



Trigon Metals Inc.

Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(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, 2019	March 31, 2019
ASSETS			
Current assets			
Cash		\$ 344,218	\$ 565,690
Amounts receivable	4	64,944	95,008
Prepaid expenses		9,331	6,733
Total current assets		418,493	667,431
Non-current assets			
Property and equipment	5	338,275	342,138
Total Assets		\$ 756,768	\$ 1,009,569
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7,13	\$ 680,809	\$ 464,181
Bridge financing	8	791,616	1,349,739
Total Liabilities		1,472,425	1,813,920
(DEFICIENCY) EQUITY			
(Deficiency) equity attributable to shareholders of Trigon Metals Inc.:			
Share capital	11	37,824,301	36,627,071
Warrants	12	911,753	1,073,898
Contributed surplus	12	542,447	720,042
Deficit		(39,596,560)	(38,842,961)
Total (deficiency) attributable to shareholders of Trigon Metals Inc.		(318,059)	(421,950)
Non-controlling interest		(397,598)	(382,401)
Total Deficiency		(715,657)	(804,351)
Total Liabilities and Deficiency		\$ 756,768	\$ 1,009,569

Nature of operation and going concern (note 1)

Commitments and contingencies (note 14)

Subsequent events (note 15)

Approved by the Board of Directors on November 26, 2019.

"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,	
		2019	2018	2019	2018
Expenses					
Consulting fees	13	\$ 194,790	\$ 199,879	\$ 394,432	\$ 386,740
Professional fees		17,832	15,528	40,769	38,779
Share-based payments	12,13	-	2,657	-	81,852
Travel and related costs		28,592	1,151	37,198	13,054
Shareholder communications and filing fees		138,740	15,252	154,692	37,807
General and administrative costs		50,610	52,180	100,766	103,673
Exploration and evaluation expenditures	6	215,805	268,681	542,917	738,756
Depreciation	5	1,932	516	3,863	2,294
Foreign exchange (gain) / loss		6,349	319	4,066	(5,895)
Total expenses		\$ 654,650	\$ 556,163	\$ 1,278,703	\$ 1,397,060
Other income (expense)					
Other income		-	420	-	1,933
Interest expense	8	(35,381)	(15,051)	(72,509)	(17,451)
Loss on disposal of equipment		-	(5)	-	(5)
Net loss and comprehensive loss		\$ (690,031)	\$ (570,799)	\$ (1,351,212)	\$ (1,412,583)
Net loss and comprehensive loss attributable to:					
Shareholders of Trigon Metals Inc.		\$ (702,209)	(569,695)	\$ (1,336,015)	\$ (1,397,397)
Non-controlling interest		12,178	(1,104)	(15,197)	(15,186)
		\$ (690,031)	\$ (570,799)	\$ (1,351,212)	\$ (1,412,583)
Loss per share					
Basic and diluted		(0.01)	(0.02)	(0.03)	(0.05)
Weighted average number of common shares outstanding					
Basic and diluted		46,958,248	27,253,795	45,857,539	27,253,795

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' (Deficiency) Equity

(Expressed in Canadian dollars)

Attributable to equity owners of Trigon Metals Inc.

	Notes	Number of common shares	Share Capital	Contributed surplus	Warrants	Deficit	Total shareholders' (deficiency) equity	Non- Controlling Interest	Total (deficiency) equity
Balance as at March 31, 2018		27,253,795	\$ 34,762,335	\$ 828,593	\$ 920,985	\$ (36,258,189)	\$ 253,724	(329,557)	(75,833)
Net loss for the period		-	-	-	-	(1,397,397)	(1,397,397)	(15,186)	(1,412,583)
Share-based payments	12	-	-	81,852	-	-	81,852	-	81,852
Balance as at September 30, 2018		27,253,795	34,762,335	910,445	920,985	(37,655,586)	(1,061,821)	(344,743)	(1,406,564)
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	11	14,609,320	1,460,932	-	-	-	1,460,932	-	1,460,932
Warrants issued	11,12	-	(238,937)	-	238,937	-	-	-	-
Share and warrant issue costs	12	-	(24,765)	-	(4,842)	-	(29,607)	-	(29,607)
Broker warrants issued	12	-	-	-	8,581	-	8,581	-	8,581
Options expired unexercised	12	-	-	(177,595)	-	177,595	-	-	-
Warrants expired unexercised	12	-	-	-	(404,821)	404,821	-	-	-
Balance as at September 30, 2019		60,466,859	37,824,301	542,447	911,753	(39,596,560)	(318,059)	(397,598)	(715,657)

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	2019	2018
Cash provided by (used in):			
Operating activities			
Net loss for the period		\$ (1,351,212)	\$ (1,412,583)
Adjustments for items not affecting cash:			
Share-based payments	12	-	81,850
Depreciation	5	3,863	2,294
Interest expense	8	72,509	17,451
Foreign exchange loss		(2,478)	5
Net cash from operating activities before changes in working capital		(1,277,318)	(1,310,983)
Net changes in non-cash working capital			
Change in amounts receivable		30,064	13,032
Change in prepaid expenses		(2,598)	8,332
Change in accounts payable and accrued liabilities		216,606	265,774
Net cash flows (used in) operating activities		(1,033,246)	(1,023,845)
Investing activities			
Proceeds on disposal of equipment	5	-	602
Net cash flows provided by investing activities		-	602
Financing activities			
Shares issued from private placements	11	1,460,932	-
Share and warrant issuance costs	11,12	(18,526)	-
Bridge financing	8	(630,632)	1,005,000
Net cash flows provided by financing activities		811,774	1,005,000
Increase (decrease) in cash during the period		(221,472)	(18,243)
Cash - Beginning of period		565,690	28,138
Cash - End of period		\$ 344,218	\$ 9,895

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, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

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 65 Queen Street West, Suite 805, Toronto, Ontario, M5H 2M5.

These condensed interim consolidated financial statements were reviewed, approved and authorized for issue by the Board of Directors on November 26, 2019.

The principal business activities of Trigon and its subsidiaries (collectively, the "Company") are the acquisition, maintenance, exploration and development of mines and mineral properties in the African country of Namibia. 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 assets 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, 2019, the Company had negative working capital of \$(1,053,932) compared with negative working capital of \$(1,146,489) as at March 31, 2019. In the three and six months ended September 30, 2019, the Company incurred a net loss of \$690,031 and \$1,351,212 (2018: \$570,799 and \$1,412,583). 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 2019, the Company was able to raise funds through debt and equity financing (see Notes 8 and 11). However, there is no assurance that additional financing will be available on terms acceptable to the Company, or at all. These matters represent material uncertainty that casts 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, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

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, 2019 were consistently applied to all periods presented, unless otherwise noted below.

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.

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%, and Trigon Mining (Namibia) (Pty) Ltd. (“TMN”) (Namibia) 80%. 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.

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.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consolidation (Continued)

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.

Changes in accounting policies

New accounting changes

During the three and six months ended September 30, 2019, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards. These include IFRIC 23 and IFRS 16. The new standards and changes did not have any material impact on the Company's condensed interim consolidated financial statements.

IFRIC 23 – Uncertainty Over Income Tax Treatments (“IFRIC 23”) was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates.

IFRS 16 – Leases (“IFRS 16”) was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in accounting policies (Continued)

Future accounting changes

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for annual accounting periods beginning on January 1, 2020 or later. Updates that are not applicable or are not consequential to the Company have been excluded.

IAS 1 – Presentation of Financial Statements (“IAS 1”) and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”) were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier adoption is permitted.

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.

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.

- 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.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (Continued)

Critical judgment in applying accounting policies (Continued):

- 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.

- 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.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (Continued)

Key sources of estimation uncertainty (Continued):

- 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.

- 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 14.

Trigon Metals Inc.
Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended September 30, 2019 and 2018
(Expressed in Canadian dollars - unaudited)

4. AMOUNTS RECEIVABLE

	September 30, 2019		March 31, 2019	
Sales taxes receivable	\$	59,898	\$	89,671
Other		5,046		5,337
	\$	64,944	\$	95,008

5. PROPERTY AND EQUIPMENT

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

	September 30, 2019			March 31, 2019		
	Cost	Accumulated Depreciation	Net book value	Cost	Accumulated Depreciation	Net book value
Furniture	\$ 6,300	\$ 6,300	\$ -	\$ 6,300	\$ 6,300	\$ -
Vehicles	22,903	11,220	11,683	22,903	8,624	14,279
Land and buildings	243,428	8,374	235,054	243,428	7,614	235,814
Equipment	164,985	73,447	91,538	164,985	72,940	92,045
	\$ 437,616	\$ 99,341	\$ 338,275	\$ 437,616	\$ 95,478	\$ 342,138

Reconciliation of the carrying amounts for the periods ended September 30, 2019 and March 31, 2018 are as follows:

	Furniture	Vehicles	Land & Buildings	Equipment	Total
Costs					
Balance as at March 31, 2018	\$ 6,300	\$ 104,590	\$ 243,428	\$ 166,201	\$ 520,519
Disposals	-	(81,687)	-	(1,216)	(82,903)
Balance as at March 31 and September 30, 2019	\$ 6,300	\$ 22,903	\$ 243,428	\$ 164,985	\$ 437,616
Accumulated depreciation, depletion and impairment					
Balance as at March 31, 2018	\$ (6,300)	\$ (84,223)	\$ (6,091)	\$ (71,119)	\$ (167,733)
Changes for the year	-	75,599	(1,523)	(1,821)	72,255
Balance as at March 31, 2019	\$ (6,300)	\$ (8,624)	\$ (7,614)	\$ (72,940)	\$ (95,478)
Changes for the year	-	(2,596)	(760)	(507)	(3,863)
Balance as at September 30, 2019	\$ (6,300)	\$ (11,220)	\$ (8,374)	\$ (73,447)	\$ (99,341)
Net book value as at March 31, 2019	\$ -	\$ 14,279	\$ 235,814	\$ 92,045	\$ 342,138
Net book value as at September 30, 2019	\$ -	\$ 11,683	\$ 235,054	\$ 91,538	\$ 338,275

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

6. EXPLORATION AND EVALUATION EXPENDITURES

	For the three months ended September 30,		For the six months ended September 30,	
	2019	2018	2019	2018
Drilling	\$ -	\$ 1,933	\$ -	\$ 1,933
License and permit	-	-	-	1,296
Feasibility studies	40,000	-	166,129	185,735
Environmental assessment	-	-	-	23,933
Technical report	-	19,587	-	19,587
Assay and survey	-	214	2,395	8,910
Field office and support	34,810	35,965	76,352	77,602
Consulting and labour	135,883	199,115	279,132	402,724
Travel	5,112	11,867	18,909	17,036
Total exploration and evaluation expenditures	\$ 215,805	\$ 268,681	\$ 542,917	\$ 738,756

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.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2019		March 31, 2019	
Trade payables	\$	422,033	\$	135,864
Accruals		258,776		328,317
	\$	680,809	\$	464,181

8. BRIDGE FINANCING

		September 30, 2019		March 31, 2019	
Individual (i)	Unsecured loan	\$	-	\$	501,403
Aberdeen International Inc.(ii)	Unsecured loan		791,616		749,802
Sulliden Mining Capital Inc.(iii)	Unsecured loan		-		98,534
		\$	791,616	\$	1,349,739

- (i) During fiscal 2019, the Company entered into loan agreements for bridge financing of \$200,000 ("First loan") and a further \$250,000 ("Second loan"). Loan principal, together with accrued interest at 12% per annum, was due and payable on or before December 31, 2019. In September 2019, the lender participated in the Company's private placement financing and the Company repaid the \$526,701 balance owed.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

8. BRIDGE FINANCING (Continued)

- (ii) During fiscal 2019, 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 may 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 remains subject to a subsequent written agreement. Aberdeen has extended the repayment date to January 31, 2020. As of September 30, 2019, total principal plus accrued interest of \$791,616 (March 31, 2019: \$749,802) remained outstanding.

Aberdeen is a 10% security holder of the Company. Pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions, the loans from Aberdeen constitute related party transactions. The Company relied on an exemption from formal valuation and minority shareholder approval requirements of NI 61-101 on the basis that the value of the loans was less than 25% of the Company's market capitalization.

- (iii) During fiscal 2019, the Company entered into a loan agreement with Sulliden Mining Capital Inc. ("Sulliden") for \$96,000. The amount owed was subject to 12% interest per annum. In September 2019, Sulliden participated in the Company's private placement financing and the Company repaid the \$103,931 balance owed.

9. 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.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

9. FINANCIAL INSTRUMENTS (Continued)

Financial assets and financial liabilities as at September 30, 2019 and March 31, 2019 were as follows:

	Amortized costs		
	Financial assets	Financial liabilities	TOTAL
<u>At September 30, 2019</u>			
Financial assets:			
Cash	\$ 344,218	\$ -	\$ 344,218
Amounts receivable (Note 4)	5,046	-	5,046
Financial liabilities:			
Accounts payable and accrued liabilities	-	680,809	680,809
Bridge financing (Note 8)	-	791,616	791,616
<u>At March 31, 2019</u>			
Financial assets:			
Cash	\$ 565,690	\$ -	\$ 565,690
Amounts receivable (Note 4)	5,337	-	5,337
Financial liabilities:			
Accounts payable and accrued liabilities	-	464,181	464,181
Bridge financing (Note 8)	-	1,349,739	1,349,739

10. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS

The Company considers its capital structure to include the components of shareholders' (deficiency) equity. 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 three and six months ended September 30, 2019. 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. As of September 30, 2019, the Company may not be compliant with the policies of the TSXV. The impact of any such violation is not known and is ultimately dependent on the discretion of the TSXV.

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.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

10. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS (Continued)

Financial risks (Continued)

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 three and six months ended September 30, 2019, 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 ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2019, the Company had a cash balance of \$334,218 (March 31, 2019: \$565,690) and amounts receivable other than sales taxes receivable of \$5,046 (March 31, 2019: \$5,337). As at September 30, 2019, the Company's financial liabilities consisted of accounts payable and accrued liabilities of \$680,809 (March 31, 2019: \$464,181) based on contractual undiscounted payments and short-term borrowings of \$791,616 (March 31, 2019: \$1,349,739), all due in less than one year.

During fiscal 2020, Trigon raised \$1,460,932 through private placement financings and repaid \$630,632 of its debt.

During fiscal 2019, Trigon raised \$2,030,541 through private placement financings and \$1,241,000 through debt instruments.

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.

Trigon Metals Inc.
Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

10. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS (Continued)

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. 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, accruals and short-term borrowings 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 \$25,699 (year ended March 31, 2019: \$2,715).

11. SHARE CAPITAL

(a) Authorized:

Unlimited number of voting common shares

Unlimited number of non-voting preferred shares, issuable in series

(b) Issued:

Reconciliation of the number and value of common shares for the six months ended September 30, 2019 and the year ended March 31, 2019 were as follows. All issued shares are fully paid.

	Number of shares	Issued Capital
Balance, March 31, 2018	27,253,795	\$ 34,762,335
Shares issued pursuant to private placements	18,603,744	2,030,541
Warrants issued	-	(154,060)
Cost of issue	-	(11,745)
Balance, March 31, 2019	45,857,539	\$ 36,627,071
Shares issued pursuant to private placements	14,609,320	1,460,932
Warrants issued	-	(238,937)
Cost of issue	-	(24,765)
Balance, September 30, 2019	60,466,859	\$ 37,824,301

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

11. SHARE CAPITAL (Continued)

On September 24 and 25, 2019, the Company closed the first and second tranches of a non-brokered private placement financing. The Company issued 14,609,320 units at a price of \$0.10 per unit for gross proceeds of \$1,460,932. Each unit is comprised of one common share of Trigon and one half of one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.15 for a period of 24 months following the closing date of the offering. The Company also issued 98,210 broker warrants. Each broker warrant entitles the holder to acquire one common share at a price of \$0.15 for a period of 24 months following the closing date of the offering. The issue date fair value of the warrants and broker warrants was estimated at \$238,937 and \$8,581 using the Black Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 100.6%; risk-free interest rate of 1.52% and an expected life of 2 years. The Company also paid share and warrant issue costs of \$21,026.

On March 28, 2019, the Company closed a non-brokered private placement financing. The Company issued 15,200,414 common shares at a price of \$0.10 per share for gross proceeds of \$1,520,041. The Company did not pay any finder's fees in connection with the Offering but incurred share issue costs of \$9,090. Certain directors and officers of the Company have subscribed for shares pursuant to the financing and their participation will be considered to be a "related party transaction" as defined under MI 61-101. The Insider Participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

On October 1, 2018, the Company closed a non-brokered private placement financing. The Company issued 3,403,330 units at a price of \$0.15 per unit for gross proceeds of \$510,500. Each unit is comprised of one common share of Trigon and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share at a price of \$0.25 for a period of 36 months following the closing date of the Offering. The issue date fair value of the warrants was estimated at \$154,060 using the Black Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 97%; risk-free interest rate of 2.31% and an expected life of 3 years. The Company also paid share and warrant issue costs of \$3,802. The Company did not pay any finder's fees in connection with the Offering. Certain directors and officers of Trigon acquired a portion of the financing, and their participation is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The Insider Participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

12. EQUITY RESERVES

Options

	Six months ended September 30, 2019			Year ended March 31, 2019		
	Number of Options	Weighted Average Exercise price	Amount	Number of Options	Weighted Average Exercise price	Amount
Outstanding - Beginning of period	2,024,000	\$0.48	\$ 720,042	1,917,000	\$0.59	\$ 828,593
Expired/cancelled options	(384,500)	\$0.67	\$ (177,595)	(343,000)	\$0.75	\$ (190,403)
Granted and vested	-	\$0.00	\$ -	450,000	\$0.20	\$ 81,852
Outstanding, End of period	1,639,500	\$0.43	\$ 542,447	2,024,000	\$0.48	\$ 720,042
Exercisable, End of period	1,639,500	\$0.43	\$ 542,447	2,024,000	\$0.48	\$ 720,042

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

12. EQUITY RESERVES (Continued)

Options (Continued)

Under the Company's stock option plan, the Company may grant options to its directors, officers, employees and consultants for up to 10% of the outstanding common stock. Under the plan, the exercise price of each option must not be less than the market price of the Company's stock on the date of grant, less any allowable discount. The maximum term of a stock option is five years.

As at September 30, 2019, the Company had stock options outstanding and exercisable as follows:

Option Summary						Black-Scholes Assumptions				
Grant date	Expiry date	Number outstanding	Number exercisable	Exercise price	Grant date fair value	Dividend yield (%)	Expected volatility (%)	Expected life (years)	Risk free rate (%)	Forfeiture Rate
26-Feb-15	26-Feb-20	150,500	150,500	\$1.00	\$ 91,805	0	144	5	0.78	0
08-Mar-16	08-Mar-21	114,000	114,000	\$0.85	\$ 78,660	0	116	5	0.72	0
22-Jun-16	22-Jun-21	150,000	150,000	\$0.50	\$ 61,500	0	120	5	0.70	0
20-Apr-17	20-Apr-22	150,000	150,000	\$0.29	\$ 35,370	0	117	5	1.03	0
19-Jul-17	19-Jul-22	600,000	600,000	\$0.385	\$ 188,821	0	117	5	1.52	0
11-Aug-17	11-Aug-22	25,000	25,000	\$0.24	\$ 4,743	0	110	5	1.46	0
11-Oct-17	11-Oct-22	25,000	25,000	\$0.415	\$ 8,540	0	119	5	1.77	0
16-Oct-17	16-Oct-22	25,000	25,000	\$0.45	\$ 9,008	0	113	5	1.71	0
06-Jun-18	06-Jun-23	400,000	400,000	\$0.20	\$ 64,000	0	112	5	2.16	0
		1,639,500	1,639,500	\$	542,447					

Warrants

	Six months ended September 30, 2019			Year ended March 31, 2019		
	Number of Warrants	Weighted Average Exercise price	Amount	Number of Warrants	Weighted Average Exercise price	Amount
Outstanding, Beginning of period	9,059,245	\$0.50	\$ 1,073,898	5,655,915	\$0.66	\$ 920,985
Issued	7,402,870	\$0.15	\$ 247,518	3,403,330	\$0.25	\$ 154,060
Expired	(1,431,750)	\$1.30	\$ (404,821)	-	-	\$ -
Warrant issue costs	-	-	\$ (4,842)	-	-	\$ (1,147)
Outstanding, End of period	15,030,365	\$0.25	\$ 911,753	9,059,245	\$0.50	\$ 1,073,898

As at September 30, 2019, the Company had share purchase warrants outstanding as follows:

Grant date	Expiry date	Number outstanding	Exercise price	FMV at grant date
01-Jun-17	01-Jun-20	41,667	\$0.40	\$ 5,404
31-Jul-17	31-Jul-20	924,166	\$0.40	\$ 131,258
22-Aug-17	22-Aug-20	1,558,333	\$0.40	\$ 225,824
15-Jan-18	15-Jan-20	1,428,571	\$0.50	\$ 136,936
02-Mar-18	02-Mar-20	271,428	\$0.50	\$ 23,176
01-Oct-18	01-Oct-21	3,403,330	\$0.25	\$ 154,060
24-Sep-19	24-Sep-21	6,804,660	\$0.15	\$ 222,895
24-Sep-19	24-Sep-21	98,210	\$0.15	\$ 8,581
25-Sep-19	25-Sep-21	500,000	\$0.15	\$ 16,042
		15,030,365	\$0.25	\$ 924,176

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

13. 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,	
	2019	2018	2019	2018
Consulting fees	\$ 112,500	\$ 182,500	\$ 230,000	\$ 362,500
Share-based payments	-	-	-	48,000
	\$ 112,500	\$ 182,500	\$ 230,000	\$ 410,500

See also Note 14.

Included in accounts payable and accrued liabilities as at September 30, 2019 is approximately \$66,720 for consulting fees, travel and moving expenses (March 31, 2019: \$105,000 – consulting fees and moving expenses) charged by current and former officers and directors of the Company.

Financings

In the private placement financing completed on March 28, 2019, directors and officers of Trigon acquired a total of 5,000,414 shares for gross proceeds of \$500,041.

Bridge financing

See Note 8.

14. 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 \$900,000 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 \$484,000, 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, 2019. 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.

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.

Trigon Metals Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2019 and 2018

(Expressed in Canadian dollars - unaudited)

14. COMMITMENTS AND CONTINGENCIES (Continued)

Trigon Mining (Namibia) (Pty) Ltd. – Property obligations

On April 23, 2012, the Company purchased, through the acquisition of TMN, an effective 80% interest in the mining assets commonly known as the Kombat mine, whose assets include a 100% interest in five Mining Licenses in northern Namibia. As at September 30, 2019, the Company has expended sufficient capital to ensure the licenses remain in good standing. The 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.

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.

15. SUBSEQUENT EVENTS

Subsequent to September 30, 2019, the Company announced changes to the members of the Board of Directors of Trigon (see Management's Discussion and Analysis).

The Company also announced the granting of 350,000 options each to the newly appointed Board members, as well as 2,335,000 options to certain directors, officers, employees and consultants of the Company to purchase shares of Trigon at \$0.18 per share for a period of five years from the day of grant.