



RUPERT RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED

MAY 31, 2021

(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim consolidated financial statements of Rupert Resources Ltd. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements; and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the years presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Rupert Resources Ltd.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited)

As at	May 31, 2021	February 28, 2021
ASSETS		
Current assets		
Cash and cash equivalents (note 3)	\$ 14,229,126	\$ 21,724,305
Marketable securities (notes 4 and 8)	560,000	665,000
Prepays and sundry receivables (note 5)	303,892	585,971
	15,093,018	22,975,276
Non-current assets		
Restricted cash (note 6)	1,324,598	1,378,394
Buildings and equipment (note 7)	3,152,210	3,144,317
Exploration and evaluation assets (note 8)	51,693,176	47,460,493
	\$ 71,263,002	\$ 74,958,480
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Amounts payable and accrued liabilities (notes 9 and 14)	\$ 2,837,765	\$ 3,499,898
	2,837,765	3,499,898
Non-current liabilities		
Asset retirement obligation (note 10)	3,397,023	3,534,987
	6,234,788	7,034,885
Shareholders' Equity		
Share capital (note 11)	106,607,122	106,607,122
Contributed surplus (note 11)	7,888,116	7,304,431
Warrants (note 11)	3,086,786	3,086,786
Cumulative translation adjustment	(1,072,564)	728,958
Equity portion of convertible debentures	75,700	75,700
Deficit	(51,556,946)	(49,879,402)
	65,028,214	67,923,595
Total liabilities and shareholders' equity	\$ 71,263,002	\$ 74,958,480

Nature of Operations (note 1)

Commitments and Contingencies (note 16)

Subsequent Event (note 17)

Approved on behalf of the Board:

(Signed) "Gunnar Nilsson" Director

(Signed) "James Withall" Director

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

Rupert Resources Ltd.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)**

	Three Months Ended May 31,	
	2021	2020
Operating expenses		
General and administrative expenses (note 12)	\$ 992,023	\$ 641,910
Share-based payments (note 11)	583,685	418,400
Loss before other items	(1,575,708)	(1,060,310)
Depreciation (note 7)	-	(7)
Realized and unrealized gain (loss) on marketable securities	(105,000)	-
Other income	3,164	773
Net (loss) for the period	(1,677,544)	(1,059,544)
Other comprehensive (loss) gain		
Item that will be reclassified subsequently to income		
Exchange differences on translating foreign operations	(1,801,522)	1,043,684
Net (loss) and comprehensive (loss) for the period	\$ (3,479,066)	\$ (15,860)
Basic and diluted net (loss) per share (note 13)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding - basic and diluted (note 13)	165,285,761	132,270,587

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

Rupert Resources Ltd.**Condensed Consolidated Interim Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

Three Months Ended May 31,	2021	2020
Operating activities		
Net loss for the period	\$ (1,677,544)	\$ (1,059,544)
Adjustments for:		
Share-based payments - vesting of Black-Scholes value of options granted	583,685	418,400
Unrealized loss on marketable securities	105,000	-
Depreciation	-	7
Exchange differences on translating foreign operations	(48,297)	(59,735)
Changes in non-cash working capital items:		
Prepays and sundry receivables	282,079	143,572
Amounts payable and accrued liabilities	(662,133)	(910,520)
	(1,417,210)	(1,467,820)
Investing activities		
Expenditure on exploration and evaluation assets	(5,947,360)	(3,302,462)
Purchase of buildings and equipment	(130,609)	(19,158)
	(6,077,969)	(3,321,620)
Net change in cash	(7,495,179)	(4,789,440)
Cash, beginning of period	21,724,305	14,313,403
Cash, end of period	\$ 14,229,126	\$ 9,523,963

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

Rupert Resources Ltd.**Condensed Consolidated Interim Statements of Changes in Capital****(Expressed in Canadian Dollars)****(Unaudited)**

	Share Capital	Cumulative Translation Adjustment	Contributed Surplus	Warrants	Convertible Debentures	Deficit	Total
Balance, February 28, 2021	\$106,607,122	\$ 728,958	\$ 7,304,431	\$ 3,086,786	\$ 75,700	\$ (49,879,402)	\$ 67,923,595
Share-based payments (notes 11 and 14)	-	-	583,685	-	-	-	583,685
Net loss and comprehensive loss for the period	-	(1,801,522)	-	-	-	(1,677,544)	(3,479,066)
Balance, May 31, 2021	\$106,607,122	\$ (1,072,564)	\$ 7,888,116	\$ 3,086,786	\$ 75,700	\$ (51,556,946)	\$ 65,028,214
Balance, February 29, 2020	\$ 80,328,629	\$ (221,811)	\$ 6,322,098	\$ 3,086,786	\$ 75,700	\$ (41,585,306)	\$ 48,006,096
Share-based payments (notes 11 and 14)	-	-	418,400	-	-	-	418,400
Net loss and comprehensive gain for the period	-	1,043,684	-	-	-	(1,059,544)	(15,860)
Balance, May 31, 2020	\$ 80,328,629	\$ 821,873	\$ 6,740,498	\$ 3,086,786	\$ 75,700	\$ (42,644,850)	\$ 48,408,636

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

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended May 31, 2021

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of Operations

Rupert Resources Ltd. (the "Company" or "Rupert") is a company incorporated under the laws of the Province of British Columbia. The Company is currently seeking out viable mineral exploration and evaluation opportunities and its primary projects located in Finland. The business of exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration programs will result in profitable mining operations. The Company's primary office is The Canadian Venture Building, 82 Richmond St East, Suite 202, Toronto, Ontario M5C 1P1.

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods. The Company is monitoring the business environment as a result to ensure minimal disruption to business operations. The Company continues to be in operations as of the current date.

The Company's outstanding common shares trade on the TSX Venture Exchange under the symbol RUP. As at May 31, 2021, an investor of the Company, Alan Brimacombe, controlled 18,824,300 common shares of the Company or approximately 11.4% of the total common shares outstanding. To the knowledge of directors and officers of Rupert, the remainder of the Company's outstanding common shares are widely held. These holdings can change at any time at the discretion of the owner.

2. Significant Accounting Policies

(a) Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of July 29, 2021, the date on which the Board of Directors approved the unaudited condensed interim consolidated financial statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended February 28, 2021, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending February 28, 2022 could result in restatement of these unaudited condensed interim consolidated financial statements.

(b) New Accounting Policies Adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after March 1, 2021. Many are not applicable or do not have a significant impact to the Company and have been excluded.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended May 31, 2021

(Expressed in Canadian Dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(c) Future Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after March 1, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded.

3. Cash and Cash Equivalents

	As at May 31, 2021	As at February 28, 2021
Cash	\$ 14,129,126	\$ 21,624,305
Guaranteed investment certificates ("GIC's")	100,000	100,000
Total	\$ 14,229,126	\$ 21,724,305

The GIC's earn interest at 0.1%, mature one year from the date of purchase and provide security for the Company's credit cards.

4. Marketable Securities

	As at May 31, 2021	As at February 28, 2021
Trillium Gold Mines Ltd - 500,000 common shares	\$ 560,000	\$ 665,000

5. Prepaids and Sundry Receivables

	As at May 31, 2021	As at February 28, 2021
Prepaid expenses and sundry receivables	\$ 214,180	\$ 249,587
Other receivable	275	-
Sales tax receivable	89,437	336,384
	\$ 303,892	\$ 585,971

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended May 31, 2021

(Expressed in Canadian Dollars)

(Unaudited)

6. Restricted Cash

In connection with the acquisition of the Pahtavaara Gold Mine, the Company purchased environmental bonds of EURO 888,000 for the sole purpose of settling the future restoration obligations of the Pahtavaara Gold Mine (note 10). The bonds are not interest-bearing and have no maturity date. This cash is not available for general corporate purposes.

With the acquisition of Northern Aspect Resources Ltd. the Company also acquired a EURO 17,500 deposit for the sole purpose of settling the future restoration obligations of the Hirsikangas Gold Project. The deposit are not interest-bearing and have no maturity date. This cash is not available for general corporate purposes.

7. Buildings and Equipment

	Computers	Equipment and Machinery	Buildings	Vehicles	Office Furniture	Total
Period ended May 31, 2020						
At February 29, 2020	\$ 6,084	\$1,628,678	\$ 947,239	\$ 128,319	\$ 3,042	\$2,713,362
Additions	-	19,158	-	-	-	19,158
Foreign exchange differences	253	60,444	35,154	4,808	113	100,772
Depreciation	(38)	-	-	(45)	-	(83)
	\$ 6,299	\$1,708,280	\$ 982,393	\$ 133,082	\$ 3,155	\$2,833,209
At May 31, 2020						
Cost	\$ 7,507	\$1,708,280	\$ 982,393	\$ 114,889	\$ 3,155	\$2,816,224
Accumulated depreciation	(1,208)	-	-	18,193	-	16,985
Net book value at May 31, 2020	\$ 6,299	\$1,708,280	\$ 982,393	\$ 133,082	\$ 3,155	\$2,833,209
Period ended May 31, 2021						
At February 28, 2021	\$ 6,231	\$2,002,070	\$ 984,574	\$ 148,280	\$ 3,162	\$3,144,317
Additions (net)	-	130,609	-	-	-	130,609
Foreign exchange differences	(243)	(78,136)	(38,426)	(5,787)	(124)	(122,716)
At May 31, 2021	\$ 5,988	\$2,054,543	\$ 946,148	\$ 142,493	\$ 3,038	\$3,152,210
At May 31, 2021						
Cost	\$ 7,246	\$2,054,543	\$ 946,148	\$ 173,778	\$ 3,038	\$3,184,753
Accumulated depreciation	(1,258)	-	-	(31,285)	-	(32,543)
Net book value at May 31, 2021	\$ 5,988	\$2,054,543	\$ 946,148	\$ 142,493	\$ 3,038	\$3,152,210

Depreciation has not been charged on buildings and equipment as they have been determined by management not to be available for use.

At May 31, 2021 and May 31, 2020, management assessed the assets classified as not available for use for impairment. No impairment losses were noted for both periods

Rupert Resources Ltd.**Notes to Condensed Consolidated Interim Financial Statements****Three Months Ended May 31, 2021****(Expressed in Canadian Dollars)****(Unaudited)**

8. Exploration and Evaluation Assets

The Company's exploration and evaluation assets consist of the following:

	Osikonmaki Property	Hirsikangas Property	Gold Centre Property	Pahtavaara Gold Mine	Total
Balance, February 28, 2021	\$ -	\$ 3,710,725	\$ -	\$ 43,749,768	\$ 47,460,493
<u>Acquisition Costs</u>					
Licenses and permits	-	244,446	-	335,059	579,505
	\$ -	\$ 3,955,171	\$ -	\$ 44,084,827	\$ 48,039,998
<u>Exploration and Evaluation Costs</u>					
Assays	\$ -	\$ -	\$ -	\$ 1,160,165	\$ 1,160,165
Geological consulting	-	-	-	44,139	44,139
Consulting	-	-	-	75,133	75,133
Geophysics	-	13,578	-	28,533	42,111
Drilling	-	202,179	-	3,055,711	3,257,890
Equipment rental	-	-	-	6,394	6,394
Transportation	-	-	-	52,103	52,103
Fuel	-	-	-	4,454	4,454
Utilities	-	-	-	54,374	54,374
Salaries	-	19,945	-	651,127	671,072
Foreign exchange differences	-	(144,538)	-	(1,570,119)	(1,714,657)
Balance, May 31, 2021	\$ -	\$ 4,046,335	\$ -	\$ 47,646,841	\$ 51,693,176

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements
Three Months Ended May 31, 2021
(Expressed in Canadian Dollars)
(Unaudited)

8. Exploration and Evaluation Assets (continued)

	Osikonmaki Property	Hirsikangas Property	Gold Centre Property	Pahtavaara Gold Mine	Total
Balance, February 29, 2020	\$ 2,995,551	\$ 2,982,245	\$ 200,660	\$ 26,694,842	\$ 32,873,298
<u>Acquisition Costs</u>					
Licenses and permits	-	216,907	-	69,467	286,374
	\$ 2,995,551	\$ 3,199,152	\$ 200,660	\$ 26,764,309	\$ 33,159,672
<u>Exploration and Evaluation Costs</u>					
Assays	\$ -	\$ -	\$ -	\$ 773,539	\$ 773,539
Geological consulting	-	-	-	59,579	59,579
Consulting	-	-	-	72,731	72,731
Geophysics	-	33,787	-	57,253	91,040
Drilling	-	-	-	1,303,721	1,303,721
Equipment rental	-	-	-	6,240	6,240
Transportation	-	-	-	16,287	16,287
Travel	-	-	-	6,974	6,974
Utilities	-	-	-	68,862	68,862
Salaries	-	-	-	578,379	578,379
Foreign exchange difference	88,170	108,030	-	832,753	1,028,953
Balance, May 31, 2020	\$ 3,083,721	\$ 3,340,969	\$ 200,660	\$ 30,540,627	\$ 37,165,977

Pahtavaara Gold Mine

On August 30, 2016, the Company exercised the option with the bankruptcy estate of Lapland Goldminers Oy to acquire the Pahtavaara gold mine, mill and exploration permits and concessions that represented a 124km² land package in Finland in the Central Lapland Greenstone Belt. The purchase price for the acquisition is US\$2,500,000, structured as a US\$500,000 cash payment which was made upon the completion of the acquisition in November 2016 and a 1.5% production royalty, capped at US\$2,000,000, payable on go-forward revenues generated when gold production resumes. The production royalty, which is considered contingent consideration, was valued at \$nil on the date of acquisition and as at February 28, 2022 and May 31, 2020.

Northern Aspect Resources Ltd ("NARL")

On May 15, 2018, the Company acquired all the issued and outstanding securities of NARL through the issue of 4,913,466 consideration shares of the Company. The Osikonmaki and Hirsikangas mineral properties were acquired as part of the NARL transaction. These properties were in the exploration and evaluation stages at acquisition.

Further to a strategic review during the year ended February 28, 2021, and an increased focus on Pahtavaara, the Company elected to withdraw from the Osikonmaki project and during the year ended February 28, 2021 the value was written down.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended May 31, 2021

(Expressed in Canadian Dollars)

(Unaudited)

8. Exploration and Evaluation Assets (continued)

Gold Centre Property

During the year ended February 28, 2021, the Company entered into an arm's length, definitive agreement to joint venture the Company's Gold Centre property in Red Lake, Ontario with Trillium Gold Mines Ltd ("Trillium" or "TGM").

Rupert and Trillium have formed an unincorporated joint venture with respect to the Gold Centre property. Trillium has an 80% participating interest (a "Participating Interest") in the joint venture and Rupert has a 20% carried Participating Interest. In order to maintain its 80% Participating interest, Trillium are required to spend \$2,000,000 per annum in each of the first five years and \$500,000 in each subsequent year. Further, Trillium issued to Rupert 500,000 common shares upon the start date of the joint venture (note 4) and in order to maintain its Participating Interest, will issue 500,000 common shares on each anniversary thereof for the subsequent three years, for a total of 2,000,000 common shares.

The 500,000 shares issued were valued at \$740,000 at the time of issue and were offset against the exploration and evaluation asset with the balance being recorded as a gain on the disposal of asset in the consolidated statement of loss for the year ended February 28, 2021.

9. Amounts Payable and Accrued Liabilities

	As at May 31, 2021	As at February 28, 2021
Trade payables	\$ 2,356,642	\$ 1,944,216
Accrued liabilities	481,123	1,555,682
	\$ 2,837,765	\$ 3,499,898

10. Asset retirement obligation

Balance, February 28, 2021	\$ 3,534,987
Foreign exchange adjustment	(137,964)
Balance, May 31, 2021	\$ 3,397,023
Balance, February 29, 2020	\$ 1,189,124
Foreign exchange adjustment	46,137
Add: increase in restoration provision	2,185,449
Present value adjustment	114,277
Balance, February 28, 2021	\$ 3,534,987

In August 2016, as part of the acquisition of the Pahtavaara Gold Mine, the Company recognized obligations for future site restoration. Although the ultimate amount of the future site restoration is uncertain, the fair value of the obligation was based on information currently available, including disturbances made to date, closure plans and applicable regulations. The amounts and timing of the closure plans will vary depending on a number of factors including alternative mine plans.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements
Three Months Ended May 31, 2021
(Expressed in Canadian Dollars)
(Unaudited)

10. Asset retirement obligation (continued)

These obligations are expected to be settled at the end of the mine life which is estimated to be 11 years. The asset retirement obligation was discounted at a rate of 0.14% per annum.

Refer to note 6 for assets pledged and restricted for the purposes of settling future site restoration obligations.

11. Share Capital and Reserves

Authorized Share Capital

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consisting only of common shares are fully paid.

Issued Share Capital

As at May 31, 2021, the issued share capital amounted to \$106,607,122.

	Number of Common Shares	Amount
Balance, February 28, 2021 and May 31, 2021	165,285,761	\$106,607,122
Balance, February 29, 2020 and May 31, 2020	155,470,761	\$ 80,328,629

Stock Options

The Company has an incentive stock option plan in place under which it is authorized to grant options to directors and employees to acquire up to 10% of the Company's issued and outstanding common shares. Under the plan, the exercise price of each option may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount. The options can be granted for a maximum term of 10 years and vesting periods are determined by the Board of Directors.

The following table reflects the continuity of stock options for the three months ended May 31, 2021 and May 31, 2020:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, February 28, 2021 and May 31, 2021	10,465,000	1.25
Balance, February 29, 2020 and May 31, 2020	10,460,000	0.78

For the three months ended May 31, 2021, the impact of share-based compensation on the profit and loss was \$583,685 (three months ended May 31, 2020 - \$418,400).

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended May 31, 2021

(Expressed in Canadian Dollars)

(Unaudited)

11. Share Capital and Reserves (continued)

Stock Options (continued)

The following table reflects the actual stock options issued and outstanding as of May 31, 2021:

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (exercisable)	Number of Options Unvested
March 24, 2021 ⁽¹⁾	0.175	0.00	1,080,000	1,080,000	-
June 10, 2021	0.56	0.03	500,000	500,000	-
November 9, 2021	0.76	0.44	700,000	700,000	-
April 22, 2022	1.01	0.88	2,000,000	2,000,000	-
July 31, 2023	1.00	2.17	2,120,000	2,120,000	-
August 10, 2024	3.20	3.19	1,885,000	-	1,885,000
August 21, 2024	0.87	3.23	2,180,000	922,500	1,217,500
	1.25	1.87	10,465,000	7,322,500	3,102,500

⁽¹⁾ Under the terms of the Company's Stock Option Plan, if the option expiry date falls within a black-out period, the expiry date will automatically be extended to the date which is the tenth business day after the end of black-out period. The options scheduled to expire on March 24, 2021, have not yet expired because there has been a black-out period in effect for the Company.

Warrants

The following table reflects the continuity of warrants for the three months ended May 31, 2021 and May 31, 2020:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, February 28, 2021 and May 31, 2021	11,543,704	1.00
Balance, February 29, 2020 and May 31, 2020	11,543,704	1.00

The following table reflects the actual warrants issued and outstanding as of May 31, 2021:

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Warrants Outstanding
February 11, 2023 ⁽¹⁾	1.00	1.70	11,543,704

⁽¹⁾ The warrants provide that after February 11, 2022, if the price of the Common Shares on the TSX Venture Exchange exceeds \$1.25 per Common Share for at least 20 consecutive trading days, Rupert shall have the right to accelerate, by notice to Agnico, the expiry date of the warrants to 30 calendar days after the date of such notice (such that Agnico may either exercise all or a portion of the warrants in such 30 day period, or failing such exercise, any unexercised warrants would expire).

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended May 31, 2021

(Expressed in Canadian Dollars)

(Unaudited)

12. General and Administrative Expenses

	Three Months Ended May 31,	
	2021	2020
Consulting	\$ 39,508	\$ 3,450
Overheads, maintenance and other costs	362,952	168,839
Professional fees	161,738	116,134
Investigation of prospective property interests	84	493
Regulatory fees	31,606	375
Salaries and benefits (note 14)	260,836	223,629
Shareholder communications	88,563	42,091
Transfer agent	7,899	15,429
Travel and vehicle operating costs	38,837	71,470
	\$ 992,023	\$ 641,910

13. Net Loss Per Common Share

The calculation of basic and diluted loss per share for the three months ended May 31, 2021 was based on the loss attributable to common shareholders of \$1,677,544 (three months ended May 31, 2020 - \$1,059,544) and the weighted average number of basic common shares outstanding of 165,285,761 for the three months ended May 31, 2021 (three months ended May 31, 2020 - 132,270,587). Diluted loss per share did not include the effect of 22,008,704 stock options and warrants (three months ended May 31, 2020 - 22,003,704 stock options and warrants) as they are anti-dilutive.

14. Related Party Transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Remuneration of directors and key management personnel of the Company was as follows:

	Three Months Ended May 31,	
	2021	2020
Remuneration paid to Non-Executive Chairman ⁽¹⁾⁽²⁾	\$ 16,251	\$ 9,000
Remuneration paid to CEO ⁽³⁾	98,148	84,040
Remuneration paid to CFO ⁽⁴⁾	36,955	42,825
Share-based payments - Black-Scholes value	341,714	206,036

(1) The Board of Directors do not have employment or services contracts with the Company.

(2) In respect of the Non-Executive Chairman, during the three months ended May 31, 2021, \$16,251 was expensed as salaries (three months ended May 31, 2020 - \$9,000).

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended May 31, 2021

(Expressed in Canadian Dollars)

(Unaudited)

14. Related Party Transactions (continued)

(3) Effective March 1, 2021 the Company pays an annual salary to the Chief Executive Officer of the Company of £210,526. During the three months ended May 31, 2021, \$98,148, (three months ended May 31, 2020 - \$84,040) was expensed as salaries.

(4) Effective April 1, 2020 the Company pays an annual salary to the Chief Financial Officer of the company of £80,000. During the three months ended May 31, 2021, \$36,955, (three months ended May 31, 2020 - \$42,825) was expensed as salaries.

(5) On May 31, 2021, the amount of \$nil (February 28, 2021 - \$271,700) was included in accounts payable and accrued liabilities as bonus due to the Chief Executive Officer and Chief Financial Officer of the Company.

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors.

Amounts due to related parties are non-interest bearing, unsecured and due on demand.

15. Segment Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Finland.

16. Commitments and Contingencies

The Company's operations are subject to government environmental protection legislation. Environmental consequences are difficult to identify in terms of results, timetable and impact (note 10).

At this time, to management's best knowledge, the Company's operations are in compliance with current laws and regulations.

17. Subsequent Event

On June 4, 2021, the Company announced that it had closed equity financings, raising in total \$48,654,000 before expenses. The financings comprised two components: a bought deal equity offering (the "Public Offering"); and a private placement (the "Private Placement") with existing shareholders, including Agnico Eagle Mines Limited. The Public Offering comprised an issuance of 5,658,000 common shares in the capital of the Company (the "Common Shares") at a price of \$5.30 per Common Share (the "Offering Price") for gross proceeds of approximately \$29,987,400, which included the exercise, in full, of the underwriter's Over-Allotment option of an additional 738,000 Common Shares. The Company also issued 3,522,000 Common Shares at the Offering Price in a concurrent Private Placement on substantially the same terms as the Public Offering (for gross proceeds of \$18,666,600), which included 442,000 Common Shares pursuant to the Over-Allotment option granted to the participants in the Private Placement.