

Silver Range Resources Ltd.
Condensed Interim Consolidated Financial Statements
For the nine months ended
September 30, 2020
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

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

November 24, 2020

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, 2020 and December 31, 2019

	Note	September 30, 2020 \$	December 31, 2019 \$
Assets			
Current assets			
Cash and cash equivalents	13	316,938	139,081
Receivables and prepayments	3	142,296	28,683
Marketable securities	4	543,806	199,618
		1,003,040	367,382
Non-current assets			
Mineral property interests	6	4,167,076	4,020,770
Equipment	7	50,484	63,819
Reclamation deposits	8	35,107	51,858
		4,252,667	4,136,447
Total assets		5,255,707	4,503,829
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		105,975	27,135
Accounts payable to related parties	11	38,735	62,799
Current portion of lease liability	14	18,000	18,000
		162,710	107,934
Non-current liabilities			
Lease liability	14	34,871	46,432
Total liabilities		197,581	154,366
Shareholders' equity			
Share capital	9	37,397,245	36,852,507
Contributed surplus	9	544,153	571,531
Commitment to issue shares	9	35,438	17,719
Deficit		(32,918,710)	(33,092,294)
Total shareholders' equity		5,058,126	4,349,463
Total liabilities and shareholders' equity		5,255,707	4,503,829
Nature of operations and going concern	1		
Events after the reporting period	16		

Approved on behalf of the Board of Directors on November 24, 2020:

"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, 2020 and September 30, 2019

	Number of shares #	Share capital \$	Contributed surplus \$	Commitment to issue shares \$	Deficit \$	Total shareholders' equity \$
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
January 1, 2020	74,748,201	36,852,507	571,531	17,719	(33,092,294)	4,349,463
Share-based payments	-	-	12,066	-	-	12,066
Re-allocated on cancellation of options	-	-	(39,444)	-	39,444	-
Private placement units issued	6,525,000	522,000	-	-	-	522,000
Share issue costs	-	(12,700)	-	-	-	(12,700)
Shares issued - services	412,839	35,438	-	(17,719)	-	17,719
Shares for services - commitment to issue	-	-	-	35,438	-	35,438
Income and comprehensive income for the period	-	-	-	-	134,140	134,140
September 30, 2020	81,686,040	37,397,245	544,153	35,438	(32,918,710)	5,058,126

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

Silver Range Resources Ltd.

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

For the three and nine months ended September 30,

	Note	Three months ended		Nine months ended	
		September 30, 2020 \$	September 30, 2019 \$	September 30, 2020 \$	September 30, 2019 \$
Expenses					
Administrative expenses		894	6,006	3,500	11,788
Consulting fees	11	9,255	7,327	62,291	39,682
Finance costs	14	604	771	1,939	1,603
Insurance		6,653	7,740	18,643	20,029
Investor relations and shareholder information		9,943	2,881	29,658	9,676
Management, administrative and corporate development fees	11	14,680	14,165	45,274	51,870
Office rent	11	7,500	7,500	22,500	22,500
Professional fees	11	14,322	13,343	55,196	47,841
Share-based payments	9, 11	4,128	634	12,066	14,674
Transfer agent and filing fees		2,726	3,645	7,796	9,394
Loss from operating expenses		(70,705)	(64,012)	(258,863)	(229,057)
Interest income		110	1,060	458	4,240
Foreign exchange gain (loss)		1,840	88	6,290	(3,925)
Gain (loss) on marketable securities	4	91,604	(748)	57,231	21,312
Mineral property examination costs	11	(21,191)	(24,967)	(34,844)	(98,061)
Gain on sale of mineral properties	6	368,611	-	368,611	-
Mineral property write-offs	6	-	-	(9,743)	(8,485)
Sale of data, net		568	-	5,000	-
Income (loss) and comprehensive income (loss) for the period		370,837	(88,579)	134,140	(313,976)
Earnings (loss) per share					
Weighted average number of common shares outstanding					
- basic #	10	81,686,040	74,358,718	78,231,275	73,606,271
- diluted #	10	82,654,550	74,358,718	78,339,289	73,606,271
Basic earnings (loss) per share \$	10	0.00	(0.00)	0.00	(0.00)
Diluted earnings (loss) per share \$	10	0.00	(0.00)	0.00	(0.00)

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	2020 \$	2019 \$
Operating activities			
Income (loss) for the period		134,140	(313,976)
Adjustments for:			
Finance costs		1,939	1,603
Commitment to issue shares included in operating expenses	9	24,697	27,243
Shares issued for services		15,389	-
Share-based payments		12,066	14,674
Gain on marketable securities		(57,231)	(21,312)
Shares issued for mineral property examination costs		-	32,000
Write-off prepaid exploration expenditures to mineral property examination costs		-	12,563
Gain on sale of mineral property interests		(368,611)	-
Mineral property write-offs		9,743	8,485
Interest income		(458)	(4,240)
Net change in non-cash working capital items	13	(117,422)	(32,036)
		(345,748)	(274,996)
Financing activities			
Issue of common shares/units for cash		522,000	200,500
Share issue costs		(12,700)	(8,003)
Lease payments	14	(13,500)	(10,500)
		495,800	181,997
Investing activities			
Interest received		458	4,240
Reclamation deposits	8	15,665	48,813
Proceeds from sale of marketable securities	4	72,864	14,660
Purchase of marketable securities		-	(45,000)
Mineral property option proceeds	6	74,016	98,294
Mineral property acquisition costs	6	(97,379)	(95,582)
Deferred exploration and evaluation expenditures		(37,819)	(55,251)
		27,805	(29,826)
Increase (decrease) in cash and cash equivalents		177,857	(122,825)
Cash and cash equivalents, beginning of period		139,081	355,969
Cash and cash equivalents, end of period		316,938	233,144

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, 2020 and September 30, 2019

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.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s ability to raise capital or conduct exploration activities. There are travel restrictions and health and safety concerns in all areas where the Company operates, including the Yukon Territory, Northwest Territories and Nunavut in Canada, and in Nevada, USA, that may prohibit or delay exploration programs from proceeding. Operations will depend on obtaining necessary field supplies, obtaining contractor services and safeguarding all personnel during the outbreak, which may be prohibitive or too costly. To date, the Company has not experienced any significant delays in carrying out its exploration activities. Various Government wage and loan subsidies are available to qualified companies to assist them with operating costs during the pandemic. To date, the Company has not qualified for assistance, but the various programs are constantly being expanded and relaxed, which may qualify the Company for assistance.

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, 2020, the Company had working capital of \$840,330 (December 31, 2019 - \$259,448), and shareholders’ equity of \$5,058,126 (December 31, 2019 - \$4,349,463). Management has assessed that this working capital is sufficient for the Company to continue as a going concern beyond one year. If the going concern assumption were not appropriate for these financial statements, it could be necessary to restate the Company’s assets and liabilities on a liquidation basis.

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

For the nine months ended September 30, 2020 and September 30, 2019

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, 2019, 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.

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.

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

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, 2020. Accordingly, these financial statements should be read in conjunction with the Company's most recent annual audited financial statements.

3. Receivables and prepayments

Receivables and prepayments consist of the following:

	September 30, 2020	December 31, 2019
	\$	\$
Sales tax recoverable	3,953	6,160
Mineral property expenditures recoverable (note 6(c)(ii), (d)(i), (d)(iv))	93,726	-
Prepaid expenses	44,617	22,523
	142,296	28,683

Silver Range Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

Unaudited – Prepared by Management

For the nine months ended September 30, 2020 and September 30, 2019

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, 2020 and September 30, 2019 is as follows:

	Common shares \$	Warrants \$	Total \$	Total gain (loss) \$
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
Cost				
January 1, 2020	225,702	-	225,702	
Additions	359,821	-	359,821	
Proceeds on disposal	(72,864)	-	(72,864)	
Realized loss	(9,803)	-	(9,803)	(9,803)
September 30, 2020	502,856	-	502,856	
Fair value				
January 1, 2020	177,327	22,291	199,618	
Additions	359,821	-	359,821	
Cost of disposals	(82,667)	-	(82,667)	
Unrealized gain	55,665	11,369	67,034	67,034
September 30, 2020	510,146	33,660	543,806	
Total gain				57,231

Additions for the nine months ended September 30, 2020 include common shares of Trifecta Gold Ltd. ("Trifecta") received pursuant to a Property Purchase Agreement in respect of the Yuge Property (note 6(d)(i)), whereby Trifecta issued to the Company a total of 4,797,611 common shares at a fair value of \$359,821.

Additions for the nine months ended September 30, 2019 included common shares received pursuant to a Debt Settlement Agreement entered into with 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 as at December 31, 2018. No gain or loss was recognized in connection with this settlement.

Additions for the nine months ended September 30, 2019 also included the Company's subscription to a private placement with Rover Metals Corp. ("Rover"). The Company subscribed to 750,000 units of Rover at \$0.06 per unit, for total cash consideration of \$45,000. Each unit comprised 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 (note 6(b)(i)). As at September 30, 2020, the warrants were valued at \$33,660 using the Black-Scholes option pricing model (December 31, 2019 - \$22,291).

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

For the nine months ended September 30, 2020 and September 30, 2019

5. Subsidiary information

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 Resources Ltd. ("Panarc"). 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.

As part of the purchase agreement, 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, 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	35,419	73,794
Write-offs	-	-	(1,238)	(7,247)	(8,485)
Option proceeds	(17,500)	(45,000)	(22,500)	(13,294)	(98,294)
September 30, 2019	932,199	462,488	1,819,756	798,179	4,012,622
January 1, 2020	938,183	390,235	1,846,481	845,871	4,020,770
Acquisitions/staking/assessments	6,210	259	5,520	85,390	97,379
Exploration and evaluation	18,998	5,978	26,278	72,642	123,896
Write-offs	-	-	-	(9,743)	(9,743)
Option proceeds	-	-	-	(433,837)	(433,837)
Gain on sale of mineral property	-	-	-	368,611	368,611
September 30, 2020	963,391	396,472	1,878,279	928,934	4,167,076

Silver Range Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

Unaudited – Prepared by Management

For the nine months ended September 30, 2020 and September 30, 2019

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 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
Quannituk	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, 2020 and September 30, 2019

6. Mineral property interests (continued)

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

	Yukon	Northwest Territories	Nunawut	Nevada	Total
Nine months ended September 30, 2019	\$	\$	\$	\$	\$
Depreciation	13,336	-	-	-	13,336
Field	206	757	334	8,235	9,532
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

Silver Range Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

Unaudited – Prepared by Management

For the nine months ended September 30, 2020 and September 30, 2019

6. Mineral property interests (continued)

Changes in the project carrying amounts for the nine months ended September 30, 2020 are summarized as follows:

	Beginning balance \$	Acquisitions/ staking/ assessments \$	Exploration and evaluation \$	Write-offs \$	Option/sale proceeds \$	Gain on Sale \$	Ending balance \$
Yukon Projects							
Barb	36,003	-	-	-	-	-	36,003
Mel	609,405	6,210	1,618	-	-	-	617,233
Michelle	110,001	-	-	-	-	-	110,001
(1) Silver Range	182,774	-	17,380	-	-	-	200,154
Total	938,183	6,210	18,998	-	-	-	963,391
Northwest Territories Projects							
Hare	36,947	-	-	-	-	-	36,947
Itchen	43,101	-	-	-	-	-	43,101
Sparta	40,187	259	5,008	-	-	-	45,454
Uptown Gold	270,000	-	970	-	-	-	270,970
Total	390,235	259	5,978	-	-	-	396,472
Nunavut Projects							
Atlantis	25,988	-	70	-	-	-	26,058
Bling	182,042	5,520	201	-	-	-	187,763
Esker Lake	149,645	-	-	-	-	-	149,645
Goldbugs	733,006	-	-	-	-	-	733,006
Grumpy	24,313	-	-	-	-	-	24,313
Happy Thought	11,220	-	-	-	-	-	11,220
Hard Cash	176,474	-	113	-	-	-	176,587
Nigel	20,940	-	-	-	-	-	20,940
Noomut	8,636	-	-	-	-	-	8,636
Quannitug	66,745	-	201	-	-	-	66,946
Quartzite	46,059	-	-	-	-	-	46,059
Tree River	103,055	-	24,587	-	-	-	127,642
Uist	116,257	-	115	-	-	-	116,372
Yandle	182,101	-	991	-	-	-	183,092
Total	1,846,481	5,520	26,278	-	-	-	1,878,279
Nevada Projects							
Bellehelen	15,298	1,958	15,094	-	-	-	32,350
Black Star	8,283	991	-	-	-	-	9,274
Bottom Dollar	28,576	1,473	-	-	-	-	30,049
Cold Springs	83,097	5,365	165	-	(10,000)	-	78,627
East Gold Point	25,828	-	1,144	-	(10,000)	-	16,972
East Goldfield	51,904	28,827	3,729	-	(30,000)	-	54,460
Enigma	85,877	5,119	14	-	-	-	91,010
Gold Chief	141,519	5,843	110	-	-	-	147,472
Hannapah	4,907	-	319	-	(14,016)	8,790	-
Irwin	4,792	-	-	(4,792)	-	-	-
Kawich	7,088	1,473	1,820	-	-	-	10,381
Krug	14,771	1,958	-	-	-	-	16,729
Legal Tender	26,986	2,929	16,524	-	-	-	46,439
Loner	22,664	5,638	25,174	-	-	-	53,476
Lucky Boy	13,172	2,205	-	-	-	-	15,377
Mount Tobin	-	-	568	-	-	-	568
Neversweat	-	1,602	755	-	-	-	2,357
Posh	4,951	-	-	(4,951)	-	-	-
Rand	19,856	2,201	-	-	-	-	22,057
Robot	21,787	2,448	-	-	-	-	24,235
Skylight	110,084	3,901	62	-	(10,000)	-	104,047
Sniper	5,221	987	5,012	-	-	-	11,220
Stinson	49,571	5,115	130	-	-	-	54,816
Strongbox	99,639	5,357	2,022	-	-	-	107,018
Yuge	-	-	-	-	(359,821)	359,821	-
Total	845,871	85,390	72,642	(9,743)	(433,837)	368,611	928,934
Total Projects	4,020,770	97,379	123,896	(9,743)	(433,837)	368,611	4,167,076

(1) Includes depreciation on equipment of \$13,335 (note 7).

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

For the nine months ended September 30, 2020 and September 30, 2019

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, 2020	\$	\$	\$	\$	\$
Assays	-	-	-	10,409	10,409
Depreciation (note 7)	13,335	-	-	-	13,335
Field	-	708	993	10,157	11,858
Labour	5,663	270	943	3,042	9,918
Survey and consulting (note 11)	-	5,000	24,342	40,786	70,128
Travel and accommodation	-	-	-	8,248	8,248
Total	18,998	5,978	26,278	72,642	123,896

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

As at September 30, 2020	Cumulative costs, net	Option Proceeds / Write-offs / Gain on Sale	Carrying Value
	\$	\$	\$
Yukon	28,597,015	(27,633,624)	963,391
Northwest Territories	1,132,739	(736,267)	396,472
Nunavut	2,512,225	(633,946)	1,878,279
Nevada	1,088,493	(159,559)	928,934
Total	33,330,472	(29,163,396)	4,167,076

Option proceeds on the projects for the nine months ended September 30, 2020 and September 30, 2019 consisted of the following:

	September 30, 2020	September 30, 2019
	\$	\$
Yukon Projects	-	17,500
Northwest Territories Projects	-	45,000
Nunavut Projects	-	22,500
Nevada projects	433,837	13,294
	433,837	98,294

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, 2020 and September 30, 2019

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 year ended December 31, 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, 2020 and September 30, 2019

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, the Company was to receive cash and Zinciferous common shares. A \$10,000 payment was received on execution of the agreement.

On February 4, 2020, the option agreement was terminated as Zinciferous could not obtain a public listing nor make an extension payment as required under the agreement.

(b) Northwest Territories projects**(i) Uptown Gold property option**

By Agreement dated September 9, 2016, and as amended on August 15, 2017, April 6, 2018, September 5, 2018 and February 18, 2020, the Company granted Rover Metals Corp. ("Rover") the right to earn up to a 100% interest in the Company's Uptown Gold property. For a 75% interest, Rover issued Silver Range 7.5% of its outstanding common shares (1,970,694 common shares received in 2018 at a fair value of \$98,535 (\$0.05 each)), and must make cash payments of \$300,000 and incur exploration expenditures of \$1,600,000 on or before March 16, 2021.

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); and
- \$120,000 on or before March 16, 2021.

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

- \$350,000 on or before September 9, 2017 (incurred); and
- \$1,250,000 on or before March 16, 2021.

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 2,500,000 common shares on or before September 30, 2020 (the Company is currently negotiating amended terms to the option to include removing this date).

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.

During the year ended December 31, 2019, a write-off of \$76,410 was recorded against the Uptown Gold project as it was determined that the carrying value of the project exceeded the expected proceeds from the option to Rover.

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

For the nine months ended September 30, 2020 and September 30, 2019

6. Mineral property interests (continued)**(b) Northwest Territories projects** (continued)**(ii) Cabin Lake royalty interest**

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 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. As Rover did not incur any expenditures on the property during the year ended December 31, 2019, no advance royalty payment was receivable.

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.

(c) Nunavut projects**(i) 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 was to receive cash and Amaroq common shares staged over five years from when Amaroq received a TSX-V or Canadian Securities Exchange Listing (“listing”). In 2019, the Company received cash payments totalling \$32,500.

On February 4, 2020, the agreement was terminated as Amaroq was unable to obtain a listing as required under the Letter Agreement.

(ii) 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. Included in receivables as at September 30, 2020, is \$592 in assessment filings which was subsequently received.

On November 16, 2020, the agreement was terminated by Canarc. During the option period the Company received cash payments of \$30,000, and 300,000 common shares (at a fair value of \$11,500) from Canarc.

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

For the nine months ended September 30, 2020 and September 30, 2019

6. Mineral property interests (continued)**(d) Nevada projects****(i) Yuge property option**

On February 27, 2018, the Company signed a letter of intent, which was subsequently replaced with a definitive agreement (the "Option Agreement"), to option to Trifecta up to a 75% interest in the Company's Yuge property, located in Nevada, USA.

Under the Option Agreement, Trifecta reimbursed the Company staking and recording costs of \$9,066.

On July 7, 2020, the Option Agreement was replaced with a Property Purchase Agreement (the "PP Agreement"). Pursuant to the terms of the PP Agreement, Trifecta can acquire a 100% interest in the Yuge property by:

- Issuing to the Company that number of common shares equal to 9.9% of the total number of issued and outstanding common shares of Trifecta immediately following the closing of the first \$500,000 of a financing (4,797,611 common shares received at a fair value of \$359,821);
- Reimbursing the Company for property maintenance payments, rentals and filing fees made to maintain the property in good standing until September 1, 2021 (\$15,734 is included in receivables as at September 30, 2020 relating to expenditures incurred by the Company on behalf of Trifecta); and
- Paying the Company \$250,000 on or before July 7, 2021 (the "Final Payment").

Upon completion of the PP Agreement, the Company will retain a 2% NSR from the commercial production of any mineral products on the property. At any time following the closing of the PP Agreement, Trifecta will have the right to purchase one-half of the NSR for \$1,000,000.

(ii) 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 was terminated. A \$10,000 payment was received on execution of the agreement.

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

For the nine months ended September 30, 2020 and September 30, 2019

6. Mineral property interests (continued)**(d) Nevada projects (continued)****(iii) East Goldfield property option**

On February 20, 2020, the Company signed a Property Option Agreement with ATAC Resources Ltd. (“ATAC”), a company with common Directors and Officers, to sell ATAC a 100% interest in the Company’s East Goldfield property located in Nevada, USA. Pursuant to the Option Agreement, ATAC has the right to earn an initial 75% interest in the property (the “Initial Option”) by making cash payments to the Company based on the following schedule:

Cash payments of \$400,000:

- \$30,000 on execution of the Option Agreement (received);
- \$40,000 on or before April 1, 2021;
- \$70,000 on or before April 1, 2022;
- \$100,000 on or before April 1, 2023; and
- \$160,000 on or before April 1, 2024.

In addition, the Initial Option requires ATAC to incur exploration expenditures on the property as follows:

- \$200,000 on or before April 1, 2021;
- An additional \$200,000 on or before April 1, 2022; and
- An additional \$9,600,000 on or before December 1, 2025.

ATAC has the right at its sole election to make up 50% of all of the cash payments under the Initial Option through the issuance of common shares to the Company. The number of common shares to be issued as payment is to be calculated using a share price equal to the volume weighted average price of ATAC’s common shares for the 10 trading days immediately preceding the applicable payment date, subject to such price not being less than \$0.05 per share. The Company is not required to accept any number of common shares where accepting the number of shares will result in the Company holding (directly or indirectly) more than an aggregate 19.9% of the issued and outstanding shares of ATAC.

On completion of the Initial Option, ATAC will have the right to acquire an additional 25% interest in the property (the “Second Option”) by paying the Company an additional \$10,000,000 on or before the date that is six months from receipt of a notice from ATAC confirming their desire to exercise the Second Option.

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 \$2 per ounce of gold (or the value equivalent in other metals) on the first 1,000,000 ounces of gold, identified in a NI 43-101 compliant measured and indicated resource estimate application (or proven and probable reserves) to the property; and an additional one-time cash payment equal to \$1 per ounce of gold (or the value equivalent in other metals) on all ounces of gold in excess of 1,000,000 ounces of gold, identified in a NI 43-101 compliant proven or probable reserve estimate applicable (or proven and probable reserves) to the property.

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

For the nine months ended September 30, 2020 and September 30, 2019

6. Mineral property interests (continued)**(d) Nevada projects (continued)****(iv) East Gold Point project option**

On July 27, 2020, the Company signed an option agreement with GGL Resources Corp. (“GGL”), to option to GGL a 75% interest in certain claims underlying the East Gold Point Project (the “EGP property”). Pursuant to the terms of the option agreement, GGL can acquire the project for cash consideration to the Company as detailed below and incurring minimum aggregate exploration expenditures of \$1,500,000 on or before July 31, 2023.

Cash payments of \$180,000:

- \$10,000 upon the execution of the option agreement (received);
- Reimbursing the Company for certain staking costs and fees on or before September 15, 2020 (\$77,400 is included in receivables as at September 30, 2020 relating to expenditures incurred by the Company on behalf of GGL, of which \$8,712 relates to staking costs and fees);
- \$20,000 on or before December 31, 2020; and
- The aggregate of \$150,000 as calculated bi-annually and based on 10% of the expenditures incurred during each of the periods from January 1 to June 30, 2021, and July 1 to December 31, 2021.

Upon GGL having earned the 75% interest in the EGP property it will enter into a 75%/25% joint venture with the Company for further exploration of the project. Additionally, the Company will be entitled to receive a one-time cash payment of US\$4 per ounce of gold identified in a NI 43-101 compliant measured or indicated resource estimate (or proven or probable reserve estimate) on the project.

On July 27, 2020, the Company and a private Nevada corporation (collectively, the “Optionors”) signed an option agreement with GGL, to option to GGL a 100% interest in certain additional claims underlying the East Gold Point Project (the “TOM property”) in which both the Company and the private Nevada corporation each hold a 50% interest. Pursuant to the terms of the option agreement, GGL can acquire the project by incurring aggregate minimum exploration expenditures of US\$1,500,000 on or before July 31, 2023 and reimbursing the Optionors for certain staking costs and fees on or before September 15, 2020 (accrued, \$5,682 as at September 30, 2020).

Upon GGL having earned the 100% interest in the TOM property, the Optionors will be entitled to receive a one-time cash payment of US\$1 per ounce of gold identified in a NI 43-101 compliant measured or indicated resource estimate (or proven or probable reserve estimate) on the project.

Additionally, the Optionors shall retain a 1% NSR on all mineral production from the property, of which up to 1% can be purchased by GGL for a payment of US\$2 per ounce on the first 250,000 ounces of gold contained in any measured or indicated resource estimate (or proven or probable reserve estimate), and US\$1 per ounce of gold above 250,000 ounces thereafter.

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

For the nine months ended September 30, 2020 and September 30, 2019

6. Mineral property interests (continued)**(d) Nevada projects (continued)****(v) 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. On June 30, 2020, Mercury assigned its interest and obligations in the agreement to Infield Capital Corp. ("Infield"). Pursuant to the agreement, the Company will receive cash from Infield based on the following schedule:

Cash payments of US\$30,000:

- US\$10,000 upon execution of the Agreement (received, \$13,294);
- US\$10,000 on or before July 16, 2020 (received \$14,016); and
- US\$10,000 on or before July 16, 2021.

After exercising the option, Infield is required to make annual royalty payments to the Company not to exceed in aggregate US\$205,000, 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 entitled to receive a one-time cash payment of US\$2 per ounce of gold or equivalent identified in a NI 43-101 compliant measured or indicated resource estimate (or proven and probable reserve) to the property.

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

(vi) Cold Springs property option

On September 1, 2020, the Company signed a Definitive Agreement with Supernova Metals Corp. ("Supernova"), formerly Volt Energy Corp., which superseded a letter of intent ("LOI") signed on August 15, 2020, to option to Supernova up to a 75% interest in certain claims underlying the Cold Springs project in Nevada. Under the Definitive Agreement, Supernova can acquire the project for cash consideration to the Company as detailed below, and by completing a minimum of 2,000 metres of drilling by August 31, 2023.

Cash consideration of \$300,000:

- \$10,000 due by August 20, 2020 (received);
- \$20,000 on or before November 30, 2020 (subsequently received);
- \$20,000 on or before February 28, 2021;
- \$50,000 on or before August 31, 2021;
- \$100,000 on or before August 31, 2022;
- \$100,000 on or before August 31, 2023;

The claims will be subject to a 2.5% NSR, of which 1.5% can be purchased by Volt for \$1,250,000.

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

For the nine months ended September 30, 2020 and September 30, 2019

6. Mineral property interests (continued)**(d) Nevada projects (continued)****(viii) Skylight property option**

On August 28, 2020, the Company signed a Property Option Agreement with Rush Gold Corp. ("Rush") to sell Rush a 100% interest in the Company's Skylight property located in Nevada, USA. Pursuant to the agreement, the Company will receive cash and common shares of Rush staged over three years from Rush based on the following schedule:

Cash payments of \$320,000:

- \$10,000 upon execution of the Agreement (received);
- \$10,000 upon Rush obtaining a public listing;
- \$100,000 on or before August 28, 2022; and
- \$200,000 on or before August 28, 2023.

650,000 common shares of Rush:

- 50,000 common shares upon Rush obtaining a public listing;
- 100,000 common shares on or before August 28, 2021;
- 200,000 common shares on or before August 28, 2022;
- 300,000 common shares on or before August 28, 2023.

To exercise the option, Rush must also complete 3,000 metres of drilling on the property on or before August 28, 2023; and provide the Company with US\$3,600 on or before August 1, 2021, for the purposes of maintaining the claims comprising the property in good standing.

The Company will retain a 3% NSR on all mineral production from the property, of which up to 2% can be purchased by Rush at any time before commencement of commercial production on the property for \$1,000,000. Additionally, the Company is entitled to receive a one-time cash payment of US\$4 per ounce of gold or equivalent identified in a NI 43-101 compliant measured or indicated resource estimate (or proven and probable reserve) to the property. If Rush has not identified either a mineral resource or mineral reserve on or before August 28, 2026, Rush will be required to pay US\$10,000 to the Company on such date and on all subsequent anniversaries of the agreement until such time that a mineral resource or mineral reserve is established.

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

For the nine months ended September 30, 2020 and September 30, 2019

7. Equipment

	Right-of-use asset \$
Cost	
January 1, 2019	-
Additions	81,600
December 31, 2019	81,600
Accumulated depreciation	
January 1, 2019	-
Depreciation	17,781
December 31, 2019	17,781
Cost	
January 1, 2020 and September 30, 2020	81,600
Accumulated depreciation	
January 1, 2020	17,781
Depreciation	13,335
September 30, 2020	31,116
Net book value	
December 31, 2019	63,819
September 30, 2020	50,484

Equipment is comprised of a right-of-use (“ROU”) asset, being the lease to purchase of exploration equipment situated at the Company’s Silver Range project (Keg claims). Depreciation is taken on the ROU asset on a straight-line basis over the term of the lease and has been capitalized as part of the Silver Range mineral property interest (note 6). Title to the equipment remains with the lessor until completion of the lease. See note 14 for lease liability details.

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 (“KIA”), 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 year ended December 31, 2019, the BLM released one of the Company’s bonds totalling \$48,295 which matured during the nine months ended September 30, 2020. The bond was recorded within cash and cash equivalents as at December 31, 2019.

During the nine months ended September 30, 2020, the KIA released one of the Company’s bonds totalling \$15,665.

Silver Range Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

Unaudited – Prepared by Management

For the nine months ended September 30, 2020 and September 30, 2019

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, 2020:

- (a) On April 6, 2020, the Company closed the first tranche of a private placement consisting of 1,300,000 units at a price of \$0.08 per unit for gross proceeds of \$104,000. Each unit is comprised of one common share and one share purchase warrant, exercisable at a price of \$0.16 until April 6, 2022. The residual value of the warrants attached to the private placement units were determined to be \$nil.

There were no finders' fees paid in respect of the placement. Legal and filing fees amounted to \$4,500 and were recorded as a reduction to share capital.

- (b) On May 6, 2020, the Company issued 412,839 common shares to Paladin Corp. with a fair value of \$35,438, in settlement of consulting fees as described below.

- (c) On May 26, 2020, the Company closed the second tranche of a private placement consisting of 5,225,000 units at a price of \$0.08 per unit for gross proceeds of \$418,000. Each unit is comprised of one common share and one share purchase warrant, exercisable at a price of \$0.16 until May 26, 2022. The residual value of the warrants attached to the private placement units were determined to be \$nil.

There were no finders' fees paid in respect of the placement. Legal and filing fees amounted to \$8,200 and were recorded as a reduction of share capital.

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 were 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 were recorded as a share issue cost deducted from share capital.

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

For the nine months ended September 30, 2020 and September 30, 2019

9. Share capital (continued)**Commitment to issue shares**

On April 1, 2019, the Company entered into a revised Consulting Agreement with Paladin Corp., a company controlled by the President and CEO of the Company. The Consulting Agreement terminated on March 31, 2020 and was extended by way of an Amending Agreement effective April 1, 2020 for twelve months to March 31, 2021.

Pursuant to the Amending Agreement, Paladin Corp. will continue to receive a monthly consulting fee of \$11,250 in cash and shares, of which a minimum of 50% of the fee and, at the sole discretion of Paladin Corp., up to a maximum of 100% of the fee will be payable in common shares of the Company. All other terms of the Amending Agreement are unchanged from the original revised Consulting Agreement. The consulting fee is paid/accrued on a monthly basis, and the common shares are issuable semi-annually. Amounts rendered by Paladin Corp. are recorded within both operating expenses and mineral property interests (notes 11,13).

All share issuances are subject to regulatory approval, including TSX-V acceptance, and are 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 is 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.

As at September 30, 2020, the Company has accrued a commitment for \$35,438, comprised of \$24,697 included within operating expenses and \$9,053 capitalized as mineral property costs (both amounts are before applicable sales taxes). Subsequent to September 30, 2020, the Company issued 297,600 common shares to Paladin Corp. in settlement of the accrued commitment which represents services rendered from April 1, 2020 to September 30, 2020 (note 16). Additionally, during the nine months ended September 30, 2020, the Company issued 412,839 common shares to Paladin Corp. for services rendered from October 1, 2019 to March 31, 2020, (year ended December 31, 2019 - 389,483 common shares were issued for services from April 1, 2019 to September 30, 2019).

As at December 31, 2019, \$17,719 was accrued of which \$11,259 was included as part of operating expenses and \$6,460 capitalized as mineral property costs.

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, 2020 and December 31, 2019 and changes during the period/year then ended is as follows:

	Period ended September 30, 2020		Year ended December 31, 2019	
	Options #	Weighted average exercise price \$	Options #	Weighted average exercise price \$
Options outstanding, beginning of period/year	3,665,000	0.22	4,945,000	0.20
Granted	400,000	0.13	-	-
Expired	-	-	(1,035,000)	0.15
Cancelled	(220,000)	0.25	(245,000)	0.25
Options outstanding, end of period/year	3,845,000	0.21	3,665,000	0.22

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

For the nine months ended September 30, 2020 and September 30, 2019

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

As at September 30, 2020, 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
1,895,000	1,895,000	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	100,000	0.15	October 26, 2023
300,000	150,000	0.11	January 13, 2025
100,000	-	0.19	September 2, 2025
3,845,000	3,595,000		

The following table summarizes information about the stock options outstanding at September 30, 2020:

Exercise prices \$	Options #	Weighted average remaining life (years)	Weighted average exercise price \$
0.11 - 0.21	1,950,000	2.44	0.16
0.25	1,895,000	1.72	0.25
	3,845,000	2.08	0.21

During the nine months ended September 30, 2020, 400,000 stock options were granted to a new Director and consultants. The stock options are exercisable at a weighted average price of \$0.13 each and expire on either January 13, 2025 (300,000) or September 2, 2025 (100,000). The Company recorded the fair value of all options granted using the Black-Scholes option pricing model. Share-based payment expense was calculated using the following weighted average assumptions: expected life of options – five years, stock price volatility – 89.00%, no dividend yield, and a risk-free interest rate yield – 1.30%. 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 fair value weighted average of options granted during the nine months ended September 30, 2020, was \$0.07 per option, for an aggregate total of \$28,322. The total share-based payment expense for the nine months ended September 30, 2020 was \$12,066 (2019 - \$14,674) and includes only options that vested during the period.

During the nine months ended September 30, 2020, 220,000 options were cancelled as a result of a Director leaving employment. As a result, the original share-based payments expense of \$39,444 was reversed from contributed surplus and credited to deficit.

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, 2019, no stock options were granted or exercised.

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

For the nine months ended September 30, 2020 and September 30, 2019

9. Share capital (continued)**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, 2020 and December 31, 2019 and changes during the period/year then ended is as follows:

	Period ended September 30, 2020		Year ended December 31, 2019	
	Warrants #	Weighted average exercise price \$	Warrants #	Weighted average exercise price \$
Warrants outstanding, beginning of period/year	4,615,333	0.25	13,302,833	0.27
Issued	6,525,000	0.16	-	-
Expired	(4,615,333)	0.25	(8,687,500)	0.27
Warrants outstanding, end of period/year	6,525,000	0.16	4,615,333	0.25

As at September 30, 2020, the Company has warrants outstanding and exercisable as follows:

Warrants outstanding #	Warrants exercisable #	Exercise price \$	Expiry date
1,300,000	1,300,000	0.16	April 6, 2022
5,225,000	5,225,000	0.16	May 26, 2022
6,525,000	6,525,000		

Contributed surplus

Contributed surplus is comprised of the accumulated fair value of stock options recognized as share-based payments and the value of previously forfeited common shares. Contributed surplus is increased by the fair value of stock options on vesting and is reduced by corresponding amounts when the options expire or are exercised or cancelled. Future fluctuations in contributed surplus may also include the fair value of finders' warrants issued on private placements and corresponding reductions when the warrants expire or are exercised.

	Shares \$	Options \$	Total \$
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
January 1, 2020	9,874	561,657	571,531
Options vesting	-	12,066	12,066
Options cancelled	-	(39,444)	(39,444)
September 30, 2020	9,874	534,279	544,153

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

For the nine months ended September 30, 2020 and September 30, 2019

10. Earnings (loss) per share

The calculation of basic and diluted earnings (loss) per share for the nine months ended September 30, 2020 and September 30, 2019, is based on the following:

	Nine months ended September 30,	
	2020	2019
Income (loss) for the period	\$ 134,140	\$ (313,976)
Weighted average number of common shares outstanding - basic	78,231,275	73,606,271
Dilutive effect of stock options and warrants	108,014	-
Weighted average number of common shares outstanding - diluted	78,339,289	73,606,271
Basic earnings (loss) per share \$	\$ 0.00	\$ (0.00)
Diluted earnings (loss) per share \$	\$ 0.00	\$ (0.00)

The calculation of basic earnings per share for the nine months ended September 30, 2020 was based on the income attributable to common shareholders, and the weighted average number of common shares outstanding. The calculation of diluted earnings per share reflects the potential dilution of common share equivalents, such as outstanding stock options and warrants, in the weighted average number of common shares outstanding, if dilutive. During the nine months ended September 30, 2020, certain stock options and warrants had a dilutive impact.

The calculation of basic and diluted earnings (loss) per share for the three months ended September 30, 2020 and September 30, 2019, is based on the following:

	Three months ended September 30,	
	2020	2019
Income (loss) for the period	\$ 370,837	\$ (88,579)
Weighted average number of common shares outstanding - basic	81,686,040	74,358,718
Dilutive effect of stock options and warrants	968,510	-
Weighted average number of common shares outstanding - diluted	82,654,550	74,358,718
Basic earnings (loss) per share \$	\$ 0.00	\$ (0.00)
Diluted earnings (loss) per share \$	\$ 0.00	\$ (0.00)

The calculation of basic earnings per share for the three months ended September 30, 2020 was based on the income attributable to common shareholders, and the weighted average number of common shares outstanding. The calculation of diluted earnings per share reflects the potential dilution of common share equivalents, such as outstanding stock options and warrants, in the weighted average number of common shares outstanding, if dilutive. During the three months ended September 30, 2020, certain stock options and warrants had a dilutive impact.

Silver Range Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

Unaudited – Prepared by Management

For the nine months ended September 30, 2020 and September 30, 2019

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, 2020 and September 30, 2019.

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.

During the nine months ended September 30, 2020, the Company granted 200,000 stock options (2019 – none) to a new Director having a fair value on grant of \$10,161.

There were no stock options exercised by key management personnel during the nine months ended September 30, 2020 and September 30, 2019.

During the nine months ended September 30, 2020, 220,000 (2019 – 940,000 were either cancelled or expired unexercised) stock options were cancelled as result of a Director resigning. As a result, the original share-based payments expense of \$39,444 (2019 - \$70,440 in aggregate), was reversed from contributed surplus and credited to deficit.

The Company transacted with the following related parties:

- (a) Douglas Eaton is a Company 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, 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"), 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. The consulting fees are paid by cash and shares (note 9). He also had a financial interest in Panarc, which was party to the mineral property transaction with the Company as detailed in note 5. He has relinquished his interest in Panarc for shares of Silver Range owned by Panarc.
- (f) Richard Drechsler is the Company's Vice-President of Communications. He controls Drechsler Consulting Ltd. ("Drechsler Consulting"), which provides the Company with management and administrative services.

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

For the nine months ended September 30, 2020 and September 30, 2019

11. Related party payables and transactions (continued)

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 nine months ended September 30, 2020 \$	Transactions nine months ended September 30, 2019 \$	Balances outstanding September 30, 2020 \$	Balances outstanding December 31, 2019 \$
Archer Cathro				
- geological services	8,030	5,340	-	31,664
- rent and administration	37,736	29,816	3,392	5,186
	45,766	35,156	3,392	36,850
Yeadon Law Corp. (1)	41,128	26,860	6,623	6,444
DBM CPA	24,500	27,700	8,000	13,000
Ian Talbot	22,973	31,500	2,772	-
Paladin Corp. (2)(3)	101,304	104,140	15,870	6,505
Drechsler Consulting	12,645	14,040	2,078	-
	248,316	239,396	38,735	62,799

(1) Includes \$12,700 in share issue costs for the nine months ended September 30, 2020 (2019 - \$7,000).

(2) Includes geological services (within survey and consulting) of \$19,075 for the nine months ended September 30, 2020 (2019 - \$25,442).

(3) As at September 30, 2020, an additional \$35,438 has been accrued and included within commitment to issue shares (December 31, 2019 - \$17,719).

All related party balances are unsecured and are due within thirty days without interest. The related party transactions do not include expense reimbursements or recoverable sales tax amounts that are included in the period/year end related party payable balances.

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 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 and tax services of the Company's CFO, Larry Donaldson, charged to the Company by DBM CPA.

(e) Mineral property examination costs

- Includes charges by Paladin Corp.

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

For the nine months ended September 30, 2020 and September 30, 2019

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 income (loss) before income taxes as follows:

	September 30, 2020	September 30, 2019
	\$	\$
Income (loss) for the period before income taxes	134,140	(313,976)
Statutory Canadian corporate tax rate	27.0%	27.0%
Anticipated income tax (expense) recovery	(36,218)	84,774
Change in tax resulting from:		
Unrecognized items for tax purposes	8,114	1,750
Tax benefits unrecognized	28,104	(86,524)
Net deferred income tax recovery	-	-

As at September 30, 2020, the Company has unclaimed resource and other deductions in the amount of approximately \$21,547,000 (December 31, 2019 - \$21,738,000), which may be deducted against future taxable income. These costs are approximately \$17,380,000 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 \$4,693,000 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, 2020, the Company has unused non-capital losses of approximately \$4,186,000 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 \$2,165,000 thereafter. The tax benefit of approximately \$1,128,000 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.

As at September 30, 2020, the Company has unused capital losses of approximately \$10,000. The tax benefit of approximately \$1,300 on the losses has not been recognized for tax purposes as there is no certainty that there will be adequate future capital gains to utilize the losses.

As at September 30, 2020, there are share issue costs totaling approximately \$30,000 (December 31, 2019 - \$27,000), which have not been claimed for income tax purposes. The tax benefit of approximately \$8,000 (December 31, 2019 - \$7,000) 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, 2020, the Company has unused investment tax credits of approximately \$1,320,000 (December 31, 2019 - \$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.

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

For the nine months ended September 30, 2020 and September 30, 2019

13. Supplemental cash flow information

Changes in non-cash operating working capital during the nine months ended September 30, 2020 and September 30, 2019 were comprised of the following:

	September 30, 2020	September 30, 2019
	\$	\$
Receivables and prepayments	(110,839)	(9,677)
Accounts payable and accrued liabilities	(14,183)	(11,569)
Accounts payable to related parties	7,600	(10,790)
Net change	(117,422)	(32,036)

The Company incurred non-cash financing and investing activities during the nine months ended September 30, 2020 and September 30, 2019, which were comprised of the following:

	September 30, 2020	September 30, 2019
	\$	\$
Non-cash financing activities:		
Lease payments included in accounts payable and accrued liabilities (note 14)	4,500	4,500
	4,500	4,500
Non-cash investing activities:		
Marketable securities received pursuant to Debt Settlement (note 4)	-	(12,000)
Depreciation included in mineral property interests (note 6)	13,335	13,336
Recognition of equipment as an ROU asset (note 7)	-	81,600
Deferred mineral property costs included in accounts payable and related party payables	93,428	14,408
Value of commitment to issue shares included in mineral property interests (note 9)	4,599	8,195
Value of shares issued included in mineral property interests	2,330	-
	113,692	105,539

During the nine months ended September 30, 2020 and September 30, 2019, no amounts were paid for interest or income tax expenses.

Cash and cash equivalents consist of the following:

	September 30, 2020	December 31, 2019
	\$	\$
Bank and broker balances	316,938	91,361
Cashable investment certificates	-	47,720
	316,938	139,081

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

For the nine months ended September 30, 2020 and September 30, 2019

14. Lease liability**Equipment lease**

On April 30, 2019, the Company entered into a lease to purchase agreement with a third party for certain exploration equipment situated on its Silver Range project (note 7).

A reconciliation of the carrying amount of the lease liability as at September 30, 2020 and December 31, 2019, and for the period/year then ended is shown below. The lease commenced on April 30, 2019 and has a term of 4.5 years to November 30, 2023.

	September 30, 2020	December 31, 2019
	\$	\$
Balance, beginning of period/year	64,432	-
Additions	-	81,600
(1) Lease payments	(13,500)	(19,500)
Lease interest (finance costs)	1,939	2,332
Balance, end of period/year	52,871	64,432
Current portion of lease liability	18,000	18,000
Non-current portion of lease liability	34,871	46,432
	52,871	64,432

- (1) As at September 30, 2020, \$4,500 of the lease payments are included within accounts payable and accrued liabilities (December 31, 2019 - \$4,500).

As at September 30, 2020, the total undiscounted amount of the estimated future cash flows to settle the Company's lease liability over the remaining lease term is \$57,000.

The Company's minimum annual commitments are as follows:

Fiscal Year	Total Commitment \$
2020 (remaining)	4,500
2021	18,000
2022	18,000
2023	16,500
Undiscounted amount of lease liability	57,000
Future finance charges	(4,129)
	52,871

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

For the nine months ended September 30, 2020 and September 30, 2019

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, 2020, is comprised of shareholders' equity of \$5,058,126 (December 31, 2019 - \$4,349,463).

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, other receivables, marketable securities, reclamation deposits, accounts payable and accrued liabilities, accounts payable to related parties, and lease liability.

The carrying value of other receivables, 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 approximates its fair value due to bearing a market rate of interest.

Financial instruments measured at fair value on the statements 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, 2020				
Cash and cash equivalents	316,938	-	-	316,938
Marketable securities	510,146	33,660	-	543,806
Reclamation deposits	35,107	-	-	35,107
	862,191	33,660	-	895,851
December 31, 2019				
Cash and cash equivalents	139,081	-	-	139,081
Marketable securities	177,327	22,291	-	199,618
Reclamation deposits	51,858	-	-	51,858
	368,266	22,291	-	390,557

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

For the nine months ended September 30, 2020 and September 30, 2019

15. Financial risk management (continued)**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, 2020, every 1% fluctuation in interest rates would have impacted loss for the period by approximately \$2,000 (2019 - \$2,000) 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.

(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, 2020 portfolio value, every 10% increase or decrease in the share price of the securities would have impacted loss for the period by approximately \$54,000 (2019 - \$18,000) before income taxes.

(e) Currency risk

The Company is exposed to currency risk because it holds funds and receivables 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, 2020 USD holdings, every 5% increase or decrease in the exchange rate would have impacted loss for the period by approximately \$2,000 (2019 - \$3,500) before income taxes.

16. Events after the reporting period

On October 29, 2020, the Company issued 297,600 common shares to Paladin Corp. in settlement of \$35,438 in accrued services payable at September 30, 2020 (note 9).

On November 5, 2020, the Company granted 100,000 stock options to a consultant, exercisable at \$0.24 per option until November 5, 2025.