

NEW DIMENSION RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**As at and for the three months ended
August 31, 2020**

UNAUDITED

(Expressed in Canadian Dollars)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management of New Dimension Resources Ltd. New Dimension Resources Ltd's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed financial statements by an entity's auditor

New Dimension Resources Ltd.

Condensed Interim Consolidated Statements of Financial Position

Expressed in Canadian Dollars

Unaudited

As at

	Note	August 31, 2020 \$	May 31, 2020 \$
ASSETS			
Current			
Cash		317,302	43,219
Receivables	3	36,814	28,594
Prepaid expenses		7,919	14,763
		<u>362,035</u>	<u>86,576</u>
Non-current			
Exploration and evaluation assets	6	1,502,684	1,501,591
		<u>1,502,684</u>	<u>1,501,591</u>
TOTAL ASSETS		<u>1,864,719</u>	<u>1,588,167</u>
LIABILITIES			
Current			
Accounts payable, accrued & other liabilities	4	862,022	1,024,737
Contractual obligation payable	7	374,870	961,504
Provision	8	183,467	208,451
Loans	9	516,541	506,717
		<u>1,936,900</u>	<u>2,701,409</u>
Non-current			
Contractual obligation payable	7	1,030,101	757,848
Loans	9	40,000	40,000
		<u>1,070,101</u>	<u>797,848</u>
TOTAL LIABILITIES		<u>3,007,001</u>	<u>3,499,257</u>
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	10	14,454,766	14,454,766
Reserve- deferred equity	10	618,662	-
Reserves – warrants	10	336,180	336,180
Reserves – options	10	1,480,402	1,480,402
Reserves – foreign currency translation		(476,013)	(498,670)
Accumulated deficit		<u>(17,556,279)</u>	<u>(17,683,768)</u>
		<u>(1,142,282)</u>	<u>(1,911,090)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		<u>1,864,719</u>	<u>1,588,167</u>
Nature of operations and going concern	1		
Basis of presentation	2		
Subsequent events	15		

APPROVED ON BEHALF OF THE BOARD ON October 27, 2020:

Eric Roth
Director

Glen Parsons
Director

- See accompanying notes to the condensed interim consolidated financial statements -

New Dimension Resources Ltd.

Condensed Interim Consolidated Statements of Profit or Loss and Comprehensive Income or Loss

Expressed in Canadian Dollars

Unaudited

For the three months ended

		August 31, 2020	August 31, 2019
	Note	\$	\$
General and administrative expenses			
Management and administrative fees		100,271	80,298
Regulatory and transfer agent fees		25,090	6,825
Professional fees		24,743	21,096
Office and general		13,425	19,133
Shareholder information and meetings		6,448	5,233
Salaries and benefits		1,103	71,861
Share-based payments		-	33,541
		(171,080)	(237,987)
Interest and other income -net		-	874
Provision against deferred exploration and evaluation costs	6	(11,816)	-
Contractual obligation payable interest	7	(4,183)	(8,036)
Loan interest & other	9	(10,208)	(1,671)
Write off of IVA receivable	3	(1,681)	-
Gain on revaluation of contractual obligation payable	7	318,564	-
Foreign exchange gain		7,893	566
Profit/(Loss) for the year		127,489	(246,254)
Other comprehensive income/(loss)			
Net monetary gain	2	686,505	187,949
Foreign currency translation		(663,848)	(512,235)
Comprehensive income (loss) for the year		150,146	(570,540)
Earnings/(Loss) per share – basic	\$	0.00	(0.00)
Earnings/(Loss) per share – diluted	\$	0.00	(0.00)
Weighted average number of shares outstanding – basic			
		66,773,832	62,173,832
Weighted average number of shares outstanding – diluted			
		70,673,832	62,173,832

- See accompanying notes to the condensed interim consolidated financial statements -

New Dimension Resources Ltd.

Condensed Interim Consolidated Statements of Cash Flows

Expressed in Canadian Dollars

Unaudited

For the three months ended

	Note	August 31, 2020 \$	August 31, 2019 \$
Cash provided by (used in):			
Operating activities			
Profit/(Loss) for the period		127,489	(246,254)
Items not affecting cash:			
Revaluation of contractual obligation payable	7	(318,564)	-
Share-based payments		-	33,541
Write off of IVA receivable	3	1,681	-
Provision against deferred exploration and evaluation costs	6	11,816	-
Contractual obligation payable interest	7	4,183	8,036
Loan interest	9	9,823	1,671
Foreign exchange		(7,893)	(566)
Changes in non-cash working capital	13	(164,422)	86,708
		<u>(335,887)</u>	<u>(116,864)</u>
Financing activities			
Shares to be issued	10	618,662	-
Loan proceeds		-	230,000
		<u>618,662</u>	<u>230,000</u>
Investing activities			
Exploration and evaluation costs		<u>(11,394)</u>	<u>(47,741)</u>
		<u>(11,394)</u>	<u>(47,741)</u>
Change in cash		271,381	65,395
Effect of fluctuations in exchange rates on cash		2,702	7,792
Cash – beginning of year		<u>43,219</u>	<u>73,773</u>
Cash – end of year		<u>317,302</u>	<u>146,960</u>
Supplemental cash flow information	13		

– See accompanying notes to the condensed interim consolidated financial statements –

New Dimension Resources Ltd.

Condensed Interim Consolidated Statement of Shareholders' Equity (Deficiency)

Expressed in Canadian Dollars

Unaudited

	Share capital (Number of Shares)	Share capital (Amount)	Reserves- Deferred equity	Reserves – Warrants	Reserves – Options	Reserves- Foreign Currency Translation	Accumulated Deficit	Total
		\$	\$	\$	\$	\$	\$	\$
May 31, 2019	62,173,832	14,224,766	-	336,180	1,413,451	(476,981)	(12,165,108)	3,332,308
Share-based payments	-	-	-	-	33,541	-	-	33,541
Loss for the year	-	-	-	-	-	-	(246,254)	(246,254)
Shares issued – contractual obligation payable	-	-	-	-	-	-	-	-
Net monetary gain	-	-	-	-	-	187,949	-	187,949
Foreign currency translation	-	-	-	-	-	(512,235)	-	(512,235)
August 31, 2019	62,173,832	14,224,766	-	336,180	1,446,992	(801,267)	(12,411,362)	2,795,309
Share-based payments	-	-	-	-	33,410	-	-	33,410
Loss for the year	-	-	-	-	-	-	(5,272,406)	(5,272,406)
Shares issued – contractual obligation payable	4,600,000	230,000	-	-	-	-	-	230,000
Net monetary gain	-	-	-	-	-	664,047	-	851,996
Foreign currency translation	-	-	-	-	-	(361,450)	-	(361,450)
May 31, 2020	66,773,832	14,454,766	-	336,180	1,480,402	(498,670)	(17,683,768)	(1,911,090)
Shares to be issued	-	-	618,662	-	-	-	-	618,662
Profit for the period	-	-	-	-	-	-	127,489	127,489
Net monetary gain	-	-	-	-	-	686,505	-	686,505
Foreign currency translation	-	-	-	-	-	(663,848)	-	(663,848)
August 31, 2020	66,773,832	14,454,766	618,662	336,180	1,480,402	(476,013)	(17,556,279)	(1,142,282)

–See accompanying notes to the condensed interim consolidated financial statements –

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

1. Nature of Operations and Going Concern

New Dimension Resources Ltd. (the "Company" or "NDR") is incorporated under the laws of the Province of British Columbia, Canada. The Company's corporate office and registered address and records office being located at 8681 Clay Street, Mission, British Columbia.

The Company engages primarily in the acquisition, exploration and evaluation of mineral properties in Sweden, Norway, Canada and Argentina. During the period ending, August 31, 2020 the Company entered into an option and purchase agreement to acquire 100% interests in the Southern Gold Line Project located in central Sweden, and the Løkken and Kjølvi copper-zinc-gold-silver projects located in central Norway.

These unaudited condensed interim consolidated financial statements for the three months ended August 31, 2020 (the "interim financial statements") have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. The Company has incurred a deficit of \$17,556,279 at August 31, 2020 and has no current source of revenue. The Company's continuation as a going concern is dependent on its ability to attain profitable operations and generate funds therefrom and/or raise funds sufficient to meet current and future obligations and exploration expenditure. There can be no assurances that management's future plans for the Company will be successful. The Company will require additional financing in order to fund working capital requirements and conduct additional acquisitions, exploration and evaluation of mineral properties. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of assets and liabilities that might be necessary, should the Company be unable to continue as a going concern.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. We have seen an impact on our business to date. The outbreak and the response of Governments in dealing with the pandemic is interfering with general activity levels within the community, the economy and the operations of our business. The scale and duration of these developments remain uncertain as at the date of this report however they are expected to have an impact on our exploration activities, cash flow and financial condition.

It is not possible to estimate the impact of the outbreak's near-term and longer effects or Governments' varying efforts to combat the outbreak and support businesses. This being the case, we do not consider it practicable to provide a quantitative or qualitative estimate of the potential impact of this outbreak on the Group at this time.

2. Basis of Presentation

These interim financial statements have been prepared in accordance with IAS 34 - *Interim Financial Reporting*.

The interim financial statements do not include certain information and disclosures normally included in annual financial statements prepared in accordance with International Financial reporting Standards ("IFRS") and should be read in conjunction with the annual consolidated financial statements for the year ended May 31, 2020 (the "Annual Financial Statements"), which were prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee. The accounting policies used in these interim financial statements are consistent with those disclosed in the Annual Financial Statements for the year ended May 31, 2020.

Historical cost

These financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value and balances related to the Argentinean subsidiaries that have applied IAS 29 during the year.

Approval

These interim financial statements of the Company were approved and authorized for issue by the Board of Directors on October 27, 2020

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

2. Basis of Presentation- continued

Hyperinflationary reporting

During the years ended May 31, 2020 and 2019 and to the period ending August 31, 2020, Argentina was officially considered a hyperinflationary economy, and as a result IAS 29 – *Financial Reporting in Hyperinflationary Economies* (“IAS 29”) was applied with effect from June 1, 2018 to NDR’s subsidiaries Minera Mariana Argentina SA and Sierra Blanca SA, as the standard requires that the financial statements of a subsidiary entity that has the functional currency of a hyperinflationary economy be restated in accordance with IAS 29 before being included in the consolidated financial statements.

Accordingly, adjustments and reclassifications for the purposes of presentation of IFRS financial statements include restatement, in accordance with changes in general purchasing power of the functional currency (Argentinean pesos), and as a result, are stated in terms of the measuring unit at the end of the reporting period. The measuring unit used is the Wholesale Price Index as published the Government Board of the Argentine Federation of Professional Councils of Economic Sciences (“FACPCE”).

The Wholesale Price Index for each month during the period as published by the FACPCE is detailed below:

Month	Wholesale Price Index
Jun-2018	144.81
Jul-2018	149.30
Aug-2018	155.10
Sep-2018	165.24
Oct-2018	174.15
Nov-2018	179.64
Dec-2018	184.26
Jan-2019	189.61
Feb-2019	196.75
Mar-2019	205.96
Apr-2019	213.05
May-2019	219.57
Jun-2019	225.54
Jul-2019	230.49
Aug-2019	239.61

Month	Wholesale Price Index
Sep-2019	253.71
Oct-2019	262.07
Nov-2019	273.22
Dec-2019	283.44
Jan-2020	289.83
Feb-2020	295.67
Mar-2020	305.55
Apr-2020	310.12
May-2020	314.91
Jun-2020	321.97
Jul-2020	328.20
Aug-2020	337.06

Monetary assets and liabilities are not restated because they are already expressed in terms of the monetary unit current as at August 31, 2020. Non-monetary assets and liabilities (items which are not already expressed in terms of the monetary unit as at August 31, 2020) are restated by applying the relevant index.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

2. Basis of Presentation- continued

The application of IAS 29 results in an adjustment for the loss of purchasing power of the Argentinean peso. The resulting net monetary loss/gain is derived as the difference resulting from restatement of non-monetary assets and liabilities, equity and items in the Condensed Interim Consolidated Statement of Comprehensive Income or Loss. The net monetary gain of \$686,505 (2019: \$187,949); resulting from a monetary gain of \$682,892 (2019: \$169,990) in relation to the restatement of non-monetary assets and liabilities, and a monetary gain of \$3,613 (2019: \$17,959) relating to the restatement of income and expenditure items, has been recorded in Other Comprehensive Income in the Condensed Interim Consolidated Statement of Profit or Loss and Comprehensive Income or Loss for the period ending August 31, 2020.

Balances included in the Condensed Interim Consolidated Statement of Cash Flows have been adjusted to reflect the application of IAS 29, and as a result the balances presented in the cash flow will differ from the actual cash flows at the time of the transaction. The requisite Wholesale Price Index has been applied to relevant movements in the period and the resulting impact is reflected in the foreign exchange movement in the Condensed Interim Consolidated Statement of Cash Flows.

Principles of Consolidation

The condensed interim consolidated financial statements include the accounts of the Company and its 100% controlled entities as follows:

Entity	Country of Incorporation	Functional Currency
Minera Mariana Argentina S. A.	Argentina	Argentinean Peso
Sierra Blanca S.A.	Argentina	Argentinean Peso
NDR Guernsey Limited	Guernsey	Canadian dollar
NDR Holdings Limited	Guernsey	Canadian dollar
New Dimension Guernsey Limited	Guernsey	Canadian dollar
Mariana International Limited	Guernsey	Canadian dollar
Dimension Resources (USA) Inc.	U.S.A.	Canadian dollar

Significant Accounting Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experiences and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. We have seen an impact on our business to date, with some delays in corporate and operational activities being experienced as a result of restrictions imposed by governments in dealing with the pandemic. The scale and duration of these developments continue to remain uncertain as at the date of this report creating ongoing uncertainty and as a result certain assumptions and estimates used in the preparation of these financial statements are subject to greater volatility than normal.

The most significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, the valuation of share-based payments, the valuation of other income on deferred premiums, the valuation of the contractual obligation payable, the valuation of amounts receivable from governments and the valuation of deferred tax amounts.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

2. Basis of Presentation- continued

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements are as follows:

(i) Economic recoverability and probability of future benefits of exploration and evaluation costs.

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

(ii) Valuation of share-based payments

The determination of the fair value of stock options or warrants using stock pricing models requires the input of highly subjective variables, including expected price volatility. Wide fluctuations in the variables could materially affect the fair value estimate; therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options and warrants. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and Company's earnings and equity reserves.

(iii) Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

(iv) Non-cash transactions

Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

(v) Functional currency

The Company has evaluated the economic environment its entities operate in and determined that the functional currency of its Argentinean subsidiaries is the Argentinean peso and that the functional currency of its other entities, including the parent is the Canadian dollar.

(vi) Contractual obligation payable

The Company has a contractual obligation to pay up to \$400,000 per year for a period of up to 15 years to acquire certain assets in Argentina. The terms of this payable were amended during the period ended August 31, 2020.

Refer Note 7. The Company has assessed the contractual obligation payable for the acquisition of the Argentinean assets as being more likely than not to not continue past 5 years from the effective date of the amendment to the agreement.

(vii) Hyperinflation reporting

The application of IAS 29 during the year has required the Company to use judgment in the assessment and classification of items as monetary and non-monetary, and the selection and application of the inflation index used to calculate the net monetary impact in the year with regard to its Argentinean subsidiaries.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

3. Receivables

	August 31, 2020	May 31, 2020
	\$	\$
HST/GST receivable	13,552	1,518
Other receivables	23,262	27,076
	36,814	28,594

During the period the Company wrote off IVA receivable of \$1,681 (2019 - nil). The Company recognises IVA when it is refunded by the Argentinean tax authority.

4. Accounts payable, accrued & other liabilities

	August 31, 2020	May 31, 2020
	\$	\$
Accounts payable	557,320	328,236
Accrued liabilities	304,702	696,501
	862,022	1,024,737

5. Financial Instruments

Categories of financial instruments

	August 31, 2020	May 31, 2020
	\$	\$
Financial assets		
FVTPL		
Cash	317,302	43,219
	317,302	43,219
Financial liabilities		
Amortized cost		
Accounts payable, accrued & other liabilities	862,022	1,024,737
Loans	556,541	546,717
Contractual obligation payable	1,404,971	1,719,352
	2,823,534	3,290,806

Fair value of financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
and
- Level 3 – Inputs that are not based on observable market data.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

5. Financial Instruments (continued)

The Company's classifications of financial instruments within the fair value hierarchy are summarized below:

	August 31, 2020	May 31, 2020
	\$	\$
Level 1		
Cash	317,302	43,219
Level 2	-	-
Level 3	-	-

The carrying value of accounts payable, accrued and other liabilities, loans and contractual obligation payable approximate their fair value.

Financial Risk Management

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

a) Currency Risk

The Company is primarily exposed to currency fluctuations relative to the Canadian dollar through expenditures that are predominantly denominated in US dollars and Argentinean Pesos. Also, the Company is exposed to the impact of currency fluctuations on its monetary assets and liabilities.

The Company is exposed to foreign currency risk through the following financial assets and liabilities denominated in currencies other than Canadian dollars:

August 31, 2020	Cash	Accounts payable and accrued liabilities
	\$	\$
US dollars	766	121,669
Argentinean peso	7,809	218,549
Australian dollars	-	106,015

May 31, 2020	Cash	Accounts payable and accrued liabilities
	\$	\$
US dollars	860	137,441
Argentinean peso	7,727	239,450
Australian dollars	-	81,632

At August 31, 2020 with other variables unchanged a +/- 10% change in exchange rates would decrease/increase pre-tax loss by \$43,765 (2019: \$27,249).

b) Interest rate and credit risk

The Company has a positive cash balance as at August 31, 2020. The Company has no significant concentrations of credit risk arising from operations. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by reputable financial institutions with which it keeps its bank accounts and management believes the risk of loss to be remote. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at August 31, 2020 and August 31, 2019 the Company did not hold any short-term investments or cash equivalents.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

5. Financial Instruments (continued)

Receivables consist of goods and services tax and taxes due from the governments of Canada and Argentina. Management believes that the credit risk concentration with respect to receivables is limited.

c) Liquidity risk

Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at August 31, 2020, the Company had cash of \$317,302 (May 31, 2020 - \$43,219) to settle current liabilities of \$1,936,900 (May 31, 2020 - \$2,701,409). Included in current liabilities is a balance owed to related parties of \$1,043,729, subsequent to the period these balances were settled. Refer to Note 15 for further details. Also included in current liabilities is a balance of \$374,870 for the current portion of the contractual obligation payable to SSL. During the period, this payable was renegotiated and terms amended. Refer to Note 7 for further details.

d) Commodity Price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market prices of gold and silver. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

6. Exploration and Evaluation Assets

	Las Calandrias Santa Cruz, Argentina	Los Cisnes, Santa Cruz, Argentina	Sierra Blanca, Santa Cruz, Argentina	Savant Lake, Ontario, Canada	Total
	\$	\$	\$	\$	\$
Balance May 31, 2019	3,065,267	880,419	358,840	1,287,368	5,591,894
Camp, travel, administration and other costs	23,033	3,581	2,134	1,025	29,773
Geologists and data collection	56,374	-	552	-	56,926
IAS 29 adjustment- historic	113,596	50,437	3,260	-	167,293
Foreign exchange movement	(346,679)	(153,925)	(9,948)	-	(510,552)
Balance August 31, 2019	2,911,591	780,512	354,838	1,288,393	5,335,334
Acquisition and tenure	-	-	-	30,000	30,000
Camp, travel, administration and other costs	79,674	11,639	10,547	16,531	118,391
Geologists and data collection	273,036	4,687	5,609	-	283,332
Drilling and assay costs	-	-	421	-	421
Provision against exploration and evaluation assets	(3,443,371)	(876,059)	(209,457)	-	(4,528,887)
IAS 29 adjustment- historic	421,412	186,680	11,489	-	619,581
Foreign exchange movement	(242,342)	(107,459)	(6,780)	-	(356,581)
Balance May 31, 2020	-	-	166,667	1,334,924	1,501,591
Acquisition and tenure	-	-	-	-	-
Camp, travel, administration and other costs	4,971	2,563	-	1,093	8,627
Geologists and data collection	4,282	-	-	-	4,282
Provision against exploration and evaluation assets	(9,253)	(2,563)	-	-	(11,816)
IAS 29 adjustment	470,282	196,873	15,515	-	682,670
Foreign exchange movement	(470,282)	(196,873)	(15,515)	-	(682,670)
Balance August 31, 2020	-	-	166,667	1,336,017	1,502,684

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

6. Exploration and Evaluation Assets - continued

Included in the exploration and evaluation additions in Argentina for the three months ending August 31, 2020 is an IAS 29 adjustment of \$222. This has been included as a net monetary gain in Other Comprehensive Income/(Loss) in the Condensed Interim Statement of Profit or Loss as at August 31, 2020. Refer to Note 2 for further details.

During the three months ended August 31, 2020, the Company recorded \$11,816 to its write down provision initially recognised in the year ended May 31, 2020 against its Las Calandria, Los Cisnes and Sierra Blanca projects to reflect the Company's change in exploration strategy. During the three months ended August 31, 2020 the Company moved its focus from its Argentinean portfolio to its newly acquired Swedish and Norwegian projects. As at August 31, 2020 a total provision of \$4,413,908 has been recorded against the Company's Argentinean projects. The Company continues to explore varying strategies to extract value from its Argentinean portfolio.

On August 11, 2020, the Company announced that it had entered into an option and purchase agreement with EMX Royalty Corporation (NYSE American: EMX; TSX Venture: EMX) for the acquisition of 100% interests in the Southern Gold Line Project in central Sweden, and the Løkken and Kjølvi copper-zinc-gold-silver projects in central Norway. The agreement provides for a one-year option period commencing on September 1, 2020 and upon successful completion of an on-site Due Diligence. The Company was required to make an initial payment to EMX of US\$25,000 and issue to EMX 3,000,000 common shares of the Company. The Company made the required cash payment on September 2, 2020 and is expected to issue the required shares during November 2020 upon receipt of final approval for the transaction from the TSX Venture Exchange. The Company is also required to reimburse EMX US\$68,000 for future land holding payments in Sweden and issue common shares equal to 9.9% equity ownership on a non-diluted basis. The agreements also contain a 2.5% royalty, of which 0.5% may be acquired for US\$ 1M. The Company has not recognised any exploration and evaluation costs in relation to the Scandinavian projects as at August 31, 2020.

Southern Gold Line, Sweden

The Southern Gold Line ("SGL") project is located in central Sweden and consists of 6 licences covering 500 square kilometres of highly prospective terrain located immediately adjacent to Dragon Mining Ltd's Fäboliden development project and Svartliden Gold Mine¹. The main target types in the SGL concessions are orogenic gold deposits in similar geologic and structural settings to the Fäboliden and Svartliden deposits. Field activities at SGL were reinitiated during September 2020.

Løkken and Kjølvi, Norway

The Løkken and Kjølvi projects in north-central Norway consist of large claim blocks (210 square kilometres and 120 square kilometres, respectively) covering both past-producing, high-grade copper-zinc-silver-gold mines as well as drill-ready regional exploration targets. Løkken is considered to be one of the largest ophiolite-hosted massive sulfide ("VMS") deposits to be developed in the world, and has multiple satellite bodies of mineralization with varying degrees of development in addition to poorly-explored regional targets located along strike of the major deposits. Similarly, the Kjølvi project is located in the northern extension of the prolific Røros VMS mining district, with recently-completed airborne geophysical surveys having identified numerous exploration targets that have yet to be followed up.

Las Calandrias Santa Cruz, Argentina

The Company has a 100% interest in the Las Calandrias gold-silver property, subject to a 2% Net Smelter Royalty ("NSR") payable to Sandstorm Gold Limited ("SSL") and a 0.25% NSR payable to certain employees. Both NSR's would be payable in the event of future commercial production of gold and/or silver being achieved. The Company has recorded as at August 31, 2020 a total write down provision of \$3,357,589 in relation to the Las Calandrias project.

Los Cisnes, Santa Cruz, Argentina

The Company has a 100% interest in the Los Cisnes gold-silver property, subject to a 2% NSR payable to SSL in the event of future commercial production of gold and/or silver being achieved. The Company has recorded as at August 31, 2020 a total write down provision of \$849,692 in relation to the Los Cisnes project.

¹References made to nearby mines and analogous deposits provide context for the Southern Gold Line project but are not necessarily indicative that the project hosts similar tonnages or grades of mineralization.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

6. Exploration and Evaluation Assets - continued

Sierra Blanca, Santa Cruz, Argentina

The Company has a 100% interest in the Sierra Blanca gold-silver property subject to a 2% NSR payable to SSL and a 1.5% NSR payable to IAMGOLD Corporation ("IAMGOLD"). Both NSR's would be payable in the event of future commercial production of gold and/or silver being achieved. As at August 31, 2020 the Company has recorded write down provision of \$206,627 in relation to the Sierra Blanca project. Subsequent to the period ended August 31, 2020, the Company finalised an agreement with Austral Gold ("Austral") whereby Austral will purchase an 80% interest in the Sierra Blanca project from the Company. The Company issued 500,000 shares to IAMGOLD subsequent to the period end in consideration for an option to acquire one-half of the royalty on the Sierra Blanca project. Refer to Note 15.

Savant Lake Property, Ontario, Canada

Effective April 1, 2016, the Company entered into an agreement to earn a 100% interest in the Savant Lake Property, in Ontario. As at August 31, 2020, the Company had met all of its share and cash commitments and has now earned its 100% interest in the Savant Lake property. The property is subject to a 2% NSR, of which 1% can be purchased for \$1,000,000.

On September 21, 2020 the Company announced that it had executed an earn-in agreement with Ethos Gold Corp. (TSX.V: ECC)("Ethos") in which Ethos may earn-in to a 70% interest in the Savant Lake project in return for staged cash and share payments to the Company and \$2,000,000 of work commitments. Refer to Note 15 for further details.

Domain Project, Manitoba, Canada

The Domain Project consists of a three mineral claims in northern Manitoba. The Company currently holds a 29.56% interest in the property, with the remaining interest held by Yamana Gold Inc. Capitalized costs related to the property were written off during the year ended May 31, 2013.

7. Contractual Obligation Payable

The Company has a contractual obligation payable of \$1,404,971 in relation to its acquisition on May 14, 2018 of its interests in the Las Calandrias, Los Cisnes and Sierra Blanca gold-silver projects in Santa Cruz province, Argentina.

	August 31, 2020	May 31, 2020
	\$	\$
Current	374,870	961,504
Non-current	1,030,101	757,848
	1,404,971	1,719,352

Reconciliation of movements for the three months ended August 31, 2020 are as follows:

Opening balance	1,719,352
Interest	4,183
Revaluation	(318,564)
Closing balance	1,404,971

On June 4, 2020, the Company and SSL renegotiated the annual payments due under the agreement with SSL. Annual payments will now become due by applying the following criteria with effect from June 30, 2019:

- No annual payment due if market capitalization of the Company is less than C\$10 million on the anniversary date of payment.
- Annual payment of C\$200,000 due if market capitalization is between C\$10 million and C\$20 million on the anniversary date of payment; and
- Annual payment of C\$400,000 due if market capitalization is above C\$20 million on the anniversary date of payment.

These criteria have been applied to all future annual payment obligations.

As a result of the application of these revised criteria the contractual obligation payable was revalued during the period ended August 31, 2020 with a revaluation gain of \$318,564 being recorded in the three months ended August 31, 2020.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

7. Contractual Obligation Payable (continued)

The contractual obligation requires the Company to make annual payments of up to \$400,000 per year (depending on market capitalisation of the Company as detailed above) in either cash or shares until the earlier of:

- December 31, 2032,
- commencement of commercial production,
- expropriation of the properties or
- the Company returns a project in accordance with the terms of the acquisition agreement

During the period ended August 31, 2020 the Company recorded interest expense of \$4,183 (2019: \$8,036) in relation to the contractual obligation payable.

Annual payments are due on the anniversary date of the acquisition of its interests in the Las Calandrias, Los Cisnes and Sierra Blanca projects, being May 14, 2018. Management has assessed that the contractual obligation period will not extend beyond five years from the effective date of the amended terms of the contractual obligation payable. Management considered the above terms of the agreement and the expected timeline for completion regarding each potential end to the obligation payments in making this judgment. The Company has therefore recognized the net present value of its obligation over five years, using an average discount rate of 0.28%.

As at May 31, 2019 the Company was required to deliver to SSL the balance of the first annual payment in relation to the contractual obligation of \$400,000 in shares. As agreed with SSL this payment was to be made in 8,000,000 shares at \$0.05. On September 26, 2019 the Company issued 4,600,000 shares as partial payment of the first annual payment, with the balance of these shares (3,400,000 shares) being delivered subsequent to the period ending August 31, 2020. Refer to Note 15 for details.

The annual payments described above are payable in Company Shares, however the Company may elect to make a payment in cash. If the payments are made in Company Shares, the number of shares to be issued will be based on a price per Company Share equal to the greater of: (i) the 20-day trailing volume weighted average trading price of the Company Shares on the Exchange as at the due date for the applicable payment; and (ii) the minimum price that is acceptable to the Exchange.

8. Provision

In February 2020, four employees of the company's subsidiary company in Argentina, Minera Mariana Argentina SA were made redundant, resulting in a redundancy provision being recorded.

	August 31, 2020	May 31, 2020
	\$	\$
Opening balance	-	-
Provision	208,451	255,971
Payments	-	(59,029)
Foreign exchange movement	(24,984)	11,509
Closing balance	183,467	208,451

The full balance of the provision is expected to be paid within 12 months from the date the redundancy was agreed. The amount of the provision to be paid increases by 25% every 6 months (commencing from the date of the signed agreement) on the balance that remains unpaid.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

9. Loans

	August 31, 2020	May 31, 2020
	\$	\$
Other liabilities	556,541	546,717
	556,541	546,717
Current (i) & (ii) & (iii)	516,541	506,717
Non-current (iv)	40,000	40,000
	556,541	546,717

- (i) On August 8, 2019, the Company received a cash injection of \$200,000 by entering into a short-term loan agreement with SSL. The loan and interest of 10% per annum, compounding quarterly, carried an initial 3 month term but may be rolled over by mutual agreement for successive three month periods until such time as payment is made. An additional cash injection of \$115,000 was received from SSL in February 2020 on the same terms as the earlier loan. A further cash injection of \$100,000 was received from SSL in March 2020 on the same terms as the earlier loans. Interest of \$9,823 has been accrued on the SSL loans for the three months ending August 31, 2020. Subsequent to August 31, 2020 the total debt and interest owing to SSL was settled. Refer to Note 15.
- (ii) In July 2019, the Company received an unsecured, interest-free loan, with no pre-set repayment terms of \$30,000 from director E Roth a further \$5,000 in October 2019 and a further \$14,221 in February 2020 on the same terms. Subsequent to August 31, 2020 the total debt owing to E Roth was settled as part of the debt conversion completed on September 16, 2020. Refer to Note 15.
- (iii) In September 2019, the Company received an unsecured, interest-free loan, with no pre-set repayment terms of \$20,000 from director, M. Little. Subsequent to August 31, 2020, the total debt owing to M Little was settled as part of the debt conversion completed on September 16, 2020. Refer to Note 15.
- (iv) In April 2020, the Company received \$40,000 as part of the Bank of Montreal's Canada Emergency Business Account ("CEBA") program introduced as part of the Canadian Government's COVID-19 relief measures. The Company entered into an interest-free loan of \$40,000 with the Bank of Montreal, guaranteed by the Government of Canada, to help cover operating costs for businesses which may have been impacted by COVID-19. The Government program payment timelines are as follows:
- The Canada Emergency Business Account will be funded as a revolving line of credit and is interest free until Dec. 31, 2020
 - Any outstanding balance will be converted to a term loan on Jan. 1, 2021 and remains interest free until Dec. 31, 2022
 - If repaid by Dec. 31, 2022, 25% of balance will be forgiven
 - If outstanding on Jan. 1, 2023, 5% interest starts
 - The remaining balance is to be paid in full no later than Dec. 31, 2025

The repayment of the loan will be through the Bank of Montreal, not the Canadian Government.

10. Share Capital and Reserves

- (i) Authorized share capital
Unlimited common shares without par value.

Share issuances

- a) On March 8, 2019, the Company announced the closing of a private placement of 13,374,100 units at \$0.055. Gross proceeds of \$735,575 were received. The units are comprised of one common share and one half of one share purchase warrant. Each warrant is exercisable at \$0.125 per share for an 18-month period and \$0.25 for an additional 18 months. In connection with the placement the Company paid an aggregate fee of \$20,641 and issued 375,300 finders warrants under the same terms and conditions of the unit warrants, to certain persons who introduced subscribers to the Company; and other charges of \$20. The finders' warrants were valued at \$13,500 and were recognized as share issuance cost during the year ended May 31, 2019. All securities issued under the placement were subject to a four month hold period trade restriction expiring on July 9, 2019.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

10. Share Capital and Reserves (continued)

- b) On March 29, 2019, the Company issued 300,000 of NDR shares owing with respect to the Company's Savant Lake project in Ontario, Canada. The shares were valued at \$15,000.
- c) On September 26, 2019, the Company issued 4,600,000 shares at \$0.05 per share to SSL to partially fulfil the first-year annual obligation payment which was due on the anniversary date of acquisition under the original agreement with SSL. Refer to Note 7 for further details.
- d) The Company completed several share issuances subsequent to the period ending August 31, 2020. Refer to Note 15 for details.

(ii) Stock options

Under the terms of the Company's stock option plan, the maximum number of shares in respect of which options may be outstanding is equivalent to 10% of the issued and outstanding shares of the Company. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or if the optionee is a consultant.

The vesting periods of options outstanding range from immediately to one year and maximum terms of options are set at 5 years from the grant date.

a) Movements in stock options during the period:

	Options Outstanding	Weighted Average Exercise Price
Balance, May 31, 2019	4,084,000	\$0.25
Balance, August 31, 2019	4,084,000	\$0.25
Expired	(282,600)	\$0.25
Balance, May 31, 2020	3,801,400	\$0.25
Balance, August 31, 2020	3,801,400	\$0.25

b) Fair value of options granted

During the three months ended August 31, 2020 a total value of \$nil (2019 - \$33,541) has been recorded to reserves – options and to share-based payments expense. The portion of share-based payments recorded is based on the vesting schedule of the options.

On October 18, 2018 the Company granted an aggregate of 250,000 incentive stock options to one director and one officer of the Company. The fair value of these options granted was estimated on the date of the grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

Risk-free interest rate	1.75%
Expected dividend yield	nil
Expected stock price volatility	216.58%
Expected life	5
Expected forfeiture rate	nil

On June 4, 2018, the Company granted 3,350,000 stock options to directors, officers, employees and consultants at a price of \$0.25 per share for a period of 5 years. The fair value of the options granted was estimated on the date of the grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

Risk-free interest rate	1.75%
Expected dividend yield	nil
Expected stock price volatility	217.79%
Expected life	5
Expected forfeiture rate	nil

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

10. Share Capital and Reserves (continued)

c) Stock options outstanding

Options Outstanding	Options Exercisable	Price per Share	Remaining contractual life (years)	Expiry date
141,400	141,400	\$ 0.38	0.97	May 19, 2021
60,000	60,000	\$ 0.34	1.82	March 27, 2022
3,350,000	3,350,000	\$ 0.25	3.01	June 4, 2023
250,000	250,000	\$ 0.15	3.39	October 18, 2023
3,801,400	3,801,400			

The weighted average exercise price of the options exercisable at August 31, 2020 is \$0.25.

(iii) Share purchase warrants

a) Movements in warrants during the period:

	Warrants Outstanding	Weighted Average Exercise Price
Balance, May 31, 2019	7,062,350	\$0.125
Balance, August 31, 2019	7,062,350	\$0.125
Balance, May 31, 2020	7,062,350	\$0.125
Balance, August 31, 2020	7,062,350	\$0.125

The Company issued 6,687,050 warrants and 375,300 finders' warrants as part of the private placement completed in March 2019. The 6,687,050 warrants were valued at \$nil based on the residual value method. Refer Note 10 (i).

b) Fair value of finders' warrants issued

On March 8, 2019, the Company issued 375,300 finders' warrants. The fair value of these finders' warrants granted was estimated on the date of the grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

Risk-free interest rate	1.77%
Expected dividend yield	nil
Expected stock price volatility	244.45%
Expected life	1.5
Expected forfeiture rate	nil

c) Warrants outstanding

The Company issued 7,062,350 warrants (including 375,300 finders' warrants) as part of the private placement completed in March 2019. Each warrant enables the holder to acquire one additional common share at \$0.125 during the first 18 months and \$0.25 thereafter until expiry March 8, 2022. The warrants will be further subject to accelerated expiry terms. Namely, the Company has the right to accelerate expiry of the warrants if the closing price of Company's shares equals or exceeds \$0.25 per common share for 10 consecutive trading days during the first 18 months, or \$0.50 per common share thereafter.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

11. Related Party Transactions

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Company and other related parties are disclosed below.

a) Related party transactions

The Company incurred the following transactions in the normal course of operations in connection with an officer and/or director or companies which have or had a director and/or officers in common.

	Three months ended August 31, 2020	Three months ended August 31, 2019
	\$	\$
Consulting	67,811	54,135
Share-based payments	-	27,534

b) Related party balances

	August 31, 2020	May 31, 2020
	\$	\$
ER Global – Eric Roth - Chief Executive Officer	308,242	278,247
Genco Professional Services Sharon Cooper – Chief Financial Officer	116,574	81,632
Scott Heffernan (resigned November 2019)	26,025	27,414
Perihelion Inc - Mary Little	49,279	43,987
Glen Parsons	43,406	38,636
John Wenger (resigned November 2019)	27,327	28,785
Cameron McLean (resigned February 2020)	-	88,467
Marketworks Inc Kathryn Witter -Corporate Secretary	25,556	27,450

c) Compensation of key management personnel (which includes management and directors)

The remuneration for the services of key management personnel was as follows:

	Three months ended August 31, 2020	Three months ended August 31, 2019
	\$	\$
Salary/Exploration/Consulting (i)	54,654	91,635
Share based payments	-	13,891

(i) Key management were not paid post-employment benefits or other long-term benefits were paid during the three months ended August 31, 2020 and August 31, 2019.

d) Other

The Company has short term loans with SSL totalling \$447,320 as at August 31, 2020 including interest of \$9,823 for the three months ending August 31, 2020 (2019: \$nil) in relation to these loans. Refer to Note 9 for further detail. The Company also has a contractual obligation payable balance of \$1,404,971 to SSL. Refer Note 7 for further detail.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

12. Segmented Information

The Company's business consists of one reportable segment – the acquisition, exploration and evaluation of mineral properties. Details on a geographic basis are as follows:

	August 31, 2020	May 31, 2020
	\$	\$
Total Non-current long-lived assets		
Canada	1,336,017	1,334,924
South America	166,667	166,667
	1,502,684	1,501,591

During the period ending August 31, 2020 the Company entered into an option and purchase agreement to acquire 100% interests in the Southern Gold Line Project located in central Sweden, and the Løkken and Kjølvi copper-zinc-gold projects located in central Norway. Refer Note 6 for further details.

13. Supplemental Cash Flow Information

	Three months ended August 31, 2020	Three months ended August 31, 2019
	\$	\$
Changes in non-cash working capital		
Movement in receivables	(8,220)	1,303
Movement in prepaid expenses	6,844	4,316
Movement in accounts payable and accrued liabilities and provisions	(163,046)	81,089
	(164,422)	86,708

	Three months ended August 31, 2020	Three months ended August 31, 2019
	\$	\$
Schedule of non-cash investing and financing transactions:		
Exploration and evaluation expenditures included in accounts payable	242,628	113,548
Contractual obligation interest payable	4,183	8,036

Supplementary disclosure of cash flow information:

Cash paid for interest	-	-
Cash paid for income taxes	-	-

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

14. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and evaluation of its mineral properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares.

In the management of capital, the Company includes the components of shareholders' equity (deficiency) and loans.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and cash equivalents and short-term investments. There are no external requirements imposed on the Company regarding its capital management.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments selected with regards to the expected timing of expenditures from continuing operations.

The Company expects to require additional financings to carry out its exploration and evaluation plans and operations through its current operating period.

15. Subsequent events

On September 8, 2020, the Company announced the completion of a non-brokered private placement, for proceeds of \$3,624,992. The Company successfully completed the sale and conversion of 60,416,531 units. The units are comprised of one common share and one share purchase warrant entitling the holder to acquire one additional common share at \$0.12 until expiry September 3, 2023. Proceeds will be used for exploration activities and general working capital. The Company's immediate priorities will be to advance its recently acquired Scandinavian projects. The Company paid an aggregate of \$128,503 in broker fees and issued 2,081,730 brokers warrants under the same terms and conditions of the unit warrants. All securities issued under the placement are subject to a four month hold period trade restriction expiring January 4, 2021.

On September 16, 2020 the Company announced that in an effort to conserve its capital it has agreed to settle \$162,303 of outstanding indebtedness to current and former insiders of the Company with the issuance of 2,705,047 common shares of the Company at a deemed price of \$0.06 per share. All proposed shares issued in settlement of debt will be subject to a hold period trading restriction expiring 4 months and 1 day after issuance. The Company issued the shares to settle the debt effective September 15, 2020.

On September 18, 2020, the Company settled the full balance of its loan payable to SSL as at August 25, 2020 of \$447,320 (including principal and interest) through the debt conversion of \$223,660 with 3,727,666 shares issued at \$0.06 per share, completed on September 16, 2020 and cash repayment of \$223,660 made on September 18, 2020.

On September 21, 2020 the Company announced that it had executed an earn-in agreement with Ethos Gold Corp. in which Ethos may earn-in to a 70% interest in the Savant Lake project in return for staged cash and share payments to the Company and C\$2,000,000 of work commitments. Ethos may earn-In to a 70% interest in the Savant Lake property in return for the following cash and share payments to the Company and associated work. The C\$50,000 cash payable by Ethos on signing was receipted by the Company on September 21, 2020. TSX.V Exchange approval for the Ethos earn-in agreement was received on October 26, 2020 and the 2,000,000 shares due on exchange approval have been issued.

New Dimension Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended August 31, 2020

Expressed in Canadian dollars

Unaudited

15. Subsequent events (continued)

Terms of agreement are as follows:

	Cash \$	Ethos Number of shares	Work Commitment \$
On signing	50,000	2,000,000	
September 20, 2021	50,000	2,000,000	500,000
September 20, 2022	50,000	2,000,000	1,500,000
September 20, 2023	50,000	2,000,000	500,000
TOTAL	200,000	8,000,000	2,000,000

In addition, in the event of a National Instrument 43-101 ("NI-43-101") compliant mineral resource of >1 million ounces of gold being defined on the property, then Ethos will make a further payment to the Company of \$50,000 in cash and 2 million Ethos shares.

On September 24, 2020 the Company signed an agreement, subject to certain requirements, for the sale of its Sierra Blanca project located in Santa Cruz Argentina to Austral. Austral has agreed to purchase the first 80% interest in the Company's Argentine subsidiary that owns the Sierra Blanca project in two tranches through a combination of cash payments and project-level work commitments as follows:

- Tranche 1: Austral will acquire a 51% interest for US\$100,000 in cash payments to the Company plus the expenditure of US\$100,000 in work commitments at the project over the 12-month period following closing.
- Tranche 2: Austral will acquire an additional 29% interest for US\$600,000 in work commitments on the project over the second- and third-years following closing (US\$200,000 during the second year and US\$400,000 during the third year).

Austral has also agreed to pay up to US\$10,000 per year towards the cost of maintaining the Sierra Blanca mining properties in good standing over the three-year term. Austral plans to fund the cost of the transaction from cash flow generated from operations. After it has acquired its 80% interest in the project, Austral will have the option to acquire the remaining 20% as follows:

- 10% in Year 4 for the expenditure of an additional US\$400,000 in work commitments on the project over the 12-month period following payment to the Company of US\$500,000.
- 10% in Year 5 for the expenditure of an additional US\$400,000 in work commitments on the project over the 12-month period following payment of \$US1,000,000 to the Company.

The Company finalised the agreement with Austral for the sale of its Sierra Blanca project on October 13, 2020 and receipted USD100,000 from Austral on October 9, 2020.

On October 19, 2020, the Company issued 3,400,000 shares to SSL as payment for the balance of shares owing in relation the first annual payment due under the contractual obligation payable.

On October 19, 2020, the Company issued 500,000 shares to IAMGOLD in consideration for an option to acquire one-half of the royalty on the Sierra Blanca project. The agreement with IAMGOLD provides Sierra Blanca the option to acquire one half (0.75%) of its 1.5% NSR for CAD \$750,000 at any time prior to the commencement of commercial production.