ALTAN NEVADA MINERALS LIMITED

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in US Dollars)

DECEMBER 31, 2020

Index

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Altan Nevada Minerals Limited

Opinion

We have audited the accompanying consolidated financial statements of Altan Nevada Minerals Limited (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity (deficiency) for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that as at December 31, 2020, the Company had a working capital deficit of $344,523 and an accumulated deficit of $10,804,700. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

June 30, 2021

ALTAN RIO MINERALS LIMITED
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31,
(Expressed in US Dollars)

		December 31, 2020		December 31, 2019
ASSETS				
Current				
Cash	$	137,687	$	18,983
Receivables		-		20,421
Prepaid expenses and deposits		6,875		7,956
Due from related parties (Note 6)		10,618		53,024
		155,180		100,384
Deposits		-		7,030
Long-term receivables		20,484		-
Reclamation bonds (Note 4)		42,366		42,366
Exploration and evaluation assets (Note 4)		798,359		762,372
	$	1,016,389	$	912,152
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities	$	85,861	$	148,611
Advances payable (Notes 5 and 6)		60,371		43,737
Reclamation obligation (Note 4)		42,366		42,366
Due to related parties (Note 6)		311,105		136,154
		499,703		370,868
Shareholders' Equity				
Share capital (Note 7)		6,326,726		6,082,857
Reserves		5,000,269		5,000,269
Deficit		(10,804,700)		(10,521,964)
Accumulated other comprehensive loss		(5,609)		(19,878)
		516,686		541,284
	$	1,016,389	$	912,152

Nature and continuance of operations (Note 1)

Approved and authorized by the Board June 30, 2021.

"Paul Stephen"	Director	*"John Jones"*	Director
Paul Stephen		John Jones	

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

ALTAN RIO MINERALS LIMITED
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31,
(Expressed in US Dollars)

	2020	2019
EXPENSES		
Consulting and management fees (Note 6)	$ 172,212	$ 212,105
Foreign exchange loss (gain)	19,243	26,980
Insurance	9,192	10,238
Interest expense	244	-
Investor relations	-	59,924
Office expenses	5,609	25,183
Professional fees	39,884	90,520
Rent	3,611	5,808
Share-based compensation (Note 6)	-	152,706
Transfer agent and filing fees	14,294	28,964
Travel and entertainment	438	-
	(264,726)	(612,428)
Change in reclamation cost estimate (Note 4)	-	9,431
Loss on debt settlement	-	(94,758)
Interest income	5,132	-
Impairment of mineral properties (Note 4)	(23,141)	-
Loss for the year	(282,736)	(697,755)
Translation adjustment	14,269	26,289
Comprehensive loss for the year	$ (268,466)	$ (671,466)
Basic and diluted loss per common share	$ (0.00)	$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	71,539,943	53,763,218

ALTAN RIO MINERALS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,
(Expressed in US Dollars)

		2020		2019
CASH FLOWS USED IN OPERATING ACTIVITIES				
Loss for the year	$	(282,736)	$	(697,755)
Items not involving cash:				
Change in reclamation estimate		-		(9,431)
Foreign exchange		48,491		-
Loss on debt settlement		-		94,644
Share-based compensation		-		152,706
Write off of mineral properties		23,141		-
Change in non-cash working capital items:				
Receivables		(63)		(4,516)
Prepaid expenses and deposits		1,081		(5,151)
Accounts payable and accrued liabilities		(81,839)		(67,198)
Due to/from related parties		188,998		16,823
Net cash used in operating activities		(102,927)		(519,878)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES				
Proceeds from private placement, net of share issue costs paid in cash		243,869		977,851
Proceeds of advances payable		19,269		2,482
Repayment of advances payable		-		(40,444)
Net cash provided by financing activities		263,138		939,889
CASH FLOWS USED IN INVESTING ACTIVITIES				
Exploration and evaluation assets		(40,039)		(524,313)
Refund of reclamation bond, net of deposit		-		61,556
Deposit		7,030		(7,030)
Net cash used in investing activities		(33,009)		(469,787)
Change in cash for the year		127,202		(49,776)
Translation adjustment		(8,498)		26,289
Cash, beginning of year		18,983		42,470
Cash, end of year	$	137,687	$	18,983

Supplemental disclosure of cash flow information (Note 11)

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

ALTAN NEVADA MINERALS LIMITED
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIENCY)
AS AT
(Expressed in US Dollars)

	Share Capital						
	Number of Shares	Amount	Share Subscriptions Received in Advance	Reserves	Deficit	Accumulated Other Comprehensive Loss	Total Shareholders' Equity (Deficiency)
Balance at December 31, 2018	18,514,800	$ 4,243,035	$ 84,556	$ 4,773,287	$ (9,824,209)	$ (46,167)	$ (769,498)
Shares issued from private placement, net of share issue costs	30,516,013	988,131	(84,556)	74,276	-	-	977,851
Shares issued in settlement of debt	20,634,130	851,691	-	-	-	-	851,691
Share-based compensation	-	-	-	152,706	-	-	152,706
Loss for the year	-	-	-	-	(697,755)	-	(697,755)
Translation adjustment	-	-	-	-	-	26,289	26,289
Balance at December 31, 2019	69,664,943	6,082,857	-	5,000,269	(10,521,964)	(19,878)	541,284
Shares issued from private placement, net of share issue costs	22,500,000	243,869	-	-	-	-	243,869
Loss for the year	-	-	-	-	(282,736)	-	(282,736)
Translation adjustment	-	-	-	-	-	14,269	14,269
Balance at December 31, 2020	92,164,943	$ 6,326,726	$ -	$ 5,000,269	$ (10,804,700)	$ (5,609)	$ 516,686

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Altan Nevada Minerals Limited (the "Company") is a mineral exploration company listed on the TSX Venture Exchange under the symbol "ANE" and engaged in the acquisition and exploration of exploration and evaluation assets in the United States.The Company's head office and registered and records address is 1700 - 666 Burrard Street, Vancouver, British Columbia, V6C 2X8.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The 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 operations.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. As at December 31, 2020, the Company had working capital deficit of $344,523 and an accumulated deficit of $10,804,700.

These material uncertainties may cast significant doubt as to the ability of the Company to meet its obligations as they come due and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the consolidated statements of financial position. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, customers, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for us to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or its ability to raise funds at this time.

2. BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments measured at fair value. All dollar amounts presented are in US dollars unless otherwise specified. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The consolidated financial statements were authorized for issue by the Board of Directors on June 30, 2021.

3. SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Altan Nevada Holdings Limited, Altan Rio (US) Inc. and Altan Nevada Minerals (Aust) Pty Ltd. All inter-company transactions and balances have been eliminated upon consolidation.

The consolidated financial statements include the financial statements of Altan Nevada Minerals Limited and its subsidiaries listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
Altan Nevada Holdings Limited	Canada	100%	Holding company
Altan Rio (US) Inc.	US	100%	Project exploration
Altan Nevada Minerals (Aust) Pty Ltd	Australia	100%	Holding company

Foreign currency translation

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and Altan Nevada Holdings Limited is the Canadian dollar. The functional currency of Altan Rio (US) Inc. is the US dollar. The functional currency of Altan Nevada Minerals (Aust) Pty Ltd is the Australian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in *IAS 21, The Effects of Changes in Foreign Exchange*.

Accordingly, the accounts of the Company, Altan Nevada Holdings Limited and Altan Nevada Minerals (Aust) Pty Ltd are translated into US dollars as follows:

- all of the assets and liabilities are translated at the rate of exchange in effect on the date of the consolidated statement of financial position;
- revenues and expenses are translated at the exchange rate approximating those in effect on the date of the transactions; and
- exchange gains and losses arising from translation are included in accumulated other comprehensive income/loss.

Transactions in currencies other than the functional currency of the Company are recorded at exchange rates prevailing on the dates of the transactions. At year end, monetary assets and liabilities are translated at the rate in effect on the date of the consolidated statement of financial position. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on transactions are included in the consolidated statement of loss and comprehensive loss.

Use of estimates

Critical Judgments

The preparation of the consolidated financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1, as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiaries has been determined as disclosed above.

Key Sources of Estimation Uncertainty

Significant estimates made by management affecting our consolidated financial statements include:

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Deferred Tax Assets & Liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiryof those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxableincome, which in turn is dependent upon the successful discovery, extraction, development and commercialization ofmineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred income tax provisions or recoveries could be affected.

Recoverability of Exploration & Evaluation Assets

The Company is in the process of exploring and evaluating its exploration and evaluation assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves and upon future production or proceeds from the disposition thereof.

Share-based Payments
Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them. The value of the share-based payment expense for the year along with the assumptions and model used for estimating fair value for share-based compensation transactions are disclosed in Note7.

Exploration and evaluation assets

Before legal rights to explore a property have been acquired, costs are expensed as incurred. The Company records exploration and evaluation asset interests, which consist of the right to explore for mineral deposits, at cost. The Company records deferred exploration costs, which consist of costs attributable to the exploration of exploration and evaluation asset interests, at cost. All direct and indirect costs relating to the acquisition and exploration of these exploration and evaluation asset interests are capitalized on the basis of specific claim blocks until the exploration and evaluation asset interests to which they relate are placed into production, the exploration and evaluation asset interestsare disposed of through sale or where management has determined there to be an impairment. If an exploration and evaluation asset interest is abandoned, the exploration and evaluation asset interests and deferred exploration costs will be written off to operations in the period of abandonment.

At each reporting period, the capitalized costs are reviewed on a property-by-property basis to consider if there is any impairment on the subject property. Management's determination for impairment is based on: 1) whether the Company's exploration programs on the exploration and evaluation asset interests have significantly changed, such that previously identified resource targets are no longer being pursued; 2) whether exploration results to date are promising and whether additional exploration work is being planned in the foreseeable future; or 3) whether remaining lease terms are insufficient to conduct necessary studies or exploration work.

The recorded cost of exploration and evaluation asset interests is based on cash paid and the assigned value of share consideration issued (where shares are issued) for exploration and evaluation asset interest acquisitions and exploration costs incurred. The recorded amount may not reflect recoverable value, as this will be dependent on futuredevelopment programs, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments

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 the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL(such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL. All of theCompany's financial assets and liabilities are classified as and measured at amortized cost.

Measurement

Financial assets at FVTOCI
Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

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 through profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recorded through profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTOCI, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

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's credit risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve monthexpected credit losses. The Company shall recognize in profit or loss, 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 thatis required to be recognized.

Derecognition

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 profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

The Company's financial assets and liabilities are classified as follows:

	Classification
Cash	Amortized cost
Receivables	Amortized cost
Due from related parties	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Loans payable	Amortized cost
Due to related parties	Amortized cost

Financial instruments measured at fair value are summarized into the following fair value hierarchy as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3: Inputs for the assets or liabilities that are not based on observable market data.

The carrying values of financial liabilities approximate their fair values due to the short-term nature of these instruments.

Impairment of long-lived assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. 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 the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Income taxes (cont'd)

Deferred tax is recorded using the asset and liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognitionof assets or liabilities that affect neither accounting nor taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities,using tax rates enacted or substantively enacted at the consolidated statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Income (loss) per share

Basic income (loss) per share is calculated using the weighted-average number of shares outstanding during the year.

Dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares atthe average market price during the year.

Existing stock options and share purchase warrants have not been included in the computation of diluted income (loss) per share as to do so would be anti-dilutive. Accordingly, basic and diluted income (loss) per share are the same for the periods presented.

Share-based compensation

The Company accounts for stock options granted to directors, officers and employees at the fair value of the options granted. The fair value of options granted is recognized as a share-based payment 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. Consideration paidon the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reservesto share capital.

The fair value is measured at grant date and each tranche is recognized 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 number of stock options that are expected to vest.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in the statement of loss over the vesting period, described asthe period during which all the vesting conditions are to be satisfied.

Stock options granted to non-employees are measured at the fair value of goods or services rendered or at the fair value of the instruments issued, if it is determined that the fair value of the goods or services received cannot be reliably measured.

Future reclamation costs

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of the Company's exploration and evaluation assets and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the year incurred.Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

(Expressed in US Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Future reclamation costs (cont'd)

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directlyto the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as finance expense.

Comprehensive income (loss)

Comprehensive income (loss) consists of net income (loss) and other comprehensive income (loss) and represents the change in shareholders' equity which results from transactions and events from sources other than the Company's shareholders. The Company's and subsidiary's translation of its financial results to United States dollars is the only item currently affecting comprehensive income (loss) for the years presented.

Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A lease liability is recognized at the commencement of the lease term at the present value of the lease payments that are not paid at that date. At the commencement date, a corresponding right-of-use asset is recognized at the amount of the lease liability, adjusted for lease incentives received, retirement costs and initial direct costs. Depreciation is recognized on the right-of-use asset over the lease term. Interest expense is recognized on the lease liabilities using the effective interest rate method and payments are applied against the lease liability.

4. EXPLORATION AND EVALUATION ASSETS

For the year ended December 31, 2020

	Montelle	Venus	Black Top	Marble Station	Yellow Cone	Total
Balance, beginning of year	$8,730	$ 720,163	$ 3,078	$ 10,159	$ 20,242	$ 762,372
Acquisition costs						
Acquisition and maintenance	-	-	-	-	-	-
Total current acquisition cost	-	-	-	-	-	-
Exploration costs						
Drilling	-	3,973	-	-	-	3,973
Geological consulting	9,904	12,844	-	9,904	9,924	42,576
Rental	-	5,600	-	-	-	5,600
Surveys and geophysics	-	5,350	-	-	-	5,350
Total current exploration costs	9,904	27,767	-	9,904	9,924	57,499
Professional fees:						
Legal fees	-	1,629	-	-	-	1,629
Total current professional fees	-	1,629	-	-	-	1,629
Total costs incurred	9,904	29,396	-	9,904	9,924	59,128
Property written off	-	-	(3,078)	(20,063)	-	(23,141)
Balance, end of the year	$ 18,634	$ 749,559	$ -	$ -	$ 30,166	$ 798,359

(Expressed in US Dollars)

4. EXPLORATION AND EVALUATION ASSETS (cont'd)

For the year ended December 31, 2019

	Montelle	Venus	Black Top	Marble Station	Yellow Cone	Total
Balance, beginning of year	$ -	$ 142,131	$ 2,515	$ 8,376	$ 9,362	$ 162,384
Acquisition costs						
Acquisition and maintenance	7,093	33,812	-	1,783	9,925	52,613
Total current acquisition cost	7,093	33,812	-	1,783	9,925	52,613
Exploration costs						
Assaying	-	11,360	-	-	-	11,360
Drilling	-	283,937	-	-	-	283,937
Field and camp costs	-	71,960	-	-	-	71,960
Geological consulting	1,637	106,877	563	-	955	110,032
Rental	-	33,874	-	-	-	33,874
Retirement obligation	-	15,815	-	-	-	15,815
Surveys and geophysics	-	9,132	-	-	-	9,132
Travel	-	11,265	-	-	-	11,265
Total current exploration costs	1,637	544,220	563	-	955	547,375
Total costs incurred	8,730	578,032	563	1,783	10,880	599,988
Balance, end of the year	$ 8,730	$ 720,163	$ 3,078	$ 10,159	$ 20,242	$ 762,372

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many mineral claims. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. The exploration and evaluation assets in which the Company has committed to earn an interest are located in the United States.

The terms and commitments of the Company with respect to its exploration and evaluation assets are subject to change if and when the Company and its partners mutually agree to new terms and conditions.

As at December 31, 2020, the Company has reclamation deposits totaling $42,366 (2019 - $42,366) held with the Bureau of Land Management ("BLM") related to potential environmental remediation work on certain mineral interests. This includes $15,815 deposited during the year ended December 31, 2019. During the year ended December 31, 2019, $77,371 in reclamation deposits were refunded.

As at December 31, 2020, the Company estimates its reclamation obligation at $42,366 (2019 - $42,366).

During the year ended December 31, 2020, the estimated reclamation costs was reduced by $nil (2019 - $9,431).

Black Top, Nevada, USA

In 2011 and 2012, claims were staked and registered in the name of Altan Rio (US) Inc. These claims are 100% owned by the Company. This property was fully impaired during the year.

Marble Station, Nevada, USA

In 2011, claims were staked and registered in the name of Altan Rio (US) Inc. These claims are 100% owned by the Company. This property was fully impaired during the year.

Venus, Nevada, USA

In 2007, claims were staked and registered in the name of an Officer of the Company.

(Expressed in US Dollars)

4. EXPLORATION AND EVALUATION ASSETS (cont'd)

Yellow Cone, Nevada, USA

In 2012, claims were staked and registered in the name of Altan Rio (US) Inc. These claims are 100% owned by the Company.

Montelle, Nevada, USA

In 2007, claims were staked and registered in the name of Altan Rio (US) Inc. These claims are 100% owned by the Company.

5. ADVANCES PAYABLE

Advances payable are amounts received from non-related parties. Therewere no specific terms of interest or repayment on these advances and they are non-interest bearing and unsecured.

December 31, 2018	$	698,408
Additions		2,482
Repayments		(40,444)
Settlement through issuance of shares (Note 7)		(616,851)
Foreign exchange movements		142
December 31, 2019		43,737
Additions		19,269
Foreign exchange movements		(2,635)
December 31, 2020	$	60,371

During the year ended December 31, 2019, $616,851 of advances payable were settled through issuance of common shares and common share purchase warrants (Note 7).

6. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

a) Paid accounting and administration services of $35,832 (2019 - $36,263) to companies controlled by the former CFO of the Company. At December 31, 2020, the amount payable to the companies was $151,637 (2019 - $116,800).

b) Paid or accrued consulting fees of $125,695 (2019 - $97,089) to a company controlled by CEO of the Company. At December 31, 2020, an amount of $58,313 (2019 - $Nil) was owing to a company controlled by CEO of the Company.

c) Paid accounting and administration services of $6,938 (2019 - $nil) to a company controlled by the CFO of the Company. At December 31, 2020, the amount payable to the companies was $6,167 (2019 - $nil).

d) As at December 31, 2020, an amount of $19,000 (2019 - $19,000) was owing to Evan Jones, director and former CEO of the Company.

e) As at December 31, 2020 an amount of $3,391 (2019 - $Nil) was owing to a company controlled by Brian Cole, director of the Company.

f) At December 31, 2020, an amount receivable of $10,617 (2019 - $75,773) and an amount payable of $75,116 (2019 - $22,853) were due to companies with directorsand officers in common.

(Expressed in US Dollars)

6. RELATED PARTY TRANSACTIONS (cont'd)

g) On April 8, 2019, the Company settled $325,072 (C$518,558) in advances payable to related parties and $140,082 (C$185,753) in due to related parties through an issuance of securities of the Company resulting in a loss on settlement of debt of $52,856 (C$70,430).

These transactions were incurred in the normal course of operations. The payables are non-interest bearing and due on demand.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of directors and other members of key management personnel during the years ended December 31, 2020 and 2019 are as follows:

		2020		2019
Management and consulting fees	$	168,466	$	133,352
Share-based payments [1]		-		101,804
	$	168,466	$	235,156

[1] share-based payments are the fair value of stock options granted to key management personnel

7. EQUITY

Authorized share capital

The Company is authorized to issue an unlimited number of common and preferred voting shares without nominal or par value.

Issued share capital

On November 27, 2020, the Company completed a non-brokered private placement of 22,500,000 units at a price of C$0.015 per unit for gross proceeds of $260,346 (C$337,500). Each unit consists of one common share of the Company and a share purchase warrant entitling the holder to acquire an additional common share at a price of C$0.05 for a period of four years. The Company paid $16,477 (C$20,250) as finder's fees.

On October 17, 2019, the Company completed a non-brokered private placement of 7,350,000 units at a price of C$0.05 per unit for gross proceeds of $279,616 (C$367,500). Each unit consists of one common share of the Company and a share purchase warrant entitling the holder to acquire an additional common share at a price of C$0.10 for a period of three years following closing. In connection with the closing of the private placement, the Company paid $30,492, and issued 131,200 common shares valued at $4,991 and 631,200 agent's warrants valued at $18,353 (on the same terms of the private placement) as finder's fees. The estimated fair value of the agent's warrants was determined using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, volatility of 191.30%, risk-free rate of 1.60% and expected life of 3 years.

On April 8, 2019, the Company settled $757,047 (C$1,031,706) in advances payable of $616,851 (C$845,953) and due to related parties of $140,196 (C$185,753) through the issuance of securities of the Company. Pursuant to the debt settlement agreement, the Company issued 20,634,130 common shares valued at $851,691, and 16,919,079 share purchase warrants valued at $Nil to creditors for settlement of the debt. Each warrant entitles the holder to acquire an additional common share at a price of C$0.10 per share for a period of two years following closing of the transaction. The Company recognized a loss on settlement of debt of $94,758 (2018 - $Nil).

(Expressed in US Dollars)

7. EQUITY (cont'd)

On March 11, 2019, the Company completed a non-brokered private placement of 22,644,813 units at a price of C$0.05 per unit for gross proceeds of $844,833 (C$1,132,241) of which $84,556 (C$115,250) was received during the year ended December 31, 2018. Each unit consists of one common share of the Company and a share purchase warrant entitling the holder to acquire an additional common share at a price of C$0.10 for a period of three years. The Company paid $31,553 (C$42,000) and issued 390,000 common shares as finder's fees valued at $14,550.

Share purchase and agents' warrants

On November 27, 2020, 22,500,000 shares purchase warrants valued at $Nil were issued in connection with the private placement.

On October 17, 2019, 7,350,000 shares purchase warrants valued at $55,923 and 631,200 agent's warrants valued at $18,353 using Black-Sholes Option Pricing Model were issued in connection with the private placement.

On April 8, 2019, 16,919,074 shares purchase warrants valued at $Nil were issued in connection with the shares-for-debt transaction.

On March 11, 2019, 22,644,813 shares purchase warrants valued at $Nil were issued in connection with the private placement.

Warrants outstanding are as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding warrants, December 31, 2018	-	-
Issued	47,545,087	C$0.10
Outstanding warrants, December 31, 2019	47,545,087	C$0.10
Issued	22,500,000	C$0.05
Outstanding warrants, December 31, 2020	70,045,087	C$0.08

Exercise Price	Outstanding Warrants December 31, 2020	Average Remaining Contractual Life (Years)	Expiry Date
C$0.10	22,644,813	1.19	March 11, 2022
C$0.10	16,919,074	0.27	April 8, 2021
C$0.10	7,981,200	1.79	October 17, 2022
C$0.05	22,500,000	3.91	November 27, 2024
	70,045,087	1.91	

Stock options

The Company has established a stock option plan (the "Plan") for directors, employees, and consultants of the Company. From time to time, shares may be reserved by the Board, in its discretion, for options under the Plan, provided that at the time of the grant, the total number of shares so reserved for issuance by the Board shall not exceed the greater of 10% of the issued and outstanding listed shares (on a non-diluted basis) as at the date of grant. Options are non-assignable and may be granted for a term not exceeding that permitted by the Exchange, currently ten years. All stock options issued are subject to vesting terms.

Options issued to officers and/or consultants might be subjected to a vest term depending on date of grant and nature of service. As at December 31, 2020 a total of 6,966,494 options were reserved under the option plan with 5,250,000 options outstanding.

(Expressed in US Dollars)

7. EQUITY (cont'd)

	Number of Options	Weighted Average Exercise Price
Outstanding options, December 31, 2018	680,000	C$0.20
Granted	5,250,000	C$0.10
Expired	(680,000)	C$0.20
Outstanding options, December 31, 2019 and 2020	5,250,000	C$0.10

Exercise Price	Outstanding Options December 31, 2020	Exercisable Options December 31, 2020	Average Remaining Contractual Life (Years)	Expiry Date
C$0.10	5,250,000	5,250,000	3.58	August 1, 2024

There was no options activity during the year ended December 31, 2020.

During the year ended December 31, 2019, 680,000 options expired unexercised.

On August 1, 2019, the Company granted incentive stock options to certain directors, officers and consultants of the Company, entitling them to acquire an aggregate of 5,250,000 common shares at a price of C$0.10 per common share. The options fully vested during the year ended December 31, 2019 and have a five-year term, expiring on August 1, 2024. The fair value of the stock options granted was determined to be $152,706 and included in the share-based compensation expense.

The fair value of the options being granted were estimated using the Black-Scholes Option Pricing Model with the following assumptions:

	December 31, 2019
Estimated risk-free rate	1.40%
Expected volatility	199.34%
Estimated annual dividend yield	0.00%
Expected life of options	5 years
Fair value per option granted	C$0.04
Forfeiture rate	0.00%

8. SEGMENT INFORMATION

The Company operates in one business segment, the exploration of exploration and evaluation assets. The Company's exploration activities are centralized whereby management of the Company is responsible for business results and the everyday decision-making. The Company's operations therefore are segmented on a geographic basis.

All of the Company's reclamation bond and exploration and evaluation assets are located in the United States as outlined in Note 4.

9. CAPITAL MANAGEMENT

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 exploration and evaluation assets. In the management of capital, the Company includes components of equity. 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; as such the Company is dependent on external financing to fund activities. In order to carry out any future 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. The Company is not subject to any externally imposed capital requirements.

There were no changes to the Company's capital management approach during the year ended December 31, 2020.

10. FINANCIAL INSTRUMENTS

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's cash is held at a large Canadian and a large Australian financial institution and its reclamation bonds are held at the BLM. The Company has no investment in asset backed commercial paper. The Company's receivables consist of sales tax receivable due from the Government of Canada and due from related parties. The Company believes it has no significant credit risk.

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 managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2020, the Company had a cash balance of $137,687 (2019 - $18,983) to settle current liabilities of $499,703 (2019 - $370,868). As disclosed in Note 1, the Company will need to raise additional funds to meet its obligations as they become due. The Company is exposed to liquidity risk.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices and foreign currency fluctuations.

a) *Interest Rate Risk*
The Company has cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

b) *Foreign Currency Risk*
The Company is exposed to foreign currency risk on fluctuations related to cash, receivables, due to/from related parties, accounts payable and accrued liabilities and advances payable that are denominated in Canadian dollars. The Company does not believe it is exposed to significant foreign currency risk.

(Expressed in US Dollars)

10. FINANCIAL INSTRUMENTS (cont'd)

c) *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 earnings 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 earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and copper, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Sensitivity Analysis

The Company operates in the United States and is exposed to risk from changes in the Canadian dollar. A simultaneous 10% fluctuation in the Canadian dollar and Australian dollar against the US dollar would affect accumulated other comprehensive income (loss) for the year by approximately $13,666 (2019 - $18,430).

11. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

As at December 31, 2020, the Company had $17,808 (2019 - $36,897) in exploration and evaluation costs in accounts payable.

During the year ended December 31, 2019, the Company:

- settled $757,047 (C$1,031,706) in advances payable and due to related parties through the issuance of securities of the Company;
- issued warrants as finder's fees valued at $18,353;
- had $15,815 in exploration and evaluation costs in asset retirement obligation.

12. INCOME TAXES

The reconciliation of income tax provision completed at statutory rates to the reported income tax provisions is as follows:

		Year ended December 31, 2020		Year ended December 31, 2019
Loss for the year	$	(282,736)	$	(697,755)
Expected income tax	$	(76,000)	$	(188,000)
Change in statutory, foreign tax, foreign exchange and other		(8,000)		(6,000)
Permanent differences		-		60,000
Share issue cost		(4,000)		(17,000)
Change in unrecognized deductible temporary differences		88,000		151,000
Income tax expense	$	-	$	-

4.

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

		December 31, 2020				December 31, 2019
Non-capital losses available for future periods	$	5,267,500	2026 to 2040	$	4,893,000	2026 to 2039

Tax attributes are subject to review, and potential adjustment, by tax authorities.