

WALKER RIVER RESOURCES CORP.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2020
(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim consolidated condensed financial statements of the Company have been prepared by management and approved by the Board of Directors of the Company.

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

October 30, 2020

WALKER RIVER RESOURCES CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)

	Note	August 31, 2020	November 30, 2019
ASSETS			
Current			
Cash		\$ 368,306	\$ 592,102
Sales tax receivable		26,681	63,882
Prepaid expenses		6,201	6,978
		401,188	662,962
Non-current assets			
Loan receivable		1,435	1,462
Reclamation bond	3	39,233	34,092
Equipment	4	16,773	21,642
Exploration and evaluation assets	5	6,348,851	6,041,567
Total assets		\$ 6,807,480	\$ 6,761,725
LIABILITIES			
Current			
Accounts payable and accrued liabilities	6	\$ 817,108	\$ 913,354
Amounts due to related parties	10	45,765	82,076
Flow-through share premium liability	11	139,059	139,059
Total liabilities		1,001,932	1,134,489
EQUITY			
Share capital	7	9,791,372	9,052,276
Share subscriptions		62,000	–
Reserves		3,474,665	3,474,665
Deficit		(7,522,489)	(6,899,705)
Total equity		5,805,548	5,627,236
Total liabilities and equity		\$ 6,807,480	\$ 6,761,725

COMMITMENTS (NOTE 11)
SUBSEQUENT EVENTS (NOTE 12)

Authorized for issuance on behalf of the board on October 30, 2020:

“Michel David” Director

“Eugene Gauthier” Director

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

WALKER RIVER RESOURCES CORP
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2020 AND 2019
EXPRESSED IN CANADIAN DOLLARS

	Three months ended August 31,		nine months ended August 31,	
	2020	2019	2020	2019
EXPENSES				
Administration	\$ 14,100	\$ 9,882	\$ 33,938	\$ 24,772
Advertising and promotion	6,307	14,494	35,009	42,892
Audit and accounting	–	1,600	22,775	3,807
Consulting	118,500	128,750	364,400	391,260
Legal	–	–	161	165
Management fees (Note 6)	32,000	37,000	80,000	102,048
Office and miscellaneous	13,152	15,878	37,673	58,603
Transfer agent and filing fees	93	10,618	16,313	36,317
Rent	6,529	2,100	14,207	10,493
Share based compensation	–	–	–	88,579
Travel	3,207	17,496	9,767	51,274
	(193,888)	(237,818)	(614,243)	(810,210)
OTHER ITEMS				
Interest income	3	–	291	–
Flow through share interest (Note 11)	(2,944)	–	(8,832)	–
Net loss and comprehensive loss	\$ (196,829)	\$ (237,818)	\$ (622,784)	\$ (810,210)
Loss per share (basic and diluted)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding	156,245,522	129,120,676	151,212,268	129,479,526

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

WALKER RIVER RESOURCES CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)

	Note	Number of shares	Amount	Subscriptions	Reserves	Deficit	Total
Balance, November 30, 2018		106,724,115	\$ 6,261,621	\$ 40,000	\$ 3,175,162	\$ (5,613,708)	\$ 3,863,075
Shares issued for cash	7	19,235,455	1,274,500	(40,000)	–	–	1,234,500
Shares issued for cash on exercise of warrants	7	11,070,296	1,279,155	–	–	–	1,279,155
Shares issued for Rattlesnake Property	5, 7	900,000	162,000	–	–	–	162,000
Share based payments – options		–	–	–	88,579	–	88,579
Comprehensive loss for the period		–	–	–	–	(810,210)	(810,210)
Balance, August 31, 2019		137,929,866	8,977,276	–	3,263,741	(6,423,918)	5,817,099
Shares issued for cash on exercise of warrants	7	500,000	75,000	–	–	–	75,000
Share based payments – options		–	–	–	210,924	–	210,924
Comprehensive loss for the period		–	–	–	–	(713,605)	(713,605)
Balance, November 30, 2019		138,429,866	9,052,276	–	3,474,665	(6,899,705)	5,627,236
Shares issued for cash on exercise of warrants	7	13,400,000	339,000	–	–	–	401,000
Shares subscribe for cash		–	–	62,000	–	–	62,000
Units issued cash	7	5,715,656	400,096	–	–	–	400,096
Comprehensive loss for the period		–	–	–	–	(622,784)	(622,784)
Balance, August 31, 2020		157,545,522	\$ 9,791,372	\$ 62,000	\$ 3,474,665	\$ (7,522,489)	\$ 5,805,548

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

WALKER RIVER RESOURCES CORP
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED AUGUST 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)

	2020	2019
CASH USED IN OPERATING ACTIVITIES		
Net loss for the period	\$ (622,784)	\$ (810,210)
Items not affecting cash:		
Foreign exchange adjustment on loan receivable	27	–
Share-based compensation	–	88,579
Changes in non-cash working capital balances:		
Other receivables	37,201	(20,435)
Prepaid expenses	777	(10,133)
Accounts payable accrued liabilities	(96,246)	(85,477)
Due to related party	(38,404)	(16,843)
Cash used in operating activities	(719,429)	(854,519)
INVESTING ACTIVITY		
Exploration and evaluation assets	(300,322)	(924,829)
Equipment	–	(6,766)
Reclamation bond	(5,141)	(1,462)
Cash used in investing activities	(305,563)	(933,057)
FINANCING ACTIVITIES		
Issuance of shares, net of issuance cost	739,096	2,715,655
Shares subscribed	62,000	(10,000)
Cash provided by financing activities	801,096	2,705,655
INCREASE (DECREASE) IN CASH DURING THE PERIOD	(223,796)	918,079
CASH, BEGINNING OF THE YEAR	592,102	65,636
CASH, END OF THE PERIOD	\$ 368,306	\$ 983,715

SUPPLEMENTAL CASH FLOW INFORMATION AND NON CASH TRANSACTION

Exploration and evaluation assets included in accounts payable to related parties	\$ (2,093)	\$ 12,907
Depreciation capitalized	\$ 4,869	\$ –

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

WALKER RIVER RESOURCES CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED AUGUST 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)

1. NATURE OF OPERATIONS

Walker River Resources Corp. (the “Company”) was incorporated pursuant to the British Columbia Business Corporations Act on December 16, 2010. The principal business of the Company is the identification, exploration and evaluation, as well as exploration of mineral properties once acquired. The Company’s shares are listed for trading on the TSX Venture Exchange (the “Exchange”) under the symbol WRR.

The address of the Company’s corporate office and its principal place of business is 820 – 1130 West Pender Street, Vancouver, British Columbia, Canada. The Company has a November 30 fiscal year-end.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company is not currently determinable, but management continues to monitor the situation.

The Company is an exploration stage company and is in the process of exploring its mineral property interests. At August 31, 2020, the Company has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and future profitable production from the properties or realizing proceeds from their disposition.

2. BASIS OF PREPARATION

a) Statement of compliance

The financial statements are prepared in accordance with IAS 34 Interim Financial Reporting (“IAS34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended November 30, 2018.

These consolidated financial statements include the accounts of the Company and its subsidiary:

	Country of Incorporation	% of Interest
Walker River Resources LLC	USA	100%

The consolidated financial statements were authorized for issue by the Board of Directors on October 30, 2020.

b) Going concern

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. To date, the Company has incurred losses and is unable to generate cash from operations. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future. This indicates the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

WALKER RIVER RESOURCES CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. BASIS OF PREPARATION (continued)

c) Functional currency

The functional and presentation currency of the Company is the Canadian dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Measurement basis

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

b) Significant accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could 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 future periods affected.

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- i. the carrying value and the recoverability of the exploration and evaluation assets included in the consolidated statements of financial position;
- ii. the provision for the income tax expense which is included in profit or loss and the measurement of deferred income tax liabilities included in the consolidated statements of financial position; and
- iii. the inputs used in accounting for share-based payments in profit or loss.

Critical accounting judgments

- i. the determination of categories of financial assets and financial liabilities identified as financial instruments, which involves judgments or assessments made by management;
- ii. the determination of whether it is likely that future economic benefits associated with the exploration and evaluation expenditures capitalized will flow to the Company, which may be based on assumptions about future events or circumstances; and
- iii. the determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Deferred finance costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs until the transactions are completed, if the completion of the transaction is considered to be more likely than not. Share issue costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

d) Equipment

Equipment is recorded at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset into operation and an initial estimate of any rehabilitation obligation. Depreciation of the equipment is calculated using the declining balance method at a rate of 30% per year.

Equipment is derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statement of comprehensive loss.

e) Exploration and evaluation assets

All expenditures related to the cost of exploration and evaluation of mineral resources including acquisition costs for interests in mineral claims are capitalized as exploration and evaluation assets. General exploration costs not related to specific mineral properties are expensed as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, capitalized costs of the related property are reclassified as mining assets and upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves. Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present:

- the rights to explore have expired or are near to expiry with no expectation of renewal,
- no further substantive expenditures are planned or budgeted,
- exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered,
- an indication that the carrying amount is unlikely to be recovered in full by development or sale.

WALKER RIVER RESOURCES CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Exploration and evaluation assets (continued)

The recoverability of mineral properties and capitalized exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to exploration and evaluation assets may not necessarily reflect present or future values.

Exploration costs renounced due to flow-through share subscription agreements remain capitalized, however, for corporate income tax purposes, the Company has no right to claim these costs as tax deductible expenses.

The recorded costs of exploration and evaluation assets are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount. Payments on mineral property option agreements are made at the discretion of the Company and, accordingly, are recorded on a cash basis.

f) Impairment

Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against the asset impaired. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

Exploration and evaluation assets are regularly reviewed for impairment or whenever events or changes in circumstances indicate that the carrying amount of reserve properties may exceed its recoverable amount. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of the value in use and fair value less costs to sell. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the carrying amount of an asset exceeds the recoverable amount an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

As at August 31, 2020, the Company has not incurred any decommissioning costs related to the exploration and evaluation of its mineral properties. However, the state of Nevada required the company to post a bond of US\$11,834 (\$16,246 CDN) on its Lapon Gold Project to cover future decommissioning costs and a bond of US\$17,353 (\$22,988 CDN) on its Rattlesnake Project to cover future decommissioning costs.

h) Government assistance

Quebec mining exploration tax credits for certain exploration expenditures incurred in Quebec are treated as a reduction of the exploration and development costs of the respective mineral property.

i) Share capital – flow-through shares

The Company finances some exploration expenditures through the issuance of flow-through shares. In accordance with IAS 12, Income Taxes, a deferred tax liability is recognized, with certain specific exceptions, for the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures capitalized as an asset in the statement of financial position and its tax base. At the time flow-through shares are issued, there is a potential premium paid on the flow-through shares calculated based on the share issuance price and the market price at the time of closing. In the absence of a market price, the Company uses the fair value as determined by the price per share in recent non flow-through share financings or other techniques as considered necessary. This premium is recorded as liabilities reducing share capital and is drawn down proportionately as the flow-through exploration spending occurs and recorded as other income. In instances where the Company has sufficient deductible temporary differences available to offset the deferred income tax liability created from renouncing qualifying expenditures, the realization of the deductible temporary differences will be shown as a recovery in operations in the period of renunciation.

j) Share-based payments

The Company has an equity-settled share-based compensation plan. Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is measured at grant date, using the Black-Scholes Option Pricing Model, and each tranche is recognized on a graded-vesting basis over the period in which options vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to contributed surplus.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

l) Income taxes

Income tax on profit or loss comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the financial position date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

m) Amounts receivable

Amounts receivable include amounts due from Revenue Canada and Revenu Quebec for sales input tax credits.

n) Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The fair value of common shares issued in private placements was determined to be the more easily measurable component and are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to attached warrants. Any fair value attributed to warrants is recorded to reserves.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- o) Newly adopted accounting standards

IFRS 9

The Company adopted all of the requirements of IFRS 9 Financial Instruments on December 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 utilizes a revised model for recognition and measurement of financial instruments in a single, forward-looking “expected loss” impairment model.

The following is the Company’s new accounting policy for financial instruments under IFRS 9:

- (i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company completed a detailed assessment of its financial assets and liabilities as at December 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

<u>Financial assets/liabilities</u>	<u>Original Classification IAS 39</u>	<u>New Classification IFRS 9</u>
Cash	FVTPL	FVTPL
Sales tax receivable	Amortized cost	Amortized cost
Accounts payable	Amortized cost	Amortized cost
Due to related parties	Amortized cost	Amortized cost
Loan receivable	Amortized cost	Amortized cost

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive income on December 1, 2018.

- (ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of comprehensive loss in the period in which they arise.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

IFRS 15

The Company adopted IFRS 15 Revenue from Contracts with Customers Financial Instruments on December 1, 2018 using the modified retrospective approach. As the Company has no revenue, there was no impact to the Company's consolidated financial statements.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

p) Accounting Standards Issued but not yet in Effect

IFRS 16 – Leases

IFRS 16 specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. IFRS 16 is effective for years beginning after January 1, 2019. The Company does not anticipate the adoption of this standard to have a significant impact on the Company's consolidated financial statements.

4. EQUIPMENT

	Vehicle	Equipment	Total
Cost			
Balance at November 30, 2018	\$ 24,309	\$ 21,621	\$ 45,930
Additions during the period	–	11,697	11,697
Balance at November 30, 2019	24,309	33,318	57,627
Additions during the period	–	–	–
Balance at August 31, 2020	\$ 24,309	\$ 33,318	\$ 57,627
Accumulated Depreciation			
Balance at November 30, 2018	\$ 20,461	\$ 8,755	\$ 29,216
Depreciation for the period	1,155	5,614	6,769
Balance at November 30, 2019	21,616	14,369	35,985
Depreciation for the period	606	4,263	4,869
Balance at August 31, 2020	\$ 22,222	\$ 18,632	\$ 40,854
Net Carrying Amounts			
Balance, November 30, 2018	\$ 3,848	\$ 12,866	\$ 16,714
Balance, November 30, 2019	\$ 2,695	\$ 18,947	\$ 21,642
Balance, August 31, 2020	\$ 2,087	\$ 14,686	\$ 16,773

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5. EXPLORATION AND EVALUATION ASSETS

Total costs incurred on exploration and evaluation assets are summarized as:

Nine months ended August 31, 2020:

	Lapon Gold Project	Garfield Project	Total
Acquisition costs:			
Balance, beginning of year	\$3,825,283	\$ 115,447	\$ 3,940,730
Additions	–	13,569	13,569
Balance, end of period	3,825,283	129,016	3,954,299
Deferred exploration expenditures:			
Balance, beginning of the year	2,095,737	5,100	2,100,837
Geologist fees and assays	273,137	15,708	288,845
Depreciation	4,870	–	4,870
Balance, end of year	2,373,744	20,808	2,394,552
	\$6,199,027	\$ 149,824	\$ 6,348,851

Year ended November 30, 2019:

	Lapon Gold Project	Garfield Project	Total
Acquisition costs:			
Balance, beginning of year	\$ 3,639,012	\$ 115,447	\$ 3,754,459
Additions	186,271	–	186,271
Balance, end of period	3,825,283	115,447	3,940,730
Deferred exploration expenditures:			
Balance, beginning of the year	995,913	3,000	998,913
Geologist fees and assays	1,093,055	2,100	1,095,155
Depreciation	6,769	–	6,769
Balance, end of year	2,095,737	5,100	2,100,837
	\$ 5,921,020	\$ 120,547	\$ 6,041,567

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5. EXPLORATION AND EVALUATION ASSETS (continued)

Lapon Gold Project, Nevada

The Lapon Gold Project consists of three areas: Lapon Canyon Project, Rattlesnake Project and Pikes Peak Project.

The Company owns 100% of the Lapon Gold Project, which is comprised of 147 claims. The previous owner of the Lapon Canyon portion of the Project retains a 1% Net Smelter Return ("NSR"). The Company has an option to buy the NSR for \$300,000.

On July 3, 2019, the Company acquired a 100% interest in 15 unpatented lode claims south of the Lapon Canyon's range front zone. This was formerly known as the Rattlesnake Project and is now included as part of the Lapon Gold Project. Consideration of US\$10,000 (\$13,081) was paid and 900,000 common shares of the Company were issued for the Rattlesnake claims. (Note 7)

In 2019, the Company increased its landholdings approximately four kilometres north of the Lapon Canyon Project by acquiring, through staking, an additional 36 claims. This area was formerly known as the Pikes Peak project.

The costs of the former Rattlesnake and Pikes Peak projects are now included in the Lapon Gold Project

Garfield Flats Project, Nevada

On July 11, 2018, the Company entered into an Option Agreement ("Option") with Nevada Canyon Gold Corp. ("Nevada Canyon") on the Garfield Flats Project, located in Mineral County, Nevada about 18 miles southeast of the town of Hawthorne, NV.

The Option gives the Company the exclusive option and right to acquire 100% ownership of the Garfield Flats Project. Consideration for the acquisition of the Option was a cash payment of US\$55,000 (\$72,330). The Company cancelled its loan of US\$55,000 (\$72,330) to Nevada Canyon as consideration for the acquisition cost of the Option.

The Option consists of 106 unpatented mining claims.

On June 7, 2019, the Company signed an exploration agreement with an option to form a joint venture on the Garfield Flats property with Smooth Rock Ventures Corp ("Smooth Rock").

Smooth Rock can earn an undivided 50% interest in the Option by financing \$600,000 in exploration expenditures as follows: (a) for an initial 25% interest of the Garfield Flats project, \$300,000 in exploration expenditures within a 1 year period, (b) for an additional 25% interest, \$300,000 in exploration expenditures on or before the second anniversary, and (c) upon earning a 50% interest, a 50/50 joint venture will be formed between the Company and Smooth Rock.

Smooth Rock may accelerate any of the above earn-in periods at its option. The Company shall be the operator of the exploration during the earn-in period.

The Option commenced on June 7, 2017 and continues for 10 years, subject to the right to extend the Option for two additional terms of 10 years each, and subject to an option to purchase the Property.

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5. EXPLORATION AND EVALUATION ASSETS (continued)

Garfield Flats Project, Nevada (continued)

Full consideration of the agreement consists of the following:

- \$15,000 US (paid) initial cash payment upon the execution of the agreement on June 7, 2017,
 - \$15,000 US (paid) on the first anniversary of the agreement,
 - \$20,000 US (paid by Smooth Rock in accordance with the exploration agreement) on the second anniversary of the agreement,
 - \$10,000 US (paid) on the third anniversary of the agreement, *
 - \$10,000 US on the fourth anniversary of the agreement, *
 - \$25,000 US to be paid on the fifth anniversary of the agreement, *
 - \$40,000 US to be paid on the sixth and any succeeding anniversary of the agreement.
- *On May 12, 2020, the Company renegotiated the third and fourth payments to \$10,000 with the property vendor.

The Company has the option to purchase the Option for US\$300,000.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	August 31, 2020	November 30, 2019
Accounts payable	\$ 235,999	\$ 371,078
Accrued liabilities	581,107	542,276
	\$ 817,106	\$ 913,354

7. SHARE CAPITAL

Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

Issued

During the nine months ended August 31, 2020:

- i) On January 10, 2020, 10,000,000 warrants were exercised at \$0.00 per warrant for 10,000,000 shares, no proceeds were due or received.
- ii) On February 14, 2020, 500,000 warrants were exercised at \$0.10 per warrant for 500,000 shares for gross proceeds of \$50,000.
- iii) On February 14, 2020, 250,000 options were exercised at \$0.12 per option for 250,000 shares for gross proceeds of \$30,000.
- iv) On March 3, 2020, 1,050,000 Warrants were exercised at \$0.10 per warrant for 1,050,000 shares for gross proceeds of \$105,000.
- v) On March 27, 2020, 300,000 Warrants were exercised at \$0.10 per warrant for 300,000 shares for gross proceeds of \$30,000.
- vi) On April 15, 2020, the Company issued 5,715,656 units in a private placement at a price of \$0.07 per unit for gross proceeds of \$400,096.00. Each unit consisted of one common share and one share purchase warrant. Each warrant is exercisable into one common share before April 16, 2022 at a price of \$0.08 per share.
- vii) On August 31, 2020 1,000,000 Warrants were exercised at \$0.10 per warrant and 300,000 warrants were exercised at \$0.08 for 1,300,000 shares for gross proceeds of \$124,000.

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7. SHARE CAPITAL (continued)

Issued (continued)

During the nine months ended August 31, 2020: (continued)

- viii) During the nine months ended August 31, 2020 620,000 units at \$0.10 per unit were subscribed for gross proceeds of \$62,000. Each unit consists of one common share and one share purchase warrant, whereby each warrant shall be exercisable into one share for a period of three years from closing at a price of 13 cents per share.

During the year ended November 30, 2019:

- i) 11,570,296 warrants were exercised for proceeds of \$1,400,435.
- ii) On December 20, 2018, the Company issued 10,290,000 units in a private placement, at a price of \$0.05 per unit for gross proceeds of \$514,500, of which \$40,000 was received during the year ended November 30, 2018, consisting of the issuance of 800,000 units of the Company at a price of \$0.05 per unit. Each unit consisted of one common share and one share purchase warrant. Each warrant is exercisable into one common share before December 20, 2020 at a price of \$0.10 per share.
- iii) On January 21, 2019, the Company issued 4,400,000 units in a private placement at a price of \$0.05 per unit for gross proceeds of \$220,000. Each unit consisted of one common share and one share purchase warrant. Each warrant is exercisable into one common share before January 21, 2021 at a price of \$0.10 per share.
- iv) On February 22, 2019, 6,113,154 warrants were exercised at \$0.12 per warrant for 6,113,154 shares for gross proceeds of \$733,578.
- v) On February 22, 2019, 900,000 warrants were exercised at \$0.10 per warrant for 900,000 shares for gross proceeds of \$90,000.
- vi) On February 22, 2019, 500,000 warrants were exercised at \$0.15 per warrant for 500,000 shares for gross proceeds of \$75,000.
- vii) On March 4, 2019, 400,000 warrants were exercised at \$0.12 per warrant for 400,000 shares for gross proceeds of \$48,000.
- viii) On April 1, 2019, the Company issued 4,545,455 units in a private placement at a price of \$0.11 per unit for gross proceeds of \$500,000. Each unit consisted of one common share and one share purchase warrant. Each warrant is exercisable into one common share before April 1, 2021 at a price of \$0.15 per share.
- ix) On April 18, 2019, 2,257,142 warrants were exercised at \$0.12 per warrant for 2,257,142 shares for gross proceeds of \$270,857
- x) On May 1, 2019, 900,000 warrants were exercised at \$0.12 per warrant for 900,000 shares for gross proceeds of \$108,000.
- xi) On July 18, 2019 the Company issued 900,000 shares as payment for the Rattlesnake claims at a price of \$0.18 per share for a fair value of \$162,000. (Note 5)
- xii) On September 9, 2019, 500,000 warrants were exercised at \$0.15 per warrant for 500,000 shares for gross proceeds of \$75,000.

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7. SHARE CAPITAL (continued)

Stock options

The Company has a Stock Option Plan (the "Plan") to grant incentive stock options to directors, officers, employees and consultants. Under the plan, the aggregate number of common shares which may be subject to option at any one time may not exceed 10% of the issued common shares of the Company as of that date including options granted prior to the adoption of the Plan. Options granted may not exceed a term of ten years, and the term will be reduced to one year following the date of death of the optionee. All options vest when granted unless otherwise specified by the Board of Directors.

On February 5, 2019, the Company granted 1,000,000 stock options to consultants entitling the holders to purchase one common share for each option held at a price of \$0.11 per share for a period of 5 years from the date of the grant. The fair value of these options was estimated using the Black-Scholes option pricing model with the following assumptions: stock price - \$0.11; exercise price - \$0.11; expected life - 5 years; expected volatility - 119%; risk-free interest rate - 1.80%. The fair value was calculated to be \$88,579.

On September 15, 2019, the Company granted 2,000,000 stock options to consultants entitling the holders to purchase one common share for each option held at a price of \$0.105 per share for a period of 5 years from the date of the grant. The fair value of these options was estimated using the Black-Scholes option pricing model with the following assumptions: stock price - \$0.115; exercise price - \$0.105; expected life - 5 years; expected volatility - 152%; risk-free interest rate - 1.49%. The fair value was calculated to be \$210,924.

A summary of the Company's stock options are as follows:

	Number of Options	Weighted Average Exercise Price \$
Balance, November 30, 2018	9,000,000	0.12
Issued	3,000,000	0.11
Balance, November 30, 2019	12,000,000	0.12
Exercised	(250,000)	0.12
Balance, August 31, 2020	11,750,000	0.12

As at August 31, 2020, the following stock options were outstanding and exercisable:

Number of Options	Exercise Price \$	Expiry Date
8,750,000	0.12	August 22, 2022
1,000,000	0.11	February 5, 2024
2,000,000	0.105	September 15, 2024
11,750,000	0.12	

During the year ended November 30, 2019, the Company granted 3,000,000 options to acquire common shares. Share-based compensation relating to options vesting during the year using the Black-Scholes option pricing model was \$299,503.

The stock options are subject to the terms of the company's stock option plan and approval of the Exchange.

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7. SHARE CAPITAL (continued)

Stock options (continued)

Details of the fair value of options granted during the year ended November 30, 2019 and the assumptions used in the Black-Scholes option pricing model are as follows:

	August 31, 2020
Weighted average fair value of options granted	\$ 0.11
Risk-free interest rate	1.59%
Estimated life	5 Years
Estimated volatility	138.94%
Expected dividend yield	Nil

On February 14, 2020, 250,000 options were exercised at \$0.12 per option for 250,000 shares for gross proceeds of \$30,000.

Warrants

A summary of the Company's share purchase warrants are as follows:

	Number of Warrants	Weighted Average Exercise Price \$
Balance, November 30, 2018	37,540,831	0.08
Issued	10,415,600	0.10
Issued	4,400,000	0.10
Issued	4,545,455	0.15
Expired	(1,013,068)	0.12
Expired	(3,650,000)	0.15
Exercised	(1,000,000)	0.15
Exercised	(9,670,296)	0.12
Exercised	(900,000)	0.10
Balance, November 30, 2019	40,668,522	0.08
Exercised	(10,000,000)	0.00
Exercised	(2,850,000)	0.10
Exercised	(300,000)	0.08
Expired	(4,752,267)	0.10
Issued	5,715,656	0.08
Balance, August 31, 2020	28,481,911	0.10

As at August 31, 2020, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price \$	Years Remaining	Expiry Date
3,805,200	0.05	.44	November 6, 2020
8,415,600	0.10	.56	December 20, 2020
4,400,000	0.10	.65	January 21, 2021
4,545,455	0.15	.84	April 1, 2021
1,900,000	0.00	2.13	July 18, 2022
5,415,656	0.08	1.87	April 15, 2022
28,481,911	0.10	.95	

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7. SHARE CAPITAL (continued)

Nature and Purpose of Reserves

Stock option reserve

The stock option reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amount recorded is transferred to deficit.

Warrant reserves

The warrant reserve records items recognized as the value of warrants issued with respect to financings and not classified as liabilities until such time as the warrants are exercised, at which time the corresponding amount will be transferred to share capital. The value of the warrants which eventually expire unexercised is reallocated to deficit upon their expiry.

Deficit

Deficit is used to record the Company's change in deficit from earnings and losses from period to period and to record the value of expired options and warrants that were originally accounted for as equity instruments.

8. MANAGEMENT OF CAPITAL

The Company considers its capital to consist of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through debt and equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

IFRS 13, Fair-Value Measurement, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair value of financial instruments

The Company's financial instruments include cash, other receivables, accounts payable and accrued liabilities, loan receivable and amounts due to related parties. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

As at August 31, 2020:

	Level 1	Level 2	Level 3	Total
Cash	\$ 368,306	–	–	\$ 368,306
Other receivables	–	\$ 26,681	–	\$ 26,681

Financial risk management objectives and policies

The Company's financial instruments include cash, accounts payable and due to a related party. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars, except for certain exploration and evaluation expenditures incurred during the period were denominated in U.S. dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal. The Company does not have any significant foreign currency denominated monetary liabilities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's primary exposure to credit risk is on its loan receivable which is due from a mineral exploration company that does not have cash flows from operations. Credit risk on this receivable is therefore assessed as high. The Company is also exposed to credit risk on its cash. To minimize the credit risk on cash the Company places the instrument with a major financial institution.

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9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Financial risk management objectives and policies (continued)

(iv) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

As at August 31, 2020, the Company has cash of \$368,306 to settle accounts payable and accrued liabilities of \$817,108 and amounts due to related parties of \$45,764 for payment within twelve months of the balance date. The Company does not have adequate funds to settle liabilities and will rely on raising additional funds from equity financing.

The Company's non-derivative financial liabilities at August 31, 2020 mature as follows:

		<1 year		1 – 3 Years		Total
Accounts payable	\$	817,108	\$	–	\$	817,108
Due to related parties	\$	45,765	\$	–	\$	45,765

(v) *Commodity Price Risk*

The Company's ability to raise capital to fund exploration activities is subject to risks associated with fluctuations in the market price of mineral resources. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

10. RELATED PARTY TRANSACTIONS AND BALANCES

a) Related party transactions and balances

During the nine months ended August 31, 2020 and 2019 the following amounts were incurred or paid to officers and directors and/or their related companies:

- i) The Company incurred \$125,000 (2019: \$157,000) for deferred exploration expenses on the Lapon Gold Project to a company controlled by a director of the Company.
- ii) The Company incurred \$nil (2019: \$15,000) for deferred exploration expenses on the Lapon Gold Project and \$nil (2019: \$5,500) for advertising to a company controlled by a director of the Company.
- iii) The Company incurred \$nil (2019: \$8,737) for deferred exploration expenses on the Lapon Gold Project to a director of the Company.
- iv) Amounts due to related parties includes a balance due to a company controlled by a director and officer of the Company for expenses of \$2,142 (November 30, 2019: \$18,680). These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- v) Amounts due to related parties includes a balance due to a company controlled by a director and officer of the Company for expenses of \$13,357 (November 30, 2019: \$11,560). These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- vi) Amounts due to related parties includes a balance due to a director and officer of the Company for unpaid management fees and expenses of \$25,540 (November 30, 2019: \$42,253). These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- vii) Amounts due to related parties includes a balance due to a director of the Company for unpaid expenses of \$4,725 (November 30, 2019: \$4,725). These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

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10. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

a) Related party transactions and balances (continued)

viii) Amounts due to related parties includes a balance due to a director of the Company for unpaid expenses of \$nil (November 30, 2019: \$4,858).

b) Key management compensation

Key management includes directors and key officers of the Company, including the President, CEO and CFO. During the nine months ended August 31, 2020 and 2019:

The Company paid or accrued \$80,000 (2019: \$83,000) in management fees to a director and officer of the Company.

The Company paid or accrued \$nil (2019: \$19,048) in management fees to a director of the Company.

c) Share purchases

During the year ended November 30, 2019 a company controlled by a director and officer of the Company purchased 180,000 units at \$0.05 per unit at a cost of \$9,000.

During the year ended November 30, 2019 a director of the Company purchased 400,000 units at \$0.05 per unit at a cost of \$20,000.

During the year ended November 30, 2019, 300,000 stock options were granted to a director of the Company and 1,000,000 stock options were granted to a director of the Company. The Company recognized share-based compensation of \$26,574 and \$105,462 respectively.

11. COMMITMENTS

In relation to the flow-through private placements completed during the years ended November 30, 2013 and 2014, the Company was committed to incur and renounce \$613,500 in Canadian exploration expenditures by December 31, 2014. The Company was unable to incur \$520,116 of these expenditures. The flow-through share premium liability of \$139,059 represents the premium paid by investors on the portion of the required expenditures not incurred.

The Company agreed to indemnify the flow-through shareholders for certain costs they incurred as a result of not meeting its obligation to spend the flow-through share proceeds on qualifying Canadian exploration expenditures in compliance with the applicable tax rules and pursuant to the share subscription agreement entered into. As at August 31, 2020, the Company has included a provision for the indemnification of flow-through shareholders of \$369,108 (November 30, 2019: \$355,308) in accounts payable. During the nine months ended August 31, 2020, the Company recorded interest in the amount of \$8,832 related to the flow-through shares described above.

12. SUBSEQUENT EVENTS

On September 10, 2020, 25,320,000 units at \$0.10 per unit were issued for gross proceeds of \$2,532,000. Each unit consists of one common share and one share purchase warrant, whereby each warrant shall be exercisable into one share for a period of three years from closing at a price of 13 cents per share.

The company has paid finders' fees in connection with this private placement as follows: (i) paid an aggregate of \$165,600 in cash to eligible finders; and (ii) issued an aggregate of 1,656,000 share purchase warrants. The finder warrants will have the same terms as the warrants forming part of the units.

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12. SUBSEQUENT EVENTS (continued)

On September 15, 2020, 9,680,000 units were issued at a price of 10 cents per unit. Each unit consists of one common share and one share purchase warrant, whereby each warrant shall be exercisable into one share for a period of three years from closing at a price of 13 cents per share.

In connection with the private placement, the company has: (i) paid an aggregate of \$77,440 in cash to eligible finders; and (ii) issued an aggregate of 758,000 share purchase warrants. The finder warrants will have the same terms as the warrants forming part of the units.