

WESTKAM GOLD CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

July 31, 2020

(Expressed in Canadian Dollars)

NOTICE TO READER

Pursuant to National Instrument 51-102, Part 4, Subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

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

The Company's independent auditors have not performed a review of these unaudited condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for the review of interim financial statements by an entity's auditor.

WESTKAM GOLD CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note	July 31, 2020	Oct. 31, 2019
ASSETS			
Current Assets			
Cash		\$ 12,026	\$ 28,006
Receivables	3	14,404	31,241
Prepaid expense	8	5,000	5,000
		31,430	64,247
Equipment	4	3,652	4,278
Exploration and evaluation assets	5	14,341,198	14,341,198
Reclamation bonds	5	100,000	100,000
		\$ 14,476,280	\$ 14,509,723
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	8	\$ 752,144	\$ 1,007,083
Notes payable	6,8	5,986	245,085
		758,130	1,252,168
Reclamation obligation	5	41,000	41,000
		799,130	1,293,168
SHAREHOLDERS' EQUITY			
Share capital	7	53,656,620	52,935,764
Share subscriptions received	7	50,000	-
Share-based payments reserve	7	287,895	303,500
Deficit		(40,317,365)	(40,022,709)
		13,677,150	13,216,555
		\$ 14,476,280	\$ 14,509,723

Nature of Operations and Going Concern (note 1)
Subsequent Event (note 13)

On behalf of the Board:

"Matt Wayrynen" Director

"Corey Klassen" Director

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

WESTKAM GOLD CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

		Three months ended July 31		Nine months ended July 31	
	Note	2020	2019	2020	2019
EXPENSES					
Consulting		\$ 35,000	\$ -	\$ 50,000	\$ -
Depreciation	4	198	245	627	777
Exploration expenditures (recoveries), net	5	-	2,359	51,600	60,569
Interest expense					
Investor relations and shareholder information		329	255	8,129	13,130
Management fees	8	45,000	45,000	135,000	135,000
Office	8	787	4,563	19,653	16,630
Professional fees		6,429	-	6,429	3,000
Regulatory and filing fees		3,081	1,285	27,531	18,839
Operating loss		(90,824)	(53,707)	(298,969)	(247,945)
Interest expense	6,8	(425)	(4,358)	(11,292)	(12,812)
Expense recovery		-	-	-	22,500
Loss and comprehensive loss for the period		\$ (91,249)	\$ (58,065)	(310,261)	(238,257)
Loss per share (Basic and Diluted)	10	\$ 0.01	\$ 0.01	\$ \$0.04	\$ 0.03
Weighted average number of common shares outstanding		8,272,580	7,401,216	7,690,611	7,401,216

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

WESTKAM GOLD CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Number of common shares	Share Capital	Share Subscriptions Received in advance	Share-based payments reserve	Deficit	Total shareholders equity
Balance, Oct. 31, 2018	7,401,216	\$52,893,747		\$ 1,387,256	\$ (39,314,097)	\$13,580,117
Reversal of expired options	-	-		(1,041,739)	1,041,739	-
Loss and comprehensive loss	-	-		-	(180,192)	(180,192)
Balance, July 31, 2019	7,401,216	\$52,893,747		\$345,517	\$ (39,839,339)	\$13,399,925
Balance, Oct. 31, 2019	7,401,216	\$52,935,764	-	303,500	(40,022,709)	13,216,555
Shares issued for settlement of debt	7,208,560	720,856	50,000	-	-	770,856
Transfer upon expiration of Warrants	-	-	-	(15,605)	15,605	-
Loss and comprehensive loss	-	-	-	-	(310,261)	(310,261)
Balance, July 31, 2020	14,609,776	\$53,656,620	50,000	287,895	(40,317,365)	13,677,150

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

WESTKAM GOLD CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Three months ended July 31,		Nine months ended July 31,	
	2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Income (loss) for the period	\$ (91,249)	\$ (58,065)	\$ (310,261)	\$ (238,257)
Items not affecting cash:				
Amortization	198	245	627	777
Share-based payments	-	-	-	-
Changes in non-cash working capital items				
Decrease (increase) in receivables	15,758	(3,153)	16,837	24,618
Decrease (increase) in prepaid expenses	-	-	-	(20,000)
Decrease (increase) in exploration advances	-	-	-	25,000
Increase (decrease) in accounts payable and accrued liabilities	(424,085)	41,080	(254,944)	126,023
Increase (decrease) in notes payable	(267,184)	13,198	(239,099)	56,476
Net cash provided by (used in) operating activities	\$ (766,562)	\$ (6,695)	\$ (786,840)	\$ (25,263)
CASH FLOWS FROM FINANCING ACTIVITIES				
Issuance of common shares for debt	\$ 720,856	\$ -	\$ 720,856	\$ -
Share subscription received in advance	50,000	-	50,000	-
Net cash provided by financing activities	\$ 770,856	\$ -	\$ 770,856	\$ -
CHANGE IN CASH DURING THE PERIOD				
	4,294	(6,695)	(15,984)	(25,363)
CASH , beginning of period	7,728	15,437	28,006	34,105
CASH , end of period	\$ 12,022	\$ 8,742	\$ 12,022	\$ 8,742
Supplemental disclosure with respect to cash flows				
Expiry/cancellation of options		-		1,041,739
Expiration of finder's warrants		15,605		-

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

WESTKAM GOLD CORP.
NOTES TO THE FINANCIAL STATEMENTS
For the nine months ended July 31, 2020 and 2019

NOTE 1 - NATURE OF OPERATIONS AND GOING CONCERN

WestKam Gold Corp. (the "Company") was incorporated October 2, 1982 under the laws and Company Act of British Columbia, Canada, is domiciled in Canada and is a reporting issuer in the provinces of British Columbia and Alberta, Canada. The Company trades on the TSX Venture Exchange under the symbol "WKG". The Company's head and registered offices are located at Suite 900 – 570 Granville Street, Vancouver, BC, V6C 3P1.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable reserves. The recovery of amounts comprising the exploration and evaluation assets is dependent upon the confirmation of recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete the exploration and development of these reserves, the potential future profitability of these reserves or alternatively, the disposition, on an advantageous basis, of the Company's interests in the exploration and evaluation assets. The Company has a working capital deficiency, continues to incur losses and will require additional financing. These material uncertainties may cast significant doubt regarding the Company's ability to continue as a going concern.

During December 2019, the Company completed a share consolidation on a thirty-five to one basis. All share and per share amounts have been restated to reflect the consolidation.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance:

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"). The condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements and notes thereto for the fiscal year ended October 31, 2019.

The financial statements were authorized by the Audit Committee and Board of Directors of the Company on September 29, 2020.

b) Basis of presentation:

The financial statements have been prepared on the historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value, as explained in the accounting policies set out in below. In addition, the financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

WESTKAM GOLD CORP.
NOTES TO THE FINANCIAL STATEMENTS
For the nine months ended July 31, 2020 and 2019

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES - (Continued)

c) New standards, amendments and interpretations adopted:

A number of new standards, amendments to standards and interpretations are not yet effective as of July 31, 2020, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

Effective for annual periods beginning on or after January 1, 2019

IFRS 16, Leases:

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The Company has determined there will be no significant effect on the Company's financial statements other than increased disclosure.

NOTE 3 – RECEIVABLES

Receivables are comprised of the following:

	July 31, 2020	October 31, 2019
GST Receivable	\$ 14,404	\$ 31,241
Total	<u>\$ 14,404</u>	<u>\$ 31,241</u>

NOTE 4 – EQUIPMENT

	Computer equipment		Furniture, fixtures and equipment		Total
Cost					
Balance at October 31, 2018, 2019 and July 31, 2020	\$	41,035	\$	68,065	\$ 109,100
Depreciation and impairment					
Balance at October 31, 2018	\$	40,689	\$	63,123	\$ 103,812
Depreciation		93		917	1,010
Balance at October 31, 2019	\$	40,782	\$	64,040	\$ 104,822
Depreciation		53		573	627
Balance at July 31, 2020	\$	40,835	\$	64,613	\$ 105,449
Carrying values					
Balance at October 31, 2019	\$	254	\$	4,025	\$ 4,278
Balance at July 31, 2020	\$	200	\$	3,452	\$ 3,652

WESTKAM GOLD CORP.
NOTES TO THE FINANCIAL STATEMENTS
For the nine months ended July 31, 2020 and 2019

NOTE 5 – EXPLORATION AND EVALUATION ASSETS

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 characteristic of many exploration and evaluation assets. 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 properties are in good standing.

Exploration and evaluation assets costs are set out below:

	Bonaparte
As at October 31, 2019 and July 31, 2020	\$ 14,341,198

Bonaparte Gold property - Kamloops, British Columbia

The Company has a 100% interest in the Bonaparte Gold property located in the Kamloops mining district in British Columbia.

The Company entered into an advanced exploration agreement with the Stk'emlupsemc Te Secwepemc Nation requiring the Company to fund a Cultural Heritage Study (the "Study") with funding requirements as follows:

- 1) \$100,000 upon receipt of Study proposal (paid – fiscal 2016)
- 2) \$50,000 within 12 months of receipt of proposal (paid – fiscal 2016)
- 3) \$150,000 upon receipt of final Study

	July 31, 2020	July 31, 2019
	Bonaparte	Bonaparte
Exploration Expenses		
Camp supplies, maintenance and miscellaneous	-	-
Drilling and field support	-	36,435
Excavation and support	-	-
Geological consulting	51,600	-
Other	-	21,775
Travel and accommodation	-	-
Water monitoring and testing	-	2,359
Net Exploration	\$ 51,600	\$ 60,569

As at July 31, 2020, the Company has recognized a reclamation obligation of \$41,000 (2019 - \$41,000). The undiscounted amount of estimated cash flows was estimated at \$41,000. The liability was estimated using an expected life of three years and a net discount rate of 0.64%

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NOTE 6 – NOTES PAYABLE

During fiscal 2018, the Company entered into notes payable with a related party (Note 8) for gross proceeds of \$273,170. An additional \$43,664 in principal was advanced during fiscal 2019. The notes payable bear interest at an annual rate of 8.95%, do not have fixed repayment terms, and are due on demand. On July 20, 2020, the Company settled a portion of the debt by way of issuance of common shares (Note 7). There remains \$5,986 payable.

NOTE 7 – SHARE CAPITAL

The Company's share capital consists of an unlimited number of common shares without par value.

Fiscal 2020 Transactions

On July 21, 2020, the Company completed a debt settlement transaction, issuing 7,208,560 units at a deemed price of \$0.10 per unit to retire \$720,856 of existing debt payable to consultants, lenders and other creditors, including insiders.

Fiscal 2019 Transactions

There were no share issuances during the period ended July 31, 2019.

Share-based compensation

The Company has an equity-settled stock option plan under which the Board of Directors may grant options to directors, officers, other employees and key consultants. The number of shares reserved for issuance pursuant to the exercise of all options under the plan may not exceed 10% of the issued and outstanding common shares on a non-diluted basis at any time. The options expire not more than five years from the date of grant, or earlier if the individual ceases to be associated with the Company, and vest over terms determined at the time of grant.

No options were granted during the period ended July 31, 2020 and the Company has no prior options outstanding.

Warrants

The continuity of warrants for the period ended July 31, 2020 is as follows:

Expiry Date	Exercise Price	Oct. 31, 2019	Granted	Exercised	Expired/ cancelled	July 31, 2020
May 16, 2020*	\$1.75	442,857	-	-	(442,857)	-
June 17, 2020*	\$1.75	465,714	-	-	(465,714)	-
June 17, 2020*	\$1.75	16,286	-	-	(16,286)	-
Dec. 13, 2020	\$1.75	1,302,857	-	-	-	1,302,857
Jan. 27, 2021	\$1.75	511,429	-	-	-	511,429
Apr. 29, 2021	\$1.75	1,705,643	-	-	-	1,705,643
May 16, 2021	\$1.75	221,782	-	-	-	221,782
		4,666,568	-	-	(924,857)	3,741,711
Weighted average		\$1.75	-	-	\$1.75	\$1.75

WESTKAM GOLD CORP.
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NOTE 8 – RELATED PARTY TRANSACTIONS

The Company's related parties which consist of individuals who are executive officers and/or directors of the Company and or are directly related to a director of the Company are as follows:

Name	Nature of transaction
Matt Wayrynen, CEO, Director	Management fees, office
Pamela Saulnier, CFO	Management fees

Key management consist of the chief executive officer and chief financial officer.

The Company incurred the following fees and expenses with key management.

	July 31, 2020	July 31, 2019
Management and consulting fees	\$ 135,000	\$ 135,000
Interest expense	11,292	16,638
Rent (included in Office)	18,356	12,812
Total	\$ 164,648	\$ 164,450

Included in accounts payable is \$423,507 (2019 - \$285,961) to directors and officers or companies controlled by them. Notes payable of \$5,986 (2019 - \$239,996) are due to a company controlled by the CEO. Included in prepaid expenses is \$5,000 (2019 - \$2,620) payable to the CFO of the Company.

NOTE 9 – SEGMENTED INFORMATION

The Company operates in one business segment being the acquisition and exploration of exploration and evaluation assets in Canada.

NOTE 10 – BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the period ended July 31, 2020 is based on the loss attributable to common shareholders of \$310,261 (2019 - \$238,257) and a weighted average number of common shares outstanding of 8,272,580 (2019 – 7,401,216).

NOTE 11 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 - inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets;
- Level 2 - inputs to the valuation methodology included quoted prices for identical assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace; and,
- Level 3 - inputs to the valuation methodology are not based on observable market data, and approximate fair value due to their short term nature.

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables, reclamation bonds, accounts payable and accrued liabilities and notes payable are measured at amortized cost using effective interest rate.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist primarily of amounts due from federal government agencies. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

WESTKAM GOLD CORP.
NOTES TO THE FINANCIAL STATEMENTS
For the nine months ended July 31, 2020 and 2019

NOTE 11 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – (Continued)

Interest rate risk

The Company has cash balances. The Company's current policy is to invest excess cash in investment grade short-term demand deposit certificates issued by its banking institutions. The company periodically monitors the investments it makes and is satisfied with the credit rating of its banks. The Company is marginally exposed to interest rate risk. The Company's bank account earns interest income at variable rates and its notes payable carry fixed interest rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates.

Foreign currency risk

The Company has limited exposure to foreign currency risk on currency fluctuations related to monetary items with a settlement currency other than Canadian dollars.

Commodity 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 other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Going concern risk

The Company has prepared its financial statements assuming it will continue as a going concern. The Company has suffered recurring losses from operations, has a net capital deficiency, and has stated that substantial doubt exists about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 12 – CAPITAL MANAGEMENT

The Company manages common shares, stock options, and share purchase warrants as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash on hand.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account. Cash consists of cash on hand, balances with banks and investments in highly liquid instruments. There have been no changes to the Company's approach to capital management during the period ended July 31, 2020. The Company is not subject to externally imposed capital requirements.

WESTKAM GOLD CORP.
NOTES TO THE FINANCIAL STATEMENTS
For the nine months ended July 31, 2020 and 2019

NOTE 13 – SUBSEQUENT EVENT

Subsequent to the period ended July 31, 2020, the Company announced a non-brokered private placement of up to 8,888,888 units for gross proceeds of \$1,000,000. Each \$0.12 unit consists of one common share and one common share purchase warrant exercisable at \$0.20 for a period of five years from the date of close