



Trigon Metals Inc.

Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2020 and 2019

(Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

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

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

Trigon Metals Inc.
Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

As at	Notes	September 30, 2020	March 31, 2020
ASSETS			
Current assets			
Cash		\$ 5,577,780	\$ 2,051,421
Amounts receivable	4	103,359	33,953
Prepaid expenses	5	9,556	20,757
Total current assets		5,690,695	2,106,131
Non-current assets			
Property and equipment	6	306,752	324,741
Total Assets		\$ 5,997,447	\$ 2,430,872
LIABILITIES			
Current			
Accounts payable and accrued liabilities	8,14,15	\$ 1,777,099	\$ 368,322
Bridge financing	9	-	418,222
Total current liabilities		1,777,099	786,544
Non-current liabilities			
Transaction fees payable	14	945,180	-
Total Liabilities		2,722,279	786,544
EQUITY (DEFICIENCY)			
Equity (deficiency) attributable to shareholders of Trigon Metals Inc.:			
Share capital	12	44,816,443	40,239,927
Warrants	13	2,454,507	1,831,520
Contributed surplus	13	834,647	834,647
Deficit		(44,291,726)	(40,773,424)
Total equity (deficiency) attributable to shareholders of Trigon Metals Inc.		3,813,871	2,132,670
Non-controlling interest		(538,690)	(488,342)
Total Equity (Deficiency)		3,275,181	1,644,328
Total Liabilities and Equity (Deficiency)		\$ 5,997,460	\$ 2,430,872
Nature of operation and going concern (note 1)			
Commitments and contingencies (note 16)			
Subsequent events (note 17)			

Approved by the Board of Directors on November 26, 2020.

"Jed Richardson"

 Jed Richardson
 Director

"Larisa Sprott"

 Larisa Sprott
 Director

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

Trigon Metals Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Notes	Three months ended September 30,		Six months ended September 30,	
		2020	2019	2020	2019
Expenses					
Consulting fees	15	\$ 191,443	\$ 194,790	\$ 373,149	\$ 394,432
Professional fees		21,916	17,832	35,542	40,769
Travel and related costs		-	28,592	-	37,198
Shareholder communications and filing fees		104,272	138,740	114,583	154,692
General and administrative costs		37,038	50,610	75,445	100,766
Exploration and evaluation expenditures	7	222,340	215,805	416,770	542,917
Depreciation	6	1,975	1,932	3,901	3,863
Foreign exchange loss (gain)		607	6,349	(4,447)	4,066
Total expenses		\$ 579,591	\$ 654,650	\$ 1,014,943	\$ 1,278,703
Other income (expense)					
Interest expense	9	(7,631)	(35,381)	(16,283)	(72,509)
Loss on disposal of equipment	6	(3,008)	-	(3,457)	-
Acquisition of mineral property	14	(2,862,351)	-	(2,862,351)	-
Net loss and comprehensive loss		\$(3,452,581)	\$ (690,031)	\$ (3,897,034)	\$ (1,351,212)
Net loss and comprehensive loss attributable to:					
Shareholders of Trigon Metals Inc.		\$(3,424,286)	(702,209)	\$ (3,846,686)	\$ (1,336,015)
Non-controlling interest		(28,295)	12,178	(50,348)	(15,197)
		\$(3,452,581)	\$ (690,031)	\$ (3,897,034)	\$ (1,351,212)
Loss per share					
Basic and diluted		(0.04)	(0.01)	(0.04)	(0.03)
Weighted average number of common shares outstanding					
Basic and diluted		92,955,451	46,958,248	91,717,954	45,857,539

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

Trigon Metals Inc.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian dollars)

	Notes	Attributable to equity owners of Trigon Metals Inc.						Non-Controlling Interest	Total (deficiency) equity
		Number of common shares	Share Capital	Contributed surplus	Warrants	Deficit	Total shareholders' (deficiency) equity		
Balance as at March 31, 2019		45,857,539	\$ 36,627,071	\$ 720,042	\$ 1,073,898	\$ (38,842,961)	\$ (421,950)	(382,401)	(804,351)
Net loss for the period		-	-	-	-	(1,336,015)	(1,336,015)	(15,197)	(1,351,212)
Private placements	12	14,609,320	1,460,932	-	-	-	1,460,932	-	1,460,932
Warrants issued	12,13	-	(238,937)	-	238,937	-	-	-	-
Share and warrant issue costs	12,13	-	(24,765)	-	(4,842)	-	(29,607)	-	(29,607)
Broker warrants issued	12,13	-	-	-	8,581	-	8,581	-	8,581
Options expired unexercised	13	-	-	(177,595)	-	177,595	-	-	-
Warrants expired unexercised	13	-	-	-	(404,821)	404,821	-	-	-
Balance as at September, 2019		60,466,859	37,824,301	542,447	911,753	(39,596,560)	(318,059)	(397,598)	(715,657)
Balance as at March 31, 2020		90,466,859	40,239,927.00	834,647	1,831,520	(40,773,424)	2,132,670	(488,342)	1,644,328
Net loss for the year		-	-	-	-	(3,846,686)	(3,846,686)	(50,348)	(3,897,034)
Shares issued for property	14	6,300,000	787,500	-	-	-	787,500	-	787,500
Private placements	12	13,838,999	4,843,650	-	-	-	4,843,650	-	4,843,650
Warrants issued	12,13	-	(1,090,972)	-	1,090,972	-	-	-	-
Share and warrant issue costs	12,13	-	(354,841)	-	(121,935)	-	(476,776)	-	(476,776)
Broker warrants issued	12,13	-	(64,584)	-	64,584	-	-	-	-
Warrants exercised	12,13	1,647,500	373,500	-	-	-	373,500	-	373,500
Value of warrants exercised	12,13	-	82,263	-	(82,263)	-	-	-	-
Warrants expired unexercised	13	-	-	-	(328,371)	328,371	-	-	-
Balance as at September 30, 2020		112,253,358	44,816,443	834,647	2,454,507	(44,291,739)	3,813,858	(538,690)	3,275,168

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

Trigon Metals Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

		Six months ended September 30,	
	Notes	2020	2019
Cash provided by (used in):			
Operating activities			
Net loss for the period		\$ (3,897,034)	\$ (1,351,212)
Adjustments for items not affecting cash:			
Acquisition of mineral property	14	2,862,351	-
Depreciation	6	3,901	3,863
Interest expense	9	16,283	72,509
Loss on disposal of property and equipment		3,457	-
Foreign exchange gain		(2,977)	(2,478)
Net cash from operating activities before changes in working capital		(1,014,019)	(1,277,318)
Net changes in non-cash working capital			
Change in amounts receivable		(24,594)	30,064
Change in prepaid expenses		11,195	(2,598)
Change in accounts payable and accrued liabilities		237,196	216,606
Net cash flows (used in) operating activities		(790,222)	(1,033,246)
Investing activities			
Purchase of property and equipment	6,14	(2,464)	-
Proceeds on disposal of property and equipment	6	13,096	-
Equipment received from acquisition of mineral property	14	94	-
Cash received from acquisition of mineral property	14	(14)	-
Net cash flows provided by investing activities		10,712	-
Financing activities			
Proceeds from private placements	12	4,843,650	1,460,932
Shares issued from warrants exercised	12,13	373,500	-
Share and warrant issuance costs	12,13	(476,776)	(18,526)
Bridge financing	9	(434,505)	(630,632)
Net cash flows provided by financing activities		4,305,869	811,774
Increase in cash during the period		3,526,359	(221,472)
Cash - Beginning of period		2,051,421	565,690
Cash - End of period		\$ 5,577,780	\$ 344,218
Supplemental information			
Shares and finder's shares issued for property acquisition		\$ 787,500	\$ -

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

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2020 and 2019

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Trigon Metals Inc. (the “Company” or “Trigon”) was incorporated under the Business Corporations Act of Canada on April 1, 2005. On December 28, 2016, the Company changed its name from Kombat Copper Inc. to Trigon Metals Inc. and its stock symbol from “KBT” to “TM”. The Company’s head office is located at 130 Queens Quay East, Suite 1224, Toronto, Ontario M5A 0P6.

These condensed interim consolidated financial statements were reviewed, approved and authorized for issue by the Board of Directors on November 26, 2020.

The principal business activities of Trigon and its subsidiaries (collectively, the “Company”) are the acquisition, maintenance, exploration and development of mines and mineral properties on the African continent. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Significant time and major expenses may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities. The recoverability of the amounts shown for property and equipment is dependent upon the Company obtaining the necessary financing to complete the exploration, evaluation and development of its properties, the discovery of economically recoverable reserves and future profitable operations, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, indigenous claims, and non-compliance with regulatory, social and environmental requirements. The Company’s property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

Going concern

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. A different basis of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at September 30, 2020, the Company had working capital of \$3,913,596 compared with \$1,319,587 as at March 31, 2020. During the three and six months ended September 30, 2020, the Company incurred a net loss of \$3,452,581 and \$3,897,034 (2019: \$690,031 and \$1,351,212). The Company’s continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with current cash on hand, potential proceeds from the exercise of warrants/stock options, further private placements and borrowings, if available. During fiscal 2020 and 2021, the Company was able to raise funds through financings. However, there is no assurance that additional financing will be available on terms acceptable to the Company, or at all. These matters represent material uncertainties that cast significant doubt on the Company’s ability to continue as a going concern.

These condensed interim consolidated financial statements do not reflect adjustments to the carrying value of assets and liabilities that would be necessary should the Company be unable to continue operations. Such adjustments could be material.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2020 and 2019

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Going concern (continued)

Novel Coronavirus (“COVID-19”)

The Company’s operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company’s operations and ability to finance its operations.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed interim consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”) and accounting policies based on International Financial Reporting Standards (“IFRS”) and International Financial Reporting Interpretation Committee (“IFRIC”) interpretations.

The accounting policies as set out in the Company’s audited consolidated financial statements for the year ended March 31, 2020 were consistently applied to all periods presented, unless otherwise noted below.

The preparation of condensed interim financial statements in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies. Certain disclosures included in annual financial statements have been condensed or omitted.

Basis of preparation

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are stated at their fair values. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All amounts have been rounded to the nearest dollars, unless otherwise indicated.

Consolidation

These condensed interim consolidated financial statements incorporate the accounts of Trigon Metals Inc. and its subsidiaries, PNT Financeco Corp. (Barbados) 100%, Kombat Holdings (Namibia) (Pty) Ltd. (Namibia) 100%, Kombat Copper Mine (Pty) Ltd. (Namibia) 100%, Trigon Mining (Namibia) (Pty) Ltd. (“TMN”) (Namibia) 80%, and Technomine Africa Sarl (Morocco) 100%. All intercompany transactions, balances, income and expenses are eliminated on consolidation. The 20% of TMN not owned by the Company is owned by the Namibia State Mining Company and a local Namibian partner.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2020 and 2019

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consolidation (Continued)

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. These condensed interim consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

For non-wholly owned, controlled subsidiaries, the net assets attributable to outside equity shareholders are presented as “non-controlling interests” in the equity section of the condensed interim consolidated statement of financial position. Profit for the period that is attributable to non-controlling interests is calculated based on the ownership of the minority shareholders in the subsidiary. Warrants and stock options issued by subsidiaries, exercisable into subsidiary shares, are presented as a component of non-controlling interest in the condensed interim consolidated statement of financial position.

When the Company ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

The partial disposal of an interest resulting in loss of control meets the definition of a disposal group. A disposal group qualifies as a discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the condensed interim consolidated statement of loss.

New accounting policies

On April 1, 2020, the Company adopted the amendments to refine the definition of materiality in IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors that came into effect. These amendments did not have any material impact on the Company’s condensed interim consolidated financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS

The preparation of the condensed interim consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results may differ from these estimates.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2020 and 2019

(Expressed in Canadian dollars)

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (Continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant areas of judgement and estimation uncertainty considered by management in preparing the condensed interim consolidated financial statements include:

Critical judgment in applying accounting policies:

- Assets' carrying values and impairment charges

Events or changes in circumstances can give rise to significant impairment charges or reversals of impairment in a particular year. Management exercises its judgment in determining when such events or changes in circumstances have arisen and where such circumstances evidence a significant or prolonged decline of fair value on assets indicating impairment.

- Commercial production

The determination of when the mine is in a condition necessary for it to be capable of operating in the manner intended by management (referred to as "commercial production") is a matter of judgment that will impact when the Company recognizes revenue and operating costs in the condensed interim consolidated statement of loss and depreciation and depletion commence. In making this determination, management considered whether (a) the major capital expenditures to bring the mine to the condition necessary for it to be capable of operating in the manner intended by management had been completed; (b) a reasonable period of commissioning had been completed; (c) consistent operating results have been achieved at the previously budgeted level of design capacity; and (d) the transfer of operations from the construction personnel to operations personnel had been completed. As at September 30, 2020, management and the Board has not declared for commercial production.

- Control of subsidiaries

The Company consolidates subsidiaries over which it has control. Management assesses control in accordance with IFRS 10 - Consolidated Financial Statements and has determined it controls each of its subsidiaries.

- Determination of functional currency

Based on the primary indicators in IAS 21 – The Effects of Change in Foreign Exchange Rates – the Canadian dollar has been determined as the functional currency of the Company and all subsidiaries as the Canadian dollar is the currency in which funds from financing activities (i.e. issuing debt and equity instruments) are generated and because the activities of the foreign operation are carried out as an extension of the reporting entity, rather than being carried out with a significant degree of autonomy. Effects of changes in foreign exchange rates are recorded as foreign exchange gain (loss) on the statement of loss. If the functional currency of the Namibian entities had been the Namibian dollar, the effect of changes in foreign exchange rates would have been reflected as other comprehensive income and carried as a cumulative translation adjustment within accumulated other comprehensive income in the equity section of the condensed interim consolidated statement of financial position.

Key sources of estimation uncertainty:

- Depreciation rates

All property, plant and equipment, with the exception of land and buildings, are depreciated on a straight-line basis over three to five years, which the Company believes is the best approximation of the asset utility to the Company. If the estimated life had been longer than management's estimate, the carrying amount of the asset would have been higher.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2020 and 2019

(Expressed in Canadian dollars)

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (Continued)

Key sources of estimation uncertainty (Continued):

- Assets' carrying values and impairment charges

The determination of carrying values and impairment charges and their individual assumptions require that management make an estimate based on the best available information at each reporting period. Under situations where management has determined indicators of impairment are present, an impairment assessment will be performed by management whereupon management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets.

- Mineral Reserve and Mineral Resource estimates

The figures for Mineral Reserves and Mineral Resources are determined in accordance with National Instrument 43-101, "Standards of Disclosure for Mineral Projects", issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control.

Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, and future circumstances could have a material effect in the future on the Company's financial position and results of operation.

- Share-based payment transactions and warrants

The Company records share-based compensation at fair value over the vesting period. The Company also issues warrants. The fair value of the options and warrants is determined using the Black-Scholes options pricing model and management assumptions including the expected dividend yield, expected volatility, forfeiture rate, risk free rate and expected life. Should the underlying assumptions change, it will impact the fair value. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- Estimation of decommissioning and restoration costs and the timing of expenditure

The cost estimates are updated annually to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2020 and 2019

(Expressed in Canadian dollars)

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (Continued)

Key sources of estimation uncertainty (Continued):

- Income, value added, withholding and other taxes

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

- Contingencies

Refer to Note 16.

4. AMOUNTS RECEIVABLE

	September 30, 2020		March 31, 2020	
Sales taxes receivable	\$	57,091	\$	29,374
Trade and other receivable		46,268		4,579
	\$	103,359	\$	33,953

5. PREPAID EXPENSES

	September 30, 2020		March 31, 2020	
Insurance	\$	7,048	\$	14,824
Deposit		794		793
Other		1,714		5,140
	\$	9,556	\$	20,757

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2020 and 2019

(Expressed in Canadian dollars)

6. PROPERTY AND EQUIPMENT

Property and equipment are carried at cost less accumulated depreciation and impairment consist of the following:

	September 30, 2020			March 31, 2020		
	Cost	Accumulated Depreciation	Net book value	Cost	Accumulated Depreciation	Net book value
Furniture	\$ 8,670	\$ 6,562	2,108	\$ 6,300	\$ 6,300	\$ -
Vehicles	22,903	15,994	6,909	22,903	13,537	9,366
Buildings	61,014	9,897	51,117	60,920	9,136	51,784
Land	182,508	-	182,508	182,508	-	182,508
Equipment	138,485	74,375	64,110	155,036	73,953	81,083
	\$ 413,580	\$ 106,828	\$ 306,752	\$ 427,667	\$ 102,926	\$ 324,741

Reconciliation of the carrying amounts for the six months ended September 30, 2020 and year ended March 30, 2019 are as follows:

	Furniture	Vehicles	Buildings	Land	Equipment	Total
Costs						
Balance as at March 31, 2019	\$ 6,300	\$ 22,903	\$ 60,920	\$ 182,508	\$ 164,985	\$ 437,616
Disposals	-	-	-	-	(9,949)	(9,949)
Balance as at March 31, 2020	\$ 6,300	\$ 22,903	\$ 60,920	\$ 182,508	\$ 155,036	\$ 427,667
Additions (Disposals)	2,370	-	94	-	(16,551)	(14,087)
Balance as at September 30, 2020	\$ 8,670	\$ 22,903	\$ 61,014	\$ 182,508	\$ 138,485	\$ 413,580
Accumulated depreciation, depletion and impairment						
Balance as at March 31, 2019	\$ (6,300)	\$ (8,624)	\$ (7,614)	\$ -	\$ (72,940)	\$ (95,478)
Changes for the year	-	(4,913)	(1,522)	-	(1,013)	(7,448)
Balance as at March 31, 2020	\$ (6,300)	\$ (13,537)	\$ (9,136)	\$ -	\$ (73,953)	\$ (102,926)
Changes for the year	(262)	(2,457)	(761)	-	(422)	(3,902)
Balance as at September, 2020	\$ (6,562)	\$ (15,994)	\$ (9,897)	\$ -	\$ (74,375)	\$ (106,828)
Net book value as at March 31, 2020	\$ -	\$ 9,366	\$ 51,784	\$ 182,508	\$ 81,083	\$ 324,741
Net book value as at September 30, 2020	\$ 2,108	\$ 6,909	\$ 51,117	\$ 182,508	\$ 64,110	\$ 306,752

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2020 and 2019

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION EXPENDITURES

	For the three months ended September 30,		For the six months ended September 30,	
	2020	2019	2020	2019
<u>Trigon Namibia</u>				
Feasibility studies	\$ -	\$ 40,000	\$ -	\$ 166,129
Technical report	24,297	-	24,297	-
Assay and survey	-	-	623	2,395
Licence and permit	585	-	585	-
Field office and support	33,941	34,810	63,100	76,352
Consulting and labour	144,315	135,883	302,332	279,132
Travel	10,450	5,112	17,081	18,909
	\$ 213,588	\$ 215,805	\$ 408,018	\$ 542,917
<u>Technomine, Morocco</u>				
Travel	\$ 930	\$ -	\$ 930	\$ -
Assay and survey	7,822	-	7,822	-
	\$ 8,752	\$ -	\$ 8,752	\$ -
Total exploration and evaluation expenditures	\$ 222,340	\$ 215,805	\$ 416,770	\$ 542,917

The Company holds an effective 80% interest in its five mining licenses in Northern Namibia through its subsidiary, Trigon Mining (Namibia) (Pty) Ltd. The mining licenses expired in March 2019 and applications for their renewal were lodged by the Company. The Company is currently waiting for a response from the Ministry of Mines and Energy in Namibia.

On February 20, 2020, Trigon Mining (Namibia) (Pty) Ltd ("Trigon Namibia"), Trigon's 80% owned subsidiary, was awarded a new Exclusive Prospecting Licence No. 7525 ("EPL 7525") by the Ministry of Mines and Energy in Namibia for a three-year period, commencing on January 17, 2020, in respect of base and rare metals, industrial minerals and precious metals, subject to the terms and conditions of the Minerals (Mining and Prospecting) Act No. 33 of 1992 relating to exclusive prospecting licenses. EPL 7525 is situated to the west of the Kombat project and south of certain of the Company's licenses related to the Kombat Mine.

On September 24, 2020, the Company acquired a 100% equity interest in Technomine Africa S.A.R.L. ("Technomine"), a Moroccan company from Technomine's shareholders. Technomine owns a 100% interest in the Silver Hill Project in Morocco. See note 14 for details.

Trigon Metals Inc.

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8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2020		March 31, 2020	
Current				
Trade payables	\$	311,314	\$	131,784
Accruals		307,185		236,538
Acquisition payable (Note 14)		1,158,600		-
	\$	1,777,099	\$	368,322
Long term				
Acquisition payable (Note 14)		945,180		-
	\$	2,722,279	\$	368,322

9. BRIDGE FINANCING

		September 30, 2020		March 31, 2020	
Aberdeen International Inc.	Unsecured loan	-		418,222	
		\$	-	\$	418,222

The Company entered into loan agreements with Aberdeen International Inc. ("Aberdeen") as follows:

	Date	Principal	Interest	Extended repayment date
First loan	May 30, 2018	\$200,000	12% per annum	January 31, 2020
Second loan	June 26, 2018	\$275,000	12% per annum	January 31, 2020
Amended second loan	September 4, 2018	\$80,000	12% per annum	January 31, 2020
	December 31, 2018	\$140,000	12% per annum	January 31, 2020

Loan principal and accrued interest is due and payable in cash on or before the repayment date. The Company could negotiate repayment of the loans with Aberdeen via the transfer of securities or other investment products, but any arrangement for repayment other than in cash remained subject to a subsequent written agreement. Aberdeen extended the repayment date to January 31, 2020. In January 2020, the Company repaid loan principal of \$285,000 and \$120,000. As of January 31, 2020, the Company had not repaid the remaining balance of the loan and renegotiated the terms of the loan with Aberdeen.

During the six months ended September 30, 2020, the Company repaid the outstanding loan principals plus accrued interest of \$434,505 in full.

Aberdeen was a 10% security holder of the Company on a partially diluted basis in fiscal 2020 but ceased to be a 10% security holder as of July 31, 2020.

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10. FINANCIAL INSTRUMENTS

Financial instruments measured at fair value on the condensed interim consolidated statements of financial position are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- 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.

The Company's financial instruments consist of cash, amounts receivable, bridge financing and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these instruments. The Company has no financial instruments recorded at fair value.

Financial assets and financial liabilities as at September 30, 2020 were as follows:

	Assets & liabilities at amortized cost	Assets & liabilities at fair value through profit & loss	TOTAL
<i>At September 30, 2020</i>			
Financial assets:			
Cash	\$ 5,577,780	\$ -	\$ 5,577,780
Amounts receivable (Note 4)	46,268	-	46,268
Financial liabilities:			
Accounts payable and accrued liabilities	(2,722,279)	-	(2,722,279)
Bridge financing (Note 9)	-	-	-

11. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS

The Company considers its capital structure to include the components of shareholders' equity (deficiency). Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As the Company's properties are in the exploration and evaluation stage, the Company is currently unable to self-finance its operations. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

Risk management is carried out by the management team under policies approved by the Board of Directors. The Company's capital management objectives, policies and processes have remained unchanged during the six months ended September 30, 2020. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

Trigon Metals Inc.

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11. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS (Continued)

Financial risks

The Company's financial instruments comprise cash, amounts receivable, accounts payable, accrued liabilities and bridge financing. The main use of these financial instruments is to fund operations and the pursuit of capital transactions. The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are credit risk, liquidity risk and market risk. The Company has limited interest rate risk as there are no outstanding variable rate borrowings and the Company finances its operations primarily through share offerings and short-term fixed interest rate debt.

Management mandates and agrees policies for managing each of these risks. The Company is exposed to a variety of financial risks by virtue of its activities including, but not limited to, those summarized below.

The following discussion also includes a sensitivity analysis that is intended to illustrate the sensitivity to changes in market variables on the Company's financial instruments and show the impact on income or loss and shareholders' equity, where applicable. The sensitivity analysis has been prepared for the six months ended September 30, 2020, using the amounts of other financial assets and liabilities held as at the condensed interim consolidated statement of financial position date.

Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets. Not having a producing asset generating sales and accounts receivable, the Company's credit risk is considered limited as there is no exposure to a single customer or counterparty. With respect to credit risk arising from financial assets of the Company, which comprise cash and minimal receivables, the Company's exposure to credit risk arises from default of counterparties, with a maximum exposure equal to the carrying amount of these instruments. As cash balances are held with high credit quality financial institutions, the credit risk to the Company is considered minimal. The Company monitors and is subject to normal industry credit risks.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances.

The Company manages its liquidity risk by forecasting cash flows required for 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's approach to managing liquidity risk is to endeavour to have sufficient liquidity to meet liabilities when due. As at September 30, 2020, the Company had a cash balance of \$5,577,780 (March 31, 2020: \$2,051,421) and amounts receivable other than sales taxes receivable of \$46,268 (March 31, 2020: \$4,579). As at September 30, 2020, the Company's financial liabilities consisted of accounts payable and accrued liabilities of \$1,777,099 (March 31, 2020: \$368,322) based on contractual undiscounted payments and short-term borrowings of \$Nil (March 31, 2020: \$418,222), all due in less than one year plus long term liabilities of \$945,180 due in two years.

During the six months ended September 30, 2020, Trigon raised \$4,843,650 through private placement financing, received \$373,500 through warrants exercised, repaid \$290,000 of its short-term loan and made \$144,505 in interest payments.

During fiscal 2020, Trigon raised \$5,029,432 through private placement financings, repaid \$951,000 of its debt and made \$84,632 in interest payments.

Trigon Metals Inc.

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11. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS (Continued)

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of cash is limited due to the short-term investment nature. The Company's outstanding loans and interest-bearing debts are subject to fixed interest rates, and the Company has not entered into any interest rate swaps or other rate program at this time.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodities and equity prices will affect the Company's income or the value of its holdings of financial instruments. The ability of the Company to explore, evaluate and develop its exploration and mining properties and the future profitability of the Company are directly related to the price of base and precious metals. The Company monitors metal prices to determine the appropriate course of action to be taken.

Foreign currency risk

Foreign currency risk is created by fluctuations in the fair value or cash flows of financial instruments due to changes in foreign exchange rates and exposure as a result of investment in its subsidiaries. The Company is exposed to currency risk by incurring certain expenditures in US dollars, Namibian dollars, South African Rand and European Euro for its operations in Namibia and Moroccan Dirham and US dollars in Morocco. The Company has sought to minimize this risk by keeping its cash reserves in Canadian dollars and only purchasing US dollars, Namibian dollars, South African Rand and European Euro as needed.

Sensitivity analysis

The carrying amount of cash, accounts receivable, accounts payable and accruals equals fair market value. The effect of changes in foreign exchange rates on net loss is deemed insignificant as the number and amount of foreign-currency transactions are relatively small. Had the foreign exchange rates been higher (lower) by 10%, the foreign exchange in the condensed interim consolidated statement of loss would have been lower (higher) by approximately \$(6,830) (year ended March 31, 2020: \$(13,200)).

12. SHARE CAPITAL

	Number of shares	Issued Capital
Balance, March 31, 2020	90,466,859	\$ 40,239,927
Shares issued pursuant to property acquisition	6,000,000	750,000
Finder's shares issued pursuant to property acquisition	300,000	37,500
Shares issued pursuant to private placements	13,838,999	4,843,650
Warrants issued	-	(1,090,972)
Broker warrants issued	-	(64,584)
Cost of issue	-	(354,841)
Warrants exercised	1,647,500	373,500
Value of warrants exercised	-	82,263
Balance, September 30, 2020	112,253,358	\$ 44,816,443

Trigon Metals Inc.

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12. SHARE CAPITAL (Continued)

On September 24, 2020, the Company closed its previously announced brokered private placement financing comprised of 13,721,042 units at a purchase price of \$0.35 per unit for gross proceeds of \$4,802,365. Concurrently with the offering, the Company completed a non-brokered private placement of 117,957 units for gross proceeds of \$41,285. Each Unit is comprised of one common share of Trigon and one-half of one Common Share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.45 for a period of 36 months following the date of closing. The Offering was led by Cormark Securities Inc. on behalf of a syndicate of agents that included M Partners Inc. (collectively, the "Agents"). As consideration for their services provided in connection with the offering, the Company has (i) paid the Agents a cash commission equal to 6% of the gross proceeds of the offering, other than in respect of certain purchases by persons on the "President's List", on which the cash commission was equal to 1.5%, and (ii) issued to the Agents and the selling group that number of broker warrants as is equal to 3% of the aggregate number of units sold pursuant to the Offering (other than the portion thereof attributable to the "President's List", in respect of which no broker warrants were issued). Each broker warrant is exercisable to acquire one common share at a price of \$0.45 per share for a period of 36 months following the date hereof. All of the securities issued by the Company pursuant to the Offering will be subject to a four month statutory hold period which expires on January 25, 2021. The Company paid a total of \$354,841 in share issue costs and issued 6,919,499 warrants and 289,116 broker warrants. The issue date fair value of the warrants and broker warrants was estimated at \$1,090,972 and \$64,584 using the Black Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 112.1% (based on the Company's historical volatility); risk-free interest rate of 0.26% and an expected life of 3 years.

An insider of the Company subscribed for 1,715,000 units under the offering. Each transaction with an insider of the Company constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company is relying on exemptions from the formal valuation requirements of MI 61-101 pursuant to section 5.5(a) and the minority shareholder approval requirements of MI 61-101 pursuant to section 5.7(1)(a) in respect of such insider participation as the fair market value of the transaction, insofar as it involves interested parties, does not exceed 25% of the Company's market capitalization.

Subsequent to September 30, 2020, the Company closed the second and final tranche (the "Second Tranche") of its previously announced brokered private placement financing on October 13, 2020. In this Second Tranche, the Company issued 1,471,999 units at a price of \$0.35 per Unit for aggregate gross proceeds of \$515,200. Each unit is comprised of one common share of Trigon and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.45 for a period of 36 months following the closing date of the offering. The offering was led by Cormark Securities Inc. on behalf of a syndicate of agents that included M Partners Inc. (collectively, the "Agents"). As consideration for their services provided in connection with the Second Tranche, the Company has paid the Agents a cash commission equal to \$7,728. The Company also paid an aggregate amount of \$57,547.55 to other arm's length finders as part of the initial and Second Tranche of the Offering. All of the subscribers in the Second Tranche were on the Company's "President's List".

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13. EQUITY RESERVES

	No. of Options	Weighted Average Exercise Price	Grant Date Fair Value of Options	No. of Warrants, Broker Warrants	Weighted Average Exercise Price	Grant Date Fair Value of Warrants, Broker Warrants	TOTAL
March 31, 2020	4,274,000	\$0.24	\$ 834,647	43,517,816	\$0.21	\$ 1,831,520	\$ 2,666,167
Granted	-	-	-	7,208,615	\$0.45	1,155,556	1,155,556
Exercised	-	-	-	(1,647,500)	\$0.23	(82,263)	(82,263)
Expired	-	-	-	(2,321,666)	\$0.40	(328,371)	(328,371)
Warrant issue costs	-	-	-	-	-	(121,935)	(121,935)
September 30, 2020	4,274,000	\$0.24	\$ 834,647	46,757,265	\$0.23	\$ 2,454,507	\$ 3,289,154

Warrants

As at September 30, 2020, the Company had share purchase warrants outstanding as follows:

	Grant date	Expiry date	Number outstanding	Exercise price	Grant date fair value	Dividend yield (%)	Expected volatility (%)	Expected life (years)	Risk free rate (%)
Warrants on units	01-Oct-18	01-Oct-21	3,233,330	\$0.25	146,365	0	97	3	2.31
Warrants on units	24-Sep-19	24-Sep-21	6,704,660	\$0.15	219,311	0	101	2	1.52
Broker warrants	24-Sep-19	24-Sep-21	98,210	\$0.15	8,581	0	101	2	1.52
Warrants on units	25-Sep-19	25-Sep-21	500,000	\$0.15	16,355	0	101	2	1.52
Warrants on units	08-Jan-20	08-Jan-23	28,825,000	\$0.20	1,039,946	0	97	3	1.65
Broker warrants	08-Jan-20	08-Jan-23	187,450	\$0.20	16,939	0	97	3	1.65
Warrants on units	24-Sep-20	24-Sep-23	6,919,499	\$0.45	1,090,972	0	112	3	0.26
Broker warrants	24-Sep-20	24-Sep-23	289,116	\$0.45	64,584	0	112	3	0.26
Warrant issue costs					(148,546)				
			46,757,265		\$2,454,507				

14. ACQUISITION OF MINERAL PROPERTY

On September 24, 2020, the Company completed the acquisition of a 100% equity interest in Technomine Africa S.A.R.L. ("Technomine"), which owns a 100% interest in the Silver Hill Project ("Silver Hill") in Morocco. The Company has received approval of the transaction from the TSX Venture Exchange and has completed the Exchange's final filing requirements for closing the transaction including, but not limited to; receiving a satisfactory title opinion on the licences comprising the high potential Silver Hill and Tama Doult properties located in the Anti-Atlas region of Morocco, and filing the geological report in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") for exploration of Silver Hill.

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14. ACQUISITION OF MINERAL PROPERTY (Continued)

Terms of the Transaction

Under the terms of the Definitive Agreement, the Company acquired a 100% equity interest in Technomine for consideration detailed below:

1. Pay to the Vendors \$500,000 in cash and issue 6,000,000 common shares (issued) on closing of the Transaction (the "First Payment").
2. On the one-year anniversary of the closing of the Transaction, Trigon must pay to the Vendors \$400,000, and issue such number of Trigon common shares equal to \$250,000 (the "Second Payment").
3. Upon the completion of an independent National Instrument 43-101 compliant mineral resource estimate at the Project showing at least 100,000 tonnes of contained copper and/or equivalent, Trigon shall issue such number of shares equal to \$1,250,000 to the Vendors.

In addition, the Company will pay \$25,000 cash and issue 300,000 common shares (issued) to Majilias Inc. for its role as an arm's length finder. The finder shall also be entitled to a finder's fee of 5% in cash and share consideration comprising the Second Payment, when paid by Trigon.

Purchase price consideration

The acquisition is being treated as an asset acquisition for accounting purposes as Silver Hill does not meet the definition of a business, as defined in IFRS 3, Business Combinations. The assets acquired and liabilities assumed were recorded at their estimated fair market values, which are based on management estimates.

<u>Purchase price:</u>	
Cash consideration	500,000
Share consideration	750,000
Finders fees and shares	62,500
Future Obligations	1,538,658
Legal / Due diligent costs	
Asafo & Co.	40,122
Total Purchase price	2,891,280
<u>Fair Value of assets acquired and liabilities assumed:</u>	
Amount receivable and prepaid	44,750
Fixed assets	94
Accounts payable and accrued liabilities	(15,902)
Cash	(13)
Total net asset acquired	28,942
Excess of purchase price over fair value of assets acquired	2,862,338

Of the total purchase price, \$2,103,780 are included in accounts payable and accrued liabilities as of September 30, 2020.

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15. RELATED PARTY TRANSACTIONS

Compensation of key management

Key management includes the Company's directors and officers. Compensation awarded to key management included:

	Three months ended September 30,		Six months ended September 30,	
	2020	2019	2020	2019
Consulting fees	\$ 97,500	\$ 112,500	\$ 195,000	\$ 230,000
	\$ 97,500	\$ 112,500	\$ 195,000	\$ 230,000

See also Notes 12.

Included in accounts payable and accrued liabilities as at September 30, 2020 was approximately \$27,500 for consulting fees and expenses (March 31, 2020: \$31,871) charged by current and former officers and directors of the Company.

16. COMMITMENTS AND CONTINGENCIES

Management contracts

The Company is party to certain management contracts and severance obligations. These contracts contain clauses requiring additional payments of up to \$780,000 to be made to the officers of the Company upon the occurrence of certain events such as a change of control. As the triggering effect has not taken place, the contingent payments have not been reflected in these condensed interim consolidated financial statements. Additional minimum management contractual commitments remaining under the agreements are approximately \$425,000, all due within one year.

The Company also has a commitment of \$25,000 for bonus payments for which the triggering event has not occurred as at September 30, 2020. Upon the occurrence of the triggering event, the Company will have an increase in commitments relating to the subsequent occurrence of certain events such as a change of control or termination of the management contracts.

Legal claims

From time to time, the Company is named as a party to claims or involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differs from these estimates, the difference will be accounted for as a charge to net loss in that period.

Environmental

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

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16. COMMITMENTS AND CONTINGENCIES (Continued)**Kombat Project**

On April 23, 2012, the Company purchased, through the acquisition of Trigan Namibia, an effective 80% interest in the mining assets commonly known as the Kombat mine, whose assets include a 100% interest in five mining licenses and one exclusive prospecting license in northern Namibia. As at September 30, 2020, the Company has expended sufficient capital to ensure the licenses remain in good standing. The mining licenses expired in March 2019 and renewal applications were lodged by the Company. The Company is currently waiting for a response from the Ministry of Mines and Energy in Namibia.

Silver Hill Project

The Company completed its acquisition of 100% equity interest in Technomine, a Moroccan company from Technomine's shareholders on September 24, 2020. The Company is required to meet the terms of transaction outlined in the definitive agreement as consideration of the acquisition. See note 14 for details.

17. SUBSEQUENT EVENT

See Note 12.