



TSX: NCP | OTCQB: NCPCF

NICKEL CREEK PLATINUM CORP.
CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2019
(Unaudited)
(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 unaudited 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 condensed consolidated interim financial statements of Nickel Creek Platinum Corp. (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 financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

Nickel Creek Platinum Corp.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars) (Unaudited)

	Note	September 30, 2019	December 31, 2018
ASSETS			
Current Assets			
Cash and cash equivalents	4	\$ 1,701,003	\$ 2,794,435
Amounts receivable	5	84,031	106,033
Prepaid expenses		86,665	162,858
		<u>1,871,699</u>	<u>3,063,326</u>
Non-Current Assets			
Equipment, net	6	247,505	293,614
Right-of-use assets, net	7	227,874	-
Exploration and evaluation assets	8	26,393,739	25,844,098
		<u>26,869,118</u>	<u>26,137,712</u>
TOTAL ASSETS		\$ 28,740,817	\$ 29,201,038
LIABILITIES			
Current Liabilities			
Accounts payable and other liabilities	9	\$ 308,300	\$ 311,669
Lease obligations	10	212,218	-
		<u>520,518</u>	<u>311,669</u>
Non-Current Liabilities			
Lease obligations	10	22,993	-
Reclamation provision		617,000	581,000
		<u>1,160,511</u>	<u>892,669</u>
SHAREHOLDERS' EQUITY			
Share capital	11	133,225,855	131,858,463
Equity reserves		15,754,436	15,202,799
Deficit		(121,399,985)	(118,752,893)
		<u>27,580,306</u>	<u>28,308,369</u>
TOTAL LIABILITIES AND EQUITY		\$ 28,740,817	\$ 29,201,038

*Going Concern (Note 1)**Commitments and Contingencies (Note 16)*

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

Nickel Creek Platinum Corp.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars, except share amounts) (Unaudited)

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2019	2018	2019	2018
OPERATING EXPENSES					
Consulting and professional fees		\$ 44,690	\$ 105,298	\$ 185,751	\$ 363,269
Depreciation	6, 7	75,661	2,255	226,985	10,789
Foreign exchange (gain) loss		(4,049)	1,119	(770)	(355)
Insurance		16,728	16,754	50,183	50,261
Office, regulatory and other		48,078	91,685	154,748	625,872
Investor relations and business development		24,887	73,927	49,087	287,944
Salaries, wages and severance	12	279,100	280,751	1,135,901	1,255,483
Share-based compensation	11	165,758	210,482	521,402	560,989
General and administrative expenses		650,853	782,271	2,323,287	3,154,252
Exploration and evaluation expenses	13	116,350	-	380,285	-
Loss before non-operating items		(767,203)	(782,271)	(2,703,572)	(3,154,252)
OTHER INCOME (EXPENSE)					
Flow-through share premium	9	52,000	-	52,000	16,361
Impairment of exploration and evaluation assets		-	(29,000,000)	-	(29,000,000)
Interest expense on right-of-use assets		(5,150)	-	(19,385)	-
Interest income		7,023	21,121	23,865	81,284
NET LOSS AND COMPREHENSIVE LOSS		\$ (713,330)	\$ (29,761,150)	\$ (2,647,092)	\$ (32,056,607)
NET LOSS PER COMMON SHARE, BASIC AND DILUTED					
		\$ (0.00)	\$ (0.13)	\$ (0.01)	\$ (0.14)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING					
		261,944,996	236,569,139	245,120,710	236,569,139

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

Nickel Creek Platinum Corp.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars) (Unaudited)

		Nine Months Ended September 30,	
	Note	2019	2018
OPERATING ACTIVITIES			
Net loss for the period		\$ (2,647,092)	\$ (32,056,607)
Add (deduct) items not affecting cash			
Depreciation	6,7	270,547	10,789
Flow-through share premium		(52,000)	(16,361)
Impairment of exploration and evaluation assets		-	29,000,000
Share-based compensation		551,637	560,989
Unrealized foreign exchange gain		(909)	(625)
		(1,877,817)	(2,501,815)
Changes in non-cash working capital balances	15	2,747	(155,660)
Cash used in operating activities		(1,875,070)	(2,657,475)
INVESTING ACTIVITIES			
Exploration and evaluation expenditures		(441,118)	(2,673,192)
Cash used in investing activities		(441,118)	(2,673,192)
FINANCING ACTIVITIES			
Proceeds from share issuance, net of issue costs	11	1,438,948	-
Principal elements of lease payments		(217,101)	-
Cash provided from financing activities		1,221,847	-
Effect of foreign exchange rate changes on cash and cash equivalents		909	625
Decrease in cash and cash equivalents, net		(1,093,432)	(5,330,042)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD		2,794,435	9,174,477
CASH AND CASH EQUIVALENTS, END OF THE PERIOD		\$ 1,701,003	\$ 3,844,435

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

Nickel Creek Platinum Corp.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, except share amounts) (Unaudited)

	Number of Common Shares	Share Capital	Equity Reserves	Deficit	Total Shareholders' Equity
At January 1, 2018	236,569,139	\$ 131,858,463	\$ 14,384,574	\$ (85,756,242)	\$ 60,486,795
Share-based compensation (Note 11(d))	-	-	589,447	-	589,447
Net loss for the nine months ended September 30, 2018	-	-	-	(32,056,607)	(32,056,607)
At September 30, 2018	236,569,139	\$ 131,858,463	\$ 14,974,021	\$ (117,812,849)	\$ 29,019,635
At January 1, 2019	236,569,139	\$ 131,858,463	\$ 15,202,799	\$ (118,752,893)	\$ 28,308,369
Private Placements					
July 12, 2019 (Note 11(b))	23,139,092	948,703	-	-	948,703
August 6, 2019- Flow-Through Shares (Note 11(c))	3,170,732	182,000	-	-	182,000
August 29, 2019 (Note 11(b))	8,568,225	351,297	-	-	351,297
Share issuance costs	-	(62,608)	-	-	(62,608)
Premium on flow-through shares	-	(52,000)	-	-	(52,000)
Share-based compensation (Note 11(d))	-	-	551,637	-	551,637
Net loss for the nine months ended September 30, 2019	-	-	-	(2,647,092)	(2,647,092)
At September 30, 2019	271,447,188	\$ 133,225,855	\$ 15,754,436	\$ (121,399,985)	\$ 27,580,306

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

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Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Nickel Creek Platinum Corp., (“**Nickel Creek Platinum**” or the “**Company**”) is a public company incorporated in British Columbia, and is listed on the Toronto Stock Exchange trading under the symbol **NCP**, and on the OTCQB under the symbol **NCPCF**. The Company’s registered and head office is at 1700 – 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 2X8.

The Company’s principal business activity is the exploration, evaluation and development of nickel and platinum group metals (“PGM”) mineral properties in North America. The Company’s flagship asset is its 100%-owned nickel-copper-PGM project, located in the Yukon Territory, Canada (“Nickel Shāw Project”). The Company initiated a preliminary economic assessment (“PEA”) in June 2018 and anticipated its completion during the fall of 2018. On September 25, 2018, the Company announced that, using the information developed in the Phase II Metallurgical Program, the Company estimated that the Nickel Shāw Project’s 2017 stated mineral resource tonnage would be reduced by approximately 10% using a nickel price of US\$8.25 per pound. The Company also announced it would not be completing the PEA until the emergence of improved financial market conditions and stronger commodity prices, and not until nickel prices settle in the range of at least US\$9.00 to US\$11.00 per pound. The Company continues to maintain environmental baseline activities, consider optimization alternatives and seek other opportunities. Based on these facts and circumstances, the Company determined that the carrying value of the Nickel Shāw Project exceeded its recoverable amount and the Company recognized, as of September 30, 2018, an impairment charge of \$29.0 million to reduce exploration and evaluation assets to their estimated recoverable amounts.

These unaudited condensed consolidated interim financial statements (“Interim Financial Statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to a going concern.

The Company’s continuing operations are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to continue the exploration and development of its mineral property interests and to obtain and maintain the permits necessary to mine and process, and future profitable production from, or proceeds from the disposition of, its mineral property interests.

The Company has a history of losses with no operating revenue, an accumulated deficit at September 30, 2019 of \$121.4 million (December 31, 2018 – \$118.8 million), and working capital at September 30, 2019 of \$1.4 million (December 31, 2018 – \$2.8 million).

The Company will continue to require additional sources of financing to fund ongoing operating costs and exploration and development of its mineral properties. Although the Company raised gross proceeds of \$1.5 million from non-brokered private placements during the three months ended September 30, 2019 (see Note 11), the Company will seek additional funds during the first half of 2020 to fund its ongoing operations, and there can be no assurance that the Company will be able to obtain additional financing. If the Company is unable to obtain adequate additional financing, the Company will need to further curtail its activities until additional funds can be raised. It is reasonably possible that certain events could adversely affect management’s estimates of recoverable amounts and require an impairment provision to the carrying value of exploration properties and related assets. Management regularly reviews the carrying value of the Company’s property and, where necessary, exploration and evaluation mineral properties are written-down to their estimated recoverable amount or written off.

Due to operating losses, the Company’s continuance as a going concern is dependent upon its ability to obtain adequate financing to fund ongoing planned operating costs and planned activities. These factors may lend

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Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

significant doubt as to the Company's ability to continue as a going concern and accordingly, the ultimate use of accounting principles applicable to a going concern.

Management believes that the Company will be able to continue as a going concern for the foreseeable future and realize its assets and discharge its liabilities and commitments in the normal course of business. These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary should the going concern assumption be inappropriate, and those adjustments could be material.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These Interim Financial Statements have been prepared in accordance with IFRS issued and effective for the three and nine months ended September 30, 2019, as issued by the IASB and IFRS Interpretations Committee, applicable to the preparation of unaudited interim consolidated financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting ("IAS 34"). These Interim Financial Statements should be read in conjunction with the audited annual consolidated financial statements of the Company for the years ended December 31, 2018 and 2017, which were prepared in accordance with IFRS and are publicly available at www.sedar.com.

These Interim Financial Statements were reviewed and approved by the Audit Committee on November 5, 2019.

(b) Measurement Basis

These Interim Financial Statements are prepared under the historical cost convention, except for assets held for sale, which are measured at fair value less costs of disposal. All amounts are presented in the Company's functional currency, which is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the significant judgements, estimates and assumptions used in the preparation of these Interim Financial Statements are those applied in Note 4 of the Company's audited annual consolidated financial statements for the years ended December 31, 2018 and 2017, and have been consistently applied throughout all periods presented as if these policies had always been in effect, except for the adoption of the new accounting standards effective January 1, 2019 (see Note 3(a)).

The preparation of the Interim Financial Statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from such estimates.

(a) New accounting standards adopted effective January 1, 2019

The Company has applied the following accounting standard for the first time for the annual reporting period commencing January 1, 2019:

- **IFRS 16 – Leases**

In January 2016, the IASB issued IFRS 16 – Leases ("IFRS 16") which establishes the principles that an entity should use to determine the recognition, measurement, presentation and disclosure of leases for both

Nickel Creek Platinum Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

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parties to a contract: the customer (lessee) and the supplier (lessor). IFRS 16 replaces the previous leases standard, IAS 17 - Leases, and related Interpretations.

Under the new standard, all leases are recognized on the statement of financial position of lessees as an asset (right-of-use asset) and a lease obligation, as the distinction between operating and finance leases has been eliminated.

The Company adopted the requirements of IFRS 16 as of January 1, 2019 using the modified retrospective approach, whereby the Company is not required to restate comparative amounts. Additionally, the Company has adopted the exemption for leases with a lease term of 12 months or less and for leases that are low value. As the Company has elected to record right-of-use assets based on the corresponding lease obligations figure of \$452,312 at January 1, 2019, there is no impact on opening deficit. When measuring lease obligations, the Company discounts lease payments using a discount rate of 7.5%. Each lease payment is allocated between the lease liability and finance cost. The Company's right-of-use assets are being depreciated over the remaining lease term on a straight-line basis. All other operating leases are accounted for as expenses in the condensed consolidated interim statements of loss and comprehensive loss.

The following table summarizes the net impact to the condensed consolidated interim statements of loss and comprehensive loss during the three and nine month periods ended September 30, 2019, upon adoption of IFRS 16:

	Periods Ended September 30, 2019	
	Three Months	Nine Months
Increased depreciation expense on right-of-use assets	\$ 74,358	\$ 224,438
Increased interest expense on right-of-use lease payments	5,150	19,385
Lease expense reduction in office, regulatory and other	(78,829)	(236,486)
Net increased expense	\$ 679	\$ 7,337

Under the new accounting standard, principal lease payments relating to right-of-use assets are classified as financing activities in the consolidated statements of cash flows.

See Notes 7 and 10 for additional information.

(b) Future changes in accounting standards, which are not yet effective at September 30, 2019

There have been no recent IFRS accounting pronouncements with respect to new standards, interpretations and amendments during the three and nine months ended September 30, 2019, as compared to the recent accounting pronouncements described under Note 3 in the Company's annual audited consolidated financial statements for the years ended December 31, 2018 and 2017, which are of potential significance to the Company.

4. CASH AND CASH EQUIVALENTS

The cash and cash equivalents balance of \$1,701,003 at September 30, 2019 (December 31, 2018 - \$2,794,435) includes \$227,505 of cash and cash equivalents denominated in US dollars (December 31, 2018 - \$15,447).

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Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

5. AMOUNTS RECEIVABLE

Amounts receivable includes goods and services tax receivable of \$34,031 at September 30, 2019 (December 31, 2018 - \$38,306) and the final instalment receivable of \$50,000 due on or before December 31, 2019, related to the sale of non-core Ontario mineral property interests during 2017.

6. EQUIPMENT

	Computer Equipment & Software	Exploration Equipment	Shelter	Leasehold Improvements	Total
Cost					
At December 31, 2018 and September 30, 2019	\$ 182,369	\$ 129,762	\$ 590,790	\$ 40,595	\$ 943,516
Accumulated depreciation					
At December 31, 2018	(182,369)	(57,093)	(381,122)	(29,318)	(649,902)
Depreciation for the period	-	(10,900)	(31,450)	(3,759)	(46,109)
At September 30, 2019	\$ (182,369)	\$ (67,993)	\$ (412,572)	\$ (33,077)	\$ (696,011)
Net carrying value					
At December 31, 2018	\$ -	\$ 72,669	\$ 209,668	\$ 11,277	\$ 293,614
At September 30, 2019	\$ -	\$ 61,769	\$ 178,218	\$ 7,518	\$ 247,505

7. RIGHT-OF-USE ASSETS

	Office Leases	Surface Leases	Total
At January 1, 2019	\$ 425,668	\$ 26,644	\$ 452,312
Additions for the period	-	-	-
Depreciation for the period	(223,226)	(1,212)	(224,438)
At September 30, 2019	\$ 202,442	\$ 25,432	\$ 227,874

The Company's office leases expire in 2020 with no renewal options, and the surface leases reflect leases at the Nickel Shaw Project with expiry dates ranging from 2022 to 2034.

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Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

8. EXPLORATION AND EVALUATION ASSETS

		Nickel Shāw Project
At December 31, 2017	\$	51,961,461
Camp and site services		188,960
Geology, resource and land		623,401
Engineering		1,103,892
Environmental and permitting		868,223
First Nations and community		98,161
Expenditures for the year 2018		2,882,637
Impairment of exploration and evaluation assets		(29,000,000)
At December 31, 2018	\$	25,844,098
Geophysics and sampling program		196,160
Environmental and permitting		301,099
Project holding costs		52,382
Expenditures for the period 2019		549,641
At September 30, 2019	\$	26,393,739

During the year ended December 31, 2018, the Company recognized an impairment charge of \$29.0 million to reduce the exploration and evaluation assets at the Nickel Shāw Project to their estimated recoverable amount.

9. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	September 30, 2019	December 31, 2018
Trade payable and accrued liabilities	\$ 251,630	\$ 202,862
Other liabilities	56,670	108,807
	\$ 308,300	\$ 311,669

Trade payable and accrued liabilities consist of amounts outstanding for trade and other purchases related to exploration and operating activities, and are normally due on 30 to 90 day terms. Other liabilities consist primarily of employee related accrued liabilities.

The unamortized balance of the flow-through liability balance of \$nil at September 30, 2019 (December 31, 2018 - \$nil) consists of the flow-through liability of \$52,000 initially recorded in connection with the August 2019 flow-through private placement of \$182,000 (see Note 11(c)) less amortization of \$52,000 recorded during the three-month period ended September 30, 2019. As per Company policy, the \$52,000 was recorded as other income in the consolidated statements of loss and comprehensive loss and represents the pro-rata amount spent on qualifying eligible expenditures at September 30, 2019. See Note 16(b) for additional information.

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Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

10. LEASE OBLIGATIONS

The Company's leases are for office space and surface leases at the Nickel Shaw Project. The following are the undiscounted and discounted lease obligations at a discount rate of 7.5% at September 30, 2019:

Year	Undiscounted	Discounted
Current	\$ 219,875	\$ 212,218
Non-current	36,840	22,993
	\$ 256,715	\$ 235,211

11. SHARE CAPITAL

(a) Authorized Share Capital

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

The Company is authorized to issue an unlimited number of preferred shares which are without par value, non-voting, and issuable in series with rights and terms of each series to be fixed by the Board of Directors. No preferred shares have been issued and none are outstanding.

(b) 2019 Private Placement

The Company raised gross proceeds of \$1.3 million in July and August 2019 by way of a non-brokered multi-tranche equity private placement (the "Private Placement") through the issuance of 31.7 million units at \$0.041 per unit (each a "Unit"). Each Unit is comprised of one common share in the capital of the Company and one common share purchase warrant (each a "Warrant"). Each Warrant entitles the warrant holder to purchase one common share in the capital of the Company at a price of \$0.08 over a period ending five years after the issuance of the Warrant. Two of the Company's major shareholders participated in the financing with 11.4 million Units issued to Electrum Strategic Opportunities Fund L.P. ("Electrum"), and 6.7 million Units were issued to Drake Special Situations LLC ("Drake"), while 1.6 million Units were issued to key management.

In accordance with the Company's accounting policy, the gross proceeds were allocated to common shares and share purchase warrants using the residual method, with proceeds being allocated to the common shares first based on the market value of the shares at the time of the issuance of each tranche.

- *The First Tranche:*

On July 12, 2019, the Company closed the first tranche of the Private Placement for gross proceeds of \$949 thousand by issuing 23.1 million Units. The 23.1 million Warrants issued pursuant to this closing expire on July 12, 2024

- *The Second Tranche:*

On August 29, 2019, the Company closed the second tranche of the Private Placement for gross proceeds of \$351 thousand by issuing 8.6 million Units. The 8.6 million Warrants issued pursuant to this closing expire on August 29, 2024

(c) 2019 Flow-Through Private Placement

On August 6, 2019, the Company closed on an additional non-brokered private placement (to the Private Placement described in Note 11(b)), of 3.2 million "flow-through" units of the Company (the "FT Units") at a price of \$0.0574 per FT Unit for aggregate gross proceeds of \$182 thousand (the "FT Private Placement"). Each

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(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

FT Unit consists of one (1) “flow-through” common share (each a “FT Share”) and one (1) common share purchase warrant (each a “FT Warrant”), with each FT Warrant exercisable for one common share (each, a “Warrant Share”) at an exercise price of \$0.08 for a period of five (5) years from the date of issuance. The FT Shares and FT Warrants (and any Warrant Shares, as applicable) will be subject to a statutory hold period of four months and one day from the date of issuance.

The funds from the FT Private Placement will be used by the Company to incur “Canadian exploration expenses” that will qualify as “flow-through mining expenditures”, each as defined under the Income Tax Act (Canada). See Note 16(b) for additional information.

(d) SHARE-BASED COMPENSATION AND WARRANTS

Share-based Compensation

For the three and nine months ended September 30, 2019, share-based compensation related to stock options (“Options”), stock appreciation rights (“SARs) and deferred share units (“DSUs”) totalled \$179,572 and \$551,637, respectively (2018 - \$227,320 and \$589,447, respectively). For the three and nine months ended September 30, 2019, \$165,758 and \$521,402 was charged to general and administrative expenses, respectively (2018 - \$210,482 and \$560,989, respectively), \$13,814 and \$30,235 respectively was recorded to exploration and evaluation expenses (2018 - \$nil) and \$nil was capitalized to Exploration and Evaluation assets (2018 - \$16,838 and \$28,458, respectively).

(i) Stock Options

The following table summarizes the Options transactions from January 1, 2019 through September 30, 2019:

	Number of Options	Weighted Average Exercise Price
At December 31, 2018	6,153,000	\$ 0.26
Granted	10,563,800	0.065
Forfeited / Expired	(687,600)	0.26
At September 30, 2019	16,029,200	\$ 0.13

The following is a summary of the assumptions used in the Black-Scholes value model for Options granted during the nine months ended September 30, 2019:

	Nine Months Ended September 30	
	2019	2018
Risk-free interest rate	1.6%	n/a
Expected price volatility	75%	n/a
Expected life (years)	3.5	n/a
Annual dividends	0%	n/a
Estimated forfeiture rate	5%	n/a

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Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

The following table summarizes the Options outstanding at September 30, 2019:

Expiry Date	Exercise Price	September 30, 2019	
		Outstanding	Exercisable
May 7, 2023	0.26	5,465,400	1,821,800
March 25, 2024	0.065	10,563,800	3,521,267
		16,029,200	5,343,067

At September 30, 2019, the weighted-average remaining life of the outstanding Options was 4.2 years (December 31, 2018 – 4.4 years).

(ii) Stock Appreciation Rights

The following table summarizes the SARs transactions from January 1, 2019 through September 30, 2019:

	Number of SARs	Weighted Average Exercise Price
At December 31, 2018	7,511,400	\$ 0.37
Expired/Forfeited	(860,515)	0.46
At September 30, 2019	6,650,885	\$ 0.35

The following table summarizes the SARs outstanding at September 30, 2019:

Expiry Date	Exercise Price	September 30, 2019	
		Outstanding	Exercisable
February 3, 2020	0.61	305,000	305,000
June 29, 2021	0.40	1,460,000	1,460,000
August 22, 2021	0.47	200,000	200,000
March 28, 2022	0.32	3,717,260	2,478,173
August 15, 2022	0.28	968,625	645,750
		6,650,885	5,088,923

At September 30, 2019, the weighted-average remaining life of the outstanding SARs was 2.3 years (December 31, 2018 – 2.8 years).

(iii) Deferred Share Units

For the three-month period ended March 31, 2019, all directors of the Company agreed to receive only 50% of their regular directors' fees and elected to have all of their director fees earned during the three-month period ended March 31, 2019, totalling \$26,188 in the form of DSUs (September 30, 2018 – \$98,332). A total of 476,136 DSUs were issued during the three-month period March 31, 2019 and measured at the closing share price on the day before grant date. The DSUs are recognized as share-based compensation expense in the statement of loss and comprehensive loss.

The DSUs were issued pursuant to the terms of the Share-Based Compensation Plan. Subject to the terms and conditions of the Share-Based Compensation Plan, each DSU is redeemable for one common share of the Company. At the sole discretion of the Company, DSU redemption may be settled by cash payment.

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Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

At September 30, 2019, there were 1,869,371 DSUs outstanding and exercisable (December 31, 2018 – 1,393,235).

Effective commencing as of April 1, 2019, the Board determined that the Company would not continue to pay director compensation in DSUs due to the low price of the Company shares and the resulting dilution. Instead, director compensation has been reduced and payable in cash; the Chairman of the Board will be paid an annual retainer of \$6,000, the Chair of the Audit Committee will be paid an annual retainer of \$5,500 and all other directors will be paid an annual retainer of \$5,000, with all fees to be paid on a quarterly basis. All other prior compensation arrangements have been cancelled and replaced by this new arrangement.

(iv) Warrants

The following table summarizes the warrant transactions from January 1, 2019 through September 30, 2019:

	Number of Warrants	Weighted Average Exercise Price
At December 31, 2018	87,397,795	\$ 0.29
Granted	34,878,049	0.08
At September 30, 2019	122,275,844	\$ 0.23

At September 30, 2019, there were 122,275,844 (December 31, 2018 – 87,397,795) warrants outstanding, with a weighted-average exercise price of \$0.23 (December 31, 2018 - \$0.29) and a weighted-average remaining life of 2.7 years (December 31, 2018 – 2.6 years), as follows:

Expiry Date	Exercise Price	September 30, 2019 Outstanding
March 24, 2021	0.27	14,000,000
April 8, 2021	0.27	1,500,000
April 27, 2021	0.27	42,107,464
May 3, 2021	0.27	12,892,536
August 4, 2022	0.35	10,708,194
August 8, 2022	0.35	6,189,601
July 12, 2024	0.08	23,139,092
August 6, 2024	0.08	3,170,732
August 29, 2024	0.08	8,568,225
		122,275,844

12. RELATED PARTY TRANSACTIONS & KEY MANAGEMENT COMPENSATION

The Company has identified its directors and current and former senior officers as its key management personnel, and the compensation costs for key management personnel were recorded at their exchange amounts as agreed upon by transacting parties.

At September 30, 2019, amounts due to related parties totalled \$5,450 (December 31, 2018 – \$59,822) related to business expense reimbursements and accrued directors' fees. The amounts due to related parties are non-interest bearing and are due upon demand.

Nickel Creek Platinum Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

Key management compensation for the three and nine months ended September 30, 2019 and 2018, are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Fees to directors	\$ 6,625	\$ 22,707	\$ 13,250	\$ 113,332
Salaries, wages and severance	212,172	182,599	920,190	928,089
Share-based compensation	144,143	203,399	469,573	534,080
	\$ 362,940	\$ 408,705	\$ 1,403,013	\$ 1,575,501

Fees to directors includes consulting fees totalling \$nil and \$37,500 for the three and nine month periods ended September 30, 2018, respectively, for project related technical advisory services rendered by a director.

13. EXPLORATION AND EVALUATION EXPENSES

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Consulting fees and other	\$ 34,078	\$ -	\$ 75,536	\$ -
Depreciation	14,066	-	43,562	-
Salaries, wages and severance	54,392	-	230,952	-
Share-based compensation	13,814	-	30,235	-
	\$ 116,350	\$ -	\$ 380,285	\$ -

During the three and nine months ended September 30, 2018, the Company recorded a \$29.0 million impairment write-down on the Nickel Shāw Project (see Note 1 for additional information). Commencing during the fourth quarter of 2018, only those expenses which contribute directly to the development of the Nickel Shāw Project such as permitting and environmental costs and holding costs to maintain claims are being capitalized to the Nickel Shāw Project; all other costs that were previously capitalized such as geologists salaries and expenses, consulting fees, etc. are recorded as an expense.

14. FAIR VALUE MEASUREMENTS

IFRS defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an arm's length transaction between market participants at the measurement date. When appropriate, the Company adjusts the valuation models to incorporate a measure of credit risk.

The estimated fair values of cash and cash equivalents, short-term investments, accounts receivable, accounts payable and other liabilities, and amounts due to related parties, which are all measured at amortized cost, approximate their respective carrying values due to the short-term maturity of these financial instruments. These instruments are categorized as level 2 in the fair value hierarchy.

Nickel Creek Platinum Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

15. SUPPLEMENTAL CASH INFORMATION

	Nine Months Ended September 30,	
	2019	2018
Changes in non-cash working capital balances		
Decrease in amounts receivable	\$ 22,002	\$ 57,796
Decrease in prepaid expenses	76,193	60,695
Decrease in accounts payable and accrued liabilities	(95,448)	(274,151)
	\$ 2,747	\$ (155,660)

16. COMMITMENTS AND CONTINGENCIES

(a) Exploration Cooperation Agreement

The Company entered into an Exploration Cooperation Agreement in August 2012 with the Kluane First Nation in the Yukon to support Nickel Creek Platinum's exploration program and environmental studies associated with the development of the Nickel Shāw Project.

(b) Flow-through Financings

Historically, the Company has entered into flow-through private placements ("FT Placements") to fund exploration activities, with the most recent FT Placements being in August 2019 and August 2017. Canadian tax rules require the Company to spend flow-through funds on "Canadian exploration expenses" (as defined in the Income Tax Act (Canada)) by the end of the calendar year following the year in which they were raised. The Company indemnified the subscribers of flow-through shares from any tax consequences should the Company, notwithstanding its plans, fail to meet its commitments under the flow-through subscription agreements. The Company has expended the entire August 2019 FT Placement proceeds amount of \$182,000 on Canadian exploration expenses and fulfilled its flow-through spending obligation to spend the \$182,000 by the end of the 2020 calendar year.

The Company may be subject to interest on flow-through proceeds ("Part XII.6 tax") renounced under the look-back rules in respect of prior years, and penalties, in accordance with regulations in the Income Tax Act (Canada), if it is determined that flow-through proceeds were not properly or timely spent on Canadian exploration expenses. The Part XII.6 tax is expensed as incurred, as an operating expense.

(c) Office Lease and Other

The Company has entered into short-term office agreements and contracts for corporate head office equipment.

The Company's activities are subject to various provincial and federal laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment, and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to continue to make in the future, filings and expenditures to comply with such laws and regulations.

Nickel Creek Platinum Corp.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended September 30, 2019 and 2018

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

The following is a summary of the Company's contractual obligations and commitments at September 30, 2019:

Year	Amount
< 1 year	\$ 3,450
1- 3 years	487
> 3 years	-
	\$ 3,937

(d) Contingencies

The Company accrues for liabilities when it is probable and the amount can be reasonably estimated.

The Company is reviewing a potential financial liability for the reclamation of land related to mining conducted on or near the Nickel Shāw Project in the 1970's, prior to the Company's acquisition of the property. The Company has entered into a preliminary cooperative working arrangement with the Yukon Government and the third party involved in the prior operation of the property, to assess the reclamation work that will need to be conducted. The financial effect and timing of the reclamation work is indeterminable at this time. Once the assessment is completed and a contractual agreement is entered into, a portion of the financial cost for reclamation may be incurred by the Company. As such, no provision has been recognized.

The Company may be involved in legal proceedings from time to time arising in the ordinary course of its business. Based on the Company's knowledge and assessment of events at September 30, 2019, the Company does not believe that the outcome of any of the matters not recorded in the consolidated financial statements, individually or in aggregate, would have a material adverse effect.