



GETCHELL

GETCHELL GOLD CORP.

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED MARCH 31, 2020**

AND

THE FIFTEEN MONTHS ENDED MARCH 31, 2019

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF GETCHELL GOLD CORP.

Opinion

We have audited the consolidated financial statements of Getchell Gold Corp. (the "Company"), which comprise:

- ♦ the consolidated statements of financial position as at March 31, 2020 and 2019;
- ♦ the consolidated statements of loss and comprehensive loss for the year ended March 31, 2020 and the 15-month period ended March 31, 2019;
- ♦ the consolidated statements of changes in equity (deficiency) for the year ended March 31, 2020 and the 15-month period ended March 31, 2019;
- ♦ the consolidated statements of cash flows for the year ended March 31, 2020 and the 15-month period ended March 31, 2019; and
- ♦ the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2020 and 2019, and its consolidated financial performance and consolidated cash flows for the year ended March 31, 2020 and the 15-month period ended March 31, 2019 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of \$2,591,139 during the year ended March 31, 2020 and, as of that date, had an accumulated deficit of \$12,047,251. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises of Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, and remain alert for indications that the other information appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditors' report. We have nothing to report in this regard.

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Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Michelle Chi Wai So.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
June 30, 2020

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GETCHELL GOLD CORP.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at	March 31, 2020	March 31, 2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 810,190	\$ 513,375
Accounts receivable	46,849	21,624
Prepaid expenses	122,037	31,975
Reclamation deposit	20,367	-
TOTAL CURRENT ASSETS	999,443	566,974
Reclamation deposits	63,551	51,571
Furniture (Note 5)	337	449
TOTAL ASSETS	\$ 1,063,331	\$ 618,994
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	\$ 254,548	\$ 369,527
Warrant liability (Note 7)	-	40,844
Obligation to issue shares (Note 7)	-	211,591
TOTAL LIABILITIES	254,548	621,962
SHAREHOLDERS' EQUITY (DEFICIENCY)		
SHARE CAPITAL (Note 7)	\$ 11,632,170	\$ 9,095,269
SHARES TO BE ISSUED (Note 7)	-	31,418
STOCK OPTIONS RESERVE (Note 7)	960,923	311,801
WARRANTS RESERVE (Note 7)	262,941	47,049
DEFICIT	(12,047,251)	(9,488,505)
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)	808,783	(2,968)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)	\$ 1,063,331	\$ 618,994

APPROVED ON BEHALF OF THE BOARD:

Signed, "William S. Wagener" Director

Signed, "Mike Sieb" Director

See accompanying notes to the consolidated financial statements.

GETCHELL GOLD CORP.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Twelve-month period ended March 31, 2020	Fifteen-month period ended March 31, 2019
EXPENSES		
Exploration and evaluation expenditures (Note 8)	\$ 1,162,239	\$ 1,180,043
Administrative and general (Note 6)	48,393	9,725
Advertising and promotion	36,915	128,432
Communication	5,652	2,710
Filing fees	50,988	40,724
Management and consulting (Note 6)	523,128	272,280
Occupancy	13,100	25,392
Office and general	11,403	196,386
Professional fees	210,429	253,854
Share-based compensation (Notes 6, 7)	419,525	36,939
Travel	73,781	44,272
Depreciation (Note 5)	112	189
Foreign exchange gain	(6,183)	(47,926)
Listing expense (Note 4)	-	1,821,845
	\$ (2,549,482)	\$ (3,964,865)
LOSS BEFORE OTHER INCOME (EXPENSES)		
Amortization of warrant issue costs (Note 7)	\$ (37,000)	\$ -
Other income (expense) (Note 7)	29,104	(211,591)
Recovery on reversal of accounts payable (Note 6)	35,712	73,000
Unrealized gain on warrant liability (Note 7)	77,844	437,833
Loss on extension of warrants (Note 7)	(147,317)	-
	\$ (2,591,139)	\$ (3,665,623)
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		
Loss per share - basic and diluted	\$ (0.06)	\$ (0.15)
Weighted average number of shares outstanding - basic and diluted	39,890,463	24,436,691

See accompanying notes to the consolidated financial statements.

GETCHELL GOLD CORP.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Twelve-month period ended March 31, 2020 \$	Fifteen-month period ended March 31, 2019 \$
Operating activities:		
Loss for the period	(2,591,139)	(3,665,623)
Items not affecting cash:		
Depreciation	112	189
Share-based compensation	419,525	36,939
Unrealized foreign exchange (gain) loss	(19,200)	32,424
Shares issued for property	130,227	-
Unrealized gain on warrant liability	(77,844)	(437,833)
Other income (expense)	(29,104)	211,591
Amortization of warrant issue costs	37,000	-
Recovery on reversal of accounts payable	(35,712)	(73,000)
Listing expense	-	1,757,216
Loss on extension of warrants	147,317	-
Net change in non-cash working capital balances:		
Accounts receivable	(25,225)	14,398
Prepaid expenses	(90,062)	(31,165)
Accounts payable and accrued liabilities	(103,600)	(34,108)
Cash used in operating activities	(2,237,705)	(2,188,972)
Investing activities:		
Cash received on acquisition of BVG	-	17,263
Reclamation deposit paid	-	(36,941)
Cash used in investing activities	-	(19,678)
Financing activities:		
Issuance of common shares, net of issue costs	2,523,334	1,875,287
Shares to be issued	-	31,418
Cash provided by financing activities	2,523,334	1,906,705
Foreign exchange effect on cash	11,186	(32,424)
Change in cash	296,815	(334,369)
Cash, beginning of period	513,375	847,744
Cash, end of period	810,190	513,375
Cash paid for interest	-	-
Cash paid for income tax	-	-
Non-cash investing activity:		
Reclamation deposit in accounts payable and accrued liabilities	24,332	-

See accompanying notes to the consolidated financial statements.

GETCHELL GOLD CORP.
Consolidated Statements of Changes in Equity (Deficiency)
(Expressed in Canadian Dollars)

	Share Capital #	Share Capital \$	Shares to be Issued \$	Stock Options Reserve \$	Warrants Reserve \$	Deficit \$	Total \$
Balance, December 31, 2017	20,309,066	6,062,122	-	279,509	-	(5,961,666)	379,965
Shares issued for cash	4,720,864	1,660,759	31,418	-	-	-	1,692,177
Share issue costs	-	(274,942)	-	148,793	-	-	(126,149)
Shares issued from RTO	3,660,734	1,647,330	-	22,283	10,110	-	1,679,723
Cancellation of stock options	-	-	-	(138,784)	-	138,784	-
Replacement warrants	-	-	-	-	36,939	-	36,939
Loss for the period	-	-	-	-	-	(3,665,623)	(3,665,623)
Balance March 31, 2019	28,690,664	9,095,269	31,418	311,801	47,049	(9,488,505)	(2,968)
Shares issued for cash	24,189,398	2,742,077	(31,418)	-	61,333	-	2,771,992
Share issue costs	-	(517,890)	-	251,880	17,352	-	(248,658)
Cancellation of stock options and warrants	-	-	-	(22,283)	(10,110)	32,393	-
Share-based compensation	-	-	-	419,525	-	-	419,525
Shares issued from treasury (Note 7)	960,456	182,487	-	-	-	-	182,487
Shares issued for mineral properties	967,513	130,227	-	-	-	-	130,227
Loss on extension on warrants	-	-	-	-	147,317	-	147,317
Loss for the period	-	-	-	-	-	(2,591,139)	(2,591,139)
Balance March 31, 2020	54,808,031	11,632,170	-	960,923	262,941	(12,047,251)	808,783

See accompanying notes to the consolidated financial statements.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Getchell Gold Corp. (the "Company") is a Canadian junior resource exploration company, that carries on business in one segment, being the identification, acquisition and exploration of properties for mining of precious and base metals. The Company is incorporated and domiciled in Ontario, Canada.

The Company has several exploration assets in Nevada, USA. The registered address of the Company and its principal place of business is 310-133 Richmond Street West, Toronto, ON M5H 2L3. The Company's shares are listed on the Canadian Securities Exchange ("CSE") and also trade in the United States on the Over-the-Counter OTCQB Venture Market ("OTCQB") under the symbol "GGLDF".

Getchell Gold Corp. ("Getchell") and Buena Vista Gold Inc. ("BVG") entered into an arrangement agreement on November 11, 2017, pursuant to which Getchell acquired all of the issued and outstanding common shares of BVG on a one to one basis (the "Transaction"). The Transaction was carried out by way of a plan of arrangement (the "Agreement"), pursuant to which BVG became a wholly owned subsidiary of Getchell (Note 4). As a result of the Transaction, Getchell Gold Corp., as the "Resulting Issuer," continued on with the business of BVG under the name "Getchell Gold Corp." The Transaction was deemed to be a reverse takeover ("RTO") as shareholders of BVG acquired control of the combined entity.

On November 6, 2018, the Company completed the Transaction and the common shares of the Resulting Issuer were listed on the CSE and began trading on December 3, 2018 under the symbol "GTCH". Trading was halted on December 18, 2018 when the Company became aware that the former Wabi Exploration Inc. ("Wabi") shares were trading on a pre-consolidation basis between December 3, 2018 and December 18, 2018 (the "Trading Period"), not on a 1 for 6 basis as required by the Agreement. The former Wabi shares were consolidated prior to the resumption of trading on January 21, 2019.

The Company participated in numerous formal discussions with investment industry participants and regulators in an effort to find a resolution. After careful consideration, management determined that the best option was for the Company to issue shares to buyers of shares during the Trading Period. The Board of Directors approved the issuance of up to 1,399,402 common shares. However, as the process of distribution unfolded during the twelve months ended March 31, 2020, it was determined that only 1,057,956 common shares were required to be issued (Note 7). With respect to the trading of pre-consolidation shares during the Trading Period, a brokerage account reconciliation resulted in the return of 97,500 common shares for cancellation. While there was a dilutive effect to all shareholders, the Board of Directors believed that this solution was in the best interest of all shareholders and would allow the Company to advance its exploration assets in an attempt to create value for shareholders.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves and the achievement of the Company's ability to dispose of its interests on an advantageous basis. Although the Company has taken steps to verify title to the property on which it is conducting exploration and in which it has an interest, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory requirements.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN – continued

The consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. This assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. As at March 31, 2020, the Company had not yet achieved profitable operations and continues to be dependent upon its ability to obtain sufficient working capital from external financing to meet the Company's liabilities as they become payable, and ultimately to generate profitable future operations. The Company incurred a net loss of \$2,591,139 during the twelve-month period ended March 31, 2020 (fifteen-month period ended March 31, 2019 - \$3,665,623). As at March 31, 2020, the Company had a working capital of \$744,895 (2019 – working capital deficit of \$54,988) as well as a deficit of \$12,047,251 (2019 - \$9,488,505).

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces and economies globally, potentially leading to an economic downturn. The pandemic could result in delays in the course of business, including potential delays to its exploration efforts/activities/programs, and continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. 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 business or results of operations at this time. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. These consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of operations, and at amounts different from those in the consolidated financial statements. Such amounts could be material.

2. BASIS OF PREPARATION

(i) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). The policies set out below were consistently applied to all the periods presented unless otherwise noted.

These consolidated financial statements of the Company were approved and authorized for issue by the Board of Directors on June 30, 2020.

(ii) Change of year end

Effective in 2019, the Company changed its financial year end from December 31 to March 31. Accordingly, these consolidated financial statements present the statements of financial position as at March 31, 2020 and March 31, 2019 and the results of operations for the twelve-month period ended March 31, 2020 and the fifteen-month period ended March 31, 2019.

(iii) Basis of presentation

These consolidated financial statements were prepared under the historical cost basis, except for certain assets which are measured at fair value as explained in the accounting policies set out in Note 3 below. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The consolidated financial statements are presented in Canadian dollars unless otherwise indicated.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION – continued

(iv) Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries Buena Vista Gold Inc. and Getchell Gold Nevada Inc. (formerly Buena Vista Minerals Inc.) (incorporated in Nevada, USA). Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

(v) Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and these differences could be material.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- Going concern

As is common with exploration companies, the Company's ability to continue its on-going and planned exploration activities and continue operations as a going concern, is dependent upon the recoverability of costs incurred to date on mineral properties, the existence of economically recoverable reserves, and the ability to obtain necessary equity financing from time to time. The factors considered by management are disclosed in Note 1.

- Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

- Functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of the functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

- Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION – continued

(v) Significant accounting judgments, estimates and assumptions – continued

The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

- Determination of control in the Transaction and RTO

The determination of the acquirer in the Transaction is subject to judgment and requires the Company to determine which party obtains control of the combining entities. Management applies judgment in determining control by assessing the following three factors: whether the Company has power over BVG; whether the Company has exposure or rights to variable returns from its involvement with BVG; and whether the Company has the ability to use its powers over BVG to affect the amount of its returns. In exercising this judgment, BVG was deemed to be the acquirer in the Transaction.

Management has had to apply judgment relating to acquisitions with respect to whether the acquisition was a business combination or an asset acquisition. Management applied a three-element process to determine whether a business or an asset was purchased, considering inputs, processes and outputs of the acquisition in order to reach a conclusion. The Transaction was accounted for as a reverse acquisition and the difference between the fair value of net assets acquired and the consideration paid was recorded as a listing expense (Note 4).

- Share-based compensation and warrant liability

Management determines costs for share-based compensation using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates. Warrant liabilities are accounted for as derivative liabilities as they are exercisable in US dollars.

- Fair value of consideration

The fair value of consideration to acquire the Company in a reverse take-over transaction comprised common shares and replacement warrants and options. Common shares were valued on the date of issuance. Replacement warrants and options were valued using the Black-Scholes model. The Company applied IFRS 2 *Share-based Payments*, in accounting for the Transaction.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been applied in the preparation of these consolidated financial statements are summarized below. These accounting policies have been used throughout all periods presented in the financial statements.

(i) Foreign currency transactions and translation

The Company's presentation and functional currency is the Canadian dollar. The functional currency of Buena Vista Gold Inc. and Getchell Gold Nevada Inc. is also the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the date of the consolidated statement of financial position while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

(ii) Exploration and evaluation properties

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral exploration properties, property option payments and evaluation activity. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction' into property, plant and equipment. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated resources as the depletion base.

(iii) Furniture and equipment

On initial recognition, furniture and equipment are valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Furniture and equipment are subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses.

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognized in profit or loss over the estimated useful lives using the following basis:

Computers - 55% diminishing balance
Furniture and fixtures - 25% diminishing balance

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(iv) Impairment of non-financial assets

The carrying values of long-lived assets are assessed for impairment when indicators of such impairment exist. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated. The recoverable amount is determined as the higher of the fair value less costs to sell for the asset and the asset's value in use.

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired and an impairment loss is charged to profit or loss so as to reduce the carrying amount to its recoverable amount.

(v) Financial instruments

Recognition and classification

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument.

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(v) Financial instruments – continued

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets or liabilities assumed, is recognized in profit or loss.

(vi) Provisions

A provision is recognized in the consolidated statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to passage of time is recognized as interest expense.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. At each consolidated statement of financial position reporting date, provisions are reviewed and adjusted to reflect the current best estimate of the expenditure required to settle the present obligation.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(vii) Rehabilitation provision

A legal or constructive obligation to incur rehabilitation provisions may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company had no significant rehabilitation obligations as at March 31, 2020 and 2019.

(viii) Share capital and warrants

The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Warrants are classified as equity if they will be settled only through the issuance of a fixed number of the Company's own equity instruments. Upon exercise, the shares are issued from treasury and the amount reflected in warrants is credited to share capital for the proceeds allocated when the warrant was first issued. Upon expiry, the grant date value of the warrants is reclassified to deficit.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to common shares issued in the private placements at their fair value as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the warrants. Any value attributed to the warrants is recorded as warrants reserve in shareholders' equity (deficiency). Share issue costs are netted against share proceeds.

Warrants issued to agents or brokers on a non-cash basis in connection with corporate financings are recorded at fair value using the Black-Scholes option pricing model and charged against share capital as share issue costs with an offsetting increase to contributed surplus if the warrants are exercisable in the Company's functional currency. Warrants exercisable in a currency other than the Company's functional currency are recorded to warrant liability on the consolidated statement of financial position and valued initially and at each period end using the Black-Scholes option pricing model. Any gains or losses are recognized in profit or loss.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(ix) Share-based compensation

Equity-settled share-based compensation to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value determined at the grant date of the equity-settled share-based compensation is expensed over the vesting period. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate for those options that do not vest immediately.

Equity-settled share-based compensation transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods, or when the counterparty renders the service.

Upon expiry or cancellation, the value of share-based compensation such as stock options and warrants will be reallocated from stock option reserve to deficit.

(x) Loss per share

Basic loss per share is calculated by dividing net loss applicable to common shares of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments are converted during the year.

(xi) Taxation

Current tax

Income tax expense represents the tax currently payable on the taxable income using tax rates that have been enacted or substantively enacted by the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are presented as non-current.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(xii) Accounting changes and recent pronouncements

New standards adopted by the Company

IFRS 16 *Leases* (“IFRS 16”) was issued in January 2016 and replaces IAS 17 *Leases* as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease.

The Company has adopted IFRS 16 using the modified retrospective application method, where the 2019 comparatives are not restated and a cumulative catch up adjustment is recorded on April 1, 2019 for any differences identified, including adjustments to opening deficit balance. The Company analyzed its contracts to identify whether they contain a lease arrangement for the application of IFRS 16. No such contracts were identified, and as a result, the adoption of IFRS 16 resulted in no impact to the opening retained earnings on April 1, 2019.

4. REVERSE ACQUISITION

As described in Note 1, on November 6, 2018, the Company and BVG completed a Transaction which constituted a reverse acquisition. The Company issued 25,029,930 shares to the shareholders of BVG on a one to one basis. As a result of the Transaction, the shareholders of BVG obtained control of the combined entity by obtaining control of the voting power and the resulting power to govern the financial and operating policies of the combined entity.

For accounting purposes, BVG, the legal subsidiary, was treated as the accounting parent company and Getchell, the legal parent, has been treated as the accounting subsidiary in these consolidated financial statements. As BVG was deemed to be the acquirer for accounting purposes, its assets, liabilities and operations since incorporation are included in these consolidated financial statements at their historical carrying value. Getchell’s results of operations have been included since November 6, 2018.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

4. REVERSE ACQUISITION - continued

The following summarizes the reverse takeover of Getchell by BVG and the assets acquired and liabilities assumed on November 6, 2018, the Transaction date:

	\$
Consideration paid:	
Fair value of 3,660,734 common shares of the Company at \$0.45 per share	1,647,330
Fair value of 66,667 replacement stock options issued	22,283
Fair value of 47,667 replacement warrants issued	10,110
Transaction extension fee	40,000
	<u>1,719,723</u>
Transaction costs incurred:	
Legal fees	24,629
Net liabilities (estimated fair value) assumed:	
Cash	17,263
Amounts receivable	5,100
Prepaid expenses	810
Accounts payable and accrued liabilities	(100,666)
	<u>(77,493)</u>

At the time of the Transaction, Getchell's assets consisted primarily of cash and accounts receivable, and it did not have any processes capable of generating outputs; therefore, Getchell did not meet the definition of a business. Accordingly, as Getchell did not qualify as a business in accordance with IFRS 3 *Business Combinations*, the Transaction did not constitute a business combination. The Transaction constituted a reverse acquisition of Getchell by BVG and has been accounted for in accordance with the guidance provided in IFRS 2 *Share-based payments* and IFRS 3 *Business combinations*.

As the acquisition was not considered a business combination, the excess value of consideration paid over the net liabilities assumed together with the estimated fair value of options and warrants issued to Getchell shareholders, and additional transaction costs are expensed as a listing expense.

The fair value of the common shares amounted to \$1,647,330, based on the shares issued in a concurrent financing of BVG's units at the time of the Transaction of \$0.45 per unit. The fair values of the stock options and warrants were determined using the Black-Scholes option pricing model with the following weighted average assumptions: dividend yield of 0%, expected volatility of 110% based on historical volatility of comparable entities, risk free interest rate of 2.32%, and an expected life of 2.74 years at a share price of \$0.45.

	\$
Consideration paid	1,719,723
Net liabilities assumed	77,493
Transaction costs incurred	24,629
	<u>1,821,845</u>

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

5. FURNITURE

Cost

Cost at December 31, 2017, March 31, 2019 and March 31, 2020 \$ 3,000

Accumulated Depreciation

Balance at December 31, 2017 \$ (2,362)

Depreciation (189)

Balance at March 31, 2019 \$ (2,551)

Depreciation (112)

Balance at March 31, 2020 \$ (2,663)

Net book value March 31, 2019 \$ 449

Net book value March 31, 2020 \$ 337

6. RELATED PARTY TRANSACTIONS

In accordance with IAS 24 *Related party disclosures*, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The Company had the following transactions with related parties or companies controlled by related parties:

	Twelve months ended March 31, 2020	Fifteen months ended March 31, 2019
Management and consulting fees	\$ 404,738	\$ 193,236
Administration fees	2,000	8,000
Share-based compensation	196,131	-
	<u>\$ 602,869</u>	<u>\$ 201,236</u>

Accounts payable and accrued liabilities as at March 31, 2020 include \$9,083 (2019 - \$114,863) due to related parties. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment. During the twelve months ended March 31, 2020, the Company recorded a recovery on reversal of accounts payable of \$16,922 (2019 – \$73,000) due to a former related party.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS

a) Shares Authorized

The Company is authorized to issue an unlimited number of common shares with no par value.

b) Transactions

(i) Twelve months ended March 31, 2020

On May 21, 2019, the Company closed the first tranche of a private placement financing and issued 5,236,065 Units at \$0.15 per Unit (the "Units") for gross proceeds of \$785,410. Each Unit consisted of one common share (a "Share") and one-half share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to acquire an additional common share at a price of \$0.25 per share until May 17, 2021. The Company also issued 268,333 Compensation Option Units (the "Finders Option") and paid an aggregate of \$39,250 to qualified finders. Each Finders Option is a compensation unit exercisable at \$0.15 per option into one common share and one-half share purchase warrant (each whole warrant, a "Finder's Warrant") for a five-year period. Each Finder's Warrant will be exercisable to acquire an additional common share at \$0.25 per share for a two-year period from the date of exercise of the Finders Option. Prior to March 31, 2019, the Company received \$31,418 of subscription proceeds in relation to this private placement, which was recorded as shares to be issued as at March 31, 2019. The Company incurred share issuance costs of \$22,383.

On June 4, 2019, the Company fulfilled its obligation to issue 1,057,956 common shares from treasury to buyers of shares during the Trading Period. As at March 31, 2019, the Company recorded \$211,591 as other expenses in recognition of this obligation. The shares were in satisfaction of claims that may have resulted from the purchase of pre-consolidation shares during the Trading Period, as discussed in Note 1. With respect to the trading of pre-consolidation shares during the Trading Period, a brokerage account reconciliation resulted in the return of 97,500 common shares which were cancelled on July 11, 2019. The Company recognized a gain of \$29,104 on the issuance of these common shares.

On July 12, 2019, the Company closed the final tranche of the May 2019 private placement financing and issued 2,453,333 Units at \$0.15 per Unit for gross proceeds of \$368,000. Each Unit consisted of a Share and one-half of a Warrant. Each Warrant entitles the holder to acquire an additional common share at a price of \$0.25 per share until July 12, 2021. The grant date fair value attributed to the 2,453,333 shares and warrants issued was estimated to be \$306,667 and \$61,333 respectively. The Company also paid an aggregate of \$21,333 to qualified finders and issued 134,222 Finders Options, which have the same terms as the Finders Options issued in the first tranche of the private placement. The Company incurred share issuance costs of \$7,296.

On December 20, 2019, the Company closed the first tranche of a private placement financing and issued 10,008,333 Units at \$0.10 per Unit for gross proceeds of \$1,000,833. Each Unit consisted of a Share and one Warrant of the Company. Each Warrant entitles the holder to acquire one common share at a price of \$0.14 per share until December 20, 2021. The Company also paid an aggregate of \$93,200 to qualified finders and issued 756,350 Finders Options and 175,650 Finder's Warrants. Each Finders Option is exercisable at a price of \$0.10 per unit to acquire either: (a) one common share and one warrant until December 20, 2021; or (b) one common share until December 20, 2024. Each Finder's Warrant entitles the holder to acquire one common share at a price of \$0.14 per share until December 20, 2021. The Company incurred share issuance costs of \$16,490.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

b) Transactions – continued

(i) Twelve months ended March 31, 2020 – continued

On January 9, 2020, the Company issued 967,513 common shares at a fair value of \$130,227 (US\$100,000) for the acquisition of the Fondaway Canyon and Dixie Comstock projects (Note 8).

On January 29, 2020, the Company closed the final tranche of the December 2019 private placement and issued 6,491,667 Units at a price of \$0.10 per Unit for gross proceeds of \$649,167. Each Unit consisted of a Share and one Warrant of the Company. Each Warrant entitles the holder to acquire one common share at a price of \$0.14 per share for a period of two years from the date of issuance. The Company also paid aggregate finder's fees of \$33,500 in cash and issued 243,500 Finders Options and 84,000 Finder's Warrants. Each Finders Option is exercisable at a price of \$0.10 per unit to acquire either: (a) one common share and one warrant until January 29, 2022; or (b) one common share until January 29, 2025. Each Finder's Warrant entitles the holder to acquire one common share at a price of \$0.14 per share until January 29, 2022. The Company incurred share issuance costs of \$15,206.

(ii) Fifteen months ended March 31, 2019

The Company issued 2,466,875 units at US\$0.32 per unit for gross proceeds of US\$789,400 (\$987,141). Each unit consisted of one common share and one common share purchase warrant. Each warrant entitled the holder to purchase one additional common share for a period of 12 months at US\$0.40. The grant date fair value attributed to the 2,466,875 warrants issued was estimated to be \$340,677 using the Black-Scholes option pricing model, with warrant issuance costs of \$11,000. Significant weighted average assumptions used were as follows: expected dividend yield of 0%, expected volatility of 106%, risk free interest rate of 1.78%, expected life of 1 year, and a share price of US\$0.40 (\$0.50).

The Company issued 2,253,989 units at \$0.45 per unit for gross proceeds of \$1,014,295. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitled the holder to purchase one additional common share for a period of 24 months at \$0.52. During the fifteen-month period ended March 31, 2019, the warrants were re-priced to \$0.25 per share.

c) Stock Options

The Company has a stock option plan (the "Plan") for its directors, officers, consultants and key employees under which the Company may grant options to acquire a maximum number of 10% of the total issued and outstanding common shares of the Company. These options are non-transferrable and 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 exercise price of the options is fixed by the Board of Directors of the Company at the time of the grant at the market price of the common shares, subject to all regulatory requirements. Expected volatility has been determined using the share price of the Company for the period equivalent to the life of the options prior to grant date.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

c) Stock Options – continued

A summary of the Company's stock option activity during the periods presented is as follows:

	Number	Weighted Average Exercise Price (CAD)	Weighted Average Exercise Price (USD)
Outstanding, December 31, 2017	1,228,000	\$ 0.28	\$ 0.22
Cancelled	(353,000)	0.31	0.24
Options deemed issued on RTO	66,667	0.42	n/a
Outstanding and exercisable, March 31, 2019	941,667	\$ 0.42	\$ 0.32
Granted	4,505,000	0.11	n/a
Cancelled	(66,667)	0.42	n/a
Outstanding and exercisable, March 31, 2020	5,380,000	\$ 0.45	\$ 0.32

On September 12, 2019, the Company granted 2,505,000 options to officers, directors, and consultants, exercisable at \$0.08 for a five-year term. The options vested immediately. The following assumptions were used for the options: expected dividend yield of 0%, expected volatility of 158%, risk free rate of return of 1.48%, expected life of 5 years, and share price of \$0.075, resulting in a charge of \$173,407 as share-based payments for the twelve months ended March 31, 2020.

On March 27, 2020, the Company granted 2,000,000 options to officers, directors, and consultants, exercisable at \$0.15 for a five-year term. The options vested immediately. The following assumptions were used for the options: expected dividend yield of 0%, expected volatility of 128%, risk free rate of return of 0.75%, expected life of 5 years, and share price of \$0.145, resulting in a charge of \$246,118 as share-based payments for the twelve months ended March 31, 2020.

The weighted average remaining life of the options as at March 31, 2020 was 4.22 years (2019 – 2.83 years).

A summary of the Company's outstanding and exercisable stock options as at March 31, 2020 is presented below:

Expiry date	Options Outstanding and Exercisable	Exercise Price (CAD)	Exercise Price (USD)
November 10, 2021	750,000	\$ 0.41	\$ 0.32
December 22, 2022	125,000	\$ 0.41	\$ 0.32
September 12, 2024	2,505,000	\$ 0.08	n/a
March 27, 2025	2,000,000	\$ 0.15	n/a
	5,380,000		

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

d) Compound Options

A summary of the Company's compound option activity during the periods presented is as follows:

	Number	Weighted Average Exercise Price (CAD)	Weighted Average Exercise Price (USD)
Outstanding and exercisable, December 31, 2017	418,125	\$ 0.41	\$ 0.32
Expired	(418,125)	0.41	0.32
Granted	210,399	0.45	n/a
Outstanding and exercisable, March 31, 2019	210,399	\$ 0.45	n/a
Granted	1,402,405	0.11	n/a
Outstanding and exercisable, March 31, 2020	1,612,804	\$0.16	n/a

On November 2, 2018, the Company granted 210,399 Finders Options. Each Finders Option is a compensation unit exercisable at \$0.45 per option into one common share and one share purchase warrant (a "Finder's Warrant") for a five-year period. Each Finder's Warrant will be exercisable to acquire an additional common share at \$0.52 per share for a five year period from the date of exercise of the Finders Option. The following assumptions were used for the options: expected dividend yield of 0%, expected volatility of 110%, risk free rate of return of 2.32%, expected life of 5 years, and share price of \$0.45, resulting in a charge of \$148,793 as share issue costs for the fifteen months ended March 31, 2019.

On May 17, 2019, the Company granted 268,333 Finders Options. Each Finders Option is a compensation unit exercisable at \$0.15 per option into one common share and one-half Finder's Warrant for a five-year period. Each Finder's Warrant will be exercisable to acquire an additional common share at \$0.25 per share for a two year period from the date of exercise of the Finders Option. The following assumptions were used for the options: expected dividend yield of 0%, expected volatility of 110%, risk free rate of return of 1.63%, expected life of 5 years, and share price of \$0.15, resulting in a charge of \$71,961 as share issue costs for the twelve months ended March 31, 2020.

On July 12, 2019, the Company granted 134,222 Finders Options. Each Finders Option is a compensation unit exercisable at \$0.15 per option into one common share and one-half Finder's Warrant for a five-year period. Each Finder's Warrant will be exercisable to acquire an additional common share at \$0.25 per share for a two year period from the date of exercise of the Finders Option. The following assumptions were used for the options: expected dividend yield of 0%, expected volatility of 110%, risk free rate of return of 1.47%, expected life of 5 years, and share price of \$0.15, resulting in a charge of \$16,395 as share issue costs for the twelve months ended March 31, 2020.

On December 20, 2019, the Company granted 756,350 Finders Options. Each Finders Option is a compensation unit exercisable at \$0.10 per option to acquire either: (a) one common share and one Finder's Warrant until December 20, 2021; or (b) one common share until December 20, 2024. Each Finder's Warrant entitles the holder to acquire one common share at a price of \$0.14 per share for a period of two years from the date of issuance. The following assumptions were used for the options: expected dividend yield of 0%, expected volatility of 114%, risk free rate of return of 1.64%, expected life of 5 years, and share price of \$0.115, resulting in a charge of \$118,709 as share issue costs for the twelve months ended March 31, 2020.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

d) Compound Options – continued

On January 29, 2020, the Company granted 243,500 Finders Options. Each Finders Option is a compensation unit exercisable at \$0.10 per option to acquire either: (a) one common share and one Finder's Warrant until January 29, 2022; or (b) one common share until January 29, 2025. Each Finder's Warrant entitles the holder to acquire one common share at a price of \$0.14 per share for a period of two years from the date of issuance. The following assumptions were used for the options: expected dividend yield of 0%, expected volatility of 116%, risk free rate of return of 1.38%, expected life of 5 years, and share price of \$0.13, resulting in a charge of \$44,815 as share issue costs for the twelve months ended March 31, 2020.

A summary of the Company's outstanding and exercisable compound options as of March 31, 2020 is presented below:

Expiry date	Options Outstanding and Exercisable	Exercise Price
November 2, 2023	210,399	\$ 0.45
May 17, 2024	268,333	\$ 0.15
July 12, 2024	134,222	\$ 0.15
December 20, 2024	756,350	\$ 0.10
January 29, 2025	243,500	\$ 0.10
	1,612,804	

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

e) Warrants

A summary of the Company's warrant activity during the periods presented is as follows:

	Number Outstanding and Exercisable	Weighted Average Exercise Price (CAD)	Weighted Average Exercise Price (USD)
Outstanding, December 31, 2017	2,134,375 ⁽¹⁾⁽²⁾	\$ 0.25	n/a
Warrants assumed on RTO	47,667	0.42	n/a
Issued	2,466,875 ⁽²⁾	0.25	n/a
Issued	2,253,989	0.25	n/a
Issued	228,000	0.26	0.20
Outstanding, March 31, 2019	7,130,906	\$ 0.25	\$0.20
Expired	(47,667)	0.42	n/a
Issued	20,604,350	0.16	n/a
Outstanding, March 31, 2020	27,687,589	\$ 0.28	\$0.20

⁽¹⁾ Warrant issuance costs of \$37,000 with respect to these warrants were recorded during the twelve months ended December 31, 2017. The warrants issuance costs were fully amortized during the twelve months ended March 31, 2020.

⁽²⁾ As a result of the exercise price of the warrants being denominated in a currency other than the functional currency, the warrants were considered a derivative financial liability and revalued at each period end with any gain or loss in the fair value being recorded in the consolidated statements of loss as an unrealized gain or loss on warrant liability. On December 18, 2019, the Company announced that these outstanding share purchase warrants have been repriced from US\$0.40 to CAD\$0.25. The fair value of these outstanding warrants was determined to be \$nil on the date of the repricing and as a result, the Company recorded an unrealized gain on warrant liability of \$77,844 during the twelve months ended March 31, 2020.

On July 24, 2017, the Company granted 228,000 finder's options exercisable at US\$0.20 for a five-year term. During the fifteen months ended March 31, 2019, these finder's options were converted to warrants in accordance with a court order upon completion of the Transaction. The following weighted average assumptions were used for the replacement warrants: expected dividend yield of 0%, expected volatility of 110%, risk free rate of return of 2.03%, expected life of 3.64 years, and share price of \$0.25, resulting in a charge of \$36,939 as share-based payments for the fifteen months ended March 31, 2019.

On December 20, 2019, the Company issued 175,650 Finder's Warrants. Each Finder's Warrant entitles the holder to acquire one common share at a price of \$0.14 per share until December 20, 2021. The following assumptions were used: expected dividend yield of 0%, expected volatility of 114%, risk free rate of return of 1.69%, expected life of 2 years, and share price of \$0.115, resulting in a charge of \$11,022 as share issue costs for the twelve months ended March 31, 2020.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

7. SHARE CAPITAL, STOCK OPTIONS AND WARRANTS – continued

e) Warrants – continued

On January 29, 2020, the Company issued 84,000 Finder's Warrants. Each Finder's Warrant entitles the holder to acquire one common share at a price of \$0.14 per share until January 29, 2022. The following assumptions were used for the options: expected dividend yield of 0%, expected volatility of 116%, risk free rate of return of 1.51%, expected life of 2 years, and share price of \$0.13, resulting in a charge of \$6,330 as share issue costs for the twelve months ended March 31, 2020.

The weighted average remaining life of the warrants as at March 31, 2020 was 1.43 years (2019 – 1.1 years).

A summary of the Company's outstanding warrants as of March 31, 2020 is presented below:

Expiry date	Warrants outstanding	Exercise price (CAD)	Exercise price (USD)
December 31, 2020 ⁽¹⁾	2,134,375	\$ 0.25	n/a
December 31, 2020 ⁽¹⁾	2,466,875	\$ 0.25	n/a
November 2, 2020	2,253,989	\$ 0.25	n/a
May 17, 2021	2,618,033	\$ 0.25	n/a
July 12, 2021	1,226,667	\$ 0.25	n/a
December 20, 2021	10,183,983	\$ 0.14	n/a
January 29, 2022	6,575,667	\$ 0.14	n/a
July 24, 2022	228,000	\$ 0.26	\$ 0.20
	27,687,589		

⁽¹⁾ On December 18, 2019, the Company announced that an aggregate of 4,601,250 outstanding share purchase warrants issued pursuant to a financing that closed on December 18, 2017 have been repriced from US\$0.40 to CAD\$0.25. The expiry date has also been extended to December 31, 2020. As a result, the Company recorded a loss on extension of warrants of \$147,317 for the twelve months ended March 31, 2020. The loss on extension of warrants was estimated using the Black-Scholes model as the difference in the fair value of the warrants between the extended period and the remaining period when the decision was taken to extend the warrants. The following weighted average assumptions were used: expected dividend yield of 0%, 118% expected volatility, 1.71% risk-free interest rate and expected life of 1 year.

8. EXPLORATION AND EVALUATION EXPENDITURES

The Company holds a 100% interest in the Star claim group located in Pershing County Nevada, USA. A portion of the Star Point claim group is subject to a mining lease agreement between RS Gold, LLC, the "Owner" dated June 26, 2010 and amended on May 1, 2015. The remainder of the Star claim group is controlled via staking.

During the twelve months ended March 31, 2020, the Company attempted to renegotiate the terms of the BV South, French Boy and Gold Knob mining leases but did not receive satisfactory renewal terms from the Lessors. Consequently, the mining leases were not renewed. The Star Point mining lease was renewed in June 2019.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION EXPENDITURES – continued

Star Point

The leased portion of the Star Point claim group is subject to a mining lease agreement, the key provisions of which are as follows:

Term: Original term 10 of years ending June 26, 2020 may be extended for an additional 10 years, or so long thereafter as there are mining/processing activities, or reclamation/closure activities.

Advance Minimum Royalties: Advance pre-production royalties deductible from future production royalties are payable as follows:

1st Anniversary of signing US\$40,000 (paid)
all subsequent Anniversaries US\$50,000 (paid to date)

The AMR payments were temporarily amended and reduced to US\$5,000 in 2015 and US\$10,000 in 2016 (paid). In 2018 and 2019, the AMR payments returned to US\$50,000 per year (paid).

Production Royalties: A sliding-scale gold NSR royalty and 3% gross royalty on other metals is payable to the owners on production proceeds.

Price of Gold	NSR
<US\$800/Troy oz.	3%
US\$800.01 to US\$1,500 oz.	4%
>US\$1,500.01 oz.	5%

Royalty Buy-out Provision: The Company may purchase up to a 2% NSR for US\$1,250,000 per point, with provision for purchase of an additional 1% NSR if the gold price is above US\$1,500/oz. The Owner's NSR cannot be less than 1% after the buy-out.

During the fifteen months ended March 31, 2019, the Company staked and recorded an additional 60 claims adjacent to Star Point and subsequently staked an additional 63 claims to the south of Star Point. The staking of the additional 63 claims gives the Company a continuous claim package from the northern end of Star Point to the southern end of BV South.

Hot Springs Peak

The Hot Springs Peak property consists of unpatented lode mining claims in the northern Hot Springs range in northern Nevada.

In August 2017, the Company purchased 88 claims in Nevada, USA from Dutch Flats Gold Inc., a company related through common director and ownership, in exchange for 626,091 common shares and settlement of \$90,071 for amounts due by Dutch Flats Gold Inc. to BVG. An additional 16 claims were staked in fiscal 2017. In addition, there were 4 claims leased from a private owner.

During fiscal 2019, an additional 102 claims were staked and recorded. The 4 leased claims expired in the first quarter of fiscal 2019 and the lease has not yet been renegotiated. The Company renewed 167 Hot Springs Peak claims on August 20, 2019.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION EXPENDITURES - continued

Fondaway Canyon and Dixie Comstock

On January 3, 2020, the Company has executed the definitive agreement (the “Agreement”) with Canarc Resources Corp. (“Canarc”), whereby the Company will have the option to acquire 100% of the Fondaway Canyon and Dixie Comstock properties located in Churchill County Nevada. Under the terms of the Agreement, Getchell can acquire 100% of the projects at any time on or before the 4th anniversary of the Agreement by paying Canarc a total of US\$2.0M in cash and US\$2.0M in Getchell shares and granting Canarc a 2% NSR in the Fondaway Canyon and Dixie Comstock projects (1% of the NSR can be bought out for US\$1,000,000 on each project).

During the twelve months ended March 31, 2020, an additional 34 claims were staked and recorded for Fondaway Canyon.

Payment terms:

- At signing of the full agreement – US\$100,000 in cash (paid) and US\$100,000 in shares (issued)
- 1st Anniversary – US\$100,000 in cash and US\$200,000 in shares
- 2nd Anniversary – US\$100,000 in cash and US\$300,000 in shares
- 3rd Anniversary – US\$100,000 in cash and US\$400,000 in shares
- 4th Anniversary – US\$1,600,000 in cash and US\$1,000,000 in shares

Work commitments:

- Year 1 – US\$300,000
- Year 2 – US\$400,000
- Year 3 – US\$500,000
- Year 4 – US\$250,000

Expenditures

Exploration and evaluation expenditures for the twelve months ended March 31, 2020 were as follows:

	Star Point \$	Hot Springs Peak \$	Fondaway Canyon \$	Dixie Comstock \$	Total \$
Acquisition and lease payments	-	-	223,574	42,586	266,160
Claim Fees	46,927	39,354	12,973	-	99,254
Field and support	5	-	4,915	933	5,853
Geologist	3,381	64,533	104,798	15,964	188,676
Laboratory fees	-	76,445	-	-	76,445
Drilling	-	436,498	-	-	436,498
Royalty payments	66,540	-	-	-	66,540
Travel	401	19,098	2,728	586	22,813
	117,254	635,928	348,988	60,069	1,162,239

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION EXPENDITURES – continued

Expenditures – continued

Exploration and evaluation expenditures for the fifteen months ended March 31, 2019 were as follows:

	Gold Knob	French	Star Point	BV South	Hot	Total
	\$	Boy	\$	\$	Spring	\$
	\$	\$	\$	\$	Peak	\$
	\$	\$	\$	\$	\$	\$
Acquisition and lease payments	-	-	-	-	2,344	2,344
Claims staking	31,754	4,802	97,616	29,814	96,750	260,736
Geologist	-	-	54,792	3,126	87,922	145,840
Geophysics	-	-	110,749	-	63,515	174,264
Laboratory fees	-	-	-	-	69,792	69,792
Drilling	-	-	-	-	323,529	323,529
Royalty payments	65,120	-	65,120	65,120	-	195,360
Other fees	-	-	2,449	-	5,303	7,752
	96,874	4,802	330,726	98,060	649,155	1,179,617
General						426
						1,180,043

9. CAPITAL MANAGEMENT

The Company manages its shareholders' equity (deficiency) as capital, making adjustments based on available funds, to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties to which the Company currently has an interest are in the exploration stage and as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration as well as satisfy administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties should sufficient geological or economic potential be demonstrated and if the Company has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the current size of the Company. There were no changes to its capital management approach during the twelve months ended March 31, 2020. Neither the Company nor its subsidiaries is subject to externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company has no external debt and is dependent on the capital markets to finance exploration and development activities.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

10. SEGMENTED INFORMATION

The Company has one operating segment: the acquisition, exploration and development of precious and base metal mineral resource properties located in Nevada, USA. All furniture and equipment are located in Canada.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Liquidity Risk
- Credit Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: foreign currency risk, interest rate risk and commodity price risk.

Foreign Currency Risk

Given the global nature of the Company's business, the Company's operating businesses, financial reporting results and cash flows are exposed to risks associated with foreign currency fluctuations. For the twelve months ended March 31, 2020, management estimates that if the United States Dollar had weakened or strengthened by 10% against the Canadian dollar, the resulting change in net loss would be negligible. Included in cash is US\$37,739 (\$53,540) (2019 – US\$74,338 (\$99,337)), and accounts payable and accrued liabilities is US\$20,199 (\$28,656) (2019 – US\$73,912 (\$98,774)) denominated in foreign currency.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. The Company is not exposed to significant interest rate risk.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT - continued

Commodity Price Risk

The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of precious metals. The Company closely monitors commodity prices to determine the appropriate course of action to be taken. Based on management's knowledge and expertise of the financial markets, the Company believes that commodity price risk is not relevant as the Company is not a producing entity.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

At March 31, 2020, the Company had a cash balance of \$810,190 and current liabilities of \$254,548.

The following is a summary of the Company's material contractual obligations (representing undiscounted contractual cash flows):

	Due within				Total
	1 Year	2 Years	3 Years	Over 4 Years	
Accounts payable and accrued liabilities	\$ 254,548	\$ -	\$ -	\$ -	\$ 254,548

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk in its cash. The maximum credit risk represented by the Company's financial assets is represented by their carrying amounts. Concentration of credit risk exists with respect to the Company's cash as substantially the entire amount is held at a single major Canadian financial institution.

Credit risk on cash is minimized by depositing with only reputable financial institutions.

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – continued

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

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

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The consolidated statements of financial position carrying amounts for cash, accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments. The fair value of warrant liability is based on level 2 inputs of the fair value hierarchy.

12. COMMITMENTS AND CONTINGENCIES

Environmental contingencies

The Company's exploration activities are subject to various international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and 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. INCOME TAXES

a) Provision for income taxes

The major items causing the Company's income tax expense to differ from the Canadian combined federal and provincial statutory rate of 27% at March 31, 2020 (2019 – 27%) were:

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

13. INCOME TAXES – continued

	March 31, 2020	March 31, 2019
	\$	\$
Net loss for the period before income taxes	(2,591,139)	(3,665,623)
Expected income taxes (recoverable) at statutory rates	(700,000)	(990,000)
Changes resulting from:		
Expenses not deductible for tax purposes	142,000	386,000
Effect of change in tax rates	-	(26,000)
Under provided in prior period	-	1,035,000
Tax benefits not realized	558,000	(405,000)
Deferred income tax provision	-	-

b) Deferred income tax balances

The Company has deferred tax assets not recognized as follows:

	March 31, 2020	March 31, 2019
	\$	\$
Deferred income tax assets		
Non-capital losses	2,882,000	2,319,000
Mineral properties	4,000	3,000
Share issuance costs	27,000	46,000
	2,913,000	2,368,000

The Company has approximately \$4,859,000 of non-capital losses in Canada which, under certain circumstances can be used to reduce the taxable income of future years. The losses expire in the following periods:

Year	Amount
	\$
2028	59,000
2029	52,000
2030	372,000
2031	65,000
2032	371,000
2033	175,000
2034	643,000
2035	166,000
2036	40,000
2037	579,000
2038	464,000
2039	946,000
2040	927,000
	<u>4,859,000</u>

GETCHELL GOLD CORP.
Notes to the Consolidated Financial Statements
For the twelve months ended March 31, 2020 and
the fifteen months ended March 31, 2019
(Expressed in Canadian Dollars)

14. SUBSEQUENT EVENTS

Subsequent to March 31, 2020, 500,000 warrants with an exercise price of \$0.14 have been exercised for gross proceeds of \$70,000.

On June 1, 2020, the Company closed a non-brokered private placement totaling 2,800,000 units (each a "Unit") at a price of \$0.25 per Unit for aggregate gross proceeds of \$700,000. Each Unit consists of one common share and one-half of one warrant (each whole warrant, a "Warrant") of the Company. Each Warrant entitles the holder to acquire one common share at a price of \$0.35 per share for a period of two years from the date of issuance.