MINNOVA CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

JUNE 30, 2020 AND 2019

(Expressed in Canadian Dollars)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Minnova Corp. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the three months ended June 30, 2020, have not been reviewed by the Company's auditors.

MINNOVA CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
(Expressed in Canadian Dollars)

	June 30, 2020	March 31, 2020
ASSETS		
CURRENT ASSETS		
Cash	$ 34,324	$ 21,039
Amounts receivable	110,853	110,339
Prepaid expenses	31,004	11,004
TOTAL CURRENT ASSETS	**176,181**	**142,382**
NON-CURRENT ASSETS		
Restricted cash equivalents (Note 3)	75,000	75,000
Equipment (Note 4)	258,183	263,442
Exploration properties and deferred exploration expenditures (Note 5)	19,001,127	18,908,153
TOTAL NON-CURRENT ASSETS	**19,334,310**	**19,246,595**
TOTAL ASSETS	**$ 19,510,491**	**$ 19,388,977**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Notes 6 and 11)	$ 1,690,671	$ 1,572,162
Hydro contract accrual	277,533	277,533
TOTAL CURRENT LIABILITIES	**1,968,204**	**1,849,695**
NON-CURRENT LIABILITIES		
Provision for closure and reclamation (Note 7)	3,432,447	3,374,457
TOTAL LIABILITIES	**5,400,651**	**5,224,152**
EQUITY		
Share capital (Note 8(b))	21,508,745	21,508,745
Share-based payment reserves (Note 9)	1,713,124	1,713,124
Shares to be issued (Note 8(c))	15,000	-
Deficit	(9,127,029)	(9,057,044)
TOTAL EQUITY	**14,109,840**	**14,164,825**
TOTAL LIABILITIES AND EQUITY	**$ 19,510,491**	**$ 19,388,977**

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS AND CONTINGENCIES (Notes 3, 5, 7,12 and 13)
SUBSEQUENT EVENTS (Note 14)

APPROVED ON BEHALF OF THE BOARD:

Signed *"James White"*, Director
Signed *"Gorden Glenn"*, Director

MINNOVA CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (UNAUDITED)

(Expressed in Canadian Dollars)

For the Three Months Ended June 30,	2020	2019
EXPENSES		
Stock-based payments (Note 9(a))	$ -	$ -
General and administrative (Note 10)	32,283	16,128
Management and directors' compensation (Note 11(b))	31,000	31,000
Professional and consulting fees (Note 11(a))	11,461	23,345
Amortization (Note 4)	5,259	3,011
LOSS BEFORE BELOW ITEMS	**(80,003)**	**(73,484)**
Foreign exchange loss	(5,629)	(1,105)
Debt settlement	20,036	-
Finance cost (Note 7)	(4,389)	(11,251)
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	**$ (69,985)**	**$ (85,840)**
Net loss per common share - basic and diluted	$ (0.00)	$ (0.00)
Weighted average number of shares outstanding - basic and diluted	32,807,984	31,121,559

See accompanying notes to the consolidated financial statements

MINNOVA CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(Expressed in Canadian Dollars)

For the Three Months Ended June 30,	2020	2019
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss for the period	$ (69,985)	$ (85,840)
Items not involving cash:		
Amortization	5,259	3,011
Accretion of provision for closure and reclamation	4,389	11,251
Gain on debt settlement with shares	-	-
Stock-based payments	-	-
Gain on settlement of debt	(20,036)	-
Write-off of exploration properties and deferred exploration expenditures	-	-
	(80,373)	(71,578)
Changes in non-cash working capital balances:		
Amounts receivable	(514)	13,629
Prepaid expenses	(20,000)	(5,588)
Accounts payable and accrued liabilities	138,545	110,497
	118,031	118,538
Cash flows provided by operating activities	**37,658**	**46,960**
CASH FLOWS USED IN INVESTING ACTIVITIES		
Increase in exploration properties and deferred exploration expenditures	(39,373)	(60,771)
Cash flows used in investing activities	**(39,373)**	**(60,771)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from shares to be issued	15,000	-
Cash flows provided by financing activities	**15,000**	**-**
Decrease in cash	13,285	(13,811)
Cash, beginning of period	21,039	33,973
Cash, end of period	**$ 34,324**	**$ 20,162**
Supplemental Information:		
Cash, end of period	$ 34,324	$ 20,162
Cash, end of period	-	-
Cash, end of period	**$ 34,324**	**$ 20,162**

MINNOVA CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(Expressed in Canadian Dollars)

		Share Capital	Share-based Payment Reserves					
	Number	Amount	Shares to be issued	Stock options	Share purchase warrant reserve	DSU and RSU	Deficit	Total
Balance, March 31, 2019	**30,696,873**	**$ 21,008,745**	**$ 258,499**	**$ 1,208,261**	**$ 1,020,449**	**$ 828,690**	**$ (9,987,778)**	**$ 14,336,866**
Shares issued for settlement of accounts payable and accrued liabilities (note 8 (c))	574,443	258,499	(258,499)	-	-	-	-	-
Warrants expired	-	-	-	-	(1,017,917)	-	1,017,917	-
Loss and comprehensive loss for the period	-	-	-	-	-	-	(85,840)	(85,840)
Balance, June 30, 2019	**31,271,316**	**$ 21,267,244**	**$ -**	**$ 1,208,261**	**$ 2,532**	**$ 828,690**	**$ (9,055,701)**	**$ 14,251,026**
Balance, March 31, 2020	**32,807,984**	**$ 21,508,745**	**$ -**	**$ 884,434**	**$ -**	**$ 828,690**	**$ (9,057,044)**	**$ 14,164,825**
Proceeds received for shares to be issued	-	-	15,000	-	-	-	-	15,000
Loss and comprehensive loss for the period	-	-	-	-	-	-	(69,985)	(69,985)
Balance, June 30, 2020	**32,807,984**	**$ 21,508,745**	**$ 15,000**	**$ 884,434**	**$ -**	**$ 828,690**	**$ (9,127,029)**	**$ 14,109,840**

See accompanying notes to the consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Minnova Corp. (the "Company") is a public company incorporated on July 19, 1994, pursuant to the laws of the Companies Act of Barbados. Since the Company's management and the principal office of the Company are located in Toronto, Ontario, a continuance (the "Continuance") of the Company from the laws of Barbados to the laws of the Province of Ontario was filed on April 21, 2010. As a result of the Continuance, the corporate legislation that governs the Company ceased to be the Barbados Act and the Company is now governed by the Business Corporations Act (Ontario). The registered office of the Company is located at 217 Queen Street West, Suite 401, Toronto, Ontario, M5V 0R2. On June 26, 2014, the Company changed its name to "Minnova Corp." and commenced trading on the Toronto Stock Venture Exchange ("TSX-V") on June 27, 2014, under the new symbol "MCI".

The Company's exploration operations are subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In order for the Company to carry out its exploration activities, the Company is required to hold certain permits. There is no assurance that the Company's existing permits will be renewed or that new permits that have been or will be applied for will be granted.

Major expenditures are required to locate and establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. The recoverability of valuations assigned to exploration properties and deferred exploration expenditures is dependent upon discovery of economically recoverable reserves, the ability to obtain necessary financing to complete development and future profitable production or proceeds from disposition.

Although the Company has taken steps to verify title to exploration properties in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to other licensing requirements or regulations, social licensing requirements unregistered prior agreements, unregistered claims, aboriginal land claims and non-compliance with regulatory requirements.

In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. The Company has a working capital deficiency of $1,792,023 (March 31, 2020 - $1,707,313) and a deficit of $9,127,029 (March 31, 2020 - $9,057,044) as at June 30, 2020 and will require additional financing to fund its continuing exploration efforts. These conditions indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms acceptable to the Company. These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis that assumes the Company will be able to continue to realize its assets and discharge its liabilities in the normal course of business. In the event the Company is not able to obtain adequate funding, there is uncertainty as to whether the Company will be able to maintain its property interests. These unaudited condesned interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing. Such adjustments could be material. Changes in future conditions could require material write downs of the carrying values of certain assets.

The unaudited condensed interim consolidated financial statements were approved by the Board of Directors on August 27, 2020.

Continued...

2. BASIS OF PREPARATION

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 consolidated financial statements required by International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as at August 27, 2020, the date the Board of Directors approved these unaudited condensed interim consolidated financial statements for issue. 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 March 31, 2020. Any subsequent changes to IFRS that are issued and effective as at March 31, 2021 could result in a restatement of these unaudited condensed interim consolidated financial statements.

Change in Accounting Policies:

During the period ended June 30, 2020, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards. These included IAS 1 and IFRS 3. These amendments did not have any material impact on the Company's financial statements.

IAS 1 – Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The Company adopted these amendments on April 1, 2020 and has determined that the adoption of these amendments does not have a significant impact on its financial statements.

IFRS 3 – Business Combinations ("IFRS 3") was amended in October 2018 to clarify the definition of a business. This amended definition states that a business must include inputs and a process and clarified that the process must be substantive and the inputs and process must together significantly contribute to operating outputs. In addition it narrows the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs and added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. The Company adopted this amendments on April 1, 2020 and has determined that the adoption of this amendment does not have a significant impact on its financial statements.

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after April 1, 2021 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following has not yet been adopted and is being evaluated to determine their impact on the Company.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

Continued...

(Expressed in Canadian Dollars)

3. RESTRICTED CASH EQUIVALENTS

The Company has guaranteed by pledge of a guaranteed investment certificate an irrevocable standby letter of credit for $75,000 to the Government of Manitoba as a financial assurance guarantee in connection with the Puffy Lake ("PL") Property closure plan (see Note 7).

4. EQUIPMENT

Cost

	Equipment	Buildings	Total
Balance, March 31, 2020 and June 30, 2020	**$ 105,000**	**$ 305,096**	**$ 410,096**

Accumulated Amortization

	Equipment	Buildings	Total
Balance, March 31, 2020	**$ 52,584**	**$ 94,070**	**$ 146,654**
Amortization for the period	2,621	2,638	5,259
Balance, June 30, 2020	**$ 55,205**	**$ 96,708**	**$ 151,913**

Carrying Amount

	Equipment	Buildings	Total
Balance, March 31, 2020	**$ 52,416**	**$ 211,026**	**$ 263,442**
Balance, June 30, 2020	**$ 49,795**	**$ 208,388**	**$ 258,183**

(Expressed in Canadian Dollars)

5. EXPLORATION PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

As at June 30, 2020

	March 31, 2020	Additions	Changes for closure and reclamation	Write-off	June 30, 2020
Exploration and Evaluation Properties					
Nokomis Property	$ 2,874,772	$ 22,500	$ -	-	$ 2,897,272
PL Property	16,033,381	16,873	53,601	-	16,103,855
	$ 18,908,153	**$ 39,373**	**$ 53,601**	**-**	**$ 19,001,127**

As at March 31, 2020

	March 31, 2019	Additions	Changes for closure and reclamation	Write-off	March 31, 2020
Exploration and Evaluation Properties					
Nokomis Property	$ 2,804,272	$ 70,500	$ -	-	$ 2,874,772
PL Property	15,663,531	115,087	254,763	-	16,033,381
La Esperanza Gold Property	220,321	55,123	-	(275,444)	-
	$ 18,688,124	**$ 240,710**	**$ 254,763**	**(275,444)**	**$ 18,908,153**

PL Project (PL Property and Nokomis Property)

The Company owns a 100% interest in the PL Mine and contiguous Nokomis property, located in Manitoba, subject to a 3% net smelter royalty (NSR) that reduces to 2.5% and 2% if gold is below US$1,000/oz and US$750/oz, respectively.

Continued...

(Expressed in Canadian Dollars)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2020	March 31, 2020
Trade payables	$ 1,355,284	$ 1,246,536
Accrued and payroll liabilities	335,387	325,626
Total	**$ 1,690,671**	**$ 1,572,162**

The following is an aged analysis of the accounts payable and accrued liabilities:

	June 30, 2020	March 31, 2020
Less than 1 month	$ 438,619	$ 69,689
1 to 3 months	51,128	208,295
Over 3 months	1,200,924	1,294,178
Total	**$ 1,690,671**	**$ 1,572,162**

7. PROVISION FOR CLOSURE AND RECLAMATION

The Company has provided a letter of credit in the amount of $75,000 to the Government of Manitoba under the terms of the closure plan on the PL Property (see Note 3). The Company further provided all assets, goods and personal property involved in the operation of the PL Property, as a security of up to $5,000,000 for the performance of the closure plan and the rehabilitation program.

The Company's provision for closure and reclamation costs is based on management's estimates of costs to abandon and reclaim mineral properties and facilities as well as an estimate of the future timing of the costs to be incurred. The Company has estimated its total provision for closure and reclamation to be $3,432,447 at March 31, 2020, based on a total future liability of approximately $3,073,000 (March 31, 2020 - $3,073,000), an inflation rate of 1.18% (March 31, 2020 - 1.18%) and a discount rate of 0.52% (March 31, 2020 -0.71%). Reclamation is expected to occur in approximately 10 years.

The following is an analysis of the provision for closure and reclamation:

Balance, March 31, 2020	**$ 3,374,457**
Effect of changes in the inflation and discount rate	53,601
Accretion incurred in the period	4,389
Balance, June 30, 2020	**$ 3,432,447**

During the three months ended June 30, 2020, the Company expensed $4,389 as accretion which was recorded in finance cost on the consolidated statements of operations (three months ended June 30, 2019 - $11,251).

Continued...

(Expressed in Canadian Dollars)

8. SHARE CAPITAL

(a) Authorized:

Unlimited number of common shares with no par value.

(b) Common Shares Issued:

	Number of Shares	Amount
Balance, March 31, 2019	**30,696,873**	**$ 21,008,745**
Shares issued for settlement of accounts payable and accrued liabilities	574,443	258,499
Balance, June 30, 2019	**31,271,316**	**$ 21,267,244**
Balance, March 31, 2020 and June 30, 2020	**32,807,984**	**$ 21,508,745**

(c) Shares to be issued

During the three months ended June 30, 2020, the Company received $15,000 from the Offering (as defined below) closed on July 16, 2020.

9. SHARE-BASED PAYMENT RESERVES

(a) Stock Options

The Company has granted options for the purchase of common shares to its directors, officers, employees and certain consultants. The purpose of the plan is to attract, retain and motivate these parties by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and to benefit from its growth. These options are valid for a maximum of 5 years from the date of issue. Vesting terms and conditions are determined by the Board of Directors at the time of the grant. The maximum number of options to be issued under the plan shall not exceed 10% of the total number of common shares issued and outstanding.

Continued...

(Expressed in Canadian Dollars)

9. SHARE-BASED PAYMENT RESERVES (Continued)

(a) Stock Options (continued)

The following table shows the continuity of stock options for the periods ended June 30, 2020 and 2019:

	Number of Stock Options	Weighted Average Exercise Price
Balance, March 31, 2019 and June 30, 2019	**2,675,000**	**$ 0.52**
Expired	(725,000)	(0.40)
Cancelled	(50,000)	(0.75)
Balance, March 31, 2020 and June 30, 2020	**1,900,000**	**$ 0.56**

The following are the stock options outstanding at June 30, 2020:

Number of Options Issued	Grant Date Fair Value ($)	Number of Options Exercisable	Weighted Average Exercise Price ($)	Weighted Average Remaining Contractual Life (years)	Expiry Date
225,000	80,405	225,000	0.36	0.67	March 1, 2021
250,000	181,097	250,000	0.75	1.07	July 25, 2021
425,000	324,617	425,000	0.85	1.56	January 22, 2022
1,000,000	298,314	1,000,000	0.43	3.59	January 31, 2024
1,900,000	**884,433**	**1,900,000**	**0.56**	**2.46**	

(b) Share Purchase Warrants

The following table shows the continuity of share purchase warrants for the periods ended June 30, 2020 and 2019:

	Number of Warrants	Weighted Average Exercise Price
Balance, March 31, 2019	**3,877,107**	**0.82**
Expired	(3,877,107)	0.82
Balance, June 30, 2019, March 31, 2020 and June 30, 2020	**-**	**-**

There were no warrants outstanding as at June 30, 2020.

Continued...

(Expressed in Canadian Dollars)

9. SHARE-BASED PAYMENT RESERVES (Continued)

(c) Broker Warrants

The following table shows the continuity of broker warrants for the periods ended June 30, 2020 and 2019:

	Number of Broker Warrants	Weighted Average Exercise Price
Balance, March 31, 2019	**417,370**	**$ 0.65**
Expired	(417,370)	(0.65)
Balance, June 30, 2019, March 31, 2020 and June 30, 2020	**-**	**$ -**

No broker warrants were outstanding at June 30, 2020.

10. GENERAL AND ADMINISTRATIVE

Three Months Ended June 30,	**2020**	**2019**
Office and general	$ 115	$ 82
Business development	30,000	-
Stock exchange and transfer agent fees	373	15,053
Shareholder information	1,795	993
General and administrative	**$ 32,283**	**$ 16,128**

Continued...

(Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

(a) The Company entered into the following transactions with related parties recorded as professional and consulting fees and share issue costs:

Three Months Ended June 30,	**2020**	**2019**
Irwin Lowy LLP (i) - professional and consulting fees	$ -	$ 3,759

(i) A director of the Company is a partner at Irwin Lowy LLP, a law firm, and the fees relate to professional services provided by the firm. As at June 30, 2020, the Company owed $17,439 (March 31, 2020 - $17,439) to this firm and this amount is included in accounts payable and accrued liabilities. The amount is unsecured, non-interest bearing with no fixed terms of repayment.

(ii) As at June 30, 2020, the Company owed $513,753 (March 31, 2020 - $445,953) to a corporation controlled by the Chief Executive Officer ("CEO") of the Company and this amount is included in accounts payable and accrued liabilities. During the three months ended June 30, 2020, $45,000 (three months ended June 30, 2019- $45,000) of these fees were recorded as capitalized exploration and evaluation costs and $15,000 (three months ended June 30, 2019 - $15,000) were recorded in management and directors' compensation on the statements of operations and comprehensive loss.

(b) Remuneration of directors and key management personnel of the Company was as follows:

Three Months Ended June 30,	**2020**	**2019**
Directors fees	$ 16,000	$ 16,000
Amounts paid or accrued to CEO for salaries, consulting and benefits	$ 60,000	$ 60,000

Director fees - the Board of Directors do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services. As at June 30, 2020, the Company owed $76,000 (March 31, 2020 - $60,000) to the directors and $599,578 (March 31, 2020 - $530,778) to the CEO of the Company which was included in the accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing with no fixed term of repayment.

Salaries and benefits - officers are entitled to stock options, consulting fees or salaries and benefits where employment or service contracts are in place with the Company for their services.

As at June 30, 2020, $16,075 (March 31, 2020 - $75) of cash was held in the Irwin Lowy LLP trust account, a law firm, where the interim CFO is a partner.

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12. ENVIRONMENTAL CONTINGENCIES

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

13. COMMITMENTS AND CONTINGENCIES

The Company is party to a management contract. This contract contains clauses requiring additional payments of up to $480,000 be made upon the occurrence of certain events such as a change of control. As a triggering event has not occurred, the contingent payments have not been reflected in these financial statements. Additional minimum management contractual commitments remaining under the agreement are approximately $480,000, of which $240,000 is due within one year.

14. SUBSEQUENT EVENTS

(i) On July 9, 2020, agreed to settle an aggregate of $600,000 of indebtedness owed to certain arm’s length and non-arm’s length creditors through the issuance of 3,000,000 common shares in the capital of the Company (the “Common Shares”) at a price of $0.20 per Common Share (the “Debt Settlement”). All Common Shares issued in connection with the Debt Settlement are subject to a statutory hold period of four months and a day from the date of issuance in accordance with applicable securities laws.

(ii) On July 16, 2020, the Company closed a non-brokered private placement of flow-through units (each, a “FT Unit”) through the issuance of 4,275,000 FT Units at a price of $0.20 per FT Unit for gross proceeds of $855,000 (the “Offering”).

Each FT Unit consists of one common share of the Company issued on a flow-through basis (each, a “FT Common Share”) and one-half of a common share purchase warrant (each whole warrant, a “FT Warrant”). Each FT Warrant entitles the holder to purchase one common share in the capital of the Company (each, a “Common Share”) at an exercise price of $0.25 for until July 16, 2022 (the “FT Warrant Term”), provided, however, that should the closing price at which the Common Shares trade on the TSX Venture Exchange (the “TSXV”) (or any such other stock exchange in Canada as the Common Shares may trade at the applicable time) exceed $0.375 for 20 consecutive trading days at any time following the date that is four months and one day after the date of issuance, the Company may accelerate the FT Warrant Term such that the FT Warrants shall expire on the date which is 30 business days following the date a press release is issued by the Company announcing the reduced warrant terms.

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