

Fire River Gold Corp.
Financial Statements
October 31, 2019
(Expressed in Canadian dollars)



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Fire River Gold Corp.

Opinion

We have audited the financial statements of Fire River Gold Corp. (the "Company"), which comprise the statements of financial position as at October 31, 2019 and 2018, and the statements of comprehensive loss, cash flows, and changes in shareholders' deficit for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 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 is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about 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 the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 auditor's report to the related disclosures in the 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 auditor's 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 auditor's report is Barry Hartley.

DML

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

February 28, 2020



An independent firm
associated with Moore
Global Network Limited

Fire River Gold Corp.
Statements of Financial Position
(Expressed in Canadian dollars)

	Note	As at October 31, 2019	As at October 31, 2018
ASSETS			
Current assets			
Cash		\$ 84,689	\$ 300,626
Total Assets		\$ 84,689	\$ 300,626
LIABILITIES AND SHAREHOLDERS' DEFICIT			
Current liabilities			
Trade and other payables	4,12	\$ 725,342	\$ 780,783
Loans payable	5	348,835	316,027
Total Liabilities		1,074,177	1,096,810
Deficit			
Common shares	6	39,172,995	39,172,995
Reserves	6	18,029,569	18,029,569
Deficit		(58,192,052)	(57,998,748)
Total Deficit		(989,488)	(796,184)
Total Liabilities and Shareholders' Deficit		\$ 84,689	\$ 300,626

Going Concern (Note 1)

Fire River Gold Corp.
Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	Note	Years ended October 31,	
		2019	2018
Administration expenses	7	\$ (193,937)	\$ (222,568)
Other item:			
Foreign exchange gain		633	-
Net loss for the year		\$ (193,304)	\$ (222,568)
Loss per share			
Basic and diluted	9	\$ (0.061)	\$ (0.070)

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

Fire River Gold Corp.
Statements of Cash Flows
(Expressed in Canadian dollars)

	Years ended October 31,	
	2019	2018
OPERATING ACTIVITIES		
Net loss for the year	\$ (193,304)	\$ (222,568)
Non-cash items:		
Foreign exchange gain	(633)	-
Accrued interest	32,808	16,027
Operating cash flows before movements in working capital:		
Change in trade and other payables	(54,808)	207,167
Cash provided by (used in) operating activities	(215,937)	626
FINANCING ACTIVITY		
Loans payable	-	300,000
Cash provided by financing activity	-	300,000
Change in cash	(215,937)	300,626
Cash, beginning of year	300,626	-
Cash, end of year	\$ 84,689	\$ 300,626

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

Fire River Gold Corp.
Statements of Changes in Shareholders' Deficit
(Expressed in Canadian dollars)

	Number of shares	Common shares	Stock option reserve	Warrant reserve	Deficit	Total
Balances at October 31, 2017	3,161,570	\$ 39,172,995	\$ 3,473,677	\$ 14,555,892	\$ (57,776,180)	\$ (573,616)
Net and comprehensive loss for the year	-	-	-	-	(222,568)	(222,568)
Balances at October 31, 2018	3,161,570	39,172,995	3,473,677	14,555,892	(57,998,748)	(796,184)
Net and comprehensive loss for the year	-	-	-	-	(193,304)	(193,304)
Balances at October 31, 2019	3,161,570	\$ 39,172,995	\$ 3,473,677	\$ 14,555,892	\$ (58,192,052)	\$ (989,488)

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

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

1 CORPORATE INFORMATION

Fire River Gold Corp. (the “Company”) was incorporated on September 22, 1997 under the laws of the Province of British Columbia and is a mineral exploration company focused on the acquisition, exploration and development of gold, silver and base metal properties. The Company’s shares are listed on the NEX Board of the TSX Venture Exchange (“Exchange”). Its head office is located at 400 – 837 West Hastings Street, Vancouver, British Columbia, V6C 3N6.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will be able to continue in operation for the foreseeable future, will be able to realize its assets, discharge its liabilities and commitments in the normal course of business. As of October 31, 2019, the Company had no mining or exploration projects. The Company will require capital to fund operations. These uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. The application of the going concern concept is dependent upon the Company’s ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. Management is actively engaged in the review and due diligence on new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost cutting measures. There can be no assurance that management’s plan will be successful. If the going concern assumption were not appropriate for these financial statements, then adjustments could be necessary in the carrying value and classification of assets and liabilities. Such adjustments could be material.

2 BASIS OF PREPARATION

2.1 Basis of presentation

The Company’s financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value (Note 11), and are presented in Canadian dollars except where otherwise indicated.

These financial statements were approved by the board of directors on February 28, 2020.

2.2 Statement of compliance

The financial statements of the Company, including comparatives, have been prepared in accordance with and using accounting policies in compliance with International Financial Reporting Standards (“IFRS”) and International Accounting Standards (“IAS”) issued by the International Accounting Standards Board (“IASB”) and interpretation of the International Financial Reporting Interpretations Committee (“IFRIC”).

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, 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 the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income 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. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

3.2 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock option reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.3 Taxation

Deferred tax is provided for based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Financial instruments

The Company adopted all of the requirements of IFRS 9 *Financial Instruments* (“IFRS 9”) as of November 1, 2018. IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking “expected loss” impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9.

As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognized at the date of initial application. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company’s new accounting policy for financial instruments under IFRS 9.

Classification

The Company classifies its financial instruments in the following categories: at fair value or 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 the Company has opted to measure them at FVTPL.

The Company completed a detailed assessment of its financial assets and liabilities as at November 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial assets/liabilities	Original classification IAS 39	New classification IFRS 9
Cash	Amortized cost	Amortized cost
Trade and other payables	Amortized cost	Amortized cost
Loans payable	Amortized cost	Amortized cost

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit on November 1, 2018.

Measurement

Financial assets at FVTOCI

Elected investments in equity investments 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).

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Financial instruments (continued)

Measurement (continued)

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 transactions costs expensed in the statements of income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recorded in the statements of income (loss) in the period in which they arise.

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's credit risk 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 the statements of income (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 the statements of income (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 transferred or liabilities assumed, is recognized in the statements of income (loss).

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for any indicators of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets.

Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written-down to its recoverable amount. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.6 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.7 Exploration and evaluation properties

Exploration and evaluation costs and option maintenance payments are expensed as incurred. When it has been determined that a resource property can be economically developed as a result of establishing proven and probable reserves, costs incurred prospectively to develop the property are capitalized as incurred and are depreciated using the unit-of-production depreciation method over the estimated life of the ore body based on proven and probable reserves.

3.8 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.8 Decommissioning, restoration and similar liabilities (continued)

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

The Company does not have any decommissioning or restoration obligations.

3.9 Loss per share

Basic loss per share is calculated by dividing net loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share is determined by adjusting the net loss attributable to common shares and the weighted average number of common shares outstanding, for the effects of all dilutive potential common shares.

3.10 Accounting standards issued but not yet effective

IFRS 16 - *Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company has determined that the adoption of this standard will not have an impact on its financial statements as it does not have any leases.

4 TRADE AND OTHER PAYABLES

The Company's trade and other payables are broken down as follows:

	As at October 31, 2019	As at October 31, 2018
Trade payables (Note 12)	\$ 658,502	\$ 714,889
Accrued liabilities	66,840	65,894
Total trade and other payables	\$ 725,342	\$ 780,783

Included in trade and other payables are amounts due to related parties which are disclosed in Note 12.

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

5 LOANS PAYABLE

During the year ended October 31, 2019, the Company owed \$300,000 (2018: \$300,000) to non-related parties. The promissory notes bear interest at the rate of 10% per annum and compounding annually (Note 7). The promissory notes were due and payable on or before April 19, 2019. As at October 31, 2019, the balance outstanding including accrued interest of \$348,835 (2018: \$316,027) is in default.

6 SHARE CAPITAL

6.1 Authorized share capital

The Company has authorized an unlimited number of common shares with no par value. At October 31, 2019, the Company had 3,161,570 common shares outstanding (2018: 3,161,570).

6.2 Share issuances

No shares were issued during the years ended October 31, 2019 and 2018.

6.3 Share purchase warrants

There were no share purchase warrants issued and outstanding during the years ended October 31, 2019 and 2018.

6.4 Stock options

The Company established a share purchase option plan whereby the Board may from time to time grant stock options to directors, officers, employees or consultants up to 102,442 shares at any time. Options granted must be exercised no later than ten years from date of grant or such lesser period as determined by the Company's board of directors. The exercise price of an option will be set by the Board of Directors at the time such option is granted and cannot be less than the closing market price on the Exchange on the last trading day preceding the grant date, less any allowable discounts that may be permitted under applicable exchange policies.

There were no stock options issued and outstanding during the years ended October 31, 2019 and 2018.

6.5 Reserves

Stock option reserve

The stock option reserve records items recognized as share-based payments expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

Warrant reserve

The warrant reserve records the fair value of the warrants issued for services until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

7 ADMINISTRATION EXPENSES

The administration expenses for the Company are broken down as follows:

	Years ended October 31,	
	2019	2018
Accounting	\$ 11,043	\$ 1,670
Consulting (Note 12)	103,950	189,000
Filing fees	11,464	14,763
Interest expense (Note 5)	32,808	16,027
Bank charges	297	47
Office expenses	33,743	1,734
Rent recovery	-	(673)
Travel	632	-
Total administration expenses	\$ 193,937	\$ 222,568

8 TAXES

8.1 Provision for income taxes

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Years ended October 31,	
	2019	2018
Net loss for the year	\$ (193,304)	\$ (222,568)
Statutory tax rate	27%	26%
Expected income recovery	(52,192)	(57,868)
Non-deductible items	3,480	-
Effect of change in tax rate	(368,949)	-
Change in unrecognizable deductible temporary differences	417,661	57,868
Total income tax recovery	\$ -	\$ -

8.2 Temporary tax differences and expiry dates

Significant compounds of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statements of financial position are as follows:

	Years ended October 31,	
	2019	2018
Property and equipment	\$ 108,000	\$ 108,000
Allowance capital losses	\$ 20,770,000	\$ 20,770,000
Non-capital losses available for future periods	\$ 16,197,000	\$ 16,010,000

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

8 TAXES (Continued)

8.2 Temporary tax differences and expiry dates (continued)

The tax pools relating to these deductible temporary differences expire as follows:

	Canadian non- capital losses	Equipment	Allowable capital losses
2027	\$ 4,000	\$ -	\$ -
2028	81,000	-	-
2029	928,000	-	-
2030	1,911,000	-	-
2031	2,222,000	-	-
2032	4,005,000	-	-
2033	3,485,000	-	-
2034	966,000	-	-
2035	818,000	-	-
2036	929,000	-	-
2037	445,000	-	-
2038	223,000	-	-
2039	180,000	-	-
No expiry	-	108,000	20,770,000
	\$ 16,197,000	\$ 108,000	\$ 20,770,000

9 LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

	Years ended October 31,	
	2019	2018
Net loss for the year	\$ (193,304)	\$ (222,568)
Weighted average number of shares - basic and diluted	3,161,570	3,161,570
Loss per share, basic and diluted	\$ (0.061)	\$ (0.070)

10 CAPITAL MANAGEMENT

The Company's objectives are to safeguard its ability to continue as a going concern in order to support its normal operating requirements. The Company is dependent on external financing to fund its activities. In order to pay for general administration costs, the Company will issue shares or debt. The Company will continue to assess new properties and seek to acquire an interest in additional properties if there is sufficient geologic or economic potential and if adequate financial resources are available. As at October 31, 2019, the Company's capital structure consists of the equity of the Company (Note 6). The Company is not subject to any externally imposed capital requirements. There were no changes in the Company's approach to capital management.

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

11 FINANCIAL INSTRUMENTS

11.1 Categories of financial instruments

	As at October 31, 2019	As at October 31, 2018
FINANCIAL ASSETS		
Amortized cost		
Cash	\$ 84,689	\$ 300,626
Total financial assets	\$ 84,689	\$ 300,626
FINANCIAL LIABILITIES		
Amortized cost		
Trade and other payables	\$ 658,502	\$ 714,889
Loans payable	348,835	316,027
Total financial liabilities	\$ 1,007,337	\$ 1,030,916

11.2 Fair value

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

There were no transfers between Level 1 and 2 during the years ended October 31, 2019 and 2018. Cash is measured using Level 1 inputs.

11.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk and currency risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Fire River Gold Corp.

Notes to Financial Statements

October 31, 2019

(Expressed in Canadian dollars)

11 FINANCIAL INSTRUMENTS (Continued)

11.3 Management of financial risks (continued)

Credit risk

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on the cash balance at the bank. The majority of the Company's cash is held in Canadian based banking institutions, authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. As such, management determines credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities. Liquidity risk is assessed as high.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate of the loan payable is fixed. Therefore, the Company's exposure to interest rate risk is minimal.

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to currency risk.

12 RELATED PARTY TRANSACTIONS

The remuneration of directors and other members of key management for the years ended October 31, 2019 and 2018 are as follows:

	Years ended October 31,	
	2019	2018
Consulting fees (Note 7)	\$ 63,000	\$ 63,000

Included in trade and other payables is \$126,000 (2018: \$214,312) owing to companies controlled by an officer and director of the Company (Note 4).