Rogue Resources Inc.

Condensed Consolidated Interim Financial Statements

Nine months ended January 31, 2020 and 2019

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated interim financial statements of Rogue Resources Inc. ("the Company") for the nine months ended January 31, 2020, have been prepared by management and have not been reviewed by the Company's external independent auditors.

Rogue Resources Inc.
Condensed Consolidated Interim Financial Statements
Nine months ended January 31, 2020 and 2019
(Expressed in Canadian Dollars)

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Rogue Resources Inc.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)

	Note	As at January 31, 2020	April 30, 2019
ASSETS			
Current assets			
Cash		**$ 30,047**	$ 74,203
Marketable securities	6	**12,229**	5,909
Accounts receivable		**10,524**	-
Loans receivable	8	**25,000**	25,000
Due from non-controlling interest	11	**174,300**	-
Prepaid expenses		**86,704**	3,204
Tax recoverable		**37,662**	2,309
Total Current Assets		**376,467**	110,625
Non-current assets			
Exploration and evaluation assets	7	**12,008,625**	10,645,964
Total Assets		**$ 12,385,091**	$ 10,756,589
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**$ 216,321**	$ 99,851
Due to related parties	12	**619,116**	381,646
Vendor mortgages – current portion	9	**100,000**	-
Part XII.6 tax payable		**804**	1,482
Total Current Liabilities		**936,240**	482,979
Non-current liabilities			
Vendor mortgages	9	**700,000**	-
Total Liabilities		**1,636,240**	482,979
EQUITY			
Share capital	10	**49,599,049**	48,821,246
Reserves	10	**10,548,296**	10,501,365
Accumulated other comprehensive income		**11,304**	4,985
Non-controlling interest	11	**174,300**	-
Deficit		**(49,584,098)**	(49,053,986)
Total Equity		**10,748,851**	10,273,610
Total Liabilities and Equity		**$ 12,385,091**	$ 10,756,589

These consolidated financial statements were approved and authorized for issue by the Board of Directors on March 27, 2020. They are signed on the Company's behalf by:

(Signed) "Sean Samson"
Director

(Signed) "Christopher Berlet"
Director

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

Rogue Resources Inc.
Condensed Consolidated Interim Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)
See note 1 regarding Pre-Commercial Production

	Note	Three months ended January 31, 2020	Three months ended January 31, 2019	Nine months ended January 31, 2020	Nine months ended January 31, 2019
Expenses:					
Commissions expense		**$ 3,067**	$ -	**$ 3,067**	$ -
Compensation and benefits	12	**91,933**	55,643	**203,045**	156,107
Consulting fees		**22,685**	-	**26,685**	-
Consulting fees - related parties	12	**18,451**	9,734	**32,106**	38,462
Interest on vendor mortgages		**13,122**	-	**13,122**	-
Investor relations, promotion and product marketing		**21,486**	3,006	**24,126**	22,110
Office expense and miscellaneous		**10,971**	8,047	**19,200**	22,978
Part XII.6 tax		**(678)**	54	**(678)**	(527)
Professional fees		**102,033**	81,886	**140,994**	116,261
Regulatory and stock transfer fees		**8,822**	3,722	**10,687**	8,864
Rent		**4,649**	4,649	**13,947**	13,947
Share based compensation		**43,807**	35,339	**43,807**	35,339
Loss Before Other Income (Expense) and Income Taxes		**(340,348)**	(202,080)	**(530,108)**	(413,541)
Other Income (Expense)					
Interest income		**-**	-	**-**	1,159
Other Income (Expense)		**-**	-	**-**	1,159
Income (Loss) Before Income Taxes		**(340,348)**	(202,080)	**(530,108)**	(412,382)
Deferred Income Tax Recovery		**-**	-	**-**	30,433
Net Income (Loss) For The Year		**(340,348)**	(202,080)	**(530,108)**	(381,949)
Attributable to:					
Non-controlling interest	11	**-**	-	**-**	-
Equity shareholders of the Company		**(340,348)**	(202,080)	**(530,108)**	(381,949)
		(340,348)	**(202,080)**	**(530,108)**	**(381,949)**
Other Comprehensive Income (Loss)					
Changes in FMV of available for sale investments	6	**314**	3,788	**6,319**	3,788
Comprehensive Income (Loss) For The Year		**$ (340,034)**	$ (198,292)	**$ (523,790)**	$ (378,161)
Basic and Diluted Income (Loss) Per Share		**$ (0.02)**	$ (0.01)	**$ (0.03)**	$ (0.02)
Weighted Average Number of Shares Outstanding		**18,516,636**	15,655,759	**18,516,636**	15,655,759

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

Rogue Resources Inc.
Condensed Consolidated Interim Statements of Changes in Equity
(Expressed in Canadian dollars)

	Share Capital						
	Number of shares	**Amount**	**Reserves**	**Accumulated Other Comprehensive Income**	**Non-controlling Interest**	**Deficit**	**Total equity**
Balance, April 30, 2018	15,142,928	$ 48,633,866	$10,449,403	$ 828	$ -	$ (48,570,943)	$ 10,513,154
Non flow-through shares	756,276	136,130	-	-	-	-	136,130
Shares issued for exploration and evaluation assets	350,000	51,250	-	-	-	-	51,250
Stock based compensation - options	-	-	51,962	-	-	-	51,962
Other comprehensive income	-	-	-	3,788			3,788
Net loss for the year	-	-	-	-	-	(381,949)	(381,949)
Balance, January 31, 2019	16,249,204	48,821,246	10,501,365	4,616	-	(48,952,892)	$ 10,374,335
Balance, April 30, 2019	16,249,204	$ 48,821,246	$10,501,365	$ 4,985	-	$(49,053,986)	$ 10,273,610
Non flow-through shares	7,936,000	790,600	-	-	-	-	790,600
Share issue cash costs	-	(9,674)	-	-	-	-	(9,674)
Share Issue non-cash costs	-	(3,124)	3,124	-	-	-	-
Non-controlling interest at acquisition	-	-	-	-	174,300	-	174,300
Stock based compensation - options	-	-	43,807	-	-	-	43,807
Other comprehensive income	-	-	-	6,319	-	-	6,319
Net loss for the year	-	-	-	-	-	(530,108)	(530,108)
Balance, January 31, 2020	**24,185,204**	**$ 49,599,049**	**$ 10,548,296**	**$ 11,304**	**$ 174,300**	**$(49,584,098)**	**$ 10,748,851**

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

Rogue Resources Inc.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars)

	Nine months ended January 31, 2020	2019
Operating activities		
Net loss for the year	**($530,108)**	$ (381,949)
Items not affecting cash:		
Stock based compensation	**46,931**	51,962
Deferred income tax recovery	**-**	(30,433)
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	**394,401**	2,112
Due to related parties	**(10,524)**	175,967
Part XII.6 tax payable	**(64,667)**	597
Mining exploration tax credit recoverable	**(678)**	10,000
Loans receivable	**-**	(25,000)
Prepaid expenses	**-**	5,846
Tax recoverable	**(83,500)**	-1,916
Cash Used in Operating Activities	**(35,353)**	(192,814)
	(283,500)	
Investing activities		
Exploration and evaluation expenditures	**(169,460)**	(458,608)
Acquisition of exploration and evaluation assets	**(1,000,000)**	(45,000)
Cash Used in Investing Activities	**(1,169,460)**	(503,608)
Financing activities		
Issuance of common shares	**608,803**	136,130
Vendor Mortgage	**800,000**	-
Cash Provided by Financing Activities	**1,408,803**	136,130
Net Decrease in Cash	**(44,156)**	(560,292)
Cash, Beginning of Period	**74,203**	647,415
Cash, End of the Period	**$ 30,047**	$ 87,123

Supplemental Cash Flow Information (Note 13)

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

1. Nature of Operations and Going Concern

Rogue Resources Inc. (“Rogue” or the “Company”) was incorporated on January 10, 1985 under the laws of the Province of British Columbia, Canada and is a public company listed on the TSX Venture Exchange (the “TSX.V”), trading under the symbol “RRS.” The registered and records office of the Company is Suite 2900, 550 Burrard Street, Vancouver, British Columbia, V6C 0A3. The head office of the Company is Suite 1612, 44 Victoria Street, Toronto, Ontario, M5C 1Y2.

Rogue is a mining company focused on generating positive cash flow. Not tied to any commodity, it looks at rock value and good grade deposits, in good jurisdictions. The Company currently has three parts- 1- **Rogue Quartz** includes the Silicon Ridge Project in Québec and the Snow White Project in Ontario; 2- **Rogue Timmins** includes the currently out-of-the-money Langmuir, Radio Hill and Timmins West Properties, all located near Timmins, Ontario; and most recently 3- **Rogue Stone**, focused on selling dimensional limestone into the landscape market with the Johnston Farm Quarry near Bobcaygeon, Ontario (“Johnston Farm Quarry” or “Bobcaygeon”) and the planned acquisition of the Speiran Quarry near Orillia, Ontario (“Speiran Quarry” or “Orillia”).

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to complete the evaluation and development of commercially viable reserves, and upon future profitable production or proceeds from the disposition of exploration and evaluation assets.

The Company incurred a comprehensive loss of $523,789 for the nine months ended January 31, 2020 (2019 – comprehensive loss $378,161) and had a deficit of $49,584,098 as at January 31, 2020 (April 30, 2019 - $49,053,986). The Company had a working capital deficit of $559,772 as at January 31, 2020 (April 30, 2019 – $372,354). These factors may cast significant doubt upon the ability of the Company to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded assets, or the amounts of, and classification of liabilities that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

<u>Pre-Commercial Production</u>

Bobcaygeon completed three months of operations and sales but remained in a pre-Commercial Production state through the three months Q3-2020.

The Company follows the guideline that Commercial Production begins once the project produces a designated percentage of planned output. Using industry norms, Rogue has determined that the “percentage” be >60% for three consecutive months. In the case of our two limestone quarries, our "planned output" will be the licensed rate of 20,000 tonnes per year, or 1,667 tonnes per month. Rogue considers the quarry will have reached "Commercial Production" on the first day of the calendar month immediately following three consecutive calendar months during which the quarry produces more than 60% of one-twelfth of the yearly licensed production rate. Once the Company has reached Commercial Production at an operation, it will report Revenue and Cost of Goods Sold, etc.

During pre-Commercial Production at Bobcaygeon the Company can report that during the three months Q3-2020:

- Sold 1,304 tons of limestone, for Sales Receipts of $79,414
- Expenses directly related to those Sales Receipts totaled $52,532
- Expenses related to Site Preparation and Rehabilitation totaled $91,229.

2. Significant Accounting Policies

a) Basis of Presentation

Statement of Compliance

These condensed consolidated interim financial statements of the Company for the nine months ended

January 31, 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee. These condensed interim consolidated financial statements for the nine month period ending January 31, 2020 have been prepared in accordance with IAS Interim Financial Reporting. These condensed consolidated interim financial statements can be read in conjunction with the Company's April 30, 2019 audited annual financial statements.

The significant accounting policies applied in these financial statements are based on IFRS issued and outstanding policies as of March 27, 2020, the date the Board of Directors approved the financial statements.

Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Foreign Currencies

The presentation currency and the functional currency of the Company is the Canadian dollar.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. 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 cost in a foreign currency are not retranslated.

b) Consolidation Principles

Subsidiaries are entities controlled by the Company. Control exists when an entity is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. The financial statements of subsidiaries are included in the condensed consolidated financial statements from the date that control commences until the date that control ceases. Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements. See Note 4 for further details on the Company's subsidiaries.

c) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments with maturities within six months held for the purpose of meeting short-term cash commitments rather than for investing purposes. The Company did not have cash equivalents as at January 31, 2020 and April 30, 2019.

d) Marketable Securities

Marketable securities represent investments in public companies and have been designated as fair value through other comprehensive income (loss). The investments are reported at fair value based on quoted market prices with unrealized gains or losses excluded from operations and reported as other comprehensive income or loss.

The Company evaluates the carrying value of investments for impairment on a quarterly basis. In its impairment analysis, the Company takes into consideration numerous criteria, including the duration and extent of any decline in fair value, the intent and ability of the Company to hold the security for a period of time sufficient for a recovery in value and recent events specific to the issuer or industry. If a decline in value is determined to be other-than-temporary, the carrying value of the security is written down to fair value in the statement of operations.

2. Significant Accounting Policies (Continued)

e) Financial Instruments

The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of May 1,

2019. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application. The change did not impact the carrying value of any of the financial assets or financial liabilities on the transition date.

The following is the Company's policy for financial instruments under IFRS 9:

i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or 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 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 or if the Company has opted to measure them at FVTPL. The Company completed a detailed assessment of its financial assets and liabilities as at May 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial assets/liabilities	Original classification IAS 39	New classification IFRS 9
Cash	Amortized cost	Amortized cost
Marketable securities	Available-for-sale	FVTOCI
Loans receivable	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Due to related parties	Amortized cost	Amortized cost

ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of operations. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of operations in the period in which they arise.

e) Financial Instruments (Continued)

iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of operations, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

iv) Derecognition of financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of operations.

2. Significant Accounting Policies (Continued)

f) Other Comprehensive Income (Loss)

Other comprehensive income (loss) represents the change in net equity for the period that arises from unrealized gains and losses on FVOCI financial instruments and reclassifications of FVOCI investments. Amounts included in other comprehensive income (loss) are shown net of tax. Cumulative changes in other comprehensive income (loss) are included in reserves which is presented as a category in equity.

g) Property, Plant and Equipment

Items of property, plant and equipment are recorded at cost and depreciated over their estimated useful lives. The cost of an item includes the purchase price and directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of operations and comprehensive loss during the financial period in which they are incurred.

Depreciation on equipment is recognized on a straight-line basis over their estimated useful lives. Depreciation methods, useful lives and residual values are reviewed at each financial year end and are adjusted if appropriate.

The Company's equipment has been fully depreciated as at January 31, 2020 and April 30, 2019.

h) Exploration and Evaluation Assets

Exploration and evaluation expenditures include the cost of acquiring licenses, costs associated with exploration and evaluation activities, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. When shares are issued as consideration for exploration and evaluation asset costs, they are valued at the closing share price on the date of issuance. Exploration and evaluation expenditures are capitalized as incurred. Costs incurred before the Company has obtained the legal right to explore an area are recognized in profit or loss.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

2. Significant Accounting Policies (Continued)

h) Exploration and Evaluation Assets (Continued)

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, which management has determined to be indicated by a feasibility study, exploration and evaluation assets attributable to that area of interest are first tested for impairment and the balance is reclassified as a development asset in property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation asset is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. It is management's judgment that none of the Company's exploration and evaluation assets have reached the development stage and as a result are all considered to be exploration and evaluation assets.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements and non-compliance with regulatory requirements. The Company is not aware of any disputed claims of title.

i) Impairment **of Non-Financial Assets**

Impairment tests on non-financial assets, including exploration and evaluation assets, are performed whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows 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. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where it is possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. Each of the Company's exploration and evaluation properties is considered to be a cash-generating unit for which impairment testing is performed.

An impairment loss is recognized in the statement of operations, except to the extent they reverse gains previously recognized in other comprehensive income or loss.

j) Exploration Tax Credits

The Company recognizes mineral exploration tax credits when the amount to be received can be reasonably estimated and collection is reasonably assured.

k) Decommissioning Liabilities

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mineral property assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

k) Decommissioning Liabilities (Continued)

Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

l) Non-monetary consideration

Agent's warrants, stock options and other equity instruments issued as purchase consideration in non-monetary transactions other than as consideration for mineral properties are recorded at fair value determined by management using the Black-Scholes option pricing model. The fair value of the shares issued is based on the trading price of those shares on the TSX.V on the date of the agreement to issue shares as determined by the Board of Directors. Proceeds from unit placements are allocated between shares and warrants issued using the residual method.

m) Share Capital

a. Flow-through shares

2. Significant Accounting Policies (Continued)

The Company will from time to time issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and credits other income when the entity renounces the tax benefits to the shareholders. Costs incurred in connection with the issuance of flow-through shares reduce the flow-through liability on a pro-rata basis.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's period is disclosed separately as flow-through expenditure commitments.

The Company is also subject to a Part XII.6 tax on unspent flow-through proceeds, renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

b. Share based payments

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

If and when the stock options or warrants are ultimately exercised, the applicable amounts of their fair values in the reserves account are transferred to share capital.

2. Significant Accounting Policies (Continued)

m) Share Capital (Continued)

c. Share issuance costs

Costs directly identifiable with the raising of share capital financing are charged against share capital. Share issuance costs incurred in advance of share subscriptions are recorded as non-current deferred assets. Share issuance costs related to uncompleted share subscriptions are charged to operations.

d. Nature and Purpose of Reserves

The reserves recorded in equity on the Company's Statements of Financial Position includes Share-based Payments Reserve which is used to recognize the fair value of stock option grants prior to exercise, expiry or cancellation and the fair value of other share-based consideration recorded at the date of issuance.

n) Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized through profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income or loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

o) Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated using the treasury stock method, which assumes that cash that would be received on the exercise of stock options is applied to purchase shares at the average price during the period. The difference between the shares issued on the exercise of the stock options and the number of shares purchased under this computation, on a weighted average basis, is added to the number of shares outstanding. Anti-dilutive stock options are not considered in computing diluted earnings per share. Stock options are typically dilutive when the Company has income for the year and the average market price of the common shares during the year exceeds the exercise price of the options.

p) Recently Adopted Accounting Pronouncements

The following new accounting policies were adopted by the Company on May 1, 2019 and had no significant impact on the Company's financial position and results of operations:

New standard IFRS 16, Leases
IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties of a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

p) Recently Adopted Accounting Pronouncements (Continued)

New standard IFRIC 23, Uncertainty over Income Tax Treatments
IFRIC 23 is a new standard that sets out to clarify the accounting for uncertainties in income taxes.

q) Future Accounting Pronouncements Not Yet Adopted

There are no new or revised IFRSs that will impact the Company that have been issued but are not yet effective for the nine months ended January 31, 2020 financial statements.

3. Critical Accounting Judgments and Estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impact of such estimates are

2. Significant Accounting Policies (Continued)

pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, 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:

a) Determination of Cash Generating Units

In performing impairment assessments of corporate assets, assets that cannot be assessed individually are grouped together into the smallest group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Management is required to exercise judgment in identifying these cash generating units ("CGUs").

b) Exploration and Evaluation Assets

Management is required to assess impairment in respect of intangible exploration and evaluation assets. Note 5 discloses the carrying value of these assets. The triggering events for the impairment of exploration and evaluation assets are defined in *IFRS 6 Exploration and Evaluation of Mineral Resources* and are as follows:

- the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Impairment of exploration and evaluation assets is assessed at the CGU level. The Company has used each of its mineral properties to establish its CGUs.

3. Critical Accounting Judgments and Estimates (Continued)

b) Exploration and Evaluation Assets (Continued)

In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The nature of exploration and evaluation activity is such that only a proportion of projects are ultimately successful and some assets are likely to become impaired in future periods.

c) Business Combinations

Determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset may require the Company to make certain judgements as to whether or not the assets acquired and liabilities assumed include the inputs, processes and outputs necessary to constitute a business as defined in IFRS 3 – Business Combinations. If an acquired set of assets and liabilities includes goodwill, the set is presumed to be a business. Based on an assessment of the relevant facts and circumstances, the Company concluded that the acquisition of the Johnston Farm Quarry license did not meet the definition of a business and the transaction has been accounted for as an asset acquisition (Note 5).

d) Determination of control of subsidiaries

Judgement is required to determine when the Company has control of subsidiaries or joint control of joint arrangements. This requires an assessment of the relevant activities of the investee, being those activities that significantly affect the investee's returns, including operating and capital expenditure decision-making, financing of the investee, and the appointment, remuneration and termination of key management personnel; and when the decisions in relation to those activities are under the control of the Company or require unanimous consent from the investors. Judgement is also required when determining the classification of a joint arrangement as a joint venture or a joint operation through an evaluation of the rights and obligations arising from the arrangement. Changes to the Company's access to those rights and obligations may change the classification of that joint arrangement. Based on assessment of the relevant facts and circumstances, , the Company concluded that 2723493 Ontario Inc. (“Rogue Stone”), 2712428 Ontario Inc. (“BobOpCo”) and 2701674 Ontario Inc. (“OrilliaOpCo”) meet the criteria to be classified as subsidiaries.

e) Accrued Liabilities

The Company has applied judgment in recognizing accrued liabilities, including judgment as to whether the Company has a present obligation (legal or constructive) as a result of a past event; whether it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and whether a reliable estimate can be made of the amount of the obligation.

f) Share-based Payments

The Company has applied judgement in the inputs used in accounting for share-based payments in the statements of operations and comprehensive loss.

g) Deferred Income Tax Assets

The Company has applied judgement in the inputs used in assessing the recoverability of deferred income tax assets to the extent that the deductible temporary differences will reverse in the foreseeable future and that the Company will have future taxable income.

h) Determination of Going Concern Assumption

The preparation of these financial statements requires management to make judgments regarding the applicability of the going concern assumption.

i) Taxes Recoverable

Quebec Mining Tax Credits are estimated based on draft tax returns which are filed after the reporting date of these financial statements. Management is required to make judgments regarding the collectability of taxes recoverable based on assessments by Canada Revenue Agency and potential for reassessments or adjustments to tax returns filed.

(Expressed in Canadian Dollars)

4. **Subsidiaries**

Rogue Stone was incorporated on October 25, 2019 under the laws of the Province of Ontario. Rogue Stone issued 100 common shares at $1 per share to Rogue Resources Inc. on October 25, 2019. The principal activity will be to produce and distribute limestone. Rogue Resources Inc. has 100% of the ownership interest and voting power of Rogue Stone.

BobOpCo was incorporated on August 20, 2019 under the laws of the Province of Ontario. BobOpCo issued 85 common shares to Rogue Resources Inc. (now transferred to Rogue Stone) and 15 common shares to QMX8 Bobcaygeon Inc. on August 20, 2019 at $1 per share. The principal activity of BobOpCo will be to produce limestone from the Johnston Farm Quarry near Bobcaygeon, Ontario. Rogue Stone has 85% of the ownership interest and voting power of BobOpCo.

OrilliaOpCo was incorporated on June 14, 2019 under the laws of the Province of Ontario. OrilliaOpCo issued 1 common share at $1 per share to Rogue Resources Inc. (now transferred to Rogue Stone) on June 14, 2019. The principal activity of OrilliaOpCo will be to produce limestone from the Speiran Quarry near Orillia, Ontario, an acquisition that closed March 5, 2020. Rogue Stone has 100% of the ownership interest and voting power of OrilliaOpCo.

5. Asset Acquisition

On October 25, 2019, the Company completed the acquisition of 85% of the Johnston Farm Quarry (the "Project"), located approximately 10km northeast of the Town of Bobcaygeon from 2023115 Ontario Inc. (the "Seller"). The Company acquired and intends to operate the Project, which includes Class B Aggregate License number 20375, allowing extraction of up to 20,000 metric tonnes of Natural Stone per year.

The total consideration for the acquisition of the Project comprised the following:

Cash	$ 200,000*
Rogue common shares issued (1,620,000)	162,000**
Total Consideration	**$ 362,000**

Notes:
**Seller received $200,000 at closing*
***Seller received 1,6200,000 common shares at closing, with six month hold restrictions. On October 25, 2019, the closing price of Rogue's common shares on the TSX Venture Exchange was $0.10/share.*

The Company concluded that the acquired assets and liabilities did not constitute a business and accordingly the acquisition was accounted for as an asset acquisition. The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

Johnston Farm Quarry	$ 1,162,000
Vendor Mortgage	(700,000)
Vendor Mortgage	(100,000)
Total identifiable net assets acquired	**$ 362,000**

The Project was transferred into BobOpCo and 85% of the shares of this entity were issued to Rogue Stone and 15% were issued to QMX8 Bobcaygeon Inc.

(Expressed in Canadian Dollars)

6. Marketable Securities

In June 2015, the Company was issued 184,800 Amador Gold Corp. shares for debt. On September 20, 2016, Amador Gold Corp. had a 20 to 1 share consolidation. During the year ended April 30, 2019, Amador Gold Corp. was acquired by Mene Inc., in a reverse merger transaction as approved by the Amador Gold Corp. shareholders on October 24, 2018.

i) For the nine months ended January 31, 2020

	Number of Shares	Cost	Market Value at January 31, 2020	Accumulated Other Comprehensive Income
Mene Inc.	9,240	$924	$12,229	$11,305
			$12,229	**$11,305**

ii) For the year ended April 30, 2019

	Number of Shares	Cost	Market Value at April 30, 2019	Accumulated Other Comprehensive Income
Mene Inc.	9,240	$924	$5,909	$4,985
			$5,909	$4,985

(Expressed in Canadian Dollars)

7. Exploration and Evaluation Assets

i) For the nine months ended January 31, 2020

	Langmuir	Radio Hill	Snow White	Silicon Ridge	Johnston Farm Quarry	Speiran Quarry	Total
	Ontario	Ontario	Ontario	Quebec	Ontario	Ontario	
Acquisition costs:							
Balance, April 30, 2019	$137,418	$531,700	$191,700	$850,000	$ -	$ -	$ 1,710,818
Staking costs - cash	-	-	-	-	200,000	-	200,000
Staking costs – shares	-	-	-	-	162,000	-	162,000
Option payments shares	-	7,000.00	-	-	-	-	7,000
Vendor Mortgage	-	-	-	-	800,000	-	800,000
Balance, January 31, 2020	**137,418**	**538,700**	**191,700**	**850,000**	**1,162,000**	**-**	**2,879,818**
Exploration costs:							
Balance, April 30, 2019	12,000	3,415,893	733,201	4,774,052	-	-	8,935,146
Sales receipts	-	-	-	-	(76,189)	-	(76,189)
Equipment rental	-	-	-	-	81,899	-	81,899
Field costs	3,500	3,500	-	(2,000)	29,097	-	34,097
Geology (Note 8)	-	-	114,859	2,612	9,142	-	126,613
Mapping and assaying	-	-	1,300	-	-	-	1,300
Permit application fees	-	-	704	(1,964)	351	-	(909)
Project Management	2,612	2,612	-	-	9,142	9,794	24,160
Repair and maintenance	-	-	-	-	1,767	-	1,767
Travel and accommodation	-	-	-	-	922	-	922
Balance, January 31, 2020	**18,112**	**3,422,005**	**850,064**	**4,772,700**	**56,131**	**9,794**	**9,128,806**
Total balance, January 31, 2020	**$ 155,530**	**$ 3,960,705**	**$ 1,041,764**	**$ 5,622,700**	**$ 1,218,131**	**$ 9,794**	**$ 12,008,624**

Cost summary							
Acquisition costs	$ 137,418	$ 538,700	$ 191,700	$ 850,000	$ 1,162,000	$ -	$ 3,041,818
Exploration costs	$ 18,112	$ 3,422,005	$ 850,064	$ 4,772,700	$ 56,131	$ 9,794	$ 9,128,806

(Expressed in Canadian Dollars)

7. Exploration and Evaluation Assets (Continued)

ii) For the year ended April 30, 2019

	Langmuir Ontario	Radio Hill Ontario	Snow White Ontario	Silicon Ridge Quebec	Total
Acquisition costs:					
Balance, April 30, 2018	$ 137,418	$ 531,700	$ 95,450	$ 850,000	$ 1,614,568
Staking costs – shares	-	-	25,000	-	25,000
Staking costs – cash	-	-	45,000	-	45,000
Option payments –shares	-	-	26,250	-	26,250
Balance, April 30, 2019	**137,418**	**531,700**	**191,700**	**850,000**	**1,710,818**
Exploration costs:					
Balance, April 30, 2018	6,000	3,409,893	177,954	4,797,095	8,390,942
Core logging	-	-	15,365	-	15,365
Core splitting	-	-	8,683	-	8,683
Drilling	-	-	2,060	-	2,060
Environmental studies	-	-	88,120	-	88,120
Field costs	6,000	6,000	21,565	2,000	35,565
Geology (Note 8)	-	-	210,725	-	210,725
Mapping and assaying	-	-	184,550	-	184,550
Permit application fees	-	-	889	-	889
Road construction	-	-	3,948	-	3,948
Travel and accommodation	-	-	19,342	-	19,342
Government assistance	-	-	-	(25,043)	(25,043)
Balance, April 30, 2019	**12,000**	**3,415,893**	**733,201**	**4,774,052**	**8,935,146**
Total balance, April 30, 2019	**$ 149,418**	**$ 3,947,593**	**$ 924,901**	**$ 5,624,052**	**$ 10,645,964**
Cost summary					
Acquisition costs	$ 137,418	$ 531,700	$ 191,700	$ 850,000	$ 1,710,818
Exploration costs	$ 12,000	$ 3,415,893	$ 733,201	$ 4,774,052	$ 8,935,146

7. Exploration and Evaluation Assets (Continued)

a) Rogue Stone

Johnston Farm Quarry

On October 25, 2019, the Company completed the acquisition of 85% of the Johnston Farm Quarry, located approximately 10km northeast of the Town of Bobcaygeon from 2023115 Ontario Inc. (the "Seller"). Rogue Stone, a 100% owned subsidiary of Rogue Resources Inc. acquired and intends to operate the Project, which includes Class B Aggregate License number 20375, allowing extraction of up to 20,000 metric tonnes of Natural Stone per year. See Note 5 for details of the acquisition.

b) Rogue Quartz

i. Silicon Ridge Project

Pursuant to an option agreement dated August 15, 2014, the Company acquired an option to earn a 100% interest in the Silicon Ridge property located approximately 95 kilometers ("km") northeast of Québec City for a payment of 850,000 shares (issued). The property is subject to a 2% NSR, of which one-half (1%) may be purchased for $500,000 and the remaining one-half (1%) may be purchased for a further $1,000,000.

ii. Snow White Project

The Company announced the closing of the acquisition of the Snow White Quartz project from a Sudbury-based prospector (the "Seller") pursuant to an agreement previously announced in October 2017. Under the terms of the agreement, Rogue purchased the project by delivering, among other things, the following to the Seller:

- cash payment at execution of $25,000 (paid);
- issuance of 150,000 (issued) Rogue common shares at closing, subject to the approval of the TSX Venture Exchange ("TSXV");
- additional cash payment of $25,000 (paid) following closing upon the earlier of achievement of certain milestones and anniversaries of closing (the "payment period");
- additional issuance of up to an aggregate of 900,000 Rogue common shares (200,000 common shares issued) during the payment period, subject to the approval of the TSXV; and
- grant of a 2% net return on all quartz/silica from the project, subject to a reservation by the Company of a buy back right upon payment of an additional $2 million to the Seller.

Upon an uncured event of default under the agreement, the project shall revert to the Seller and the Company shall have no interest in the project.

In June 2018, the Company amended the payment terms of the Company's previously announced acquisition of the Snow White quartz project and made two cash payments, one for $25,000 and one for $20,000. Under the terms of the agreement, Rogue has agreed to deliver additional cash payments up to an aggregate of $470,000 upon the earlier of achievement of certain production milestones and the end of 2023 (200,000 common shares issued to settle $25,000). Rogue also agreed to make payments equal to a maximum of $355,000 in aggregate on the basis of $1.00 per tonne of production of silica removed from the project. The Rogue common shares to be issued over the payment period and the 2% net return royalty remain unchanged from the original acquisition agreement. Upon an uncured event of default under the agreement, the project shall revert to the Seller and the Company shall have no interest in the project.

7. Exploration and Evaluation Assets (Continued)

c) Rogue Timmins

i. **Langmuir Property**

Pursuant to an option agreement dated July 13, 2004, the Company acquired a 100% interest in two claims on the Langmuir property near Timmins, Ontario. The Optionor is entitled to receive a 2% NSR. The Company may at any time purchase 1% of the NSR for $500,000. The property is an exploration and evaluation asset that hosts a nickel and copper mineral resource and other prospective nickel/copper targets. Subsequent to the agreement, the Company staked a further 72 claims which form part of the Langmuir property.

On April 30, 2017, the Company decided to write-down the property's exploration costs to $Nil to focus on its other properties. $7,692,491 in exploration costs were written off during the year ended April 30, 2017. Minimal exploration costs have been incurred since April 30, 2017.

ii. **Radio Hill Property**

Pursuant to an option agreement dated November 16, 2007, the Company acquired a 100% interest in any and all commercial products from the Radio Hill property. Consideration consisted of cash payments of $275,000 (paid) over three years. By agreement dated November 16, 2010, the Company issued 2,000 shares to the Optionors in exchange for the final $100,000 cash payment being delayed to February 28, 2011 (paid). There is a 3% NSR on all minerals produced (except for iron ore), 2/3 (2%) of which may be purchased at any time for $3,000,000. In April 2011 and as amended in October 2013, the Company completed its option agreement to earn a 100% interest on its Radio Hill Iron Ore property. In lieu of an NSR on the iron rights, the agreement requires a $50,000 annual payment to be paid in perpetuity until commencement of commercial production, at which time a $7,000,000 payment is required, subject to a cost of living increase. The annual payment is only applied to the Radio Hill property containing the historical resource and not the adjacent Timmins West property, which hosts the Nat River formation as well as other targets.

On June 16, 2016, the Company executed an amendment to the Radio Hill Option Agreement whereby the Company maintains its option on the iron mineralization, but at the sole discretion of the Company, can either issue 10,000 shares of the Company or pay $50,000 to the Optionors on an annual basis. The Company issued 10,000 shares to the Optionors in February 2017 and February 2018. The Company issued 100,000 shares to the Optionors in January 2020.

A Memorandum of Understanding ("MOU") dated April 10, 2015 was entered into with the Flying Post and Mattagami First Nations groups ("First Nations") in respect of the Radio Hill claims. The Company agreed to pay 2% of all costs of the exploration program incurred after the agreement date, to be divided equally amongst the First Nations groups. The Company also agreed to grant 10,000 shares to each of the First Nations groups (20,000 total), of which 20,000 shares were issued as at April 30, 2017.

In January 2020, the Company executed an amendment to the Radio Hill Option Agreement whereby the Company purchased full ownership of the iron mineralization less a 1.5% net smelter return royalty on the production of iron ore to the Optionors, in exchange for 100,000 shares of the Company.

iii. **Timmins West Property**

Through staking, the Company acquired a 100% interest in mineral claims known as Timmins West located in Penhorwood, Kenogaming and Keith Townships, Ontario.

In July 2016, the Company completed the sale of its Pen South property to Rapier Gold Inc. for $325,000 and 1,500,000 Rapier shares. The terms of the sale agreement include Rapier acquiring 100% of the Pen South property, subject to a 2% NSR. The entire NSR may be purchased for $3,000,000. Rogue also retains the right to repurchase any individual claim within the property for $1 if Rapier or any potential successor does not meet the outstanding government exploration work requirement and/or intends to abandon or allow the claim to lapse.

8. Loans Receivable

On October 3, 2018, the Company provided a loan of $25,000 to a vendor, secured against certain collateral of the vendor. The loan is non-interest bearing and was redeemable on or after March 31, 2019 at the sole election of the Company. On September 3, 2019, the Company issued a Notice of Intention to Enforce Security, in accordance with subsection 244(1) of the Bankruptcy and Insolvency Act (Canada) and is currently preparing to take possession of the collateral.

9. Vendor Mortgages

On October 25, 2019, as part of the consideration for the acquisition of the Johnston Farm Quarry, Rogue Resources Inc. took on a Vendor Mortgage with a principal amount of $700,000, incorporating an existing $350,000 mortgage on title in favour of Inspirit Resources Inc. (a company controlled by the Vendor) and a new $350,000 mortgage, that was added at closing. The Vendor Mortgages are secured against the Johnston Farm Quarry and the Class B Aggregate License number 20375, with the Vendor Mortgages listed on title for the Project until completely repaid. Quarterly interest-only payments to begin when the property earns a positive Net Profit and the Vendor Mortgages will have a term of four years from closing of the acquisition and can be completely repaid at any time in lump sum. Interest shall accrue quarterly on the outstanding balance of the mortgages at a rate of 5.25% annualized, until maturity or until full repayment.

As part of the Vendor Mortgages, if Rogue chooses to add any additional mortgages to the property, it has agreed to pay the Vendor a one-time levy of $75,000, to be counted against the remaining Vendor Mortgages Principal Amount, and a subordination fee for each month any additional mortgage is in place. The subordination fee will be calculated using a 2.5% annualized rate of the principal of the additional mortgage.

Rogue Resources Inc. also took on an existing $100,000 mortgage, that will remain on title, with a 12% annual interest rate.

10. Share Capital

a) Authorized

Unlimited number of common shares without par value.

b) Issued

Nine months ended January 31, 2020

In October 2019, the Company issued 1,162,000 shares related to the acquisition of the Johnston Farm Quarry (see Note 5 for further details). The fair market value of the shares at the time of issuance was $0.10 per share.

In October 2019, the Company completed its first tranche of the private placement announced on August 12, 2019 and issued 4,016,000 non flow-through units (“NFT Units”) at a price of $0.10 per NFT Unit for total proceeds of $401,600. Each NFT Unit consists of one common share and one non-transferable common share purchase warrant at an exercise price of $0.20 per share. These warrants expire on October 25, 2021. No residual value was ascribed to the share purchase warrants. Finders fees of $1,974 were paid in relation to this private placement.

In November 2019, the Company completed its second tranche of the private placement announced on August 12, 2019 and issued 2,200,000 non flow-through units (“NFT units”) at the price of $0.10 per NFT Unit for total proceeds of $220,000. Each NFT Unit consists of one common share and one non-transferable common share purchase warrant at an exercise price of $0.20 per share. These warrants expire on November 7, 2021. No residual value was ascribed to the share purchase warrants. Finders fees of $7,700 were paid and the Company issued 77,000 non-transferrable warrants in relation to this private placement. The warrants entitle the holder to acquire one additional common share at a price of $0.20 for a period of 24 months from the closing date.

(Expressed in Canadian Dollars)

10. Share Capital (Continued)

b) Issued (Continued)

In January 2020, the Company issued 100,000 shares related to the acquisition of the Radio Hill project. The fair market value of the shares at that time of issuance was $0.07 per share.

Year ended April 30, 2019

In December 2018, September 2018 and June 2018, the Company issued 150,000 shares (50,000 shares each month) related to the acquisition of the Snow White Quartz project. The fair market value of the shares at the time of issuance was $0.095, $0.21 and $0.22 per share, respectively.

In December 2018, the Company issued 200,000 shares to settle a debt amount of $25,000 owed to third parties. See Note 5 b) i). The fair market value at the time of issuance was $0.125 per share.

In September 2018, the Company completed its private placement announced on June 25, 2018 and issued 756,276 NFT Units at a price of $0.18 per NFT Unit for total proceeds of $136,130. Each NFT Unit consists of one common share and one non-transferable common share purchase warrant at an exercise price of $0.30 per share. These warrants expire on September 5, 2020. No residual value was ascribed to the share purchase warrants. No finders fees were paid in relation to this private placement.

c) Stock Options

The Company has adopted an incentive stock option plan (the “Plan”). The essential elements of the Plan provide that the aggregate number of shares of the Company’s capital stock issuable pursuant to options granted under the plan may not exceed 10% of the issued and outstanding shares of the Company at any given time. Stock options (“Options”) granted under the Plan may have a maximum term of ten years. The exercise price of Options granted under the Plan will not be less than the discounted market price of the shares (defined as the last closing market price of the Company’s shares immediately preceding the grant date, less the maximum discount permitted by TSX Venture Exchange Policy), or such other price as may be agreed to by the Company and accepted by the TSX Venture Exchange. Options granted to consultants providing investor relations activities under the Plan are subject to vesting restrictions such that one-quarter of the total options shall vest at three, six, nine and twelve months following the date of the grant.

A summary of the status of the Company’s stock options as of January 31, 2020 and April 30, 2019 were as follows:

	Options	Weighted Average Exercise Price
Balance, April 30, 2018	1,107,833	$ 0.50
Expired	(2,000)	1.00
Balance, April 30, 2019	1,105,833	0.50
Cancelled	(15,000)	0.44
Granted	925,000	0.07
Balance, January 31, 2020	**2,015,833**	**$ 0.30**

(Expressed in Canadian Dollars)

10. Share Capital (Continued)

c) Stock Options (Continued)

On January 31, 2020 and April 30, 2019, the Company had outstanding and exercisable stock options as follows:

Expiry Date	Exercise Price	Number of Options Exercisable	Number of Options Outstanding
April 28, 2021	$1.00	4,333	4,333
December 10, 2021	$0.50	6,500	6,500
November 3, 2022	$1.00	30,000	30,000
November 30, 2022	$1.10	10,000	10,000
March 4, 2023	$0.95	100,000	100,000
December 6, 2023	$0.44	270,000	270,000
February 7, 2024	$0.60	120,000	120,000
January 11, 2025	$0.39	550,000	550,000
January 15, 2027	$0.07	462,500	925,000
Balance, April 30 and January 31, 2020		**1,553,333**	**2,105,833**

As at January 31, 2020, the weighted average remaining contractual life of the Company's share purchase options is 5.52 years and the weighted average exercise price is $0.30 (April 30, 2019 – 5.04 years and $0.50).

d) Warrants Outstanding

A summary of the status of the Company's warrants as at January 31, 2020 and April 30, 2019 were as follows:

	Warrants	Weighted Average Exercise Price
Balance, April 30, 2018	5,006,038	$ 0.55
Expired	(5,006,038)	0.55
Granted	756,276	0.30
Balance, April 30, 2019	**756,276**	**$ 0.30**
Granted	6,216,000	0.20
Balance, January 31, 2020	**6,972,276**	**$ 0.21**

A summary of the Company's warrants outstanding as at January 31, 2020 were as follows:

Expiry Date	Exercise Price	Number of Warrants
September 5, 2020*	$0.30	756,276
October 25, 2021	0.20	4,016,000
November 7, 2021	0.20	2,200,000
Balance, January 31, 2020		**6,972,276**

**Note: Balance as at April 30, 2019 was 756,276 warrants at an exercise price of $0.30 per share.*

As at January 31, 2020, the weighted average remaining contractual life of the Company's share purchase warrants is 1.62 years and the weighted average exercise price is $0.21 (April 30, 2019 – 1.35 years and $0.30).

(Expressed in Canadian Dollars)

10. Share Capital (Continued)

e) Compensation Warrants Outstanding

A summary of the status of the Company's compensation warrants as at January 31, 2020 and April 30, 2019 were as follows:

	Compensation Warrants	Weighted Average Exercise Price
Balance, April 30, 2018	145,198	$0.87
Expired	(145,198)	0.87
Balance, April 30, 2019	**-**	**-**
Granted	96,740	0.20
Balance, January 31, 2020	**96,740**	**$0.20**

The Company had 96,740 compensation warrants outstanding as at January 31, 2020 at a weighted average remaining contractual life of 1.73 years and a weighted average exercise price of $0.20 per share (2019 – nil).

11. Non-controlling Interest

The Company has an 85% interest in BobOpCo 15% of BobOpCo's equity and total comprehensive income or loss is allocated to the non-controlling interest using the indirect method. The non-controlling interest comprises the following amounts:

Non-controlling interest at Acquisition	$ 174,300
Net income attributable to non-controlling interest	-
Balance, January 31, 2020	**$ 174,300**

(Expressed in Canadian Dollars)

12. Related Party Balances and Transactions

a) Compensation of key management personnel

The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and consist of its directors, President and Chief Executive Officer, VP Technical and Corporate Secretary, and Chief Financial Officer. Compensation of the directors, officers and/or companies controlled by these individuals for the nine months ended January 31, 2020 and 2019 were as follows:

		2020		2019
Key management compensation	**$**	**339,720***	$	379,958*
Total compensation of key management personnel	**$**	**339,720**	$	379,958

**Key management compensation of $153,446 (2019 - $165,655) have been capitalized under exploration and evaluation assets (see Note 7)*

b) Related party balances

Amounts due to related parties amounted to $619,116 as at January 31, 2020 (April 30, 2019 - $381,646). Amounts due to related parties are unsecured, non-interest bearing and have no specific repayment terms. Amounts due from related parties related to rent deposit total $1,519 as at January 31, 2020 (April 30, 2019 - $1,519).

c) Other related party transactions

During the nine months ended January 31, 2020, the Company incurred rent of $13,947 (2019 - $13,947) to companies related by common officers and directors.

During the nine months ended January 31, 2020, the Company incurred a total of $93,324 (2019 - $77,043) related to legal services to a law firm in which a director of the Company is a partner.

The above transactions were in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

13. Supplemental Cash Flow Information

	Nine months ended January 31,			
		2020		2019
Interest received	**$**	**-**	$	1,159
Non-cash investing and financing activities:				
Share capital issued for exploration and evaluation assets	**$**	**162,000**	$	51,250
Stock based compensation capitalized to exploration and evaluation assets		**7,000**		16,734
Change in accounts payable in exploration and evaluation Assets	**$**	**72,059**	$	37,155

14. Financial Instruments and Risk Management

The fair values of cash, marketable securities, loans receivable, accounts payable and accrued liabilities and due to related parties approximate their fair values due to the short-term nature of these instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is primarily associated with its cash. The Company is not exposed to significant credit risk as its cash is placed with a major Canadian financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. As of January 31, 2020, the Company had a cash balance of $30,047 (April 30, 2019- $74,203) to settle current liabilities of $936,239 (April 30, 2019- $482,979).

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and other price risk. The Company is not exposed to significant market risk.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

15. Capital Management

In the definition of capital, the Company includes cash and equity, comprising issued common shares and reserves.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; and as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

15. Capital Management (Continued)

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

16. Commitments

The Company entered into flow-through share subscription agreements whereby it was obligated to incur

a. on or before December 31, 2018 a total of $363,340 plus the mining exploration tax credits recoverable of $16,920 (incurred); and
b. on or before December 31, 2019 a total of $250,000 (incurred) plus the mining exploration tax credits recoverable of $35,043.

In May 2016, the Company signed a 5-year sublease agreement to rent office space for the Company's Toronto office from a company related by a common officer/director. Rent was $1,519 per month and increased to $1,550 per month on January 1, 2018. The sublease term expires on April 30, 2021.

17. Subsequent Events

Subsequent to January 31, 2020:

a) On February 21, 2020, the Company entered into an agreement to amend the payment terms (the "Amendments") for the Company's previously announced acquisition of the Snow White quartz project, located near Massey, Ontario, Canada ("Snow White" or the "Project"). Under the terms of the Amended Agreement, the Company has agreed to deliver additional cash payments of up to an aggregate of $440,000 upon the earlier of achievement of certain production milestones and the end of 2024 starting in December 2020. All other terms of the Agreement remain unchanged.

b) On February 28, 2020, the Company provided notice to vacate the office space it was renting under the sublease and will transition to a mail-drop arrangement at the same office, for minimal cost.

c) On March 4, 2020, the Company closed with a leading Canadian, nonbank lender (the "Credit Group") for a $1.8M term loan (the "New Term Facility"), secured against Orillia and the Company's remaining assets. The New Term Facility has a 12 month term, extendable to 18 months, with interest-only payments until the principal is due in full at maturity and is subject to an existing general security agreement with the Credit Group. The New Term Facility carries an interest rate equal to the higher of prime plus 8.05% or 12%. In addition, the Company has issued the Credit Group 2,250,000 bonus shares, equal to 10% of the New Term Facility pending the TSX Venture Exchange's ("TSXV") approval. The Company immediately drew the full $1.8M loan amount.

d) Prior to March 4, 2020 the Company negotiated with the Bobcaygeon Vendor to waive the levy and subordination fee on the Company's New Term Facility, in return for a one-time payment of $15,000.

e) On March 4, 2020, the Company has a secured equipment financing for its fleet of heavy equipment to operate its Bobcaygeon and Orillia quarries in its limestone business, referred to as "Rogue Stone."

f) On March 5, 2020, the Company paid $100,000 of the second mortgage on Bobcaygeon and is now classified as a Current Asset on the Balance Sheet.

g) On March 5, 2020, the Company acquired 100% of the Speiran Quarry (east of Orillia, Ontario), also referred to as "Orillia Quarry." This acquisition represents the Company's second operating quarry in its limestone business.