NuLegacy Gold
CORPORATION

Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2020 and 2019
(Expressed in Canadian Dollars – Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company’s management.

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

NULEGACY GOLD CORPORATION
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars – Unaudited)

	Note		June 30, 2020		March 31, 2020
Assets					
Current assets					
Cash and cash equivalents		$	**9,093,145**	$	5,251,540
Receivables			**18,412**		18,753
Prepaid expenses	8		**88,288**		71,226
Investments	3		**88,147**		98,895
			9,287,992		5,440,414
Non-current assets					
Deposits	4		**648,496**		674,952
Fixed assets	5		**147,321**		156,264
Exploration and evaluation assets	6		**29,253,304**		28,407,560
		$	**39,337,113**	$	34,679,190
Liabilities and Shareholders' Equity					
Current liabilities					
Trade and other payables	7,8	$	**213,635**	$	153,238
Shareholders' Equity					
Share capital	9		**50,420,720**		46,701,357
Warrants reserve	9		**10,288,406**		8,704,851
Share options reserve	9		**7,246,751**		7,065,744
Revaluation reserve			**(3,211,806)**		(3,205,395)
Accumulated deficit			**(25,620,593)**		(24,740,605)
			39,123,478	$	34,525,952
		$	**39,337,113**	$	34,679,190

Corporate Information and Going Concern (Note 1)
Subsequent Event (Note 13)

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

NULEGACY GOLD CORPORATION
Condensed Interim Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars – Unaudited)

	Note		Three months ended June 30, 2020		2019
Operating Expenses					
Consulting		$	**61,708**	$	38,316
Depreciation	5		**17,273**		21,198
Directors' fees			**15,000**		-
Insurance			**12,139**		9,219
Investor relations			**70,524**		22,843
Management fees	8		**105,340**		103,800
Office and administration	8		**94,902**		99,859
Professional fees	8		**34,031**		25,111
Regulatory and transfer agent			**8,185**		15,159
Rent			**31,624**		37,895
Share based payments	8,9		**181,007**		109,564
Travel and accomodation			**4,730**		42,252
		$	**636,463**	$	525,216
Other items					
Foreign exchange gain (loss)			**(243,627)**		(42,731)
Interest income			**102**		163
Loss on sale of assets			**-**		(7,163)
			(243,525)		(49,731)
Net loss for the period		$	**(879,988)**	$	(574,947)
Other comprehensive loss					
Net change in fair value of available for sale financial assets	3		**(6,411)**		-
Comprehensive loss for the period		$	**(886,399)**	$	(574,947)
Basic and diluted loss per share					
Net loss for the period	9	$	**0.00**	$	0.00
Comprehensive loss for the period		$	**0.00**	$	0.00
Weighted average common shares outstanding			**433,781,862**		307,173,804

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

NULEGACY GOLD CORPORATION
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars – Unaudited)

		Three months ended June 30,		
		2020		2019
Operating activities				
Net loss for the period	$	**(879,988)**	$	(574,947)
Items not affecting cash and cash equivalents				
Depreciation		**17,273**		21,198
Share based payments		**181,007**		109,564
Unrealized gains		**4,337**		3,781
Loss on sale of assets		**-**		7,163
Changes in non-cash working capital				
Receivables		**341**		(2,794)
Prepaid expenses and deposits		**(17,062)**		59,494
Trade and other payables		**(66,691)**		(171,062)
Total cash outflows from operating activities	$	**(760,783)**	$	(547,603)
Financing activities				
Proceeds from issuance of common shares		**5,625,000**		-
Share issuance costs		**(322,082)**		-
Total cash inflows from financing activities	$	**5,302,918**	$	-
Investiing activities				
Proceeds from sale of fixed assets	$	**-**	$	30,213
Deposits		**26,456**		(19,486)
Purchased of fixed assets		**(8,330)**		-
Exploration and evaluation asset expenditures		**(718,656)**		(351,942)
Total cash outflows from investing activities	$	**(700,530)**	$	(341,215)
Net change in cash and cash equivalents	$	**3,841,605**	$	(888,818)
Cash and cash equivalents, beginning of period		**5,251,540**		2,611,261
Cash and cash equivalents, end of period	$	**9,093,145**	$	1,722,443
Other non-cash items				
Change in fair market value of available for sale financial assets	$	**29,591**	$	-
Warrants issued in private placement		**1,567,485**		-
Warrants issued as finders' fee		**16,070**		-
Exploration and evaluation assets in trade and other payables		**127,088**		8,700
Supplementary disclosures:				
Interest received	$	**509**	$	82,543
Cash	$	**5,610,190**	$	1,722,443
Cash equivalents		**-**		-
	$	**5,610,190**	$	1,722,443

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

NULEGACY GOLD CORPORATION
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars – Unaudited)

	Note	Number of shares	Share capital	Warrants reserve	Share options reserve	Revaluation reserve	Accumulated deficit	Total
Balance, March 31, 2019		307,173,804	$ 41,588,790	$ 6,941,973	$ 6,757,480	$ (3,216,548)	$ (22,926,503)	$ 29,145,192
Share based payments	9	-	-	-	109,564	-	-	109,564
Comprehensive loss for the period		-	-	-	-	-	(574,947)	(574,947)
Balance, June 30, 2019		**307,173,804**	**41,588,790**	**6,941,973**	**6,867,044**	**(3,216,548)**	**(23,501,450)**	**28,679,809**
Shares issued, private placements	9	100,000,000	7,500,000	-	-	-	-	7,500,000
Share issuance costs, private placements	9	-	(840,441)	215,886	-	-	-	(624,555)
Share purchase warrants, private placement	9	-	(1,546,992)	1,546,992	-	-	-	-
Shares issued, exercise of stock options	9		-	-		-	-	-
Share based payments	9	-	-	-	198,700	-	-	198,700
Comprehensive loss for the period		-	-	-	-	11,153	(1,239,155)	(1,228,002)
Balance, March 31, 2020		407,173,804	46,701,357	8,704,851	7,065,744	(3,205,395)	(24,740,605)	34,525,952
Shares issued, private placement	9	75,000,000	5,625,000	-				5,625,000
Share issuance costs, private placement	9		(529,965)	157,883				(372,082)
Share purchase warrants, private placement	9		(1,425,672)	1,425,672				-
Shares issued, finders' fee	9	666,666	50,000					50,000
Share based payments	9	-	-	-	181,007	-	-	181,007
Comprehensive loss for the period		-	-	-	-	(6,411)	(879,988)	(886,399)
Balance, June 30, 2020		**482,840,470**	**$ 50,420,720**	**$ 10,288,406**	**$ 7,246,751**	**$ (3,211,806)**	**$ (25,620,593)**	**$ 39,123,478**

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

1. Corporate Information and Going Concern

Corporate Information

NuLegacy Gold Corporation (the "Company") is a publicly listed entity on the TSX Venture Exchange (the "Exchange") and incorporated under the laws of the Province of British Columbia. The Company's principal business activity is the acquisition and exploration of mineral properties. Its principal mineral property interests are located in Nevada, USA.

The head office, principal address, and records office of the Company are located at 1055 West Hastings Street, Suite 300, Vancouver, British Columbia, Canada, V6E 2E9.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's mineral property interests are located outside of Canada and are subject to the risks associated with foreign investment, including increases in taxes and royalties, renegotiations of contracts, currency exchange fluctuations and political uncertainty. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Going Concern

These condensed interim consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to raise adequate financing and/or to achieve profitable operations. These condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

The continuance of the Company's operations is dependent on obtaining sufficient additional financing in order to realize the recoverability of the Company's investments in exploration and evaluation assets, which is dependent upon the existence of economically recoverable reserves and market prices for the underlying minerals. Management closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur. The Company believes it has sufficient working capital to maintain operations for the next 12 months.

2. Significant Accounting Policies

The following is a summary of significant accounting policies used in the preparation of these consolidated financial statements.

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("IAS 34") "Interim Financial Reporting", using accounting policies that are consistent and in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These condensed interim consolidated financial statements, including the comparative amounts, were approved and authorized for issue by the board of directors on August 27, 2020.

Basis of presentation

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for cash and cash equivalents and other financial instruments classified as fair value through profit or loss and available for sale that have been measured at fair value at the reporting date. The condensed interim consolidated financial statements are presented in Canadian dollars unless otherwise indicated.

The accounting policies applied in preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended March 31, 2020, with the exception of certain amendments to accounting standards issued by the IASB, which were applicable from April 1, 2020. These amendments did not have a significant impact on the Company's condensed interim consolidated financial statements.

The Company's interim results are not necessarily indicative of its results for a full year.

The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its unaudited condensed interim consolidated financial statements. In addition, the preparation of financial data requires that the Company's management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical judgments and estimates applied in the preparation of the Company's unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in Note 2 to the Company's audited consolidated financial statements for the year ended March 31, 2020.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, NuLegacy Gold N.V., which was incorporated in Nevada, USA. The subsidiary is fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date when such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. Inter-company balances and transactions, including any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the condensed interim consolidated financial statements.

Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported expenses during the year.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share based compensation and income taxes.

Critical judgments exercised in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements are as follows:

(a) Economic recoverability and probability of future economic benefits of exploration and evaluation assets:

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of a resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

(a) Valuation of share based payments and warrants:

The Company uses the Black-Scholes Option Pricing Model for valuation of share based compensation and for the valuation of warrants. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and share option reserves.

(b) Recovery of deferred tax assets:

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

Leases

On April 1, 2019, the Company adopted IFRS 16 – Leases ("IFRS 16") which replaced IAS 17 – Leases and IFRIC 4 – Determining Whether an Arrangement Contains a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard is effective for annual periods beginning on or after January 1, 2019. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applied in IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less) and leases of low-value assets. The Company applied IFRS 16 as at April 1, 2019 using a cumulative catch-up approach where leases will be recorded prospectively from that date forward and will not restate comparative information. Right-of-use assets will be recorded based on the lease liabilities determined as at April 1, 2019 and, as a result, there will not be a deficit adjustment on transition.

The Company has one office lease that expires on May 31, 2020 and is determined to be a short-term lease. The lease payments included for the current period totaled $24,225.

Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

(Expressed in Canadian dollars – Unaudited)

3. Investments

The fair value of GRIT common shares as at June 30, 2020 was $88,147 (March 31, 2020 – $98,895). During the three months ended June 30, 2020, the Company recorded a revaluation reserve loss on the investment of $4,337 (June 30, 2019 – $3,780) and an unrealized foreign exchange loss of $6,411 (June 30, 2019 – $nil).

There is a 3% finder's fee payable on the net proceeds from the future sale of the GRIT shares.

4. Deposits

		June 30, 2020		March 31, 2020
Credit card collateral	$	62,920	$	64,205
Reclamation bonds		580,731		604,552
Security deposits		4,845		6,195
	$	648,496	$	674,952

5. Fixed Assets

		Computers		Vehicles		Equipment		Leasehold Improvements		Total
Cost										
As at March 31, 2018	$	214,555	$	158,132	$	64,093	$	29,509	$	466,289
Additions		20,888		67,437		-		-		88,325
Disposals for the year				(76,667)						(76,667)
As at March 31, 2019		235,443		148,902		64,093		29,509		477,947
Additions		8,330		-		-		-		8,330
As at June 30, 2020	$	243,773	$	148,902	$	64,093	$	29,509	$	486,277
Accumulated depreciation										
As at March 31, 2018	$	180,618	$	73,823	$	21,600	$	10,328	$	286,369
Charge for the year		32,539		23,345		12,819		5,902		74,605
Disposals for the year		-		(39,291)		-		-		(39,291)
As at March 31, 2019		213,157		57,877		34,419		16,230		321,683
Charge for the period		5,148		7,445		3,205		1,475		17,273
As at June 30, 2020	$	218,305	$	65,322	$	37,624	$	17,705	$	338,956
Net book value										
As at March 31, 2020	$	22,286	$	91,025	$	29,674	$	13,279	$	156,264
As at June 30, 2020	**$**	**25,468**	**$**	**83,580**	**$**	**26,469**	**$**	**11,804**	**$**	**147,321**

(Expressed in Canadian dollars – Unaudited)

6. Exploration and Evaluation Assets

		Red Hill Properties						
		Iceberg Property		Wilson Property		Coal Canyon		Total
Balance March 31, 2019	$	24,155,172	$	1,720,879	$	21,380	$	25,897,431
Acquisition		-		19,752		-		19,752
Assays		105,409		-		-		105,409
Drilling		751,700		-		-		751,700
Geological consulting and salaries		955,731		22,956		-		978,687
Geophysics		104,716		-		-		104,716
Miscellaneous		83,352		223		-		83,575
Property maintenance		190,190		112,127		14,898		317,215
Travel and vehicle		149,075		-		-		149,075
Total Additions	$	2,340,173	$	155,058	$	14,898	$	2,510,129
Balance March 31, 2020	$	26,495,345	$	1,875,937	$	36,278	$	28,407,560
Geological consulting and salaries		577,890		-		-		577,890
Geophysics		218,621		-		-		218,621
Miscellaneous		32,186		-		-		32,186
Travel and vehicle		17,047		-		-		17,047
Total Additions	$	845,744	$	-	$	-	$	845,744
Balance June 30, 2020	$	**27,341,089**	$	**1,875,937**	$	**36,278**	$	**29,253,304**

Eureka County, Nevada

Iceberg Property:

On September 16, 2010 (later amended on August 23, 2012), the Company entered into an exploration agreement with a joint venture election and option to purchase from Barrick Gold Exploration Inc. (“Barrick”) for a 70% undivided interest in 818 unpatented mining claims in the Iceberg Property located in Eureka County, Nevada, U.S.A. Under the amended agreement, the Company had to incur a minimum of US$5,000,000 in exploration or development expenditures on the Iceberg Property (inclusive of maintenance fees) by December 31, 2015. In September 2015, the Company completed this US$5,000,000 expenditure requirement and earned its 70% undivided interest in the property.

In February 2016, the Company entered into an exchange agreement with Barrick to acquire their 30% interest in the property. Pursuant to the terms of the exchange agreement, the Company issued 32,000,000 common shares (Note 9) to Barrick and granted a 2% net profits interest royalty from commercial production on the property. As a result of this transaction, the Company increased its working interest in the Iceberg Property to 100%.

(Expressed in Canadian dollars – Unaudited)

Wilson Property:

On October 18, 2010, the Company entered into a mining lease ("Lease") with Idaho Resources Corp. ("Idaho"), in which Idaho granted to the Company exclusive possession and control to explore, develop, mine and operate on the Idaho Property, which consists of 482 unpatented mining claims.

On November 7, 2012 (later amended in January 2016), the Company entered into a restated mining lease whereby future requirements for exploration expenditures were eliminated. In order to maintain the Lease, the Company must make the following annual advance royalty payments:

- $75,000 of annual payments and issue 200,000 shares prior to execution of the restated mining lease (paid and issued);
- $25,000 payment and issue 100,000 shares on January 1, 2014 and January 1, 2015 (paid and issued); and
- $12,500 payment on January 1st, April 1st, July 1st and October 1st of all succeeding years (paid for the 2017 calendar year).

On July 9, 2017, the Company amended the agreement with Idaho. The quarterly payments of $12,500 due each year have been replaced with one annual payment of $15,000 due on January 1 of each year commencing on January 1, 2018. The amendment also includes a minimum exploration or development expenditure requirement of $150,000 each calendar year commencing in 2018 and in all succeeding calendar years until commercial production commences.

After an initial term of 10 years, the Lease will continue in full force and effect provided that the Company continues to maintain the property in good standing and make the requisite annual cash payments to Idaho. Upon commencement of commercial production, the annual cash payments will convert to an overriding royalty of 3% of the applicable royalty base on all gold, silver and other ores/metals from the property.

Coal Canyon:

Sixty-four lode mining claims (5.1 km^2) contiguous to the western margin of the Vio area were staked the first of September 2018 to control a highly prospective area. This brings the Red Hill land holding to a total of 108 km^2. The Coal Canyon claims contain both Carlin-type and epithermal-type targets.

7. Trade and Other Payables

	June 30, 2020	March 31, 2020
Trade payables and accruals	$ 209,311	$ 118,522
Related party payables	4,324	34,716
	$ 213,635	$ 153,238

(Expressed in Canadian dollars – Unaudited)

8. Related Party Transactions

During the three months ended June 30, 2020, the Company entered into the following transactions with related parties, not disclosed elsewhere in these condensed interim consolidated financial statements:

- Paid or incurred professional fees of $24,928 (June 30, 2019 - $18,061) and share issuance costs of $36,966 (June 30, 2020 - $nil) to a company controlled by an officer of the Company. As at June 30, 2020, $nil (March 31, 2020 - $8,996) was included in trade and other payables owing to this company for unpaid professional fees.

- Paid or incurred management fees of $60,000 (2019 - $45,000) and office costs of $3,600 (2019 - $3,600) to an officer and director of NuLegacy. As at June 30, 2020, $nil (March 31, 2020 - 770) was included in trade and other payables for reimbursement of expenses.

- Paid or incurred management fees of $nil (2019 - $15,000) and office costs of $nil (June 30, 2019 - $1,000) to a former CEO and director of NuLegacy.

- Paid or incurred consulting fees of $3,869 (2019 - $11,760) capitalized to exploration and evaluation assets and office cost of $3,123 (June 30, 2019 - $3,029) to a director and former CGO of NuLegacy.

- Paid or incurred management fees of $45,340 (2019 - $43,800) and office costs of $1,760 (2019 - $3,300) paid to an officer of the NuLegacy.

- Incurred directors' fees of $nil (2019 - $22,500) and consulting fees of $22,500 (June 30, 2019 - $nil) to a director of NuLegacy.

- Incurred directors' fees of $nil (2019 - $12,500) and consulting fees of $18,162 (June 30, 2019 - $35,091) to a director of NuLegacy. As at June 30, 2020, $4,324 (March 31, 2020 - $3,626) was included in trade and other payables for accrued professional fees.

- Incurred directors' fees of $7,500 (2019 - $nil) to an independent director of NuLegacy.

- Incurred directors' fees of $7,500 (2019 - $nil) to an independent director of NuLegacy.

All related party amounts were incurred in the normal course of operations, bear no interest and have no fixed terms of repayment.

Summary of key management personnel compensation:

	Three months ended June 30,	
	2020	2019
Exploration and evaluation assets	$ 3,869	$ 3,029
Management fees	105,340	103,800
Directors' fees	15,000	-
Consulting fees	40,662	35,091
Office	8,483	7,900
Professional fees	24,928	18,061
Share issuance costs	36,966	-
Share based payments	26,701	59,533
	$ 261,949	$ 227,414

(Expressed in Canadian dollars – Unaudited)

9. Share Capital and Reserves

Authorized Share Capital

Unlimited common shares without par value

Issued Share Capital

	Shares		Share capital (gross)		Share issue costs		Share capital (net)
Balance, March 31, 2019	307,173,804	$	43,171,911	$	1,583,121	$	41,588,790
Private placement	100,000,000		5,953,008		840,441		5,112,567
Balance, March 31, 2020	407,173,804		49,124,919		2,423,562		46,701,357
Private placement	75,666,666		4,249,328		529,965		3,719,363
Balance, December 31, 2019	482,840,470	$	53,374,247	$	2,953,527	$	50,420,720

i. On May 29, 2020, the Company completed a non-brokered private placement of 75,000,000 units (the "Units") at a price of $0.075 per unit for aggregate gross proceeds of $5,625,000. Each Unit consists of one common share and one-half of one common share purchase warrant (each full warrant, a "Warrant"). Each Warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.125 for a period of 24 months following the closing. The fair value attributable to these share purchase warrants was $1,425,672. The Company paid the agents a cash commission of $247,964 and issued 2,941,520 broker warrants (valued at $215,886). Each broker warrant entitles the holder to purchase one common share of the Company at a price of $0.075 for a period of 36 months following closing. In addition, the Company also incurred share issue costs of $149,920.

ii. On October 8, 2019, the Company completed a marketed private placement of 100,000,000 units (the "Units") at a price of $0.075 per unit for aggregate gross proceeds of $7,500,000. Each Unit consists of one common share and one-half of one common share purchase warrant (each full warrant, a "Warrant"). Each Warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.125 for a period of 24 months, subject to acceleration, following the closing. The fair value attributable to these share purchase warrants was $1,282,464. The Company paid the agents a cash commission of $247,964 and issued 5,259,957 broker warrants (valued at $141,813). Each broker warrant entitles the holder to purchase one common share of the Company at a price of $0.125 for a period of 24 months following closing. There was also 666,666 finders' shares issued with a value of $50,000 as well as 666,666 share purchase warrants with a value of $16,070. In addition, the Company also incurred share issue costs of $74,118.

Warrants

A summary of the warrant activities is as follows:

	Number of shares		Weighted average exercise price
Balance, March 31, 2019	12,775,008	$	0.30
Issued	55,259,957		0.12
Balance, March 31, 2020	68,034,965		0.15
Issued	40,774,853		0.13
Expired	(8,582,300)		0.30
Balance, June 30, 2020	**100,227,518**	**$**	**0.13**

(Expressed in Canadian dollars – Unaudited)

The following share purchase warrants were outstanding as at June 30, 2020:

Expiry Date	Number of warrants	Exercise price ($)	Remaining contractual life (years)
August 13, 2020	4,178,908	0.300	0.12
August 13, 2020	13,800	0.200	0.12
October 8, 2022	50,000,000	0.120	2.27
October 8, 2022	5,259,957	0.075	2.27
May 29, 2022	40,774,853	0.125	1.91
	100,227,518	0.127	2.04

The weighted average life of warrants outstanding at June 30, 2020 is 2.04 years.

Stock Options

The Company has a fixed stock-based compensation plan (the "Plan") providing for the grant of stock options to purchase a maximum of 25,000,000 common shares to eligible recipients.

During the three months ended June 30, 2020:

a. In April 2020, the Company granted 7,000,000 stock options exercisable at $0.10 per share to directors, employees and consultants of the Company. The fair value attributable to these stock options was $$292,035 using the Black Scholes option pricing model of which $111,383 was expensed during the three months ended June 30, 2020.

b. In May 2020, the Company granted 1,500,000 stock options exercisable at $0.10 per share to a consultant of the Company. The fair value attributable to these stock options was $$81,867 using the Black Scholes option pricing model of which $11,399 was expensed during the three months ended June 30, 2020.

c. In June 2020, the Company granted 450,000 stock options exercisable at $0.10 per share to an employee of the Company. The fair value attributable to these stock options was $$26,636 using the Black Scholes option pricing model of which $1,559 was expensed during the three months ended June 30, 2020

d. During the three months ended June 30, 2020, 4,425,000 stock options expired with an exercise price of $0.15.

During the year ended March 31, 2020:

a. In August 2019, the Company granted 5,675,000 stock options exercisable at $0.10 per share to employees, directors and consultants of the Company. The fair value attributable to these stock options was $238,532 using the Black Scholes option pricing model of which $139,043 was expensed during the year.

b. In October 2019, the Company granted 1,000,000 stock options exercisable at $0.10 per share to a director of the Company. The fair value attributable to these stock options was $46,407 using the Black Scholes option pricing model of which $22,728 was expensed during the year

c. In January 2020, the Company granted 750,000 stock options exercisable at $0.10 per share to an employee of the Company. The fair value attributable to these stock options was $37,579 using the Black Scholes option pricing model of which $8,156 was expensed during the year.

(Expressed in Canadian dollars – Unaudited)

The fair value of each option granted is estimated at the time of the grant using the Black-Scholes option pricing model with a range of assumptions for grants as follows:

	Three months ended June 30,	
	2020	**2019**
Risk-free interest rate	0.36% to 0.54%	n/a
Expected life	5.0	n/a
Annualized volatility	104.61% to 106.16%	n/a
Dividend rate	-	n/a
Grant date fair value	$0.042 to $0.059	n/a

A summary of the stock option activities is as follows:

	Number of options		**Weighted average exercise price**
Balance, March 31, 2019	28,525,000	$	0.21
Granted	7,425,000		0.10
Forfeited	(1,050,000)		0.22
Expired	(1,450,000)		0.15
Balance, March 31, 2020	33,450,000	$	0.20
Granted	8,950,000		0.10
Expired	(4,425,000)		0.15
Balance, June 30, 2020	37,975,000		0.23

(Expressed in Canadian dollars – Unaudited)

The following table summarizes information about the options outstanding and exercisable at June 30, 2020:

Expiry date	Options outstanding	Options exercisable	Exercise price	Remaining contractual life (years)
November 16, 2020	3,275,000	3,275,000	0.15	0.38
February 24, 2021	325,000	325,000	0.15	0.65
June 6, 2021	700,000	700,000	0.30	0.93
July 18, 2021	400,000	400,000	0.31	1.05
September 1, 2021	300,000	300,000	0.27	1.17
September 21, 2021	535,000	535,000	0.40	1.23
November 14, 2021	750,000	750,000	0.325	1.38
November 23, 2021	2,710,000	2,710,000	0.325	1.40
January 24, 2022	750,000	750,000	0.325	1.57
February 15, 2022	150,000	150,000	0.325	1.63
March 15, 2022	150,000	150,000	0.325	1.71
June 1, 2022	350,000	350,000	0.325	1.92
August 16, 2022	100,000	100,000	0.250	2.13
September 23, 2022	8,655,000	8,655,000	0.235	2.21
November 18, 2022	500,000	416,667	0.235	2.39
February 12, 2023	200,000	166,668	0.20	2.62
May 8, 2023	750,000	625,000	0.20	2.85
June 1, 2023	600,000	499,999	0.20	2.92
September 1, 2023	650,000	433,332	0.20	3.17
August 9, 2024	5,425,000	1,356,250	0.10	4.14
October 11, 2024	1,000,000	250,000	0.10	4.28
January 15, 2025	750,000	-	0.10	4.55
April 14, 2025	7,000,000	1,166,667	0.10	4.79
May 12, 2025	1,500,000	-	0.10	4.87
June 15, 2025	450,000	-	0.10	4.96
	37,975,000	**24,064,583**		

The weighted average life of stock options outstanding at June 30, 2020 is 2.92 years.

Loss per share
The effect of dilutive securities including options and warrants has not been shown as the effect of all such securities is anti-dilutive.

10. Segmented Information

Operating segment:
The Company operates in one operating segment, which is mineral exploration in the United States.

Geographic segments:
The Company operates in two geographic segments: Canada and the United States.

	June 30, 2020	March 31, 2020
Non-current assets		
Canada	$ 81,650	$ 84,286
United States	29,967,471	29,154,490
	$ 30,049,121	$ 29,238,776

(Expressed in Canadian dollars – Unaudited)

11. Financial Instruments and Risk Management

Fair values

The Company has the following financial instruments carried at fair value:

			Fair Value	
Financial Assets	**Financial instrument classification**		**June 30, 2020**	**March 31, 2020**
GRIT common shares	Available for sale		88,147	98,895
		$	**88,147** $	**98,895**

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs have a significant effect on the recorded fair value that are not observable, either directly or indirectly.
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

All financial instruments measured at fair value use level 1 valuation techniques in each period, being the closing bid price of the shares as quoted on a public exchange, or, where not quoted, as determined by the share of fair values of the underlying net assets of the investee.

The following table summarizes the classification of the Company's financial instruments within the fair value hierarchy at June 30, 2020:

	Quoted prices in active markets for identical assets (Level 1)	Signficant other observable inputs (Level 2)	Signifcant unobservable inputs (Level 3)	Total
GRIT common shares	88,147	-	-	88,147
	$ 88,147	$ -	$ -	$ 88,147

(Expressed in Canadian dollars – Unaudited)

The following table summarizes the classification of the Company's financial instruments within the fair value hierarchy at June 30, 2019:

	Quoted prices in active markets for identical assets (Level 1)	Signficant other observable inputs (Level 2)	Signifcant unobservable inputs (Level 3)	Total
Cash and cash equivalents	$ 1,722,443	$ -	$ -	$ 1,722,443
GRIT common shares	79,143	-	-	79,143
	$ 1,801,586	$ -	$ -	$ 1,801,586

There were no transfers between levels of the fair value hierarchy during the three months ended June 30, 2020.

The aggregate fair value of investments with unrealized losses is:

	Fair Value	Unrealized Loss
As at June 30, 2020		
GRIT common shares	$ 88,147	$ 3,211,806
As at June 30, 2019		
GRIT common shares	$ 79,143	$ 3,216,548

Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Foreign currency risk
- Other price risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

(i) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company manages credit risk by placing cash with major Canadian financial institutions. Management believes that credit risk related to these amounts is nominal.

(ii) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to liquidity risk is to ensure that it always has sufficient cash and credit facilities to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Company's reputation. Management typically forecasts cash flows for a period of six to twelve months to identify financing requirements. These requirements are then addressed primarily through access to capital markets. All of the Company's financial liabilities mature within one year.

(iii) Interest rate risk:

Interest rate risk is the risk of financial loss to the Company if market rates of interest were to change adversely. The Company's exposure to interest rate risk is not material.

(iv) Foreign currency risk:

Foreign currency risk is the risk that the future cash flows or fair value of the Company's financial instruments that are denominated in a currency that is not the Company's functional currency will fluctuate due to the change in foreign exchange rate.

The functional currency of the Company and its wholly owned subsidiary is the Canadian dollar. While the Company's parent is Canadian and its capital is raised in Canadian dollars, the Company conducts business outside of Canada. As such, it is subject to risk due to fluctuations in the exchange rates for the United States dollar and Euros. As at June 30, 2020, the Company has cash and cash equivalents denominated in US dollars of $6,183,271 (March 31, 2020 - $3,490,096), deposits in US dollars of $446,131 (March 31, 2020 - $449,131) and trade and other payables in US dollars of $66,249 (March 31, 2020 - $37,747). Each 1% change in the Canadian dollar versus the US dollar would result in a gain/loss of approximately USD $65,632 (March 31, 2020 – USD $39,015).

In addition, the Company holds an investment that is denominated in British Pounds (£). As such, it is subject to fluctuations in the exchange rates for the Canadian dollar and British Pounds. As at June 30, 2020, the Company has an available for sale investment denominated in British Pounds of £52,369 (March 31, 2020 - £56,177). Each 1% change in the Canadian dollar versus the British Pound will result in a gain/loss of approximately £524 (March 31, 2020 - £562).

(iv) Other price risk:

Other price risk is the risk that changes in market prices including commodity or equity prices will have an effect on future cash flows associated with financial instruments.

The equity price risk associated with the Company's current available for sale investment primarily relates to the change in the market prices of the investments in the portfolio. As at June 30, 2020, the Company owned 1,904,320 (March 31, 2020 – 1,904,320) GRIT common shares with each common share valued at £0.03 or $0.05 (March 31, 2020 - £0.03 or $0.05). Each £0.01 change in the value per common share will result in a gain/loss of approximately £19,043 or $32,053 (March 31, 2020 - £19,043 or $33,523).

12. Capital Disclosure and Management

The Company's capital management policy is to maintain a strong, but flexible capital structure that optimizes the cost of capital, creditor and market confidence while sustaining the future development of the business.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. The Company's capital structure includes shareholders' equity of $39,123,478 (March 31, 2020 - $34,525,952). In order to maintain or adjust the capital structure, the Company may from time to time issue shares, seek additional debt financing and adjust its capital spending to manage current and projected debt levels. The Company is not subject to externally imposed capital requirements other than as noted above.

There were no changes to the Company's approach to capital management during the three months ended June 30, 2020.

13. Subsequent Event

In March 2020, the World Health Organization declared that coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, as well as financial markets globally, potentially leading to an economic downturn. Efforts to contain the virus have severely limited the mobility of people and businesses. While the health and safety of our employees, contractors and community at large remain a high priority, it is not possible for the Company at this time to predict the duration or magnitude of the impact of the pandemic towards the Company's business or results from its operations.