

# **TISDALE RESOURCES CORP.**

## **CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

### **FOR THE THREE MONTHS ENDED MARCH 31, 2020**

(Unaudited - Expressed in Canadian Dollars)

#### **Notice of No Auditor Review**

These unaudited consolidated interim financial statements of Tisdale Resources Corp. (the "Company") have not been reviewed by the auditors of the Company. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - Continuous Disclosure Obligations.

# TISDALE RESOURCES CORP.

## CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited - Expressed in Canadian Dollars)

	March 31	December 31
	2020	2019
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 3,351	\$ 2,496
Amounts receivable	1,480	838
	\$ 4,831	\$ 3,334
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables (note 6)	48,739	\$ 23,406
Loans payable (note 7)	5,000	-
	53,739	23,406
<b>Long term liabilities</b>		
Loans and interest payable (note 8)	236,113	230,538
	289,852	253,944
<b>SHAREHOLDERS' DEFICIENCY</b>		
Share capital (note 9)	12,900,151	12,900,151
Warrants reserve (note 10)	76,727	76,727
Share-based payment reserve (note 10)	250,442	250,442
Deficit	(13,512,341)	(13,477,930)
	(285,021)	(250,610)
	\$ 4,831	\$ 3,334

Nature and continuance of operations (note 1)

Approved on behalf of the Board:

Director "Alex Klenman"  
Alex Klenman

Director "Mark Ferguson"  
Mark Ferguson

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

**TISDALE RESOURCES CORP.****CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**

(Unaudited - Expressed in Canadian Dollars)

	<b>Three Months Ended</b>	
	<b>March 31</b>	
	<b>2020</b>	<b>2019</b>
<b>Exploration expenditures: acquisition, maintenance, exploration and geological consulting</b> (note 5)	\$ -	\$ 6,561
<b>General and administrative expenses</b>		
Consulting fees	15,000	12,180
Filing and transfer agent fees	5,467	13,707
Interest (note 8)	5,181	3,498
Management fees (note 11)	4,200	7,500
Office	52	14
Professional fees	4,047	10,000
	<b>33,947</b>	<b>46,899</b>
<b>Other item</b>		
Accretion expense (note 8)	464	-
<b>Net loss and comprehensive loss</b>	\$ (34,411)	\$ (53,460)
<b>Basic and diluted loss per share</b>	\$ (0.00)	\$ (0.00)
<b>Weighted average number of common shares outstanding</b>	10,923,491	10,923,491

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**TISDALE RESOURCES CORP.****CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY**

(Unaudited - Expressed in Canadian Dollars)

	<b>Number of Shares</b>	<b>Share Capital</b>	<b>Warrants Reserve</b>	<b>Share-based Payment Reserve</b>	<b>Deficit</b>	<b>Total Shareholders' Deficiency</b>
<b>Balance at January 1, 2019</b>	10,923,491	\$ 12,900,151	\$ 76,727	\$ 250,442	\$ (13,410,771)	\$ (183,451)
Net loss	-	-	-	-	(53,460)	(53,460)
<b>Balance at March 31, 2019</b>	10,923,491	12,900,151	76,727	250,442	(13,464,231)	(236,911)
<b>Balance at January 1, 2020</b>	10,923,491	12,900,151	76,727	250,442	(13,477,930)	(250,610)
Net loss	-	-	-	-	(34,411)	(34,411)
<b>Balance at March 31, 2020</b>	10,923,491	12,900,151	76,727	250,442	(13,512,341)	\$ (285,021)

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

**TISDALE RESOURCES CORP.**  
**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
(Unaudited - Expressed in Canadian Dollars)

	<b>Three Months Ended</b>	
	<b>March 31</b>	
	<b>2020</b>	<b>2019</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net loss	\$ (34,411)	\$ (53,460)
Item not affecting cash:		
Interest on loan	5,181	4,660
Accretion expense	464	
Change in non-cash working capital items:		
Amounts receivable	(642)	(2,300)
Trade and other payables	25,263	(28,649)
<b>Net cash flows used in operating activities</b>	<b>(4,145)</b>	<b>(79,749)</b>
<b>Financing activities</b>		
Loan advances	5,000	-
Loan repayment	-	(45,000)
<b>Net cash flows provided by (used in) financing activities</b>	<b>5,000</b>	<b>(45,000)</b>
<b>Change in cash during the period</b>	<b>855</b>	<b>(124,749)</b>
<b>Cash, beginning of the period</b>	<b>2,496</b>	<b>139,038</b>
<b>Cash, end of the period</b>	<b>\$ 3,351</b>	<b>\$ 14,289</b>
<b>Supplemental disclosure of cash flow information:</b>		
Interest paid	\$ -	\$ -

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

## **TISDALE RESOURCES CORP.**

Notes to the Consolidated Interim Financial Statements  
For the three months ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)

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### **1. Nature and Continuance of Operations**

Tisdale Resources Corp. (the “Company”), listed on the TSX-Venture Exchange (“TSX-V”) as (“TRC”), is a corporation continued under the laws of the Province of British Columbia with its principal, registered and records office located at 2200 – 885 West Georgia Street, Vancouver, BC V6C 3E8.

On November 14, 2018, the Company consolidated all its issued and outstanding share capital on a one-new-for-four-old basis. On the same date, the Company changed its name from Senator Minerals Inc. to Tisdale Resources Corp.

The Company is a junior exploration company engaged in the business of identification, acquisition and exploration of mineral interests in North America. At the date of the consolidated financial statements, the Company has not identified a known body of commercial grade minerals on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body, to finance its development costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the property. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

Management is targeting sources of additional financing through alliances with financial, exploration and mining entities, and other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In addition, management closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favourable or adverse market conditions occur.

These consolidated interim financial statements have been prepared on a going concern basis which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The Company continues to incur operating losses and at March 31, 2020 had a cumulative deficit of \$13,512,341 and a working capital deficiency of \$48,908. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

These consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. Further discussion of liquidity risk is included in notes 3 and 4.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

These consolidated interim financial statements were authorized for issue on April 20, 2020 by the directors of the Company.

## **TISDALE RESOURCES CORP.**

Notes to the Consolidated Interim Financial Statements  
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### **2. Significant Accounting Policies and Basis of Preparation**

#### (a) Statement of compliance and basis of preparation

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including International Accounting Standards (“IAS”) 34, Interim Financial Reporting. These consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Corporation’s audited annual financial statements for the year ended December 31, 2019, which have been prepared in accordance with IFRS.

The consolidated interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The presentation and functional currency of the Company is the Canadian dollar.

#### (b) Consolidation

The consolidated interim financial statements include the accounts of the Company and its controlled subsidiaries, after the elimination of all material intercompany balances and transactions. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

The Company’s controlled subsidiaries included in these consolidated interim financial statements are:

<b>Name</b>	<b>Country of Incorporation</b>	<b>Ownership</b>	
		<b>2019</b>	<b>2018</b>
515427 BC Ltd.	Canada	100%	100%
Gunnar Minerals Corp.	Canada	100%	100%
Keefe Lake Projects Inc.	Canada	100%	100%

515427 BC Ltd. had no commercial activities during the current or previous year.

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### **2. Significant Accounting Policies and Basis of Preparation, continued**

#### (c) Use of estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect events concerning the future. 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. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets and provisions for restoration and environmental obligations.

#### (d) Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification/allocation of expenditures as exploration and evaluation expenditures or operating expenses; and
- the classification of financial instruments.

#### (e) Recent accounting pronouncements

##### *New accounting standards issued but not yet effective*

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.



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### **3. Capital Management**

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally imposed capital requirements. There have been no changes in the Company's approach to capital management during the period.

### **4. Financial Instruments and Risk Management**

As at March 31, 2020, the Company's financial instruments consist of cash, loans and trade and other payables.

In management's opinion, the Company's carrying values of cash, loans and trade and other payables approximate their fair values due to the immediate or short-term maturity of these instruments.

The Company's financial instruments are exposed to the following risks:

#### *Credit Risk*

Currently the Company does not have any material exposure to credit risk. As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible.

#### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to pay financial liabilities as they come due. The Company's only liquidity risk from financial instruments is its need to meet trade and other payables and loans payable requirements. The Company tries to achieve this by maintaining sufficient cash to cover current liabilities as they mature. At March 31, 2020, the Company had a working capital deficiency of \$48,908 (December 31, 2019 - \$20,072). Liquidity risk is assessed as high.

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### **4. Financial Instruments and Risk Management, continued**

#### *Price Risk*

The Company is not exposed to price risk.

#### *Interest Rate Risk*

The Company is exposed to interest rate risk arising from the cash maintained at Canadian financial institutions. The interest rate risk on cash is not considered significant due to its short-term nature and maturity.

### **5. Exploration and Evaluation Properties**

Ownership of mineral property interests may involve certain risks due to difficulties in determining the validity of certain claims as well as the potential for problems arising from the ambiguous conveyancing history characteristic of some mineral properties. The Company had investigated ownership of the mineral properties in which it has an interest and, to the best of its knowledge, all properties are in good standing.

It is the Company's policy to expense exploration and evaluation expenditures as incurred. See schedule below for details of expenditures in the three month periods ended March 31, 2020 and 2019. As at March 31, 2020, the Company owned or had royalty interests or lease options on the following mineral property interests:

#### **Carter Lake Uranium Project, South-western Saskatchewan**

On September 13, 2017, the Company entered into a share purchase agreement with Gunnar Minerals Corp. ("Gunnar") pursuant to which it acquired 100% of the shares of Gunnar in consideration for a cash payment of \$1,700,000. Gunnar holds the rights to acquire the Carter Lake Uranium Project, located in the southwestern corner of the Athabasca basin, Saskatchewan after signing an agreement with Doctors Investment Group Ltd. ("Doctors") to acquire 100% interest in and to the property on April 8, 2017. The project covers approximately 1,113 hectares on the Carter Lake corridor. The Carter Lake uranium project is subject to a 2% net smelter return royalty, one-half of which can be purchased in consideration for a cash payment of \$2,000,000.

In consideration of the grant of the right by Doctors to purchase 100% undivided interest in the property, Gunnar shall pay:

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**5. Exploration and Evaluation Properties, continued****Carter Lake Uranium Project, South-western Saskatchewan, continued**

- (a) \$100,000 in cash within 5 days of Gunnar entering into an assignment or other material agreement for an interest in the Property with an issuer with shares trading on a recognized stock exchange (September 13, 2017) but in any event no later than 90 days after the signing of this agreement (paid July 5, 2017);
- (b) A further \$100,000 in cash and completing no less than \$250,000 in qualified exploration expenditures on the Property, on or before April 8, 2019 (unpaid);
- (c) A further \$100,000 in cash and completing no less than \$500,000 in qualified exploration expenditures on the Property, on or before April 8, 2020;
- (d) A further \$100,000 in cash and completing no less than \$1,000,000 in qualified exploration expenditures on the Property, on or before April 8, 2021;
- (e) At Gunnar's election, cash payments can be paid to Doctors in lieu of completing qualified exploration expenditures on the Property.

The Company has elected to terminate its option to acquire the Carter Lake Uranium Project.

**Keefe Lake Projects, North-eastern Saskatchewan**

On November 24, 2017, the Company acquired 100% of the shares of Keefe Lake Projects Inc. Subject to existing royalty rights, Keefe Lake Projects Inc. holds a 100-per-cent interest in the Keefe Lake uranium project, an advanced exploration project that covers an area of approximately 15,400 hectares, on the eastern side of the Athabasca basin, in northeastern Saskatchewan, Canada.

	Acquisition	Maintenance	Exploration	Total Expended
Property	\$	\$	\$	\$
<b>Three months ended March 31, 2020</b>				
Carter Lake	-	-	-	-
	-	-	-	-
<b>Three months ended March 31, 2019</b>				
Carter Lake	-	6,561	-	6,561
	-	6,561	-	6,561

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**6. Trade and Other Payables**

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
Trade	\$ 38,206	\$ 9,794
Other payables – accrued liabilities	10,533	13,612
	<b>\$ 48,739</b>	<b>\$ 23,406</b>

**7. Loans Payable**

These loans represent funds advanced by an investor who is assisting in implementing the Company's business plan. Receipt of these loans is providing the working capital for the Company to prepare financial statements and for corporate registrations. As a result, the Company has gained further time in which to implement its intended business plan.

Loans payable in the amount of \$5,000 (December 31, 2019 - \$Nil) are unsecured and bear interest at 10% per annum and will be repaid once the Company's business plan is implemented.

As at March 31, 2020, \$70 (December 31, 2019 - \$Nil) in accrued interest was included in trade and other payables.

**8. Loans and Interest Payable – Long Term**

On March 29, 2018, the Company entered into a debt modification agreement with Apollo Innovative Solutions Inc. (the "Creditor"). The Creditor agreed to convert its outstanding accounts payable of \$190,000 into a note due on July 1, 2019 and the Company hereby agreed to pay the Creditor 10% interest on the outstanding balance, payable on maturity of the note. During March 2019, the Company repaid \$45,000 of the principal balance.

On December 31, 2019, the Creditor agreed to convert its outstanding accounts payable of \$60,000 into a note, the balance to be added to the existing loan payable of \$145,000. The Creditor also agreed to extend the repayment date of the note plus accrued interest of \$30,004 to July 1, 2021. The Company agreed to pay the Creditor 10% interest on the outstanding balance, payable on maturity of the note.

The Company determined that the extension of the maturity date on the original loan amount of \$145,000 net of the payment of \$45,000 paid in 2019 represented a non-substantial modification of financial liabilities under IFRS 9, as the respective differences between the net present value of the cash flows under the modified terms was less than 10 percent different from the net present value from the remaining cash flows of the loan prior to modification, both discounted at the original effective interest rate, resulting in a gain on modification of \$4,466 recognized in profit or loss in 2019.

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### 8. Loans and Interest Payable – Long Term, continued

The loan as at December 31, 2019 for total principal amount of \$205,000 has also been valued at the present value of anticipated future repayments using a discount rate of 10%, which represents the estimated borrowing rate to the Company for a similar loan and anticipated repayment terms. The loan will be accreted to its face value over the term to maturity of the loan at an effective interest rate of approximately 9.70%.

The following table summarizes the accounting for the loans payable:

	\$
<b>Balance, December 31, 2018</b>	<b>204,419</b>
Payments made	(45,000)
Interest accrued	15,585
Note payable	60,000
Gain on modification of debt	(4,466)
<b>Balance, December 31, 2019</b>	<b>230,538</b>
Interest accrued	5,111
Accretion	464
<b>Balance, March 31, 2020</b>	<b>236,113</b>

### 9. Share Capital

(a) Authorized:

Unlimited number of common shares without par value  
Unlimited number of special shares issuable in series without par value

(b) Common shares issued:

At December 31, 2019 and March 31, 2020, there were 10,923,491 issued and fully paid common shares post consolidation.

On November 14, 2018, the Company consolidated all its issued and outstanding share capital on a one-new-for-four-old basis. All figures as to the number of common shares, stock options, warrants, and loss-per-share in these consolidated financial statements have been retroactively restated to reflect the consolidation.

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**9. Share Capital, continued**

## (c) Warrants

Warrant activity for the periods ended March 31, 2020 and December 31, 2019 is presented below:

	March 31 2020		December 31 2019	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Outstanding - beginning of period	550,000	\$ 0.26	550,000	\$ 0.26
Issued	-	-	-	-
Outstanding - end of period	550,000	\$ 0.26	550,000	\$ 0.26

As at March 31, 2020, the following warrants were outstanding:

Number of Warrants	Weighted Average Exercise Price	Expiry date	Remaining Life (years)
550,000	\$ 0.26	December 3, 2020	0.68

## (d) Stock options

The Company has a rolling incentive stock option plan that can reserve a maximum of 10% of the issued shares of the Company at the time of the stock option grant with no vesting provisions, but including the following terms:

- Each incentive share purchase option is personal to the grantee and may be neither assigned nor transferred to anyone else;
- Individual incentive share purchase options will have no more than a maximum term of five (5) years from the date of their grant;
- Incentive share purchase options granted to any one individual in any 12 month period cannot exceed 5% of the issued and outstanding shares of the Company;
- Individual incentive share purchase options granted to any one consultant in any 12 month period shall not exceed 2% of the issued and outstanding shares of the Company; and
- Individual incentive share purchase option agreements granted to an employee or consultant conducting investor relations activities will not exceed an aggregate of 2% of the issued and outstanding shares of the Company in any twelve month period.

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### **9. Share Capital, continued**

(d) Stock options, continued

As at March 31, 2020 and December 31, 2019, the Company had no stock options outstanding.

### **10. Reserves**

(a) Warrants reserve

This reserve records the incremental increase in the fair value of previously outstanding warrants resulting from a re-pricing.

(b) Share-based payments reserve

This reserve records items recognized as share-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amounts recorded could potentially be transferred to deficit but the Company has elected to maintain them in the share-based payments reserve account.

### **11. Related Party Transactions and Balances**

#### *Related Party Transactions*

Key management compensation for the three months ended March 31, 2020 and 2019 consisted of the following:

- Management fees in the amount of \$4,200 (2019 - \$7,500) were paid as follows: to a former officer of the Company \$Nil (2019 - \$7,500); a director and officer \$1,200 (2019 - \$Nil) and a company controlled by a director and officer \$3,000 (2019 - \$Nil).

#### *Related Party Balances*

At March 31, 2020, included in trade payables was \$1,450 (December 31, 2019 - \$Nil) owing to a director and officer and a company controlled by a director and officer of the Company in respect of fees.

### **12. Operating Segment**

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral properties located in North America (Saskatchewan).