



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)

(Expressed in US Dollars)

Three Months Ended March 31, 2020 and 2019

Corporate Head Office

2300-1177 West Hastings Street
Vancouver, BC
Canada
V6E 2K3
Tel: 604-683-6332

INTERNATIONAL TOWER HILL MINES LTD.

March 31, 2020 and 2019

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PART 1

ITEM 1. FINANCIAL STATEMENTS

INTERNATIONAL TOWER HILL MINES LTD.

CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS

As at March 31, 2020 and December 31, 2019

(Expressed in US Dollars - Unaudited)

	Note	March 31, 2020	December 31, 2019
ASSETS			
Current			
Cash and cash equivalents		\$ 6,465,665	\$ 6,937,621
Prepaid expenses and other		126,078	238,554
Total current assets		6,591,743	7,176,175
Property and equipment		14,991	15,434
Capitalized acquisition costs	4	55,375,124	55,375,124
Total assets		\$ 61,981,858	\$ 62,566,733
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable		\$ 55,759	\$ 18,433
Accrued liabilities	5	183,372	317,324
Total liabilities		239,131	335,757
Shareholders' equity			
Share capital, no par value; authorized 500,000,000 shares; 187,573,671 shares issued and outstanding at December 31, 2019 and March 31, 2020	6	278,213,801	278,213,801
Contributed surplus		35,069,274	35,069,274
Accumulated other comprehensive income		1,020,677	1,574,011
Deficit		(252,561,025)	(252,626,110)
Total shareholders' equity		61,742,727	62,230,976
Total liabilities and shareholders' equity		\$ 61,981,858	\$ 62,566,733

General Information and Nature of Operations (Note 1)

Commitments (Note 8)

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

INTERNATIONAL TOWER HILL MINES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**

For the Three Months Ended March 31, 2020 and 2019

(Expressed in US Dollars - Unaudited)

	Note	Three Months Ended	
		March 31, 2020	March 31, 2019
Operating expenses			
Consulting fees		\$ 40,419	\$ 43,871
Depreciation		443	579
Insurance		31,224	29,838
Investor relations		10,490	13,916
Mineral property exploration	4	115,420	250,591
Office		7,620	4,812
Other		3,892	3,049
Professional fees		52,120	47,461
Regulatory		61,173	62,813
Rent		33,933	33,933
Travel		2,162	2,957
Wages and benefits	6	154,530	155,751
Total operating expenses		(513,426)	(649,571)
Other income (expenses)			
Gain (Loss) on foreign exchange		541,186	(203,538)
Interest income		37,325	32,197
Total other income (expenses)		578,511	(171,341)
Net income (loss) for the period		65,085	(820,912)
Other comprehensive income (loss)			
Exchange difference on translating foreign operations		(553,334)	206,025
Total other comprehensive income (loss) for the period		(553,334)	206,025
Comprehensive loss for the period		\$ (488,249)	\$ (614,887)
Basic and diluted loss per share		\$ (0.00)	\$ (0.00)
Weighted average number of shares outstanding – basic and diluted		187,573,671	187,045,309

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

INTERNATIONAL TOWER HILL MINES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

For the Three Months Ended March 31, 2020 and 2019

(Expressed in US Dollars - Unaudited)

Three-Month Period Ended March 31, 2020						
	Number of shares	Share capital	Contributed surplus	Accumulated other comprehensive income	Deficit	Total
Balance, December 31, 2019	187,573,671	\$278,213,801	\$35,069,274	\$1,574,011	\$(252,626,110)	\$62,230,976
Exchange difference on translating foreign operations	-	-	-	(553,334)	-	(553,334)
Net income (loss)	-	-	-	-	65,085	65,085
Balance, March 31, 2020	187,573,671	\$278,213,801	\$35,069,274	\$1,020,677	\$(252,561,025)	\$61,742,727

Three-Month Period Ended March 31, 2019						
	Number of shares	Share capital	Contributed surplus	Accumulated other comprehensive income	Deficit	Total
Balance, December 31, 2018	186,990,683	\$277,852,672	\$34,960,292	\$1,162,900	\$(248,799,703)	\$65,176,161
Stock-based compensation-options	-	-	1,686	-	-	1,686
Exchange difference on translating foreign operations	-	-	-	206,025	-	206,025
Exercise of options	121,174	64,254	-	-	-	64,254
Reallocation from contributed surplus	-	51,283	(51,283)	-	-	-
Net income (loss)	-	-	-	-	(820,912)	(820,912)
Balance, March 31, 2019	187,111,857	\$277,968,209	\$34,910,695	\$1,368,925	\$(249,620,615)	\$64,627,214

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

INTERNATIONAL TOWER HILL MINES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
For the Three Months Ended March 31, 2020 and 2019
(Expressed in US Dollars - Unaudited)

	Three Months Ended	
	March 31, 2020	March 31, 2019
Operating Activities		
Income (Loss) for the period	\$ 65,085	\$ (820,912)
Add items not affecting cash:		
Depreciation	443	579
Stock-based compensation-option	-	1,686
Changes in non-cash items:		
Accounts receivable	108,287	90,701
Prepaid expenses and other	(12,049)	(28,208)
Accounts payable and accrued liabilities	(92,726)	(206,606)
Cash provided by (used) in operating activities	69,040	(962,760)
Financing Activities		
Issuance of common shares	-	64,254
Cash provided by financing activities	-	64,254
Effect of foreign exchange on cash	(540,996)	203,793
Decrease in cash and cash equivalents	(471,956)	(694,713)
Cash and cash equivalents, beginning of the period	6,937,621	10,228,964
Cash and cash equivalents, end of the period	\$ 6,465,665	\$ 9,534,251

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

INTERNATIONAL TOWER HILL MINES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Three Months Ended March 31, 2020 and 2019

(Expressed in US dollars – Unaudited)

1. GENERAL INFORMATION AND NATURE OF OPERATIONS

International Tower Hill Mines Ltd. (“ITH” or the “Company”) is incorporated under the laws of British Columbia, Canada. The Company’s head office address is 2300-1177 West Hastings Street, Vancouver, British Columbia, Canada.

International Tower Hill Mines Ltd. consists of ITH and its wholly-owned subsidiaries Tower Hill Mines, Inc. (“TH Alaska”) (an Alaska corporation), Tower Hill Mines (US) LLC (“TH US”) (a Colorado limited liability company), and Livengood Placers, Inc. (“LPI”) (a Nevada corporation). The Company is in the business of acquiring, exploring and evaluating mineral properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. At March 31, 2020, the Company has a 100% interest in its Livengood Gold Project, an exploration-stage project in Alaska, U.S.A.

These unaudited condensed consolidated interim financial statements have been prepared on a going-concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future.

As at March 31, 2020, the Company had cash and cash equivalents of \$6,465,665 compared to \$6,937,621 at December 31, 2019. The Company has no revenue generating operations from which it can internally generate funds.

The Company will require significant additional financing to continue its operations (including general and administrative expenses) in connection with advancing activities at the Livengood Gold Project and the development of any mine that may be determined to be built at the Livengood Gold Project. There is no assurance that the Company will be able to obtain the additional financing required on acceptable terms, if at all. In addition, any significant delays in the issuance of required permits for the ongoing work at the Livengood Gold Project, or unexpected results in connection with the ongoing work, could result in the Company being required to raise additional funds to advance permitting efforts. The Company’s review of its financing options includes pursuing a future strategic alliance to assist in further development, permitting and future construction costs, although there can be no assurance that any such strategic alliance will, in fact, be realized.

Despite the Company’s success to date in raising significant equity financing to fund its operations, there is significant uncertainty that the Company will be able to secure any additional financing in the current or future equity markets. The amount of funds to be raised and the terms of any proposed equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Specific plans related to the use of proceeds will be devised once financing has been completed and management knows what funds will be available for these purposes.

2. BASIS OF PRESENTATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X under the Securities Exchange Act of 1934, as amended. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for annual financial statements. These unaudited condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2019 as filed in our Annual Report on Form 10-K. In the opinion of the Company’s management, these financial statements reflect all adjustments, consisting of normal recurring adjustments, necessary to present fairly the Company’s financial position at March 31, 2020 and the results of its operations for the three months then ended. Operating results for the three months ended March 31, 2020 are not necessarily indicative of the results that may be expected for the year ending December 31, 2020.

The preparation of financial statements in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. These judgments, estimates and assumptions are continuously evaluated and are based on management’s experience and knowledge of the relevant facts and circumstances. While management believes the estimates to be

INTERNATIONAL TOWER HILL MINES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Three Months Ended March 31, 2020 and 2019

(Expressed in US dollars – Unaudited)

reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

On May 7, 2020, the Board of Directors of the Company (the “Board”) approved these condensed consolidated interim financial statements.

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of ITH and its wholly-owned subsidiaries TH Alaska, TH US, and LPI. All intercompany transactions and balances have been eliminated.

3. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the significance of the inputs used in making the measurement. The three levels of the fair value hierarchy are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

4. CAPITALIZED ACQUISITION COSTS

The Company had the following activity related to capitalized acquisition costs:

Capitalized acquisition costs	Amount
Balance, December 31, 2019	\$ 55,375,124
Acquisition costs	-
Balance, March 31, 2020	\$ 55,375,124

The following table presents costs incurred for exploration and evaluation activities for the three months ended March 31, 2020 and 2019:

	March 31, 2020	March 31, 2019
Exploration costs:		
Environmental	\$ 36,584	\$ 31,407
Equipment rental	11,639	12,491
Field costs	39,272	40,274
Geological/geophysical	6,286	92,673
Land maintenance and tenure	30,210	44,602
Legal	(8,571)	28,813
Transportation and travel	-	331
Total expenditures for the period	\$ 115,420	\$ 250,591

Livengood Gold Project Property

The Livengood property is located in the Tintina gold belt approximately 70 miles (113 kilometers) northwest of Fairbanks, Alaska. The property consists of land leased from the Alaska Mental Health Trust, a number of smaller private mineral leases, Alaska state mining claims purchased or located by the Company and patented ground held by the Company.

INTERNATIONAL TOWER HILL MINES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Three Months Ended March 31, 2020 and 2019

(Expressed in US dollars – Unaudited)

Details of the leases are as follows:

- a) A lease of the Alaska Mental Health Trust mineral rights having a term beginning July 1, 2004 and extending 19 years until June 30, 2023, subject to further extensions beyond June 30, 2023 by either commercial production or payment of an advance minimum royalty equal to 125% of the amount paid in year 19 and diligent pursuit of development. The lease requires minimum work expenditures and advance minimum royalties (all of which minimum royalties are recoverable from production royalties) which escalate annually with inflation. A net smelter return (“NSR”) production royalty of between 2.5% and 5.0% (depending upon the price of gold) is payable to the lessor with respect to the lands subject to this lease. In addition, an NSR production royalty of 1% is payable to the lessor with respect to the unpatented federal mining claims subject to the lease described in b) below and an NSR production royalty of between 0.5% and 1.0% (depending upon the price of gold) is payable to the lessor with respect to the lands acquired by the Company as a result of the purchase of Livengood Placers, Inc. in December 2011. During the three months ended March 31, 2020 and from the inception of this lease, the Company has paid \$Nil and \$3,306,615, respectively.
- b) A lease of federal unpatented lode mining claims having an initial term of ten years commencing on April 21, 2003 and continuing for so long thereafter as advance minimum royalties are paid and mining related activities, including exploration, continue on the property or on adjacent properties controlled by the Company. The lease requires an advance minimum royalty of \$50,000 on or before each anniversary date for the duration of the lease (all of which minimum royalties are recoverable from production royalties). An NSR production royalty of between 2% and 3% (depending on the price of gold) is payable to the lessors. The Company may purchase 1% of the royalty for \$1,000,000. During the three months ended March 31, 2020 and from the inception of this lease, the Company has paid \$Nil and \$780,000, respectively.
- c) A lease of patented lode mining claims having an initial term of ten years commencing January 18, 2007, and continuing for so long thereafter as advance minimum royalties are paid. The lease requires an advance minimum royalty of \$20,000 on or before each anniversary date through January 18, 2017 and \$25,000 on or before each subsequent anniversary (all of which minimum royalties are recoverable from production royalties). An NSR production royalty of 3% is payable to the lessors. The Company may purchase all interests of the lessors in the leased property (including the production royalty) for \$1,000,000 (less all minimum and production royalties paid to the date of purchase), of which \$500,000 is payable in cash over four years following the closing of the purchase and the balance is payable by way of the 3% NSR production royalty. The Company paid \$15,000 of royalties during the three months ended March 31, 2020, for a total of \$250,000 from the inception of this lease. The Company owns a 40% leasehold interest in the lease.
- d) A lease of unpatented federal lode mining and federal unpatented placer claims having an initial term of ten years commencing on March 28, 2007, and continuing for so long thereafter as advance minimum royalties are paid and mining related activities, including exploration, continue on the property or on adjacent properties controlled by the Company. The lease requires an advance minimum royalty of \$15,000 on or before each anniversary date for the duration of the lease (all of which minimum royalties are recoverable from production royalties). The Company is required to pay the lessor the additional sum of \$250,000 upon making a positive production decision, of which \$125,000 is payable within 120 days of the decision and \$125,000 is payable within a year of the decision (all of which are recoverable from production royalties). An NSR production royalty of 2% is payable to the lessor. The Company may purchase all of the interest of the lessor in the leased property (including the production royalty) for \$1,000,000. The Company paid \$15,000 of royalties during the three months ended March 31, 2020, for a total of \$173,000 from the inception of this lease.

Title to mineral properties

The acquisition of title to mineral properties is a detailed and time-consuming process. The Company has taken steps to verify title to mineral properties in which it has an interest. Although the Company has taken every reasonable precaution to ensure that legal title to its properties is properly recorded in the name of the Company, there can be no assurance that such title will ultimately be secured.

INTERNATIONAL TOWER HILL MINES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Three Months Ended March 31, 2020 and 2019

(Expressed in US dollars – Unaudited)

5. ACCRUED LIABILITIES

The following table presents the accrued liabilities balances at March 31, 2020 and December 31, 2019.

	March 31, 2020	December 31, 2019
Accrued liabilities	\$ 164,509	\$ 278,644
Accrued salaries and benefits	18,863	38,680
Total accrued liabilities	\$ 183,372	\$ 317,324

Accrued liabilities at March 31, 2020 include accruals for general corporate costs and project costs of \$21,108 and \$143,401, respectively. Accrued liabilities at December 31, 2019 include accruals for general corporate costs and project costs of \$57,114 and \$221,530, respectively.

6. SHARE CAPITAL**Authorized**

The Company's authorized share capital consists of 500,000,000 common shares without par value. At December 31, 2019 and March 31, 2020, there were 187,573,671 shares issued and outstanding.

Share issuances

There were no share issuances during the three months ended March 31, 2020.

Stock options

The Company adopted an incentive stock option plan in 2006, as amended September 19, 2012 and reapproved by the Company's shareholders on May 28, 2015 and May 30, 2018 (the "2006 Plan"). The essential elements of the 2006 Plan provide that the aggregate number of common shares of the Company that may be issued pursuant to options granted under the 2006 Plan and any other share-based compensation arrangements may not exceed 10% of the number of issued shares of the Company at the time of the granting of the options. Options granted under the 2006 Plan will have a maximum term of ten years. The exercise price of options granted under the 2006 Plan shall be fixed in compliance with the applicable provisions of the Toronto Stock Exchange ("TSX") Company Manual in force at the time of grant and, in any event, shall not be less than the closing price of the Company's common shares on the TSX on the trading day immediately preceding the day on which the option is granted, or such other price as may be agreed to by the Company and accepted by the TSX. Options granted under the 2006 Plan vest immediately, unless otherwise determined by the directors at the date of grant.

A summary of the options granted under the 2006 Plan as of March 31, 2020 and December 31, 2019 is presented below:

Three Months Ended March 31, 2020				Year Ended December 31, 2019		
	Number of Options	Weighted Average Exercise Price (C\$)	Aggregate Intrinsic Value (C\$)	Number of Options	Weighted Average Exercise Price (C\$)	Aggregate Intrinsic Value (C\$)
Balance, beginning of the period	2,452,049	\$ 0.94		3,655,991	\$ 0.98	
Granted	-	-		187,232	0.85	
Exercised	-	-		(121,174)	0.70	
Cancelled	-	-		(1,270,000)	1.06	
Balance, end of the period	2,452,049	\$ 0.94	\$ 9,100	2,452,049	\$ 0.94	\$ 59,734

INTERNATIONAL TOWER HILL MINES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Three Months Ended March 31, 2020 and 2019

(Expressed in US dollars – Unaudited)

The weighted average remaining life of options outstanding at March 31, 2020 was 3.1 years.

Stock options outstanding are as follows:

Expiry Date	March 31, 2020			December 31, 2019		
	Exercise Price (C\$)	Number of Options	Exercisable	Exercise Price (C\$)	Number of Options	Exercisable
February 25, 2022	\$ 1.11	510,000	510,000	\$ 1.11	510,000	510,000
February 25, 2022	\$ 0.73	270,000	270,000	\$ 0.73	270,000	270,000
March 10, 2022	\$ 1.11	120,000	120,000	\$ 1.11	120,000	120,000
March 16, 2023	\$ 1.00	580,000	580,000	\$ 1.00	580,000	580,000
March 16, 2023	\$ 0.50	130,000	130,000	\$ 0.50	130,000	130,000
June 9, 2023	\$ 1.00	30,000	30,000	\$ 1.00	30,000	30,000
March 21, 2024	\$ 0.61	374,817	374,817	\$ 0.61	374,817	374,817
February 1, 2025	\$ 1.35	250,000	250,000	\$ 1.35	250,000	250,000
August 8, 2025	\$ 0.85	187,232	187,232	\$ 0.85	187,232	187,232
		2,452,049	2,452,049		2,452,049	2,452,049

A summary of the non-vested options as of March 31, 2020 and changes during the three months ended March 31, 2020 is as follows:

	Number of options	Weighted average grant-date fair value (C\$)
Non-vested options:		
Outstanding at December 31, 2019	-	-
Vested	-	-
Outstanding at March 31, 2020	-	-

At March 31, 2020, there was no unrecognized compensation expense related to non-vested options outstanding.

Deferred Share Unit Incentive Plan

On April 4, 2017, the Company adopted a Deferred Share Unit Plan (the “DSU Plan”). On May 24, 2017, at the Company’s Annual General Meeting of Shareholders, the DSU Plan was approved. The maximum aggregate number of common shares that may be issued under the DSU Plan and the 2006 Plan is 10% of the number of issued and outstanding common shares (on a non-diluted basis).

During the year ended December 31, 2019, the Company granted each of the members of the Board (other than those directors nominated for election by Paulson & Co., Inc.) 97,647 deferred share units (“DSUs”) with a grant date fair value (defined as the weighted average of the prices at which the common shares traded on the exchange with the most volume for the five days immediately preceding the grant) of C\$0.85 per DSU representing C\$83,000 per director or C\$415,000 in the aggregate. The DSUs entitle the holders to receive common shares of the Company without the payment of any consideration. The DSUs vested immediately upon being granted but the common shares underlying the DSUs are not deliverable to the grantee until the grantee is no longer serving on the Board.

INTERNATIONAL TOWER HILL MINES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Three Months Ended March 31, 2020 and 2019

(Expressed in US dollars – Unaudited)

DSUs outstanding are as follows:

	Three Months Ended March 31, 2020		Year Ended December 31, 2019	
	Number of Units	Weighted Average Exercise Price (C\$)	Number of Units	Weighted Average Exercise Price (C\$)
Balance, beginning of the period	1,383,396	\$ 0.77	1,356,975	\$ 0.72
Issued	-	-	488,235	\$ 0.85
Delivered	-	-	(461,814)	\$ 0.71
Balance, end of the period	1,383,396	\$ 0.77	1,383,396	\$ 0.77

Share-based payments

During the three-month period ended March 31, 2020, there were no stock options granted under the 2006 Plan and no DSUs granted for common shares of the Company under the DSU Plan. Share-based payment compensation for the three months ended March 31, 2020 totaled \$Nil.

During the three-month period ended March 31, 2019, there were no stock options granted under the 2006 Plan and no DSUs granted for common shares of the Company under the DSU Plan. Share-based payment compensation for the three months ended March 31, 2019 totaled \$1,686, which was included in wages and benefits in the statement of operations and comprehensive loss.

7. SEGMENT AND GEOGRAPHIC INFORMATION

The Company operates in a single reportable segment, being the exploration and development of mineral properties. The following tables present selected financial information by geographic location:

	Canada	United States	Total
March 31, 2020			
Capitalized acquisition costs	\$ -	\$ 55,375,124	\$ 55,375,124
Property and equipment	7,942	7,049	14,991
Current assets	6,163,853	427,890	6,591,743
Total assets	\$ 6,171,795	\$ 55,810,063	\$ 61,981,858
December 31, 2019			
Capitalized acquisition costs	\$ -	\$ 55,375,124	\$ 55,375,124
Property and equipment	7,979	7,455	15,434
Current assets	6,652,289	523,886	7,176,175
Total assets	\$ 6,660,268	\$ 55,906,465	\$ 62,566,733
Three months ended			
	March 31, 2020	March 31, 2019	
Net income (loss) for the period – Canada	\$ 413,537	\$ (346,379)	
Net loss for the period – United States	(348,452)	(474,533)	
Net income (loss) for the period	\$ 65,085	\$ (820,912)	

8. COMMITMENTS

The following table discloses the Company's contractual obligations as of March 31, 2020, including anticipated mineral property payments. Under the terms of the Company's mineral property purchase agreements, mineral leases and unpatented mineral claims, the Company is required to make certain scheduled acquisition payments, incur certain levels of expenditures, make lease or advance royalty payments, make payments to government authorities and incur

INTERNATIONAL TOWER HILL MINES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Three Months Ended March 31, 2020 and 2019

(Expressed in US dollars – Unaudited)

assessment work expenditures (as summarized in the table below) in order to maintain and preserve the Company's interests in the related mineral properties. If the Company is unable or unwilling to make any such payments or incur any such expenditure, it is likely that the Company would lose or forfeit its rights to acquire or hold the related mineral properties. The following table assumes that the Company retains the rights to all of its current mineral properties, but does not exercise any lease purchase or royalty buyout options:

	Payments Due by Year						Total
	2020	2021	2022	2023	2024	2025 and beyond	
Mineral Property							
Leases ⁽¹⁾	\$ 393,794	\$ 428,951	\$ 434,185	\$ 439,498	\$ 444,890	\$ 450,363	\$ 2,591,681
Mining Claim							
Government Fees	132,460	132,460	132,460	132,460	132,460	132,460	794,760
Total	\$ 526,254	\$ 561,411	\$ 566,645	\$ 571,958	\$ 577,350	\$ 582,823	\$ 3,386,441

1. Does not include required work expenditures, as it is assumed that the required expenditure level is significantly below the level of work that will actually be carried out by the Company. Does not include potential royalties that may be payable (other than annual minimum royalty payments). See Note 4.

9. SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared the novel coronavirus 2019 ("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, economies, and financial markets globally, potentially leading to an economic downturn. While it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its ultimate effects on the Company's business, results of operations or ability to raise funds at this time, as of the date of this Quarterly Report on Form 10-Q, the COVID-19 pandemic has not had any material adverse effects on the Company.