

Silver Range Resources Ltd.
Condensed Interim Consolidated Financial Statements
For the nine months ended
September 30, 2019
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

Silver Range Resources Ltd.
#1016 – 510 West Hastings Street
Vancouver, British Columbia
V6B 1L8

November 22, 2019

To the Shareholders of
Silver Range Resources Ltd.

The attached condensed interim consolidated financial statements have been prepared by the management of Silver Range Resources Ltd. and have not been reviewed by the auditor of the Company.

Yours truly,

Michael Power
Chief Executive Officer

Silver Range Resources Ltd.

Condensed Interim Consolidated Statements of Financial Position

Unaudited – Prepared by Management

As at September 30, 2019 and December 31, 2018

	Note	September 30, 2019 \$	December 31, 2018 \$
Assets			
Current assets			
Cash and cash equivalents		233,144	355,969
Receivables and prepayments	3	34,952	37,275
Marketable securities	4	176,749	113,097
		444,845	506,341
Non-current assets			
Prepaid exploration expenditures		40,102	62,684
Mineral property interests	6	4,012,622	3,950,025
Equipment	7, 14	68,264	-
Reclamation deposits	8	51,779	100,592
		4,172,767	4,113,301
Total assets		4,617,612	4,619,642
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		33,606	41,981
Accounts payable to related parties	11	14,514	37,005
Current portion of lease liability	7	18,000	-
		66,120	78,986
Non-current liabilities			
Lease liability	7	50,203	-
Total liabilities		116,323	78,986
Shareholders' equity			
Share capital	9	36,817,069	36,592,572
Contributed surplus	9	570,049	643,858
Commitment to issue shares	9	35,438	-
Deficit		(32,921,267)	(32,695,774)
Total shareholders' equity		4,501,289	4,540,656
Total liabilities and shareholders' equity		4,617,612	4,619,642
Nature of operations and going concern	1		
Commitment	14		
Event after the reporting period	16		

Approved on behalf of the Board of Directors on November 22, 2019:

"Bruce J. Kenway"

Director

"Bruce Youngman"

Director

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

Silver Range Resources Ltd.

**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
Unaudited – Prepared by Management**

For the nine months ended September 30, 2019 and September 30, 2018

	Number of shares #	Share capital \$	Contributed surplus \$	Commitment to issue shares \$	Deficit \$	Total shareholders' equity \$
January 1, 2018	67,448,158	35,893,579	513,509	-	(30,697,211)	5,709,877
Share-based payments	-	-	173,377	-	-	173,377
Exercise of options	72,500	9,425	-	-	-	9,425
Re-allocated on exercise of options	-	6,580	(6,580)	-	-	-
Re-allocated on cancellation of options	-	-	(49,240)	-	49,240	-
Private placement units issued	4,615,333	692,300	-	-	-	692,300
Share issue costs	-	(9,312)	-	-	-	(9,312)
Loss and comprehensive loss for the period	-	-	-	-	(1,108,978)	(1,108,978)
September 30, 2018	72,135,991	36,592,572	631,066	-	(31,756,949)	5,466,689
January 1, 2019	72,135,991	36,592,572	643,858	-	(32,695,774)	4,540,656
Share-based payments	-	-	14,674	-	-	14,674
Re-allocated on expiry of options	-	-	(44,557)	-	44,557	-
Re-allocated on cancellation of options	-	-	(43,926)	-	43,926	-
Private placement shares issued	1,822,727	200,500	-	-	-	200,500
Share issue costs	-	(8,003)	-	-	-	(8,003)
Shares issued - property examination costs	400,000	32,000	-	-	-	32,000
Shares for services - commitment to issue	-	-	-	35,438	-	35,438
Loss and comprehensive loss for the period	-	-	-	-	(313,976)	(313,976)
September 30, 2019	74,358,718	36,817,069	570,049	35,438	(32,921,267)	4,501,289

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

Silver Range Resources Ltd.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss Unaudited – Prepared by Management

For the three and nine months ended September 30,

	Note	Three months ended		Nine months ended	
		September 30, 2019 \$	September 30, 2018 \$	September 30, 2019 \$	September 30, 2018 \$
Expenses					
Administrative expenses		6,006	2,301	11,788	6,246
Consulting fees	11	7,327	11,411	39,682	77,261
Finance costs	7	771	-	1,603	-
Insurance		7,740	5,704	20,029	18,919
Investor relations and shareholder information		2,881	13,798	9,676	25,552
Management, administrative and corporate development fees	11	14,165	16,425	51,870	60,445
Office rent	11	7,500	7,500	22,500	22,500
Professional fees	11	13,343	14,789	47,841	65,325
Share-based payments	9, 11	634	25,985	14,674	173,377
Transfer agent and filing fees		3,645	2,515	9,394	8,071
Loss before other items		(64,012)	(100,428)	(229,057)	(457,696)
Interest income		1,060	1,617	4,240	7,579
Foreign exchange gain (loss)		88	-	(3,925)	-
Gain (loss) on marketable securities	4	(748)	(73,166)	21,312	(29,708)
Mineral property examination costs	11	(24,967)	(43,261)	(98,061)	(49,313)
Gain on sale of mineral properties	6	-	33,086	-	33,086
Mineral property write-offs	6	-	(44,982)	(8,485)	(612,926)
Loss and comprehensive loss for the period		(88,579)	(227,134)	(313,976)	(1,108,978)
Loss per share					
Weighted average number of common shares outstanding					
- basic #	10	74,358,718	72,135,991	73,606,271	70,328,040
- diluted #	10	74,358,718	72,135,991	73,606,271	70,328,040
Basic loss per share \$	10	(0.00)	(0.00)	(0.00)	(0.02)
Diluted loss per share \$	10	(0.00)	(0.00)	(0.00)	(0.02)

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

Silver Range Resources Ltd.**Condensed Interim Consolidated Statements of Cash Flows****Unaudited – Prepared by Management**

For the nine months ended September 30,

	Note	2019 \$	2018 \$
Operating activities			
Loss and comprehensive loss for the period		(313,976)	(1,108,978)
Adjustments for:			
Finance costs		1,603	-
Commitment to issue shares included in operating expenses		27,243	-
Share-based payments		14,674	173,377
(Gain) loss on marketable securities		(21,312)	29,708
Gain on sale of mineral properties		-	(33,086)
Shares issued for mineral property examination costs	9	32,000	-
Write-off prepaid exploration expenditures to mineral property examination costs		12,563	-
Mineral property write-offs		8,485	612,926
Interest income		(4,240)	(7,579)
Net change in non-cash working capital items	13	(32,036)	(32,386)
		(274,996)	(366,018)
Financing activities			
Issue of common shares/units for cash		200,500	701,725
Share issue costs		(8,003)	(9,312)
		192,497	692,413
Investing activities			
Interest received		4,240	7,579
Reclamation deposits		48,813	(47,299)
Exploration grant proceeds		-	37,240
Proceeds from sale of marketable securities		14,660	-
Purchase of marketable securities		(45,000)	-
Lease payments		(10,500)	-
Mineral property option proceeds		98,294	165,000
Mineral property acquisition costs		(95,582)	(129,280)
Deferred exploration and evaluation expenditures		(55,251)	(154,747)
		(40,326)	(121,507)
Increase (decrease) in cash and cash equivalents		(122,825)	204,888
Cash and cash equivalents, beginning of period		355,969	383,917
Cash and cash equivalents, end of period		233,144	588,805

Supplemental cash flow information

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

Silver Range Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

Unaudited – Prepared by Management

For the nine months ended September 30, 2019 and September 30, 2018

1. Nature of operations and going concern

Silver Range Resources Ltd. (the “Company” or “Silver Range”) was incorporated on May 18, 2010 under the laws of the Province of British Columbia, Canada as a wholly owned subsidiary of Strategic Metals Ltd. (“Strategic”). In 2011, the Company and Strategic completed a Plan of Arrangement which reduced Strategic’s investment in the Company to less than 20%. The Company is registered extra-territorially to conduct operations in the Yukon Territory, Northwest Territories and Nunavut, Canada. The Company also has a US incorporated subsidiary company as detailed in note 5. The Company’s head office is located at 1016 - 510 West Hastings Street, Vancouver, British Columbia, Canada, V6B 1L8. Its records office is located at 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3. The Company’s common shares trade on the TSX Venture Exchange (“TSX-V”).

The Company’s main corporate strategy is to advance its mineral properties to a drill-ready stage and then option or sell them to other parties. Under option or sale agreements, the Company may receive cash and/or shares in the acquiring companies and may retain interests or royalty interests in the properties. Through this process, the Company is assembling a portfolio of direct and indirect mineral property interests and marketable securities, which will assist in generating cash flows to meet overheads and ongoing exploration and drilling programs. The Company has not yet determined whether its direct or indirect mineral property interests contain mineral reserves that are economically viable. The Company’s continued operations, and the underlying value and recoverability of the amounts shown for mineral property interests and marketable securities, are entirely dependent upon the existence of economically recoverable mineral reserves of the Company and those in which it holds a mineral property or shareholder interest. The continued exploration and development of projects will depend on it receiving future cash flows from the disposition or option of its mineral property interests and sale of marketable securities, or from its ability to obtain share capital financing.

These condensed interim consolidated financial statements (the “financial statements”) are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have revenues and historically has recurring operating losses. As at September 30, 2019, the Company had working capital of \$378,725 (December 31, 2018 - \$427,355), and shareholders’ equity of \$4,501,289 (December 31, 2018 - \$4,540,656). The Company will continue to seek the funding necessary to enable it to carry on as a going concern, but management cannot provide assurance that the Company will be able to raise additional debt and/or equity capital. If the Company is unable to raise additional funds in the immediate future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures or cease operations. Management is aware in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared in conformity with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company’s annual audited financial statements for the year ended December 31, 2018, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). It is suggested that these financial statements be read in conjunction with the annual audited financial statements.

The Company adopted IFRS 16, Leases (“IFRS 16”) on January 1, 2019. Changes to significant accounting policies are described below. These changes are also expected to be reflected in the Company’s annual consolidated financial statements as at and for the year ended December 31, 2019.

These financial statements have been prepared on an historical cost basis, except for financial instruments which are classified as fair value through profit or loss (“FVTPL”). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2019 and September 30, 2018

2. Significant accounting policies (continued)**(a) Basis of presentation (continued)**

All amounts on these financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiary.

(b) Significant accounting policies

Except as set out below, the accounting policies, estimates and critical judgments, methods of computation and presentation applied in these financial statements are consistent with those of the most recent annual audited financial statements and are those the Company expects to adopt in its financial statements for the year ended December 31, 2019. Accordingly, these financial statements should be read in conjunction with the Company's most recent annual audited financial statements.

During the nine months ended September 30, 2019, the Company adopted the following new significant accounting policy:

Lease Liabilities and Right-of-use Assets

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the lease commencement date, a lease liability is recognized at the present value of future lease payments, using the rate implicit in the lease, or the Company's incremental borrowing rate when the rate implicit in the lease is not readily available. A corresponding right-of-use ("ROU") asset is recognized within equipment at the amount of the lease liability, adjusted for lease incentives received and initial direct costs. The Company will not recognize leases for short-term leases with a lease term of twelve months or less, or leases for low-value assets. Payments are applied against the lease liability and interest expense (finance costs) is recognized on the lease liability using the effective interest rate method. Depreciation is recognized on the right-of-use asset on a straight-line basis over the lease term and is included within mineral property interests when the right-of-use asset relates to equipment used in exploration activity. The lease term determined by the Company comprises the non-cancellable period of lease contracts; the period covered by an option to extend the leases, if the Company is reasonably certain to exercise that option; and the periods covered by an option to terminate the lease, if the Company is reasonably certain not to exercise that option. As at September 30, 2019, the Company did not have any short-term leases, and no leases with residual value guarantees.

(c) New accounting standards

The Company adopted the following accounting standards that are effective for accounting periods beginning on or after January 1, 2019:

IFRS 16 - Leases

IFRS 16 specifies how to recognize, measure, present and disclose leases. The new standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Consistent with its predecessor, IAS 17 the new lease standard continues to require lessors to classify leases as operating or finance. IFRS 16 is to be applied retrospectively for annual periods beginning on or after January 1, 2019.

The most significant effect of the new standard will be the lessee's recognition of the initial present value of unavoidable future lease payments as ROU assets and lease liabilities on the statement of financial position, including those for most leases that would formerly have been accounted for as operating leases. As at January 1, 2019, the Company did not have any leases and accordingly, there was no impact on the Company's financial statements as a result of adopting this new standard. During the nine months ended September 30, 2019, the Company entered into an agreement for the lease of exploration equipment (note 7).

New Interpretation IFRIC 23 - Uncertainty over Income Tax Treatments

On June 7, 2017, the IASB issued IFRIC Interpretation 23 - Uncertainty over Income Tax Treatments ("IFRIC 23"). IFRIC 23 provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments.

There was no impact to the Company's financial statements as a result of adopting this new standard.

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements**
Unaudited – Prepared by Management

For the nine months ended September 30, 2019 and September 30, 2018

3. Receivables and prepayments

Receivables and prepayments consist of the following:

	September 30,	December 31,
	2019	2018
	\$	\$
Sales tax recoverable	6,048	7,538
Other receivables (note 4)	-	12,000
Prepaid expenses	28,904	17,737
	34,952	37,275

4. Marketable securities

The Company holds share positions in other resource companies which were obtained under mineral property option agreements or by participation in private placements. The valuation of the shares has been determined in whole by reference to the bid price of the shares on the TSX-V at each reporting date. Warrants have been received as attachments to share purchase units and do not trade in an active market. At the time of purchase the per unit cost is allocated in full to each common share. The Company determines the value of the warrants at each reporting date using the Black-Scholes option pricing model.

A summary of the marketable security transactions for the nine months ended September 30, 2019 and September 30, 2018 is as follows:

	Common		Total	Total
	Shares	Warrants	Total	Gain (loss)
	\$	\$	\$	\$
Cost				
January 1, 2018	98,535	-	98,535	
Additions	75,000	-	75,000	
September 30, 2018	173,535	-	173,535	
Fair value				
January 1, 2018	98,535	-	98,535	
Additions	75,000	-	75,000	
Unrealized loss	(29,708)	-	(29,708)	(29,708)
September 30, 2018	143,827	-	143,827	
Total loss				(29,708)
Cost				
January 1, 2019	178,035	-	178,035	
Additions	57,000	-	57,000	
Proceeds on disposal	(14,660)	-	(14,660)	
Realized gain	2,160	-	2,160	2,160
September 30, 2019	222,535	-	222,535	
Fair value				
January 1, 2019	113,097	-	113,097	
Additions	57,000	-	57,000	
Cost of disposals	(12,500)	-	(12,500)	
Unrealized gain	1,844	17,308	19,152	19,152
September 30, 2019	159,441	17,308	176,749	
Total gain				21,312

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2019 and September 30, 2018

4. Marketable securities (continued)

Current period additions include common shares received pursuant to a Debt Settlement Agreement entered into with Trifecta Gold Ltd. (“Trifecta”) on February 14, 2019, whereby Trifecta issued to the Company a total of 200,000 common shares to settle an amount owing to the Company of \$12,000 (note 3). No gain or loss was recognized in connection with this settlement.

Current period additions also include the Company's subscription to a private placement with Rover Metals Corp. (“Rover”) which completed on August 22, 2019. The Company subscribed to 750,000 units of Rover at \$0.06 per unit, for total cash consideration of \$45,000. Each unit comprises one common share and one common share purchase warrant, with each warrant exercisable to purchase one common share at \$0.12 each, until August 22, 2024. Rover used the proceeds from the Company's subscription to make its Uptown Gold property option payment (see note 6(b)(i)). As at September 30, 2019, the warrants were valued at \$17,308 using the Black-Scholes option pricing model.

5. Subsidiary information

As part of the purchase agreement with Panarc Resources Ltd. (“Panarc”), as described in note 6(b), the Company acquired a 100% interest in the shares of Manta Minerals Corporation (“Manta”), a company incorporated in the State of Nevada, USA. A nominal amount of \$1 was allocated to the share purchase.

Panarc incorporated Manta to hold title to its mineral property interests in Nevada, as it is a requirement in the USA that title to USA mineral interests be held by US corporations. Since incorporation Manta has had no transactions other than to hold title to the Nevada mineral claims. All costs to acquire or explore the claims were incurred by Panarc prior to the sale to Silver Range, and by Silver Range after the sale. Other than to hold title to the Nevada minerals claims, Manta has no assets or liabilities, and has had no transactions since being acquired by Silver Range.

6. Mineral property interests

The Company's mineral property interests include various mineral properties located in the Yukon Territory, Northwest Territories, and Nunavut in Canada and in Nevada, USA. Properties which are in close proximity and could be developed as a single economic unit are grouped into projects.

	Yukon	Northwest Territories	Nunavut	Nevada	Total
	\$	\$	\$	\$	\$
January 1, 2018	1,284,975	1,056,752	2,277,043	531,550	5,150,320
Acquisitions/staking/assessments	6,577	24,133	33,036	62,591	126,337
Exploration and evaluation	9,842	9,906	98,280	137,461	255,489
Write-offs	-	(567,944)	-	(44,982)	(612,926)
Option and sale proceeds	(150,000)	(80,000)	(10,000)	-	(240,000)
Gain on sale of mineral property	-	33,086	-	-	33,086
September 30, 2018	1,151,394	475,933	2,398,359	686,620	4,712,306
January 1, 2019	935,445	481,268	1,823,367	709,945	3,950,025
Acquisitions/staking/assessments	-	15,356	6,870	73,356	95,582
Exploration and evaluation	14,254	10,864	13,257	33,419	71,794
Write-offs	-	-	(1,238)	(7,247)	(8,485)
Option and sale proceeds	(17,500)	(45,000)	(22,500)	(13,294)	(98,294)
September 30, 2019	932,199	462,488	1,819,756	796,179	4,010,622

Silver Range Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements Unaudited – Prepared by Management

For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)

Changes in the project carrying amounts for the nine months ended September 30, 2018 are summarized as follows:

	Beginning Balance \$	Acquisitions/ Staking/ Assessments \$	Exploration and Evaluation \$	Write-offs \$	Option/sale Proceeds \$	Gain on Sale \$	Ending Balance \$
Yukon Projects							
Silver Range	160,928	-	1,608	-	-	-	162,536
Mel	776,905	-	-	-	(150,000)	-	626,905
Barb	36,003	-	-	-	-	-	36,003
Michelle	311,139	6,577	8,234	-	-	-	325,950
Total	1,284,975	6,577	9,842	-	(150,000)	-	1,151,394
Northwest Territories Projects							
Hare	31,282	5,420	-	-	-	-	36,702
Itchen	37,314	383	213	-	-	-	37,910
Cabin Lake	1,808	-	106	-	(35,000)	33,086	-
Sparta	10,122	-	490	-	-	-	10,612
Uptown Gold	435,008	-	701	-	(45,000)	-	390,709
Providence Greenstone Belt	541,218	18,330	8,396	(567,944)	-	-	-
Total	1,056,752	24,133	9,906	(567,944)	(80,000)	33,086	475,933
Nunavut Projects							
Hard Cash	742,261	5,000	11,715	-	-	-	758,976
Nigel	35,811	-	-	-	-	-	35,811
Uist	115,355	5,000	-	-	(1,429)	-	118,926
Yandle	175,471	-	300	-	-	-	175,771
Noomut	8,312	-	-	-	-	-	8,312
Quartzite	40,413	5,076	107	-	-	-	45,596
Happy Thought	11,220	-	-	-	-	-	11,220
Grumpy	9,698	-	-	-	-	-	9,698
Bling	182,643	3,380	307	-	(1,429)	-	184,901
Goldbugs	720,367	14,580	1,532	-	(1,429)	-	735,050
Esker Lake	153,932	-	-	-	(1,429)	-	152,503
Quannitug	65,726	-	-	-	(1,428)	-	64,298
Hiqiniq	6,138	-	-	-	(1,428)	-	4,710
Ujaraq	6,596	-	-	-	(1,428)	-	5,168
Contwoyto	-	-	1,238	-	-	-	1,238
Tree River	3,100	-	83,081	-	-	-	86,181
Total	2,277,043	33,036	98,280	-	(10,000)	-	2,398,359
Nevada Projects							
Bellehelen	12,203	1,766	118	(772)	-	-	13,315
Black Star	-	-	3,824	-	-	-	3,824
Road Gold	44,210	-	-	(44,210)	-	-	-
Cold Springs	18,552	6,441	50,315	-	-	-	75,308
Gold Chief	117,964	9,392	6,364	-	-	-	133,720
Krug	11,011	1,766	11	-	-	-	12,788
Legal Tender	19,374	2,643	2,056	-	-	-	24,073
Loner	-	-	2,294	-	-	-	2,294
Rand	15,644	1,986	11	-	-	-	17,641
Posh	-	2,331	1,566	-	-	-	3,897
Robot	-	5,745	13,700	-	-	-	19,445
Skylight	88,265	3,520	13,484	-	-	-	105,269
Stinson	39,442	4,616	11	-	-	-	44,069
Strongbox	73,141	4,835	9,231	-	-	-	87,207
Lucky Boy	8,951	1,990	11	-	-	-	10,952
Enigma	72,095	4,620	4,152	-	-	-	80,867
Hannipah	10,698	2,862	1,016	-	-	-	14,576
East Goldfield	-	2,331	739	-	-	-	3,070
Stash	-	-	7,247	-	-	-	7,247
Bottom Dollar	-	5,747	21,311	-	-	-	27,058
Total	531,550	62,591	137,461	(44,982)	-	-	686,620
Total Projects	5,150,320	126,337	255,489	(612,926)	(240,000)	33,086	4,712,306

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)

Exploration and evaluation expenditures on the projects consisted of the following:

		Northwest			
	Yukon	Territories	Nunavut	Nevada	Total
Nine months ended September 30, 2018	\$	\$	\$	\$	\$
Assays	153	217	7,815	6,188	14,373
Field	1,175	1,953	12,277	5,588	20,993
Helicopter and fixed wing	-	7,415	48,361	-	55,776
Labour	8,408	321	1,304	14,905	24,938
Survey and consulting	-	-	22,172	97,098	119,270
Travel and accommodation	106	-	6,351	13,682	20,139
Total	9,842	9,906	98,280	137,461	255,489

Silver Range Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements Unaudited – Prepared by Management

For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)

Changes in the project carrying amounts for the nine months ended September 30, 2019 are summarized as follows:

	Beginning Balance \$	Acquisitions/ Staking/ Assessments \$	Exploration and Evaluation \$	Write-offs \$	Option/sale Proceeds \$	Ending Balance \$
Yukon Projects						
(1) Silver Range	162,536	-	14,254	-	-	176,790
Mel	626,905	-	-	-	(17,500)	609,405
Barb	36,003	-	-	-	-	36,003
Michelle	110,001	-	-	-	-	110,001
Total	935,445	-	14,254	-	(17,500)	932,199
Northwest Territories Projects						
Hare	36,892	-	55	-	-	36,947
Itchen	43,101	-	-	-	-	43,101
Sparta	10,567	15,356	10,107	-	-	36,030
Uptown Gold	390,708	-	702	-	(45,000)	346,410
Total	481,268	15,356	10,864	-	(45,000)	462,488
Nunavut Projects						
Hard Cash	189,974	-	-	-	-	189,974
Atlantis	755	-	280	-	-	1,035
Nigel	34,026	-	414	-	-	34,440
Uist	119,472	-	-	-	(3,215)	116,257
Yandle	175,961	-	6,142	-	-	182,103
Noomut	8,502	-	134	-	-	8,636
Quartzite	45,949	-	110	-	-	46,059
Happy Thought	11,220	-	-	-	-	11,220
Grumpy	9,698	5,365	-	-	-	15,063
Bling	185,257	-	-	-	(3,215)	182,042
Goldbugs	721,740	870	-	-	(3,214)	719,396
Esker Lake	152,859	-	-	-	(3,214)	149,645
Quannitug	64,298	635	5,000	-	(3,214)	66,719
Hiqiniq	5,066	-	-	-	(3,214)	1,852
Ujaraq	5,168	-	-	-	(3,214)	1,954
Contwoyto	1,238	-	-	(1,238)	-	-
Tree River	92,184	-	1,177	-	-	93,361
Total	1,823,367	6,870	13,257	(1,238)	(22,500)	1,819,756
Nevada Projects						
Bellehelen	13,315	1,873	-	-	-	15,188
Black Star	8,933	948	(1,708)	-	-	8,173
Bottom Dollar	27,058	1,408	-	-	-	28,466
Cold Springs	77,538	5,136	314	-	-	82,988
East Gold Point	-	19,606	5,207	-	-	24,813
East Goldfield	10,428	944	20,752	-	-	32,124
Enigma	80,867	4,900	-	-	-	85,767
Gold Chief	135,816	5,593	-	-	-	141,409
Hannapah	14,576	3,036	480	-	(13,294)	4,798
Irwin	-	1,515	2,217	-	-	3,732
Krug	12,788	1,873	-	-	-	14,661
Legal Tender	24,073	2,803	-	-	-	26,876
Lucky Boy	10,952	2,110	-	-	-	13,062
Loner	6,586	948	(485)	-	-	7,049
Rand	17,641	2,106	-	-	-	19,747
Posh	3,897	943	-	-	-	4,840
Robot	19,445	2,342	-	-	-	21,787
Sniper	-	1,515	2,217	-	-	3,732
Skylight	105,269	3,733	972	-	-	109,974
Stinson	44,069	4,896	496	-	-	49,461
Strongbox	89,447	5,128	4,957	-	-	99,532
Stash	7,247	-	-	(7,247)	-	-
Total	709,945	73,356	35,419	(7,247)	(13,294)	798,179
Total Projects	3,950,025	95,582	73,794	(8,485)	(98,294)	4,012,622

(1) Includes depreciation on equipment of \$13,336.

Silver Range Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements
Unaudited – Prepared by Management

For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)

Exploration and evaluation expenditures on the projects consisted of the following:

	Yukon	Northwest Territories	Nunavut	Nevada	Total
Nine months ended September 30, 2019	\$	\$	\$	\$	\$
Field	13,542	757	334	8,235	22,868
Labour	223	-	1,739	377	2,339
Survey and consulting (note 11)	-	10,107	11,184	19,383	40,674
Travel and accommodation	489	-	-	7,424	7,913
Total	14,254	10,864	13,257	35,419	73,794

The cumulative acquisition, exploration and evaluation costs incurred on the projects for all years/periods and the current carrying values are as follows:

As at September 30, 2019	Cumulative costs, net	Option Proceeds / Write-offs / Gain on Sale	Carrying Value
	\$	\$	\$
Yukon	28,565,823	(27,633,624)	932,199
Northwest Territories	1,122,345	(659,857)	462,488
Nunavut	2,422,896	(603,140)	1,819,756
Nevada	882,769	(84,590)	798,179
Total	32,993,833	(28,981,211)	4,012,622

Option proceeds on the projects for the nine months ended September 30, 2019 and September 30, 2018 consisted of the following:

	September 30, 2019	September 30, 2018
	\$	\$
Yukon Projects	17,500	150,000
Northwest Territories Projects	45,000	80,000
Nunavut Projects	22,500	10,000
Nevada projects	13,294	-
	98,294	240,000

Certain of the Company's mineral property interests are subject to option out or sale agreements, earn-in or purchase agreements or net smelter return royalties ("NSR"), as detailed below.

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)**(a) Yukon projects****(i) Silver Range project**

The Silver Range and Mint group of claims were acquired in January 2011 from Strategic, by the issue of Silver Range common shares and warrants having a value of \$2,954,026. The claims are located in the Whitehorse Mining District, Yukon Territory. The projects were considered impaired in 2015 and written-down to a \$14 carrying value. The Mint project was sold in 2015.

The Silver Range project also includes the JRV claims which were purchased in 2011 for cash and shares totalling \$309,000. The JVR claims are subject to a 2% NSR on any commercial production of precious metals and a 1% NSR on commercial production of other metals. One-half of the NSR on the precious metals can be purchased by the Company for \$1,500,000.

The Silver Range project also includes the BP4 claim which was acquired in 2015 for \$1. The BP4 claim is subject to a prior 2% NSR to a third party.

In 2016, the Company signed a Letter of Intent ("LOI") to option out its Silver Range project to a private British Columbia company for future shares and a retained 2% and 1% NSR. The transaction is still pending.

(ii) Mel and Barb projects

The Mel and Barb projects were purchased in 2014 for \$220,000. The claims are located in the Watson Lake Mining District, Yukon Territory. The Mel project is subject to a prior 1% NSR on any commercial production from the property and there is an additional 1% NSR due to the vendor of the properties on both the Mel and Barb projects, which may be purchased at any time for \$1,000,000.

On March 14, 2017, and as amended on March 27, 2019, the Company entered into an Agreement with Benz Mining Corp. ("Benz") for the sale of a 100% interest in the Company's Mel property. On October 28, 2019, the Company provided a termination notice to Benz as the option was in default. During the option period, the Company received cash payments totalling \$192,500 (\$17,500 received during the nine months ended September 30, 2019), and common shares of Benz with an aggregate fair value of \$75,000.

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)**(a) Yukon projects (continued)****(iii) Michelle project**

The Michelle property was acquired in 2015 in exchange for cash and the Company's Mint property. The Michelle property is located in the Dawson and Mayo Mining Districts, Yukon Territory.

On October 17, 2018, the Company entered into an agreement with Zinciferous Limited ("Zinciferous") to option to Zinciferous a 100% interest in the Michelle project. Under the agreement, Zinciferous can acquire the project for consideration as follows:

- \$10,000 cash payable to the Company within 7 days of executing the agreement (received);
- \$50,000 cash payable to the Company on or before October 17, 2019 (not received); and
- Issue to the Company common shares of Zinciferous equal to \$50,000 on or before October 17, 2019 (not received).

Exercise of the option was conditional upon Zinciferous obtaining a public listing before October 30, 2019. As Zinciferous has not obtained a public listing before October 30, 2019, the option period can be extended by six months for consideration of \$10,000.

The Company and Zinciferous are currently in negotiations on extending the option period.

Zinciferous will grant the Company a 3% NSR, of which 1.5% may be bought back by Zinciferous for consideration of \$1,000,000 payable in cash or common shares at Zinciferous's discretion.

Zinciferous has an obligation to incur minimum expenditures of \$600,000 within 24 months of obtaining a public listing. If the expenditure commitment is not met, Zinciferous may offer the project back to the Company for consideration of \$10,000 or satisfy the minimum expenditure obligation by paying cash or issuing common shares to the Company valued at the expenditure obligation deficiency. Additional cash or common share amounts may be payable to the Company should Zinciferous establish specific NI 43-101 compliant Indicated Resource amounts, complete a bankable feasibility study, or enter commercial production.

During the year ended December 31, 2018, a write-off of \$206,037 was recorded against the Michelle project as it was determined that the carrying value of the project exceeded the expected proceeds from the option to Zinciferous.

(b) Northwest Territories, Nunavut, and Nevada projects**Panarc transaction**

On July 8, 2016, the Company completed the purchase of various mineral properties located in the Northwest Territories and Nunavut, Canada, and in Nevada, USA, from Panarc (note 5). On closing, Panarc was issued 10,000,000 common shares of the Company at a price of \$0.205 per share for total consideration of \$2,050,000. Panarc did not retain any royalty or other interest in any of the acquired properties. The purchase price was allocated to the various properties based on the hectares of each property.

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)**(b) Northwest Territories, Nunavut, and Nevada projects (continued)****Northwest Territories projects****(i) Uptown Gold property option**

By Agreement dated September 9, 2016, and as amended on August 15, 2017, April 6, 2018 and September 5, 2018, the Company granted Rover the right to earn up to a 100% interest in the Company's Uptown Gold property. For a 75% interest Rover must issue Silver Range 7.5% of its outstanding common shares, make cash payments of \$300,000 and incur exploration expenditures of \$1,600,000 on or before September 9, 2020. During the year ended December 31, 2018, Rover issued the Company 1,970,694 common shares at a value of \$0.05 each for total consideration of \$98,535.

To complete the 75% earn-in, the following payments and expenditures are required:

Cash payments of \$300,000:

- \$30,000 on or before March 9, 2017 (received);
- \$60,000 on or before September 9, 2017 (received);
- \$45,000 on or before September 9, 2018 (received);
- \$45,000 in cash or shares on or before April 30, 2019 (received in cash (note 4)); and
- \$120,000 on or before February 28, 2020.

Incurring exploration expenditures of \$1,600,000:

- \$350,000 on or before September 9, 2017 (incurred);
- \$500,000 on or before February 28, 2020; and
- \$750,000 on or before September 9, 2020.

Should Rover attain its 75% interest and not proceed to acquire the remaining interest, a joint venture would be formed to further explore the properties, unless otherwise agreed.

For an additional 25% interest, Rover is required to issue Silver Range the lesser of 4.5% of its outstanding common shares, or 2,500,000 common shares on or before September 30, 2020.

Should Rover attain either a 75% or a 100% interest in the property the Company would retain a 2% NSR from any commercial production, which would require annual advance royalty payments of \$50,000 beginning in 2021. One-half of the NSR may be purchased by Rover for \$1,000,000. The properties are subject to an area of mutual interest extending three kilometres from the borders of the properties.

(ii) Providence Greenstone Belt property option

On September 6, 2017, the Company signed an agreement with GGL Resources Corp. ("GGL") to option certain claims and mining leases ("Project Area") within the Providence Greenstone Belt ("PGB") in the Northwest Territories. The agreement gave the Company the right to explore the Project Area for all metals and minerals, except diamonds.

Under the agreement, the Company made a cash payment of \$33,200 and GGL was issued 1,000,000 common shares at a price of \$0.20 per share, for total consideration \$233,200.

In April 2018, the Company terminated the agreement, and wrote-off its cumulative acquisition and exploration expenditures of \$567,943 during the year ended December 31, 2018.

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For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)**(b) Northwest Territories, Nunavut, and Nevada projects (continued)****Northwest Territories projects (continued)****(iii) Cabin Lake property option**

By agreement dated November 7, 2017, and amended on August 9, 2018, the Company agreed to sell 100% of its Cabin Lake property located in the Northwest Territories, to Rover. The Company received a cash payment of \$35,000 during the year ended December 31, 2018 on completion of the sale, resulting in a gain on disposition of \$33,086. During the year ended December 31, 2017, the Company received a cash payment of \$5,000.

The Company retains a 2% NSR on all mineral production from the Cabin Lake property and Rover is required to make annual advance royalty payments equal to the lesser of \$20,000 or 7% of annual exploration expenditures by Rover for each of the calendar years 2019, 2020 and 2021, and thereafter at \$20,000 per year. The advance royalty payments cease once a total of \$220,000 has been paid.

Rover has the right to acquire up to 1.5% of the 2% NSR by making payments of either \$750,000 or \$1,500,000, depending on the indicated gold reserves that may be reported.

Nunavut projects**(iv) Amaroq option**

On February 4, 2019, the Company signed a Letter Agreement which superseded a Letter of Intent (“LOI”) signed on March 5, 2018, and amended on May 28, 2018, with Amaroq Gold Corp. (“Amaroq”) to sell Amaroq a 100% interest in the Company’s Bling, Esker Lake, Gold Bugs, Hiqiniq, Qannitug, Uist and Ujaraq claims located in Nunavut, Canada. Under the Letter Agreement, the Company will receive cash and Amaroq common shares staged over five years from when Amaroq receives a TSX-V or Canadian Securities Exchange Listing (“listing”).

The Company will receive cash and common shares from Amaroq based on the following schedule:

Cash payments of \$1,747,500:

- \$10,000 on signing of the LOI (received);
- \$22,500 on execution of the Letter Agreement (received);
- \$40,000 upon commencement of trading;
- \$75,000 on or before first anniversary of the listing;
- \$100,000 on or before second anniversary of the listing;
- \$200,000 on or before third anniversary of the listing;
- \$300,000 on or before fourth anniversary of the listing; and
- \$1,000,000 on or before fifth anniversary of the listing.

Common shares of Amaroq:

- 5% of Amaroq’s common shares at the time Amaroq obtains a listing;
- 100,000 common shares on or before the first anniversary of the listing;
- 200,000 common shares on or before the second anniversary of the listing;
- 300,000 common shares on or before the third anniversary of the listing; and
- 400,000 common shares on or before the fourth anniversary of the listing.

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements
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6. Mineral property interests (continued)**(b) Northwest Territories, Nunavut, and Nevada projects (continued)****Nunavut projects (continued)****(iv) Amaroq option (continued)**

The Company will retain a 3% NSR on all mineral production from the projects, of which up to 2% can be purchased for \$4,000,000. The Company will be the project operator for the first year and will receive a management fee equal to 5% of exploration expenditures.

In addition to the NSR, the Company is entitled to a one-time cash payment of \$500,000 if Amaroq releases a preliminary economic assessment measuring or containing 500,000 ounces of gold from any location on any of the claims.

The Company may terminate the Letter Agreement if a listing is not obtained by December 31, 2019.

(v) Hard Cash and Nigel option

On November 23, 2018, the Company signed a Property Option Agreement with Canarc Resource Corp. ("Canarc") to sell Canarc a 100% interest in the Company's Hard Cash and Nigel properties located in Nunavut, Canada. Under the Option Agreement, the Company will receive cash and Canarc common shares staged over four years.

The Company will receive cash and common shares from Canarc based on the following schedule:

Cash payments of \$150,000:

- \$10,000 within five days of TSX-V acceptance (received);
- \$20,000 on or before November 23, 2019;
- \$30,000 on or before November 23, 2020;
- \$40,000 on or before November 23, 2021; and
- \$50,000 on or before November 23, 2022.

1,500,000 common shares of Canarc:

- 100,000 within five days of TSX-V acceptance (received at a fair value of \$4,500);
- 200,000 on or before November 23, 2019;
- 300,000 on or before November 23, 2020;
- 400,000 on or before November 23, 2021; and
- 500,000 on or before November 23, 2022.

The Company will retain a 2% NSR on all mineral production from the properties, of which up to 1% can be purchased for \$1,000,000.

The Company will also be entitled to receive a one-time cash payment equal to \$1 per ounce of gold (or the value equivalent in other metals), identified in a NI 43-101 compliant measured and indicated resource estimate application to either of the properties; and an additional one-time cash payment equal to \$1 per ounce of gold (or the value equivalent in other metals), identified in a NI 43-101 compliant proven or probable reserve estimate applicable to either of the properties.

During the year ended December 31, 2018, a write-off of \$554,902 was recorded against the Hard Cash project as it was determined that the carrying value of the project exceeded the expected proceeds from the option to Canarc.

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)**(b) Northwest Territories, Nunavut, and Nevada projects** (continued)**Nevada projects****(vi) Yuge property option**

On February 27, 2018, the Company signed a letter of intent to option to Trifecta Gold Ltd. (“Trifecta”) up to a 75% interest in the Company’s newly acquired Yuge property.

For a 51% interest Trifecta is required to:

- Reimburse staking and recording costs of approximately US\$7,100 (received CAD\$9,066);
- Incur US\$1,000,000 in exploration expenditures on or before February 28, 2021;
- Pay the Company US\$250,000 cash and/or shares at Trifecta’s election, on or before February 28, 2021;
- Grant the Company a 1% NSR on all commercial production from Trifecta’s 51% interest; and
- Grant the Company a success fee of US\$1 per ounce, payable upon completion of a Preliminary Economic Assessment based on measured and indicated resources greater than 500,000 ounces.

For an additional 24% interest Trifecta is required to:

- Complete an additional US\$2,000,000 in exploration expenditures on or before February 28, 2023;
- Pay the Company US \$500,000 cash and/or shares at Trifecta’s election, on or before February 28, 2023; and
- Grant the Company an additional 1% NSR on all commercial production, so that the Company will retain in total a 2% NSR on Trifecta’s 75% interest, of which 1% can be purchased by Trifecta for US\$1,000,000 at any time prior to production.

The Company will act as the project operator for the first phase of exploration in return for a 10% management fee. Once fully vested, a Joint Venture would be formed to continue exploration of the property. Should either party’s interest be diluted to below 10%, it would be converted into a 1% NSR, half of which could be purchased for US\$1,000,000.

(vii) Gold Chief property option

On November 1, 2018, the Company signed an option agreement with Crocan Capital Corp. (“Crocan”), giving Crocan the right to purchase a 100% interest in the Gold Chief property. Exercise of the option was conditional upon Crocan obtaining a public listing on or before June 30, 2019. The listing was not obtained, and the option has been terminated. During the year ended December 31, 2018, the Company received a cash payment of \$10,000 pursuant to the option.

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For the nine months ended September 30, 2019 and September 30, 2018

6. Mineral property interests (continued)**(b) Northwest Territories, Nunavut, and Nevada projects** (continued)**Nevada projects** (continued)**(vi) East Gold Point property option**

On July 5, 2019, the Company signed a Claim Purchase Agreement whereby it acquired a 100% interest in certain mineral claims forming the East Gold Point project (Apache claims) in Nevada, USA. The purchase price was US\$10,000 (paid, CAD\$13,327).

(vii) Hannapah property option

On July 16, 2019, the Company signed a Property Option Agreement with Mercury Exploration Nevada Inc. ("Mercury") to sell Mercury a 100% interest in the Company's Hannapah property located in Nevada, USA. Pursuant to the agreement, the Company will receive cash staged over four years from Mercury based on the following schedule:

Cash payments of US\$30,000:

- US\$10,000 upon execution of the Agreement (received, CAD\$13,294);
- US\$10,000 on or before July 16, 2020; and
- US\$10,000 on or before July 16, 2021.

To exercise the option, Mercury must also provide the Company with documentation on or before August 20, 2020, confirming that all rentals, administrative filing fees and annual returns related to the property have been submitted to, and accepted by, the Bureau of Land Management and Nye County, as applicable.

After exercise of the option, Mercury is required to make annual royalty payments to the Company not to exceed in aggregate US\$205,000, staged over fifteen years as follows:

- US\$10,000 on or before July 16, 2024;
- US\$15,000 on or before July 16, 2025; and
- US\$20,000 on or before July 16, 2026 and each year through to July 16, 2034.

Additionally, the Company is also entitled to receive a one-time cash payment of \$2 per ounce of gold or equivalent identified as measured or indicated, or as proven or probable resource/reserve compliant with NI 43-101.

The Company will retain a 2% NSR on all mineral production from the property, of which up to 1% can be purchased for US\$1,000,000.

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****Unaudited – Prepared by Management**

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7. Equipment and lease liability**Equipment**

Equipment is comprised of a ROU asset, being the lease of exploration equipment situated at the Company's Silver Range project (Keg claims). The lease commenced on April 30, 2019 and has a term of 4.5 years to November 30, 2023. The ROU asset is carried at a net book value of \$68,264 (cost of \$81,600, less accumulated depreciation of \$13,336). Depreciation is taken on the ROU asset on a straight-line basis over the term of the lease.

Lease liability

A reconciliation of the carrying amount of the lease liability for the nine months ended September 30, 2019 is as follows:

	September 30, 2019
	\$
January 1, 2019	-
Additions	81,600
(1) Lease payments	(15,000)
Lease interest (finance costs)	1,603
September 30, 2019	68,203
Current portion of lease liability	18,000
Non-current portion of lease liability	50,203
	68,203

(1) As at September 30, 2019, \$4,500 of the lease payments are included within accounts payable and accrued liabilities.

As at September 30, 2019, the total undiscounted amount of the estimated future cash flows to settle the Company's lease liability over the remaining lease term is \$75,000 (note 14).

8. Reclamation deposits

The reclamation deposits are comprised of cashable guaranteed investment certificates with one-year terms. They are pledged to the Northwest Territories, the Kivalliq Inuit Association in Nunavut and the Bureau of Land Management in the State of Nevada ("BLM") to ensure specified properties are properly restored after exploration. Management has determined that the Company has no material reclamation work related to the properties requiring the deposits.

During the nine months ended September 30, 2019, the BLM released one of the Company's bonds totalling \$48,295 which is recorded within cash and cash equivalents as at September 30, 2019.

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements
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9. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. All issued shares are fully paid.

**Transactions for the issue of share capital
during the nine months ended September 30, 2019:**

- (a) On March 21, 2019, the Company completed a private placement consisting of the issue of 1,822,727 common shares at a price of \$0.11 per share for gross proceeds of \$200,500. No finders' fees were incurred in respect of the placement. Legal and filing fees amounted to \$6,003 and have been recorded as a share issue cost deducted from share capital.
- (b) On May 29, 2019, the Company issued 400,000 common shares with a fair value of \$32,000 recorded within property examination costs (\$0.08 per common share), in respect of a Purchase and Sale Agreement entered into with Discovery Consultants to acquire an exploration database with data on targets in Nevada. A \$10,000 cash payment was also made under the Purchase and Sale Agreement. Legal fees amounted to \$2,000 and have been recorded as a share issue cost deducted from share capital.

**Transactions for the issue of share capital
during the nine months ended September 30, 2018:**

- (c) The Company issued 72,500 common shares on the exercise of options for proceeds of \$9,425. In addition, \$6,580 representing the fair value of the options on initial vesting was re-allocated from contributed surplus to share capital.
- (d) On April 17, 2018, the Company issued 4,615,333 units at a price of \$0.15 per unit for a total consideration of \$692,300. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.25 until April 17, 2020. A finder's fee of \$900 was paid in respect of the placement. Legal and filing fees amounted to \$8,412 and were included with the finder's fee and recorded as a share issue costs and deducted from share capital. No value was allocated to warrants in connection with the unit offering completed.

Commitment to issue shares

On April 1, 2019, the Company entered into a revised Consulting Agreement with Paladin Geoscience Corp. ("Paladin Corp."), a company controlled by the President and CEO of the Company. The Consulting Agreement is for a period of twelve months terminating on March 31, 2020. Pursuant to the Agreement, Paladin Corp. will receive a monthly consulting fee of \$11,250, of which 50% will be paid in cash and 50% will be paid in common shares of the Company (note 11). The consulting fee is paid/accrued on a monthly basis, and the common shares are issuable semi-annually.

All share issuances are subject to regulatory approval, including TSX-V acceptance, and will be subject to such hold periods as are required by the TSX-V and applicable regulatory authorities. The number of common shares to be issued by the Company shall be calculated at the end of each month during which services are provided, at a deemed price per share equal to the Market Price of the Company's shares (as that term is defined in the policies of the TSX-V) on the last day of each such month on which the shares of the Company traded, minus 50% of the maximum discount permitted by those policies.

The shares shall be issued semi-annually within five business days of the end of each six month period. The Company shall use its best efforts to obtain regulatory approval for the issuance of the shares, provided if, after sixty days from the proposed issuance date the Company has not received regulatory approval, Paladin Corp. shall have the option to elect to receive the equivalent amount in cash in lieu of shares.

Amounts rendered by Paladin Corp. are recorded within both operating expenses, and mineral property interests (notes 11,13). Subsequent to September 30, 2019, the Company issued 389,483 common shares to Paladin Corp. with an aggregate fair value of \$35,438 for services rendered from April 1, 2019 to September 30, 2019 (note 16).

Silver Range Resources Ltd.**Notes to the Condensed Interim Consolidated Financial Statements****Unaudited – Prepared by Management**

For the nine months ended September 30, 2019 and September 30, 2018

9. Share capital (continued)**Stock options**

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of common shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the number of issued shares of the Company at the time of grant. Options granted under the Plan may have a maximum term of ten years. A participant who is not a consultant conducting investor relations activities, who is granted an option that is exercisable at or above the market price at the date of grant, can have their options vest immediately, unless otherwise determined by the Board of Directors. A participant who is a consultant conducting investor relations activities, who is granted options under the Plan, will become vested with the right to exercise one-quarter of the options upon conclusion of every three months subsequent to the grant date. All options are to be settled by physical delivery of common shares.

A summary of the status of the Company's stock options as at September 30, 2019 and December 31, 2018 and changes during the period/year then ended is as follows:

	Nine months ended September 30, 2019		Year ended December 31, 2018	
	Options #	Weighted average exercise price \$	Options #	Weighted average exercise price \$
Options outstanding, beginning of period/year	4,945,000	0.20	4,457,500	0.22
Granted	-	-	1,000,000	0.16
Exercised	-	-	(72,500)	0.13
Expired	(1,035,000)	0.15	-	-
Cancelled	(245,000)	0.25	(440,000)	0.24
Options outstanding, end of period/year	3,665,000	0.22	4,945,000	0.20

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

Options outstanding #	Options exercisable #	Exercise price \$	Expiry date
400,000	400,000	0.21	July 11, 2021
150,000	150,000	0.15	January 5, 2022
2,115,000	2,115,000	0.25	June 19, 2022
400,000	400,000	0.15	February 8, 2023
500,000	500,000	0.17	March 14, 2023
100,000	75,000	0.15	October 26, 2023
3,665,000	3,640,000		

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9. Share capital (continued)**Stock options (continued)**

The following table summarizes information about the stock options outstanding at September 30, 2019:

Exercise prices \$	Options #	Weighted average remaining life (years)	Weighted average exercise price \$
0.15 - 0.21	1,550,000	2.92	0.17
0.25	2,115,000	2.72	0.25
	3,665,000	2.81	0.22

There were no stock options granted during the nine months ended September 30, 2019.

During the nine months ended September 30, 2018, 900,000 stock options were granted to an Officer and certain technical committee members. The Company recorded the fair value of the options granted using the Black-Scholes option pricing model. Share-based payment costs were calculated using the following weighted average assumptions: expected life of options - five years, stock price volatility – 90.26%, no dividend yield, and a risk-free interest rate yield – 2.04%. The fair value is particularly impacted by the Company's stock price volatility, determined using data from the previous five years. Using the above assumptions, the weighted average fair value of options granted during the nine months ended September 30, 2018 was approximately \$0.107 each, for a total of \$95,945.

The total share-based payment expense for the nine months ended September 30, 2019 was \$14,674 (2018 - \$173,377) and includes only options that vested during the period.

During the nine months ended September 30, 2019, 1,280,000 options were either cancelled as a result of certain employees, directors, and consultants leaving employment, or expired unexercised. As a result, the original share-based payments expense of \$43,926 and \$44,557 respectively, was reversed from contributed surplus and credited to deficit.

During the nine months ended September 30, 2018, 415,000 options were either cancelled as a result of certain employees, directors, and consultants leaving employment, or expired unexercised. As a result, the original share-based payments expense of \$49,240 was reversed from contributed surplus and credited to deficit.

Warrants

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to warrants attached to units sold in completed private placements. Finders' warrants may be issued as a private placement share issue cost and are valued using the Black-Scholes option pricing model.

A summary of the Company's common share purchase warrants as at September 30, 2019 and December 31, 2018 and changes during the period/year then ended is as follows:

	Nine months ended September 30, 2019		Year ended December 31, 2018	
	Warrants #	Weighted average exercise price \$	Warrants #	Weighted average exercise price \$
Warrants outstanding, beginning of period/year	13,302,833	0.27	8,687,500	0.27
Issued	-	-	4,615,333	0.25
Expired	(8,687,500)	0.27	-	-
Warrants outstanding, end of period/year	4,615,333	0.25	13,302,833	0.27

As at September 30, 2019 the 4,615,333 outstanding options had a weighted average remaining life of 0.55 years and expire on April 17, 2020.

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9. Share capital (continued)**Contributed surplus**

Contributed surplus is comprised of the accumulated fair value of stock options recognized as share-based payments and the fair value of finders' warrants issued on private placements. Contributed surplus is increased by the fair value of these items on vesting and is reduced by corresponding amounts when the options or warrants expire or are exercised or cancelled.

	Shares \$	Options \$	Total \$
January 1, 2018	9,874	503,635	513,509
Options vesting	-	173,377	173,377
Options exercised	-	(6,580)	(6,580)
Options cancelled	-	(49,240)	(49,240)
September 30, 2018	9,874	621,192	631,066
January 1, 2019	9,874	633,984	643,858
Options vesting	-	14,674	14,674
Options expired	-	(44,557)	(44,557)
Options cancelled	-	(43,926)	(43,926)
September 30, 2019	9,874	560,175	570,049

10. Loss per share

The calculation of basic and diluted loss per share for the nine months ended September 30, 2019 was based on the loss of \$313,976 (2018 - \$1,108,978) and a weighted average number of common shares outstanding of 73,606,271 (2018 – 70,328,040).

All stock options and warrants were excluded from the diluted weighted average number of common shares calculation, as their effect would have been anti-dilutive.

11. Related party payables and transactions

A number of key management personnel and Directors hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. There were no loans to management personnel or Directors, or entities over which they have control or significant influence during the nine months ended September 30, 2019 or September 30, 2018.

Key management personnel and Directors receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company, other than noted below, and there are no employment contracts with them that cannot be terminated without penalty on thirty days' advance notice. Key management personnel and Directors participate in the Company's stock option plan.

There were no stock options granted to key management personnel during the nine months ended September 30, 2019. During the nine months ended September 30, 2018, 500,000 stock options were granted to the Company's CEO having a fair value on issue of \$55,530. The options granted are exercisable at \$0.17 each until March 14, 2023.

There were no stock options exercised by key management personnel during the nine months ended September 30, 2019. During the nine months ended September 30, 2018, the Company's CEO exercised 72,500 options for proceeds to the Company of \$9,425.

During the nine months ended September 30, 2019, 940,000 (2018 – 300,000) stock options were either cancelled as result of a director leaving employment, or expired unexercised. As a result, the original share-based payments expense of \$70,440 in aggregate (2018 - \$38,562), was reversed from contributed surplus and credited to deficit.

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11. Related party payables and transactions (continued)

The Company transacted with the following related parties:

- (a) Douglas Eaton is a Director. He is a shareholder and has significant influence over Archer, Cathro & Associates (1981) Limited (“Archer Cathro”), which is a geological consulting firm. Archer Cathro provides the Company with geological consulting services, including mineral property location, acquisition, exploration and evaluation, management, and office rent and administration.
- (b) Glenn Yeadon is the Company’s Secretary. He controls Glenn R. Yeadon Personal Law Corporation (“Yeadon Law Corp.”), which provides the Company with legal services.
- (c) Larry Donaldson is the Company’s CFO. He is a principal of Donaldson Brohman Martin CPA Inc. (“DBM CPA”) (formerly Donaldson Grassi Chartered Professional Accountants until January 31, 2019), a firm in which he has significant influence. DBM CPA provides the Company with accounting and tax services.
- (d) Ian Talbot is the Company’s COO. He provides the Company with management services.
- (e) Michael Power is the Company’s President and CEO. He controls Paladin Corp., which provides the Company with consulting services. He also has a financial interest in Panarc, which was party to the mineral property transaction with the Company as detailed in note 6(b). On April 1, 2019, the Company entered into a revised Consulting Agreement with Paladin Corp., for a period of twelve months terminating on March 31, 2020. Pursuant to the Agreement, Paladin Corp. will receive a monthly consulting fee of \$11,250, of which 50% will be paid in cash and 50% will be paid in common shares of the Company (note 9).
- (f) Richard Drechsler is the Company’s Vice-President of Communications. He controls Drechsler Consulting Ltd. (“Drechsler Consulting”), which effective February 16, 2018, is providing the Company with his management and administrative services. Prior to February 16, 2018, he was employed by Archer Cathro who billed the Company for his services.

The aggregate value of transactions and outstanding balances with key management personnel and Directors and entities over which they have control or significant influence were as follows:

	Transactions for the nine months ended September 30, 2019 \$	Transactions for the nine months ended September 30, 2018 \$	Balances outstanding September 30, 2019 \$	Balances outstanding December 31, 2018 \$
Archer Cathro				
- geological services	5,340	20,719	838	12,539
- rent and administration	29,816	42,710	3,448	9,786
	35,156	63,429	4,286	22,325
Yeadon Law Corp. (1)	26,860	32,578	-	1,680
DBM CPA	27,700	31,750	9,000	13,000
Ian Talbot	31,500	30,844	-	-
Paladin Corp. (2)(3)	104,140	99,600	-	-
Drechsler Consulting	14,040	17,145	1,228	-
	239,396	275,346	14,514	37,005

(1) Includes \$7,000 in share issue costs for the nine months ended September 30, 2019 (2018 - \$4,200).

(2) Includes geological services (within survey and consulting) of \$25,442 for the nine months ended September 30, 2019 (2018 - \$nil).

(3) As at September 30, 2019, \$35,438 of this amount is included within commitment to issue shares (December 31, 2018 - \$nil).

All related party balances are unsecured and are due within thirty days without interest.

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11. Related party payables and transactions (continued)

The transactions with the key management personnel and Directors are included in general and administrative expenses as follows:

- (a) Consulting fees
- Includes the consulting fees paid to the Company's president and CEO, Mike Power, charged to the Company by Paladin Corp.
- (b) Management, administration and corporate development fees
- Includes the services of Company's COO, Ian Talbot.
 - Includes the services of Company's Vice President of Communications, Richard Drechsler, charged to the Company by Archer Cathro and Drechsler Consulting.
 - Includes charges by Archer Cathro for administrative personnel.
- (c) Office rent
- Charged by Archer Cathro.
- (d) Professional fees
- Includes the legal services of the Company's Secretary, Glenn Yeadon, charged to the Company by Yeadon Law Corp.
 - Includes the accounting services of Company's CFO, Larry Donaldson, charged to the Company by DBM CPA.
- (e) Mineral property examination costs
- Includes charges by Paladin Corp. and Archer Cathro for exploration personnel.

12. Income taxes

Income tax recovery varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before income taxes as follows:

	Nine months ended	
	September 30,	September 30,
	2019	2018
	\$	\$
Loss for the period before income taxes	(313,976)	(1,108,978)
Statutory Canadian corporate tax rate	27.0%	27.0%
Anticipated income tax recovery	84,774	299,424
Change in tax resulting from:		
Unrecognized items for tax purposes	1,750	(50,822)
Tax benefits unrecognized	(86,524)	(248,602)
Net deferred income tax recovery	-	-

As at September 30, 2019, the Company has unclaimed resource and other deductions in the amount of approximately \$21,675,000 (December 31, 2018 - \$21,577,000), which may be deducted against future taxable income. These costs are approximately \$17,662,000 more than the carrying value of the mineral property interests mainly because of the large impairment charges in both 2018 and 2015. The tax benefit of approximately \$4,759,000 on the difference has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the deductions.

As at September 30, 2019, the Company has unused non-capital losses of approximately \$3,793,000, of which \$219,000 will expire in 2031, \$576,000 in 2032, \$551,000 in 2033, \$372,000 in 2034, \$303,000 in 2035 and \$1,772,000 thereafter. The tax benefit of approximately \$1,024,000 on the losses has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the losses.

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12. Income taxes (continued)

As at September 30, 2019, there are share issue costs totaling approximately \$30,000 (December 31, 2018 – \$30,000), which have not been claimed for income tax purposes. The tax benefit of approximately \$8,000 (December 31, 2018 - \$8,000) on the cost has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the deductions.

As at September 30, 2019, the Company has unused investment tax credits of approximately \$1,320,000 (December 31, 2018 - \$1,320,000), of which \$1,137,000 will expire in 2031, \$87,000 in 2032 and \$96,000 in 2033. The tax benefit of approximately \$964,000 on the credits has not been recognized for tax purposes as there is no certainty that there will be adequate taxable income to utilize the credits.

Income tax attributes are subject to review, and potential adjustments, by tax authorities.

13. Supplemental cash flow information

Changes in non-cash operating working capital during the nine months ended September 30, 2019 and September 30, 2018 were comprised of the following:

	September 30, 2019	September 30, 2018
	\$	\$
Receivables and prepayments	(9,677)	(6,627)
Accounts payable and accrued liabilities	(11,569)	(18,532)
Accounts payable to related parties	(10,790)	(7,227)
Net change	(32,036)	(32,386)

The Company incurred non-cash investing activities during the nine months ended September 30, 2019 and September 30, 2018, which were comprised of the following:

	September 30, 2019	September 30, 2018
	\$	\$
Non-cash investing activities:		
Marketable securities received on optioned properties	-	(75,000)
Mineral property option proceeds received by marketable securities	-	75,000
Marketable securities received pursuant to Debt Settlement (note 4)	(12,000)	-
Deferred exploration and evaluation expenditures included in accounts payable and related party payables	14,408	124,866
Lease payments included in accounts payable and accrued liabilities	4,500	-
Value of commitment to issue shares included in mineral property interests (note 9)	8,195	-
Depreciation included in mineral property interests (note 6)	13,336	-
Recognition of equipment as an ROU asset (note 7)	81,600	-
	110,039	124,866

During the nine months ended September 30, 2019 and September 30, 2018, no amounts were paid for interest or income tax expenses.

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14. Commitment**Equipment Lease:**

On April 30, 2019, the Company entered into a lease agreement with a third party for certain exploration equipment situated on its Silver Range project (note 7). The lease has a term of 4.5 years until November 30, 2023.

The Company's minimum annual commitments are as follows:

Fiscal Year	Total Commitment \$
2019 (remainder for the year)	4,500
2020	18,000
2021	18,000
2022	18,000
2023	16,500
Undiscounted amount of lease liability (note 7)	75,000
Future finance charges	(6,797)
	68,203

15. Financial risk management**Capital management**

The Company is a junior resource exploration company and considers items included in shareholders' equity as capital. The Company has no debt and does not expect to enter into debt financing. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Company's capital structure as at September 30, 2019, is comprised of shareholders' equity of \$4,501,289 (December 31, 2018 - \$4,540,656).

The Company currently has no source of revenues. In order to fund future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral properties and its ability to borrow or raise additional financing from equity markets.

Financial instruments - fair value

The Company's financial instruments consist of cash and cash equivalents, marketable securities, reclamation deposits, accounts payable and accrued liabilities, accounts payable to related parties, and lease liability.

The carrying value of accounts payable and accrued liabilities, and accounts payable to related parties approximated their fair value because of the short-term nature of these instruments. The carrying value of lease liability approximated its fair value due to bearing a market rate of interest.

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15. Financial risk management (continued)**Financial instruments - fair value** (continued)

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
September 30, 2019				
Cash	233,144	-	-	233,144
Marketable securities	159,441	17,308	-	176,749
Reclamation deposits	51,779	-	-	51,779
	444,364	17,308	-	461,672
December 31, 2018				
Cash	355,969	-	-	355,969
Marketable securities	113,097	-	-	113,097
Reclamation deposits	100,592	-	-	100,592
	569,658	-	-	569,658

Financial instruments - risk

The Company's financial instruments can be exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk and market and currency risk.

(a) Credit risk

The Company is exposed to credit risk by holding cash and cash equivalents. This risk is minimized by holding the funds in Canadian banks or with Canadian governments. The Company has minimal accounts receivable exposure as its refundable credits are due from the Canadian government.

(b) Interest rate risk

The Company is exposed to interest rate risk because of fluctuating interest rates. Fluctuations in market rates do not have a significant impact on the Company's operations. For the nine months ended September 30, 2019 every 1% fluctuation in interest rates would have impacted loss for the period by approximately \$2,000 (2018 - \$1,000) before income taxes.

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources.

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15. Financial risk management (continued)**Financial instruments – risk** (continued)**(d) Market risk**

The Company is exposed to market risk because of the fluctuating values of its marketable securities. The Company has no control over these fluctuations and does not hedge its investments. Based on the September 30, 2019 portfolio value, every 10% increase or decrease in the share price of the securities would have impacted loss for the period by approximately \$18,000 (2018 - \$14,000) before income taxes.

(e) Currency risk

The Company is exposed to currency risk because it holds funds in United States Dollars (“USD”), which, because of fluctuating exchange rates can create gains or losses at the time the funds are converted to Canadian dollars. The Company has no control over these fluctuations and does not hedge its foreign currency holdings. Based on its September 30, 2019, USD holdings, every 5% increase or decrease in the exchange rate would have impacted loss for the period by approximately \$3,500 (2018 - \$2,000) before income taxes.

16. Event after reporting period

On October 25, 2019, the Company issued 389,483 common shares to Paladin Corp. with an aggregate fair value of \$35,438 for services rendered from April 1, 2019 to September 30, 2019 (note 9).