		**1,684,050**	**493,988**	**1,190,062**

Financings

The Company closed private placements ("Offerings") pursuant to which it issued units "Units" comprised of common shares ("Shares"), warrants ("Warrants"), and paid finders' fees in cash, warrants ("Finders' Warrants") and special warrants ("Finder's Special Warrants") as follows:

	Private Placements Announced			
Announced	January 20, 2020 (1)	May 15, 2020		
Closing Date	February 12, 2020	June 8, 2020	June 26, 2020	**Total**
Date of issuance of securities	February 24, 2020	June 10, 2020	June 26, 2020	
Gross Proceeds	$683,625	$2,136,710	$935,490	**$3,755,825**
Shares Issued	4,557,502	14,244,733	6,236,603	**25,038,838**
Warrants Issued	4,557,502	14,244,733	6,236,603	**25,038,838**
Warrant Exercise Price	$0.375	$0.220	$0.220	
Warrant Expiry Date	February 24, 2022	June 10, 2022	June 26, 2022	
Finders' Fees				
Cash	$0	$134,801	$28,255	**$163,056**
Finders' Warrants	Nil	744,636	177,870	**922,506**
Exercise Prices	N/A	$0.150	$0.150	
Expiry Date	N/A	June 10, 2021	June 26, 2021	
Finders' Special Warrants (2)	Nil	626,336	Nil	**626,336**
Exercise Prices	N/A	$0.150	N/A	
Expiry Date	N/A	June 10, 2021	N/A	

(1) announced for 25,000,000 Units; increased by 10,000,000 Units on February 5, 2020

(2) The 626,336 Finders' Special Warrants allow for the acquisition of up to, in the aggregate, 626,336 units at $0.15 per unit until June 10, 2021 (the "Units"); each Unit is comprised of one common share and one underlying warrant ("Underlying Warrant"), with each Underlying Warrant allowing the holder to acquire one additional common share at $0.20 per common share for 24 months after the date of exercise of the Special Warrant.

At July 31, 2020, $100,000 remained receivable in connection with Offerings. An advisory fee was paid by way of 166,666 common shares, for fair value of $25,000.

All of the Warrants were issued for $Nil value.

The Finders' Warrants were valued in total at $140,935, which fair value was recorded as share issuance costs based on the Black-Scholes pricing model using the following assumptions:

Risk-free interest rate (%)	1.6
Expected stock price volatility (%)	199
Expected dividend yield (%)	-
Expected life of warrants (years)	1

(Unaudited - Expressed in Canadian dollars)

The Finders' Special Warrants are convertible instruments which, upon conversion, result in another convertible instrument (the Underlying Warrant) being issued. The Finders' Special Warrants were valued at $217,298, which fair value was recorded as share issuance costs based on the Black-Scholes pricing model using the following assumptions:

Risk-free interest rate (%)	1.6
Expected stock price volatility (%)	199
Expected dividend yield (%)	-
Expected life of warrants (years)	1-3

d) Finders' Special Warrants

The Finders' Special Warrants do not meet the definition of equity, as defined in under IFRS, and as such are recognized as a financial liability measured at fair value through profit and loss. The Company recorded a non-cash gain of $29,074 related to the Finders' Special Warrants, based primarily on changes in the market price of the Company's common shares from the date of issuance to July 31, 2020.

e) Options

The Company has a stock option plan (the "Plan") administered by the Board of Directors, which has the discretion to grant options for up to a maximum of 10% of the issued and outstanding share capital amount at the time of grant. The terms of all options cannot exceed 5 years and the minimum exercise price cannot be less than the closing price of the Company's common shares on the TSX-V on the last trading day preceding the grant of the option. All of the outstanding options of the Company were issued with an expiry date of 5 years from the date of issue. Except as may be prescribed by the Exchange, the Board of Directors determines the vesting terms of the options. Share-based payments reserve is included in shareholders' equity and consists of the estimated fair value of stock options.

A summary of the Company's stock option transactions follows:

	Number of options (#)	Weighted Average Exercise Price ($)
Balance - October 31, 2019	**1,520,000**	**1.275**
Cancelled	(1,520,000)	1.275
Granted	4,577,000	0.220
Balance - July 31, 2020	**4,577,000**	**0.220**

During the period ended July 31, 2020, the Company granted incentive stock options allowing for the acquisition of up to, in the aggregate, 4,577,000 common shares at $0.22 per share until July 9, 2025. The total amount of share-based payments expense of $982,046 was recognized during the period ended July 31, 2020. The fair value for stock options granted during the period was determined using the Black-Scholes Option Pricing Model and the following assumptions:

(Unaudited - Expressed in Canadian dollars)

Risk-free interest rate (%)	1.6
Expected stock price volatility (%)	199%
Expected dividend yield (%)	0
Expected life of stock options (years)	5

At July 31, 2020, the following options, with a weighted average life of 4.95 years, were outstanding and exercisable:

Expiry Date (date)	Number of options (#)	Exercise Price ($/share)
July 9, 2025	4,577,000	0.220
	4,577,000	

f) Warrants

A summary of the Company's warrant transactions follows:

	Number of warrants (#)	Weighted Average Exercise Price ($)
Balance - October 31, 2019	**3,854,113**	**1.575**
Issued	25,961,344	0.245
Balance - July 31, 2020	**29,815,457**	**0.415**

At July 31, 2020, the following warrants, with a weighted average life of 1.59 years, were outstanding:

Expiry Date (date)	Number of warrants (#)	Exercise Price ($/share)
November 27, 2020	2,340,227	1.500
October 4, 2020	958,333	1.650
October 16, 2020	491,707	1.650
October 26, 2020	63,846	1.650
February 24, 2022	4,557,502	0.375
June 10, 2022	14,244,733	0.220
June 10, 2021	744,636	0.150
June 26, 2022	6,236,603	0.220
June 26, 2021	177,870	0.150
	29,815,457	

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company's financial instruments consist of cash, prepaid and other receivable accounts payable and accrued liabilities, due to related parties, and loans payable. IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

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

As at July 31, 2020 the Company believes that the carrying values of cash, accounts payable and accrued liabilities, and due to related parties approximate their fair values because of their nature and relatively short maturity dates or durations.

The fair value of the derivative component of the convertible debentures was estimated using a Monte Carlo simulation, which considers the specific contractual attributes of the debenture, including the make-whole provision and other conversion criteria. Within the Monte Carlo simulation, specific assumptions including share price volatility and risk free rates are developed using market-based indications as inputs into the analysis to determine the fair value of the derivative component.

a) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty meeting obligations associated with financial liabilities. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated financing and investing activities. At July 31, 2020, the Company had cash of $953,832 to settle current liabilities, net of the fair value of the Finders' Special Warrants, of $757,779. The Company intends to finance future requirements from its existing cash reserves together with share issuances, the exercise of options and/or warrants, debt or other sources. There can be no certainty of the Company's ability to raise additional financing through these means.

b) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to meet their payment obligations, thus this risk is primarily attributable to cash. The Company' exposure to credit risk is considered to be minimal.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) *Interest rate risk*

a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

At July 31, 2020, the Company had liabilities with related parties outstanding with fixed interest rates of 12%.

(ii) *Foreign currency risk*
The Company incurs certain expenses in currencies other than the Canadian dollar. The Company is subject to foreign currency risk as a result of fluctuations in exchange rates. The Company manages this risk by maintaining bank accounts in US dollars to pay these foreign currency expenses as they arise. Receipts in foreign currencies are maintained in those currencies. The Company does not undertake currency hedging activities. The Company also does not attempt to hedge the net investment and equity of integrated foreign operations.

10. RELATED PARTY TRANSACTIONS

The Company has arrangements pursuant to which parties related to the Company by way of directorship or officership provide certain services, either directly or through companies owned or controlled by the officers and directors. Transactions were in the normal course of operations and all of the costs recorded are based on fair value. The Company incurred the following transactions with directors and key management personnel during the nine months period ended July 31, 2020 and June 30, 2019:

	July 31, 2020	**June 30, 2019**
	($)	($)
Consulting fees	209,114	250,751
Directors' fees	3,750	-
Management fees	187,500	66,274
Share-based compensation	700,971	339,900
	1,101,335 [1]	**656,925**

[1] a total of $42,150 was owed to various parties at July 31, 2020

At July 31, 2020, the Company owed $8,190 to a related party in respect of expenses incurred on behalf of the Company.

In connection with various loans to made to the Company by a current Director and a former Director, the Company owed a total of $171,576 as at July 31, 2020. The loans are unsecured and bear interest of 12%.

During the period ended July 31, 2020, the Company was charged, by a company controlled by a Director of the Company, $36,450 (June 30, 2019: $Nil) in respect of an office lease.

On March 22, 2019, the Company entered into an agreement for a $60,000 loan with an entity associated with the CFO for the advance made by this entity to Goldmindex. On August 26, 2019, the entity advanced an additional amount of $18,500 to the Company. The loan was settled prior to July 31, 2020.

In connection with an advance of $4,280 provided to the Company by an officer, the Company settled the advance prior to July 31, 2020.

(Unaudited - Expressed in Canadian dollars)

11. CONVERTIBLE DEBENTURE

On October 4, 2018, the Company issued 2,875 units of convertible debentures (the “2018 Debentures”) for gross proceeds of $2,875,000. Each unit issued consisted of $1,000 principal amount of 12% three-year convertible unsecured unsubordinated debentures and convertible at a price of $1.125 per common share, and 333 warrants. Each warrant entitles the holder thereof to purchase one common share at an exercise price of $1.65 for a period of 24 months.

The 2018 Debentures will be convertible at the option of the holder prior to maturity into: (i) the number of debenture shares computed on the basis of the principal amount divided by the conversion price of $1.125, subject to adjustments in certain events; and (ii) an amount equal to the make-whole amount (an amount equal to the interest payments that would have been made in respect of the aggregate principal amount outstanding under the 2018 Debentures converted by the holders pursuant to the conversion right, if the aggregate principal amount remained outstanding from the date of conversion to the maturity date, provided, that such amount will be reduced by 1% for each 1% that the current market price exceeds the conversion price calculated as at the business day immediately preceding the notice of conversion) payable , at the option of the holder, in cash or through the issuance of common shares issuable at an issue price per share equal to the higher of $0.825 and the current market price of the Company’s shares.

The Make-Whole Amount is considered an embedded derivative as the value changes in relation to the current share price and interest rates. The feature is classified as a liability on the statement of financial position and is carried at fair value.

For accounting purposes, the 2018 Debentures were separated into their liability and derivative liability components with their fair value at the date of inception estimated using the Monte Carlo Simulation. Within the Monte Carlo Simulation, specific assumptions including share price volatility and risk free rates are developed using market-based indications as inputs into the analysis to determine the fair value of the derivative component.

Transaction costs consisted of $381,454 paid in cash and $235,000 estimated fair value of 38.33 compensation options. The compensation options are exercisable to acquire, units (each comprised of one debenture and one warrant) at an exercise price per unit of $7,500. The compensation options were fair valued using a Black Scholes model using the following assumptions: Risk free-interest rate – 2.3%; Dividend yield – 0.00%; Expected volatility – 114%; Expected life – 2 years. The transaction costs have been recorded pro rata against the liability and derivative components. The liability balance of the transaction costs are amortized over the life of the debenture. Interest and accretion expense for the period ended July 31, 2020 was $265,023 (fiscal period ended October 31, 2019: $428,237).

The proceeds from the issuance were allocated as follows:

	Liability component	Derivative	Total
	$	$	$
Balance October 31, 2019	927,972	18,329	946,301
Interest expense	265,023	-	265,023
Interest settled	(165,600)	-	(165,978)
Balance July 31, 2020	1,027,395	18,329	1,045,724

*Transaction costs allocated to the derivative were expensed on inception.

(Unaudited - Expressed in Canadian dollars)

No conversion of the debenture into common shares of the Company occurred from October 31, 2019 to July 31, 2020.

As at July 31, 2020, 1,380 units with a face value of $1,380,000 remained outstanding from the of 2,875 units.

12. LEASES – RIGHT OF USE ASSET AND LEASE LIABILITIES

The Company leases a corporate office in Vancouver, BC from an entity associated with a director of the Company (Note 10) under lease agreements on November 1, 2019 and the lease expires on October 31, 2022. Refer to Note 2f. "Adoption of New Accounting Standard" for details regarding the 2019 adoption of IFRS 16.

Right Of Use Asset

A summary of the changes in the right-of-use assets for the nine months ended July 31, 2020 follows:

Right-of-use assets	($)
Balance at November 1, 2019	–
Addition	96,548
Depreciation	(24,159)
Balance at July 31, 2020	72,389

Lease Liabilities

On November 1, 2019, the Company entered into lease agreement which resulted in the lease liability of $98,548 (undiscounted value of $111,600, discount rate used is 15%). This liability represents the monthly lease payment from November 1, 2019 to October 31, 2022, the end of the lease term.

A summary of changes in lease liabilities for the nine months ended July 31, 2020 is as follows:

Lease liabilities	($)
Balance at November 1, 2019	–
Addition	96,548
Lease payment on principal portion	(36,000)
Lease payment on interest portion	–
Lease liability accretion expense	7,162
Balance at July 31, 2020	67,710
Current portion	39,210
Long term portion	28,500

The following is a schedule of the Company's future lease payments under lease obligations:

(Unaudited - Expressed in Canadian dollars)

Future lease payments	($)
2020	37,200
2021	38,400
Total undiscounted lease payment	75,600
Less: imputed interest	(7,890)
Total carry value of lease obligations	67,710

13. SEGMENTED INFORMATION

All of the Company's operations are in the resource sector. The Company's mineral exploration and development operations are in the United States and Ecuador. The following provides segmented disclosure on the non-current assets based on geographical locations:

	Canada	United States	Ecuador	Total
July 31, 2020	($)	($)	($)	($)
Long-term Assets				
Equipment	3,335	-	-	3,335
Right-of-use asset	72,389	-	-	72,389
Exploration and evaluation asset	-	1,052,751	4,975,864	6,028,615
Total	75,724	1,052,751	4,975,864	6,104,339
October 31, 2019				
Long-term Assets				
Equipment	4,304	-	-	4,304
Exploration and evaluation asset	-	1,052,751	4,505,691	5,558,442
Total	4,304	1,052,751	4,505,691	5,562,746

14. CONTINGENCY

In November 2015, the Company and the Montana Department of Environmental Quality ("DEQ") were served with a complaint in which the plaintiff has sought declaratory and injunctive relief prohibiting further exploration on the Emigrant and St. Julian projects. Management considers the complaint to be without merit and continues to pursue its defense. The Montana Sixth Judicial District Court held for plaintiff. The Company, the DEQ and the Montana Attorney General all appealed (the "Appeal") to the Supreme Court of Montana, and the Appeal is pending.