

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-K**

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the fiscal year ended **July 31, 2019**

Commission File Number: **000-53848**

**RISE GOLD CORP.**

*(Exact name of registrant as specified in its charter)*

**Nevada**

*(State or other jurisdiction of incorporation)*

**30-0692325**

*(IRS Employer Identification Number)*

**650 – 669 Howe Street**

**Vancouver, British Columbia, Canada V6C 0B4**

*(Address of principal executive offices)*

**(604) 260-4577**

*(Registrant's telephone number, including area code)*

**Securities registered pursuant to Section 12(b) of the Act:**

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
None	None	None

**Securities registered pursuant to Section 12(g) of the Act:**

Common Stock, Par Value \$0.001 per share

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934:  Yes  No

Indicate by check mark whether the registrant(1) has filed all reports required by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Smaller reporting company

Non-accelerated filer

Emerging growth company

Accelerated filer

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked price of such common equity, as of the last business day of the registrant’s most recently completed second fiscal quarter: **US\$6,708,488**

Indicate the number of shares outstanding of each of the registrant’s classes of common stock, as of the latest practicable date: **As of October 25, 2019, the registrant had 220,459,647 shares of common stock issued and outstanding.**

## Table of Contents

<u>Item</u>		<u>Page</u>
<b>PART I</b>		
Item 1.	Business	4
Item 1A.	Risk Factors	33
Item 1B.	Unresolved Staff Comments	33
Item 2.	Properties	33
Item 3.	Legal Proceedings	33
Item 4.	Mine Safety Disclosures	34
<b>PART II</b>		
Item 5.	Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	34
Item 6.	Selected Financial Data	37
Item 7.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	37
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	39
Item 8.	Financial Statements and Supplementary Data	41
Item 9.	Changes in and Disagreements With Accountants on Accounting and Financial Disclosure	64
Item 9A.	Controls and Procedures	64
Item 9B.	Other Information	65
<b>PART III</b>		
Item 10.	Directors, Executive Officers and Corporate Governance	65
Item 11.	Executive Compensation	68
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	71
Item 13.	Certain Relationships and Related Transactions and Director Independence	74
Item 14.	Principal Accounting Fees and Services	75
<b>PART IV</b>		
Item 15.	Exhibits, Financial Statement Schedules	75
SIGNATURES		78

## FORWARD-LOOKING STATEMENTS

This annual report on Form 10-K (this “Report”) contains “forward-looking statements” relating to Rise Gold Corp. (the “Company”) which represent our current expectations or beliefs, including statements concerning its operations, performance, financial condition and growth. For this purpose, any statements contained in this Report that are not statements of historical fact are forward-looking statements. Without limiting the generality of the foregoing, words such as "may", "anticipate", "intend", "could", "estimate", or "continue" or the negative or other comparable terminology are intended to identify forward-looking statements. These statements by their nature involve substantial risks and uncertainties, such as credit losses, dependence on management and key personnel, our ability to continue our growth strategy and competition, certain of which are beyond our control. Should one or more of these risks or uncertainties materialize or should the underlying assumptions prove incorrect, actual outcomes and results could differ materially from those indicated in the forward-looking statements.

## CURRENCY

In this Report, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to \$ are to Canadian dollars.

## PART I

### Item 1. Business

#### DESCRIPTION OF BUSINESS

##### **General Corporate Information**

Our Company was incorporated on February 9, 2007 as Atlantic Resources Inc. in the state of Nevada pursuant to the Nevada Revised Statutes. On April 11, 2012, we changed our name to Patriot Minefinders Inc. On January 14, 2015, we changed our name to Rise Resources Inc. On March 29, 2017, we changed our name to Rise Gold Corp.

On January 14, 2015, we completed a merger with our wholly owned subsidiary, Rise Resources Inc., and formally assumed the subsidiary’s name by filing Articles of Merger with the Nevada Secretary of State. The subsidiary was incorporated entirely for the purpose of effecting the name change and the merger did not affect our Articles of Incorporation or corporate structure in any other way.

On January 22, 2015, we completed a 1 for 80 reverse split of our common stock and effected a corresponding decrease in our authorized capital by filing a Certificate of Change with the Nevada Secretary of State (the “Reverse Split”). As a result of the Reverse Split, our authorized capital decreased from 1,680,000,000 shares to 21,000,000 and our issued and outstanding common stock decreased from 63,400,000 shares to 792,518, with each fractional share being rounded up to the nearest whole share.

Both the name change and Reverse Split became effective in the market at the open of business on February 9, 2015.

On April 9, 2015, we increased our authorized capital from 21,000,000 to 400,000,000 shares of common stock.

On March 29, 2017, we completed another merger with our wholly owned subsidiary, Rise Gold Corp., and formally assumed the subsidiary's name by filing Articles of Merger with the Nevada Secretary of State. The subsidiary was incorporated entirely for the purpose of effecting the name change and the merger did not affect our Articles of Incorporation or corporate structure in any other way.

We currently have one wholly owned subsidiary, Rise Grass Valley, Inc., which holds certain of our interests and assets located in the United States, and in particular, our interest in the I-M Mine Property. Rise Grass Valley, Inc. was incorporated in the state of Nevada pursuant to the Nevada Revised Statutes.

Our common stock is currently listed in Canada on the Canadian Securities Exchange (the "CSE") under the symbol "RISE". We are a reporting issuer in British Columbia, Alberta, and Ontario in Canada. Our common stock is also currently traded in the United States on the OTCQB Market under the symbol "RYES". We are an SEC reporting company by virtue of our class of common stock being registered under Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

### **Description of Business**

We are a mineral exploration company and our primary asset is a major past producing high grade property near Grass Valley, California, United States, which we own outright. In the past, we have held several other potential mineral properties in British Columbia, Canada, which have been written off based on the strength of the I-M Mine Project.

### **Business Development**

Developments in our Company's business during the July 31, 2019 fiscal year covered by this report include the following:

On August 30, 2018, the Company completed a first tranche of a non-brokered private placement, issuing an aggregate of 2,881,250 units at a price of \$0.08 per unit for gross proceeds of \$230,500. Each unit consists of one share of common stock and one share purchase warrant exercisable into one share of common stock at a price of \$0.12 for a period of three years from the date of issuance until August 30, 2021.

On September 17, 2018, the Company completed a second tranche of a non-brokered private placement, issuing an aggregate of 2,003,125 units at a price of \$0.08 per unit for gross proceeds of \$160,250. Each unit consists of one share of common stock and one share purchase warrant exercisable into one share of common stock at a price of \$0.12 for a period of three years from the date of issuance until September 17, 2021.

On October 16, 2018, the Company completed a strategic initial investment in a financing of \$1,750,000 by issuing 17,500,000 units to Meridian Jerritt Canyon Corp. ("Meridian"), a wholly-owned subsidiary of Yamana Gold Inc. ("Yamana"). Each unit consists of one share of common stock at a price of \$0.10 per unit and one-half of one share purchase warrant at a price of \$0.13 exercisable until October 16, 2020. As a result of the investment, the investor owned approximately 12.6% of the Company's issued and outstanding shares on a non-diluted basis. In conjunction with the investment, the Company issued 875,000 share purchase warrants valued at \$48,686 (discount rate – 1.65%, volatility – 139.09%, expected life – 2 years, dividend yield – 0%) as a finder's fee to Southern Arc Minerals Inc. ("Southern Arc"), which will be exercisable into one share of common stock at a price of \$0.13 until October 16, 2020.

On November 5, 2018, the Company raised \$750,000 through the sale of 7,500,000 units at \$0.10 per unit where each unit consists of one share of common stock and one half of one share purchase warrant exercisable into one share of common stock at a price of \$0.13 until November 5, 2020. All 7,500,000 units issued in the final tranche were acquired by Southern Arc.

On February 14, 2019, the Company entered into convertible debenture whereby it received \$1,000,000 of principal amount (the “Debenture”) from Meridian, a wholly-owned subsidiary of Yamana. The Debenture has a term of six months and an annual interest rate of 12%, calculated and compounded monthly, payable in cash or units of the Company at Yamana’s option except as described below. The principal amount of the Debenture and any accrued interest thereon is convertible into units at a conversion price of C\$0.10 per unit (the “Conversion Price”) at any time at the sole discretion of Meridian. In addition, the principal amount of the Debenture will automatically be converted into units at the Conversion Price if, during the term of the Debenture, Rise Gold is able to raise proceeds of C\$800,000 under the Private Placement from investors other than Yamana in connection with the March 2019 private placement.

On March 1, 2019, the Company completed a non-brokered private placement for a total of \$1,827,472 through the sale of 18,274,724 units at a price of \$0.10 per unit where each unit consists of one share of common stock and one-half of one share purchase warrant. Each whole warrant is exercisable into one share of common stock at a price of \$0.13 until March 1, 2021. Out of the 18,274,724 units issued as part of this private placement, 10,049,724 units were issued to Meridian, a wholly owned subsidiary of Yamana to settle convertible debt balance of \$1,004,972. In connection with the private placement, the Company paid finders’ fees and share issuance costs of \$107,299, and issued a total of 199,500 finders’ warrants valued at \$11,100 (discount rate – 1.65%, volatility – 139.09%, expected life – 2 years, dividend yield – 0%), exercisable into one share of common stock at a price of \$0.13 for a period of two years from the date of issuance.

On July 3, 2019, the Company completed the first tranche of a non-brokered private placement where it raised a total of \$725,769 through the sale of 10,368,131 units at a price of \$0.07 per unit where each unit consists of one share of common stock and one-half of one share purchase warrant. Each whole warrant is exercisable into one share of common stock at a price of \$0.10 until July 3, 2022. Ben Mossman, a director and CEO of the Company, acquired 714,286 units, which constitutes as a related party transaction.

On August 19, 2019, the Company completed the second tranche of a non-brokered private placement for a total of \$3,207,850 through the sale of 45,826,435 units at a price of \$0.07 per unit where each unit consists of one share of common stock and one-half of one share purchase warrant. Each whole warrant is exercisable into one share of common stock at a price of \$0.10 until August 19, 2022. The Company has paid finders fee of \$7,837 and issued a total of 111,960 finder’s warrants entitling the holder to acquire one share of common stock at a price of \$0.10 until August 19, 2022.

On September 9, 2019, the Company completed a debt financing with Eridanus Capital LLC (the “Lender”) for a US\$1,000,000 loan (the “Loan”). The Loan has a term of 4 years and an annual interest rate of 10% for the first two years increasing to 20% in year 3 and to 25% in year 4. Interest will accrue and be paid along with the principal upon the maturity date. The Lender received 11,500,000 bonus share purchase warrants as additional consideration for advancing the Loan. Each warrant entitles the holder to acquire one share of common stock at an exercise price of \$0.10 for a period of three years from the date of issuance. The Loan may be repaid prior to the maturity date, in whole or in part, provided that all accrued interest is paid. In addition, if total interest payments are less than \$200,000, the difference will be paid to the Lender as prepayment compensation. The Loan is secured against the assets of the Company and its subsidiary and will be used for permitting, engineering and working capital at the Company’s Idaho Maryland Gold Project.

## **Plan of Operations**

As at July 31, 2019, we had a cash balance of \$281,575, compared to a cash balance of \$69,616 as of July 31, 2018.

Our plan of operations for the next 12 months is to prepare and apply for a Use Permit from Nevada County California, to re-open the Idaho-Maryland gold mine at the I-M Mine Property.

The Company has commenced engineering work to support an application for a Use Permit from Nevada County to allow the following activities:

1. Dewatering of the underground mine workings.
2. Underground exploration drilling.
3. Full commercial mining with onsite mineral processing at the historic throughput of 1,000 tons per day.

Rise has completed an exploration drilling program on the I-M Mine Property in June of 2019. Up to July 31, 2019, Rise has completed seventeen drill holes totaling approximately 20,584 meters.

## **Employees**

We currently have two full-time employees, which includes our Chief Executive Officer. Our other officers and directors provide services to us on an as-needed basis, and we plan to rely on their efforts, as well as those of a number of independent consultants, to manage our operations for the foreseeable future.

## **Government Regulations**

We plan to engage in mineral exploration and development activities and will accordingly be exposed to environmental risks associated with mineral exploration activity. We are the operator of the I-M Mine Property.

Our exploration and development activities will be subject to extensive federal, state and local laws, regulations and permits governing protection of the environment. Among other things, its operations must comply with the provisions of the Federal Mine Safety and Health Act of 1977 as administered by the United States Department of Labor.

Our plan is to conduct our operations in a way that safeguards public health and the environment. We believe that our operations comply with applicable environmental laws and regulations in all material respects.

The costs associated with implementing and complying with environmental requirements can be substantial and possible future legislation and regulations could cause us to incur additional operating expenses, capital expenditures, restrictions and delays in developing or conducting operations on its properties, including the I-M Mine Property, the extent of which cannot be predicted with any certainty.

**Item 1A. Risk Factors**

Not required.

**Item 1B. Unresolved Staff Comments**

None.

**Item 2. Properties**

**Selective Glossary of Technical Terms**

*accretion* – Process by which material is added to a tectonic plate or landmass. This material may be sediment, volcanic arcs, seamounts or other igneous features.

*albite* – A kind of plagioclase mineral within the feldspar group with formula NaAlSi<sub>3</sub>O<sub>8</sub>. Its colour is white to grey.

*amphibolite* – A gneiss or schist largely made up of amphibole and plagioclase minerals.

*ankerite* – A calcium, iron, magnesium, manganese carbonate mineral of the group of rhombohedral carbonates.

*arsenic* – Chemical element with the symbol As and occurs in many minerals, usually in combination with sulfur and metals, but also as a pure elemental crystal.

*carbonate* – Class of sedimentary rocks composed primarily of carbonate minerals; the two major types are limestone and dolomite.

*chalcopyrite* – A sulphide mineral of copper common in the zone of secondary enrichment.

*chlorite* – Group name for about 10 related minerals and a member of the mica group of minerals. Chlorite is very common, and is often an uninteresting green mineral coating the surface of more important minerals.

*en-echelon* – Roughly parallel but staggered structures.

*epizonal* – Depth of formation of an orogenic deposit (<6 km / <3.7 mi).

*facies* – The characteristics of a rock unit that reflect its environment of deposition and allow it to be distinguished from rock deposited in an adjacent environment.

*foliation* – Repetitive layering in metamorphic rocks; the thickness of the layers can vary.

*footwall* – The rock on the underside of a vein or mineralized structure.

*free gold* – Gold, uncombined with other minerals, found in a pure state.

*free milling* – Mineralized material of gold from which the precious metals can be recovered by concentrating methods without resorting to pressure leaching or other chemical treatment.

*gabbro* – A dark, coarse-grained igneous rock.

*galena* – Lead sulphide, the most common form of lead.

*gangue* – The worthless minerals in an mineralized deposit.

*greenschist* – Metamorphic rocks that formed under the lowest temperatures and pressures usually produced by regional metamorphism, typically 300–450 °C (570–840 °F) and 2–10 kilobars (14,500–58,000 psi).

*hangingwall* – The rock on the upper side of a vein or mineralized deposit.



*hydrothermal* – Relating to hot fluids circulating in the earth's crust.

*hydrothermal gold deposit* – During the reaction between mineral-bearing hydrothermal fluids and wall-rocks, some elements are concentrated in specific locations to form hydrothermal gold deposits. They are usually controlled by faults or shear structures, occurring as veins and stockworks, or by strata.

*hypozoneal* – Depth of Formation of an orogenic deposit (>12 km / >7.5 mi).

*intrusive* – A body of igneous rock formed by the consolidation of magma intruded into other rocks, in contrast to lavas, which are extruded upon the surface.

*Jura-Triassic arc belt* – One of the geologic packages of the Sierra Nevada Foothills belt which consists of a Paleozoic basement of disrupted ophiolite, serpentinite *mélange*, and ultra-mafic rocks overlain by uppermost Triassic-Early Jurassic arc volcanics and coeval 200 Ma intrusive rocks.

*lithology* – Description of its physical characteristics of a rock unit at outcrop, in hand or core samples or with microscopy, such as colour, texture, grain size, or composition.

*low-sulphide Au-quartz vein* – Gold-bearing quartz veins and veinlets with minor sulphides crosscutting a wide variety of host rocks and are localized along major regional faults and related splays. The wallrock is typically altered to silica, pyrite and muscovite within a broader carbonate alteration halo.

*mafic* – Igneous rocks composed mostly of dark, iron- and magnesium-rich minerals.

*mariposite* – A mineral which is a chromium-rich variety of mica, which imparts an attractive green colour to the generally white dolomitic marble in which it is commonly found.

*mélange* – A large-scale breccia, a mappable body of rock characterized by a lack of continuous bedding and the inclusion of fragments of rock of all sizes, contained in a fine-grained deformed matrix.

*matrix* – Finer-grained mass of material wherein larger grains, crystals or clasts are embedded.

*meta-volcanic rocks* – A type of metamorphic rock that was first produced by a volcano, either as lava or tephra and then buried underneath subsequent rock and subjected to high pressure and temperatures, causing the rock to recrystallize.

*mesothermal quartz vein* – Also known as and are type-examples of low-sulfide Au-quartz vein deposits.

*mesozonal* – Depth of formation of an orogenic deposit (6–12 km / 3.7-7.5 mi).

*metamorphosed* – Rocks which have undergone a change in texture or composition as the result of heat and/or pressure.

*mill head grade* – The grade of the mineralized material which is fed into the processing plant to be concentrated into gold bullion. The mill head grade includes mining dilution from un-mineralized rock adjacent to the veins. The mill head grade does not account for metallurgical recovery of gold during the processing of the mineralized material.

*ophiolitic rock* – An assemblage of the Earth's oceanic crust and the underlying upper mantle that has been uplifted and exposed above sea level and often emplaced onto continental crustal rocks.

*orogeny* – An episode of intense deformation of the rocks in a region, generally accompanied by metamorphism and plutonic activity.

*orogenic gold deposit* – Dominantly form in metamorphic rocks in the mid- to shallow crust (5-15 km depth), at or above the brittle-ductile transition, in compressional settings that facilitate transfer of hot gold bearing fluids from deeper levels. The term "orogenic" is used because these deposits likely form in accretionary and collisional orogens.

*Paleozoic* – Geological era that followed the Precambrian and during which began with the appearance of complex life, as indicated by fossils (from 245 to 570 millions of years ago).

*pyrite* – A yellow iron sulphide mineral, normally of little value. It is sometimes referred to as “fool’s gold”.

*quartz* – Common rock-forming mineral consisting of silicon and oxygen.

*sedimentary rock* – Secondary rocks formed from material derived from other rocks and laid down under water. Examples are limestone, shale, and sandstone.

*serpentinite* – Type of metamorphic rock composed mostly of mineral serpentine. It is usually dark green to green-black in colour, massive and macroscopically dense.

*schistosity* – Geological foliation (metamorphic arrangement in layers) with medium to large grained flakes in a preferred sheetlike orientation.

*scheelite* – A variously colored mineral,  $\text{CaWO}_4$ , found in igneous rocks and a common form of tungsten.

*sericite* – A fine grained mica and a common alteration mineral of orthoclase or plagioclase feldspars in areas that have been subjected to hydrothermal alteration typically associated with hydrothermal deposits.

*splay* – A series of branching faults near the termination of a major fault which spread the displacement over a large area.

*stope* – An excavation in a mine from which mineralized material is, or has been extracted.

*tectonism* – Geological term used to describe major structural features and the processes that create them, including compressional or tensional movements on a planetary surface that produce faults, mountains, ridges, or scarps.

*terrane* – A crustal block or fragment that is typically bounded by faults and that has a geologic genesis distinct from those of surrounding areas.

*Tertiary* – Former term for the geologic period from 65 million to 2.6 million years ago, a timespan that occurs between the Cretaceous and the Quaternary.

*thermal gradient* – Rate of increasing temperature with respect to increasing depth in the Earth’s interior.

*ton* – A unit of mass equal to 2,000 pounds

*tonne* – A unit of mass equal to 1,000 kilograms

*ultra-mafic* – Igneous and meta-igneous rocks with a very low silica content, composed entirely or almost entirely of ferromagnesian minerals, and are composed of usually greater than 90% mafic minerals.

## Abbreviations

Imperial		Metric	
AC	acres	m	meter
SF	square foot	km	kilometer
lb	pound	ha	hectare
oz	ounce	g	grams
mi	mile	kg	kilogram
ft	foot	gpt	grams per tonne

## Conversions

Imperial to Metric		Metric to Imperial	
Imperial Measure	Metric Unit	Metric Measure	Imperial Unit
2.47 acres	1 hectare	0.4047 hectare	1 acre
3.28 feet	1 metre	0.3048 metre	1 foot
0.62 mile	1 kilometre	1.609 kilometres	1 mile
0.03215 troy ounce	1 gram	31.1035 grams	1 troy ounce
0.02917 troy ounce per ton	1 gpt	34.2857 gpt	1 troy ounce per ton
1.102 short ton	1 tonne	0.907 tonne	1 short ton
2.2046 pounds	1 kilogram	0.4536 kilogram	1 pound

### I-M Mine Property, California

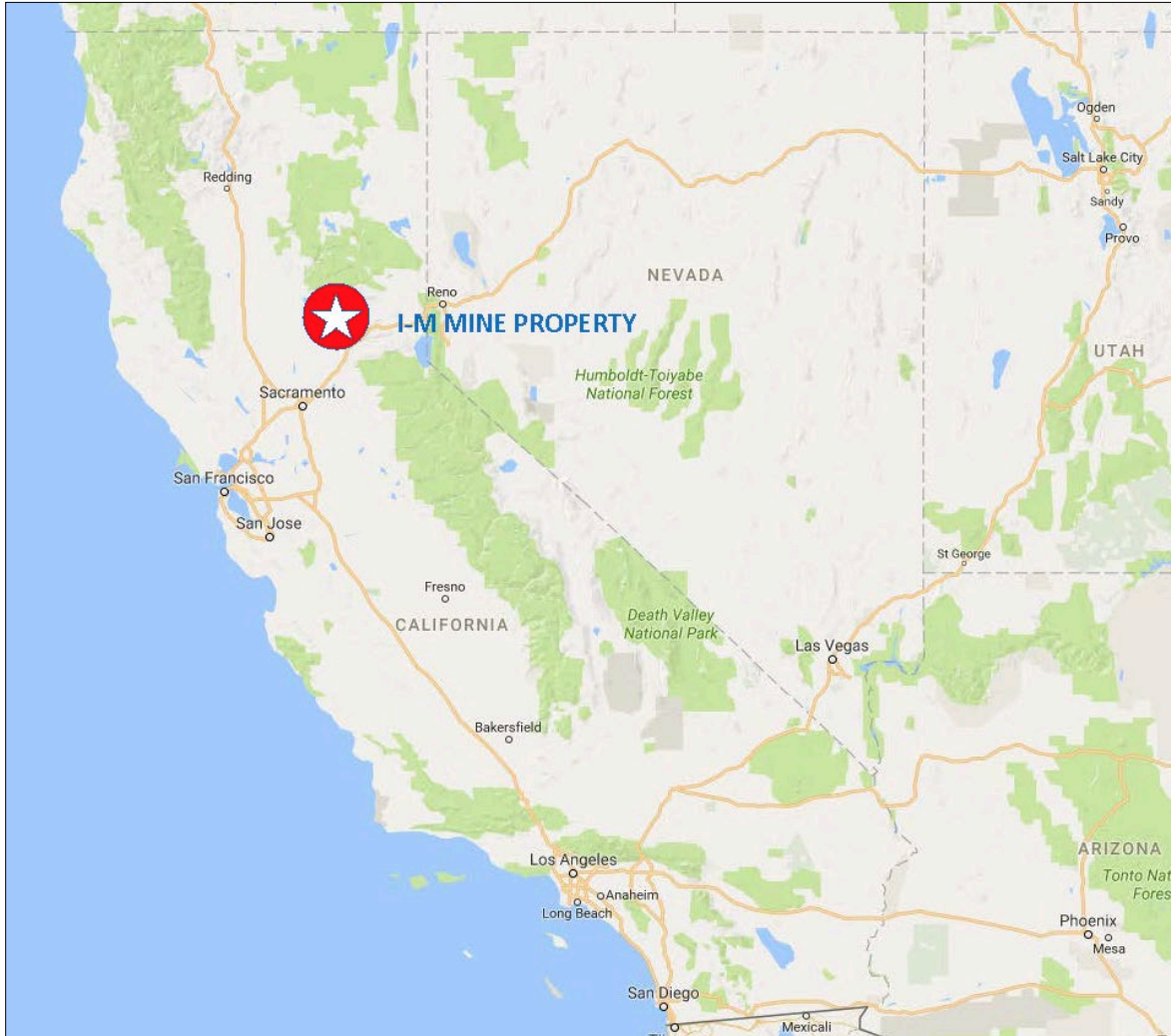
Our principal mineral property is the I-M Mine Property.

#### I-M Mine Project Location, Description and Access

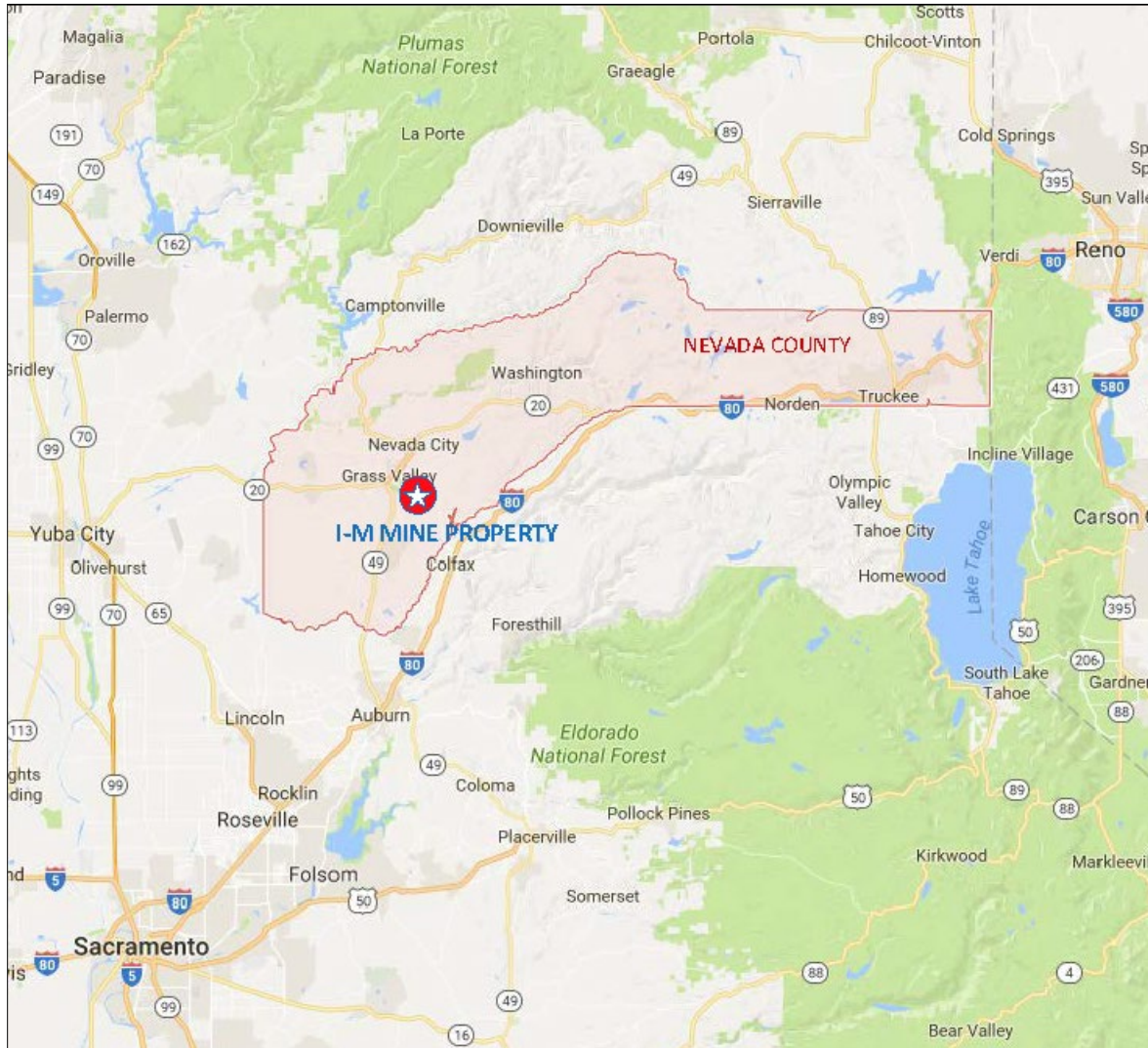
##### *Property Location*

The I-M Mine Property comprises approximately 93 acres (38 hectares) surface land and approximately 2,800 acres (1,133 hectares) of mineral rights located near Grass Valley of Nevada County in northern California, USA. The I-M Mine Property is situated in the Grass Valley-Nevada City District along the western slope of the Sierra Nevada, as shown on the overview map and regional map in Figure 1 and Figure 2, respectively and is located approximately 60 miles northeast of Sacramento, CA and 90 miles west of Reno, NV.

**Figure 1: Idaho-Maryland Mine Property Location Overview**



**Figure 2: Idaho-Maryland Mine Property, Regional Map**



*Property Description*

The recorded owner of the surface land and mineral rights associated with the I-M Mine Property, as documented by a Quitclaim Deed recorded by the Nevada County Recorder on the 26<sup>th</sup> of January 2017 (Document #: 20170001985), is Rise Grass Valley Inc., a Nevada Corporation and subsidiary of Rise Gold Corp. Rise Grass Valley Inc. purchased the I-M Mine Property, inclusive of its mineral rights from the Grantors of the BET Group Estate, as described in the Quitclaim Deed (Document #: 20170001985), on the 25<sup>th</sup> of January 2017.

Surface Rights

The I-M Mine Property surface rights include three parts of fee simple land, (1) Idaho land representing 56 acres (23 hectares), (2) Brunswick land representing 37 acres (15 hectares), and (3) the Mill Site property representing 82 acres (33 hectares) as displayed in Figure 3.

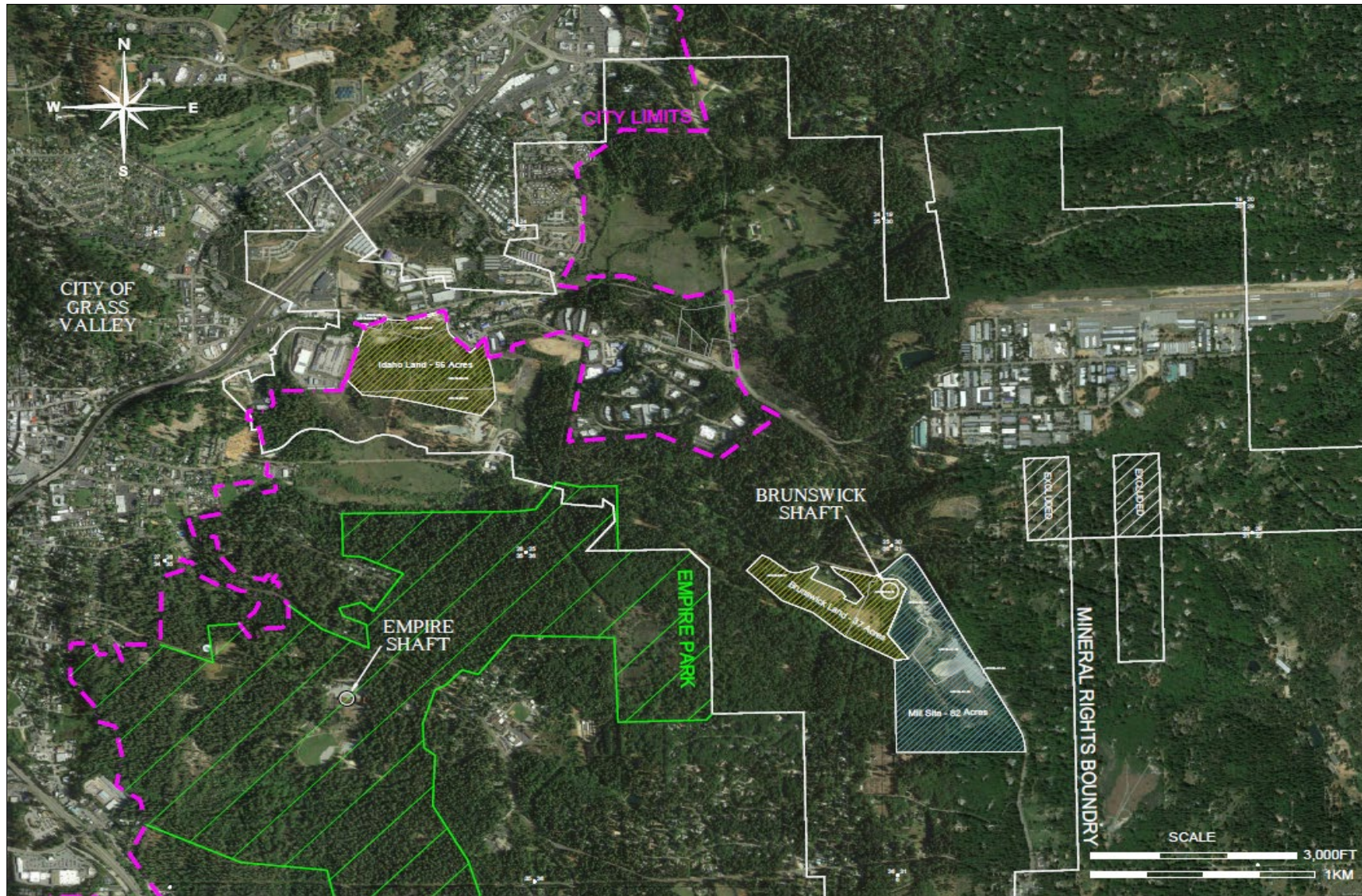
The I-M Mine Property consists of parcels of surface land located in portions of Section 26 and 36, Township 16 North – Range 8 East Mount Diablo Base and Meridian (MDM) and Section 31, Township 16 North – Range 9 East MDM as detailed in Table 1 and displayed in Figure 3.

**Table 1: Idaho-Maryland Mine Property – Surface Land Legal Description**

<b>Parcel Number</b>	<b>Description</b>	<b>Lot Size</b>
09-550-32	SEC 26, TWN 16N, RNG 8E, MDM, PTN N 1/2 26-16-8	20,908 SF (0.48 AC)
09-550-37	SEC 26, TWN 16N, RNG 8E, MDM, PTN NE 1/4 26-16-8	4.47 AC
09-550-38	SEC 26, TWN 16N, RNG 8E, MDM, PTN NE 1/4 26-16-8	40.1 AC
09-550-39	SEC 26, TWN 16N, RNG 8E, MDM, PTN NE 1/4 26-16-8 344 CENTENNIAL DRIVE GRASS VALLEY, CA 95945	42,668 SF (0.98 AC)
09-550-40	SEC 26, TWN 16N, RNG 8E, MDM, PTN NE 1/4 26-16-8	5,662 SF (0.13 AC)
09-560-36	SEC 26, TWN 16N, RNG 8E, MDM, PTN N 1/2 SE 1/4 26-16-8	10.25 AC
09-630-37	SEC 36, TWN 16N, RNG 8E, MDM, LOT 6 BET ACRES	21.8 AC
09-630-39	SEC 36, TWN 16N, RNG 8E, MDM & SEC 31, TWN 16N, RNG 9E, MDM, LOT 7 BET ACRES	15.07 AC
06-441-03	SEC 36, TWN 16N, RNG 8E, MDM & SEC 31, TWN 16N, RNG 9E	15.19 AC
06-441-04	SEC 36, TWN 16N, RNG 8E, MDM & SEC 31, TWN 16N, RNG 9E	0.85 AC

<b>Parcel Number</b>	<b>Description</b>	<b>Lot Size</b>
06-441-05	SEC 36, TWN 16N, RNG 8E, MDM & SEC 31, TWN 16N, RNG 9E	50.01 AC
06-441-34	SEC 36, TWN 16N, RNG 8E, MDM & SEC 31, TWN 16N, RNG 9E	16.01 AC

Figure 3: Idaho-Maryland Mine Property, Surface and Mineral Land Holdings





### Surface Land Obligations

Fee simple ownership entitles the owner to all rights of a property, which are only restricted by law or private restrictions, such as zone ordinances or covenants. Fee simple owners retain possession of their property permanently, assuming all obligations to the land are met.

The surface land is subject to a tax lien imposed by and payable to Nevada County. The parcels comprising the surface land are currently assessed by Nevada County at a total of US\$4,018,791 and have a combined annual property tax of US\$42,995.36 for the 2019 tax year. The total amount includes County taxes and Agency taxes. The I-M Mine Property remains in good standing with property taxes for the 2018 tax year paid in full. Property taxes for the 2019 tax year of \$21,497.68 are due on Dec 10<sup>th</sup> 2019 and \$21,497.68 due on April 10<sup>th</sup> 2020.

The Nevada Irrigation District supplies treated water to the I-M Mine Property. Water to the Brunswick land is delivered from the Loma Rica System, while water to the Idaho land is delivered from the E. George System. A nominal service fee is charged.

The secured loan from Eridanus Capital LLC is registered against the property by a Deed of Trust filed with the Nevada County Recorder. There are no further interests registered against the title of the surface rights.

### Land Designation

The Brunswick land is located approximately 1 to 2 miles southeast of the city limits of the City of Grass Valley in Nevada County. The Idaho land is located on Idaho-Maryland Rd adjacent to the city limits of the City of Grass Valley in Nevada County. The I-M Mine Property in relation to city limits is shown on Figure 3. Due to its proximity, the I-M Mine Property is located within the City of Grass Valley's planning area boundary, with Brunswick land located in the "Long-term Annexation" and Idaho land located in the "Near-term Annexation" Sphere of Influence. Based on the City of Grass Valley 2020 General Plan, the planned land use designation for the Brunswick land remains "M-1" Manufacturing/Industrial, while the planned land use designation for the Idaho land is "BP" Business Park (CoGV-CDD, 2009).

Each of the parcels of Brunswick land and Idaho land are positioned within the County's "M1" Light Industrial Zone. Within the "M1" District, surface access to subsurface mining (e.g., vent and escape shafts) is allowed with a Use Permit (Nevada County Code § L-II 3.21.). Mineral exploration, however, is distinct from the definitions of "subsurface mining" and "surface mining." Exploration involves the search for economic minerals through the use of geological surveys, geophysical or geochemical prospecting, bore holes and trial pits, and surface or underground headings, drifts, or tunnels (NCC § L-II 3.22(B)(5).). Exploration diamond drilling on M1-Industrial Land is an allowed use and does not require a discretionary permit provided that no water is discharged offsite and disturbance per site is less than 1 acre and 1,000 yd<sup>3</sup> material (NCC, 2017).

The Project area is private land and no permits or consultations with the US Bureau of Land Management (BLM) or the US Forest Service (USFS) are required.

### Mineral Rights

The I-M Mine Property consists of mineral rights on 10 parcels, including 55 subparcels, totaling 2,800 acres (1,133 hectares), of full or partial interest, as detailed in Table 2 and displayed in Figure 4. The

mineral rights encompass the past producing I-M Mine Property which includes the Idaho and Brunswick underground gold mines.

The original mineral rights were granted at various times since 1851. Through various patents and agreements since the original grants, there has been a succession of ownership of the mineral rights.

The Quitclaim Deed describes the mineral rights as follows:

*The I-M Mine Property consists of all rights to minerals within, on, and under the land shown upon the Subdivision Map of BET ACRES, No. 85-7, filed in the Office of the County Records, Nevada County, California, on February 24, 1987, in Book 7 of Subdivisions, at Page 75 et seq.*

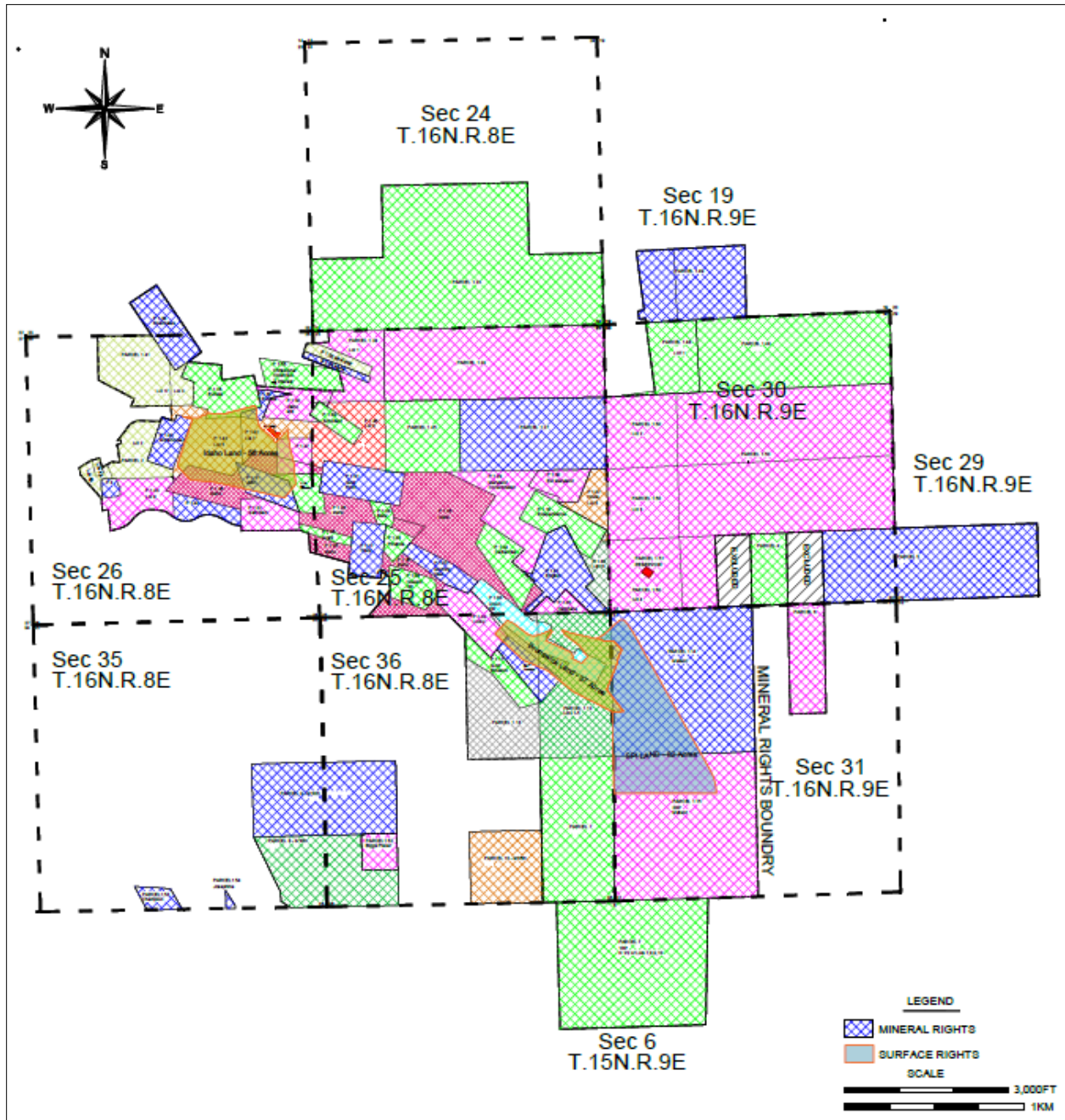
*The I-M Mine Property consists of all rights to minerals within, on, and under the land located in portions of Sections 23, 24, 25, 26, 35, and 36 in Township 16 North – Range 8 East MDM, Sections 19, 29, 30, and 31 in Township 16 North – Range 9 East MDM, and Section 6 in Township 15 North – Range 9 East MDM and all other mineral rights associated with the Idaho-Maryland Mine.*

*The mineral rights are defined as parcels and subparcels in a Quitclaim Deed (Document #: 20170001985). All property is described in that Quitclaim Deed by Idaho Maryland Industries Inc. in favor of William Ghidotti and Marian Ghidotti, his wife as tenants in common, dated June 10, 1963. The Quitclaim deed is located at vol. 337, pp. 175-196 in the official records of Nevada County, as recorded on June 12, 1963.*

Mineral rights pertain to all minerals, gas, oil and mineral deposits of every kind and nature beneath the surface of all such real property, together with all necessary and convenient rights to explore for, develop, produce, extract and take the same, subject to the express limitation that the fore-going exception and reservation shall not include any right of entry upon the surface of said land without the consent of the owner of such surface of said land, as excepted in the Quitclaim Deed recorded the 26<sup>th</sup> of January 2017 (Document #: 20170001985). Mineral rights are severed from surface rights at a depth of 200 ft (61 m) below surface, with all mineral rights being contiguous below 200 ft (61 m) of surface.

The secured loan from Eridanus Capital LLC is registered against the property by a Deed of Trust filed with the Nevada County Recorder. There are no other interests registered against or obligations required of the mineral rights of the I-M Mine Property.

**Figure 4: Idaho-Maryland Mine Property, Surface and Mineral Rights**



*Property Access*

The I-M Mine Property is situated east of the City of Grass Valley and south of Nevada City, in western Nevada County. State Route 49, State Route 20, and State Route 174 (state highways) connect the Grass Valley area regionally. The Brunswick land and the adjacent Mill Site are situated on the south western quadrant of the intersection of the East Bennett Road, a two-lane artery, and Brunswick Road, a major two-lane artery connecting Grass Valley with State Highway 174. Access to the Brunswick land is on Millsite Road via the East Bennet Road, approximately 2.8 miles east of Grass Valley Center. The Idaho land is situated along the Idaho Maryland Road

to the south, centered between Railroad Avenue and Brunswick Road. The Idaho land can be accessed by Idaho Maryland Road or Centennial Drive and multiple trails are present across the property.

### *Agreements*

Rise owns a 100% interest in the I-M Mine Property and there are no known royalties on future gold production. The secured loan from Eridanus Capital LLC is registered against the property by a Deed of Trust filed with the Nevada County Recorder. There are no other known agreements or encumbrances to which the I-M Mine Property is subject.

### *Environmental Liabilities*

Environmental studies have been completed on all the surface holdings owned by Rise. The environmental studies were completed prior to Rise purchasing the Idaho land and Brunswick land.

### Idaho Land

In 2016, a Draft Preliminary Endangerment Report on the Idaho Land was prepared for the City of Grass Valley by Geocon Consultants Inc. This report provided conclusions and recommendations to support redevelopment of this site for commercial and industrial use. Geocon noted the metal of greatest concern with respect to potential health risks for future site occupants is arsenic which is present in mine tailings and waste berms located on the site. Geocon noted that the presence of arsenic in mine waste on the site does not currently appear to pose a significant risk to public health or the environment in its current state and that an expedited response action does not appear warranted at this time (Geocon, 2016).

### Brunswick Land

In 2007, a Phase I Environmental Site Assessment for the Round-Hole and New Brunswick Mine Sites was prepared by Engineering/Remediation Resources Group, Inc. (“ERRG”) for Idaho-Maryland Mining Corporation. The report concluded that there were no current recognized environmental conditions on the I-M Mine Property at the time, although there are suspect environmental concerns regarding spills of hydrocarbons from vandalism at the New Brunswick Shaft, roofing asphalt on the property, debris from illegal dumping on the property boundaries, and the potential for naturally occurring asbestos in serpentinite rocks on the property. ERRG did not complete an analysis to determine if contamination from historic mining and mineral processing was present, although ERRG has recommended further sampling and studies to determine this (ERRG, 2007).

### Mill Site Land

In 2006 a Phase II Environmental Site Assessment (ESA) for the Mill Site was completed by Geomatrix Consultants Inc. for Sierra Pacific Industries, Inc. Extensive reclamation and environmental work had previously taken place on the Mill Site. There is mine waste rock on the property which has elevated arsenic levels however Geomatrix concluded that this rock is not discharging elevated metals into the local watershed. Ground water samples taken on the site as part of the ESA had residual Volatile Organic Compounds (VOC). The evaluation concluded that the residual VOC contamination presents no threat to human health from vapor migration to indoor air. The property has a deed restriction which restricts the use of groundwater for any domestic purpose and the construction of wells for the purpose of extracting water unless expressly permitted by the Regional Water Board (Geomatrix, 2006).

### *Exploration Permits*

All parcels included in the I-M Mine Property are within the “M1” Light Industrial Zoning District of Nevada County. Mineral exploration is allowed in M1 Districts subject to zoning compliance and building permit issuance, if required. A Use Permit is only required for mineral exploration if one of the following conditions are triggered, as per NCC § L-II 3.22(D)(2):

- (a) Overburden or mineral deposits in excess of 1,000 cubic yards are disturbed, or
- (b) The operation in any one location exceeds one acre in size, or
- (c) Dewatering will occur or water will be discharged from the site as a result of the operation.

Additionally, all exploratory operations shall require a reclamation plan and secure adequate financial assurances to ensure site reclamation unless:

- (a) Less than 1,000 cubic yards of overburden are disturbed, and
- (b) The size of the operation in any one location is one acre or less.

In those instances where a reclamation plan is not required, an erosion control plan as per NCC § L-V 13.14., approved by the Nevada County Planning Department, and a grading permit shall be required for those operations in which 50 cubic yards or more of overburden are disturbed as per NCC § L-II 3.22(D)(2) (NCC, 2017).

A building permit, issued by the County, may be required for construction or installation of drilling facilities. A building permit is a ministerial approval. Ministerial approval is a non-discretionary approval.

Surface exploration drilling will be subject to Nevada County Noise Regulations. The Noise Element of the Nevada County General Plan (2014) establishes maximum allowable exterior noise levels for various land use categories (NC-BOS, 2014).

### *Subsurface and Surface Mining Permits*

Subsurface mining is allowed in the M1 District with approval of a Use Permit. (NCC § L-II 3.21.) Approval of a Use Permit for mining operations requires a noticed public hearing before the County Planning Commission, which decision may be appealed to the County Board of Supervisors. (NCC § L-II 5.6.) Use Permit approvals include conditions of approval, which are designed to minimize the impact of conditional uses on neighboring properties.

Subsurface mining, including ancillary surface uses, would require the following permits and approvals:

### **County Approvals**

- A. Use Permit for surface and subsurface mining activities
- B. Reclamation Plan for surface disturbance
- C. Mitigated Negative Declaration *or* Environmental Impact Report in compliance with the California Environmental Quality Act (“CEQA”) to analyze and mitigate environmental impacts
- D. Water Well Permit by the County for the drilling of any well
- E. Building Permits for construction of any structures

- F. Spill Prevention Control and Countermeasures Plan for underground storage of more than 42,000 gallons of petroleum or above ground storage of more than 10,000 gallons of petroleum

*The following permits and approvals may also be required depending on the configuration of the Project and the characteristics of the natural resources found in the Project-vicinity:*

#### **California Department of Fish and Wildlife (“CDFW”) Approvals**

- G. Streambed Alteration Agreement
- H. Incidental Take Permit for take of any species listed under the California Endangered Species Act (“CESA”)

#### **State Water Resources Control Board (“SWRCB”) and/or Central Valley Regional Water Quality Control Board (“RWQCB”) Approvals**

- I. National Pollution Discharge Elimination System (“NPDES”) permit for discharges of stormwater
- J. Report of Waste Discharge for any discharges of water from mining processes
- K. Clean Water Act Section 401 Water Quality Certification from the RWQCB (only if a CWA Section 404 permit is required from the U.S. Army Corps of Engineers)

#### **U.S. Army Corps of Engineers (“Corps”)**

- L. Clean Water Act Section 404 permit for any discharge of dredge or fill material into the waters of the United States,
- M. Environmental Assessment compliant with the National Environmental Policy Act by either the Corps or the USFWS

#### **United States Fish and Wildlife Service (“USFWS”)**

- N. Issuance of a Biological Opinion and Incidental Take Statement for take of any species listed under the Endangered Species Act

#### **Northern Sierra Air Quality Management District (“AQMD”)**

- O. Authority to Construct and Permit to Operate for any regulated air pollutant emitting sources such as diesel generators

### **History**

The Idaho-Maryland Mine (the “**I-M Mine**”), located in the Grass Valley mining district of northern California was one of the most productive and best known gold mines in the United States, with gold production from the I-M Mine Property dating back to 1863.

The I-M Mine, as it now exists, represents a consolidation of a number of important early day producing mines including Eureka, Idaho, Maryland, Brunswick, and Union Hill Mines. Based on historic production records, the I-M Mine produced a total of 2.4 Moz gold at an average mill head grade of approximately 0.5 oz/ton (17.1 gpt). The I-M Mine was reportedly the second largest gold mine in the United States in 1941 (Clark, 2005), producing up to 129,000 oz gold per year before being forced to shut down by the US government in 1942 (Shore, 1943). Due to lack of development, a decline in gold production was experienced and recovery from war-time shutdown never occurred.

## *Historic Exploration & Mine Development*

The I-M Mine has a rich history of mining work completed between 1863 and 1956 by various operators. Extensive exploration and underground mine development was completed during that time on the I-M Mine Property. The I-M Mine Property and its comprehensive collection of original documents was rediscovered in 1990 by Consolidated Del Norte Ventures Inc., the predecessor company of Emgold Mining Corporation (“**Emgold**”), and efforts were made to reopen the historic mine.

### Exploration & Mine Development 1851-1956

Exploration by historic operators from 1851 through to 1956 was mainly completed by lateral exploration (drift development) and raise or winze development. Levels were driven along the strike of the veins to determine their extent. Raises were developed upwards following the dip of the vein and winzes were sunk down along the dip of the vein. Chip samples were assayed for mineralization of the quartz vein. In 1923, the first prospect drill was purchased. Following that, exploration holes were completed ahead of mine development to confirm vein locations and to locate vein extensions.

The I-M Mine encompasses a system of underground tunnels, many raises, numerous winzes, four inclined shafts, and two vertical shafts. An estimated equivalent of 72.8 miles (117 km) of underground tunnel occur at the I-M Mine, assuming typical drift dimensions of 7.5 ft x 8.5 ft (W x H).

Based on available historic records, 883 exploratory holes totaling approximately 234,100 ft (71,354 m) were diamond drilled at a diameter of 7/8” (EX-size). Historic drill logs were not available for review and no historic drill core was preserved from past mining operations at the I-M Mine.

### Exploration & Mine Development 2003-2004

Emgold and its former entities leased the I-M Mine Property from 1990 to 2013. Development work during this period included completion of a preliminary investigation of the mine records, publishing various technical reports on the I-M Mine Property, leasing or purchasing adjacent properties, various permit applications and associated environmental studies, development of a ceramics technology process, and completion of an exploration program. Emgold was unsuccessful in reopening the historic mine due to inability to raise necessary funding in the midst of unfavourable market conditions.

Emgold completed an exploration program on the I-M Mine Property in 2003 and 2004. Gold exploration consisted of 31 diamond drill holes totaling 21,335 ft (6,502 m) and 7 drill holes totaling 3,537 ft (1,078 m) were completed for geotechnical and ceramics feedstock work.

The surface exploration drill program focused on the westernmost portion of what Emgold termed the Idaho Deformation Corridor, along the Idaho Fault Zone. Exploration drilling was mainly conducted from two sites; 1) west of the Eureka shaft and 2) west of the Idaho shaft, both targeting near surface mineralization around historic workings.

The Emgold diamond drill hole database was acquired by Rise in the purchase of the I-M Mine Property. As per the purchase agreement with the BET Group, ownership transfer of the I-M Mine Property included all historical documents to which the BET Group held rights, inclusive of Emgold data.

## *Production History*

Rise has completed a compilation of the mine production data of the I-M Mine during historic operation from 1866 through 1955, the final year of production from the mine. Rise estimates that the I-M Mine produced a total of 2,414,000 oz of gold from 5,298,000 tons of mill feed and that the life of mine average mill head-grade averaged approximately 0.50 oz/ton (17.1 gpt). Total production for the I-M Mine is detailed in Table 3.

**Table 3: Total Idaho-Maryland Mine Production from 1866-1955\***

	Mined & Milled		Mill Head Grade		Metallurgical Recovery	Yield	Gold Produced
	tons	tonnes	oz/ton	gpt	%	oz/ton	oz
<b>Idaho Mine</b>							
#1 Vein	978,000	887,000	1.12	38.6	85%	0.96	935,000
3 Vein system	1,215,000	1,102,000	0.60	20.4	95%	0.56	686,000
Total	2,193,000	1,989,000	0.83	28.4	89%	0.74	1,621,000
<b>Brunswick Mine</b>							
Old Brunswick	41,000	37,000	0.56	19.3	85%	0.49	20,000
Union Hill	35,000	32,000	1.21	41.5	85%	1.03	36,000
New Brunswick	3,029,000	2,748,000	0.26	8.8	95%	0.24	737,000
Total	3,105,000	2,817,000	0.27	9.3	94%	0.26	793,000
<b>Total I-M Mine</b>	<b>5,298,000</b>	<b>4,806,000</b>	<b>0.50</b>	<b>17.1</b>	<b>91%</b>	<b>0.46</b>	<b>2,414,000</b>

\*Details regarding data verification are presented under the heading “Data Verification” below.

In 1926, Errol MacBoyle took over management of the I-M Mine and, as President and General Manager, led the mine into its most successful period of production. A graph of production from the Idaho and Brunswick Mines from 1926 to 1955 is displayed in Figure 5. The historic mine workings of the I-M Mine are displayed in Figure 6.



**Figure 5: I-M Mine Gold Production from 1926-1955\***

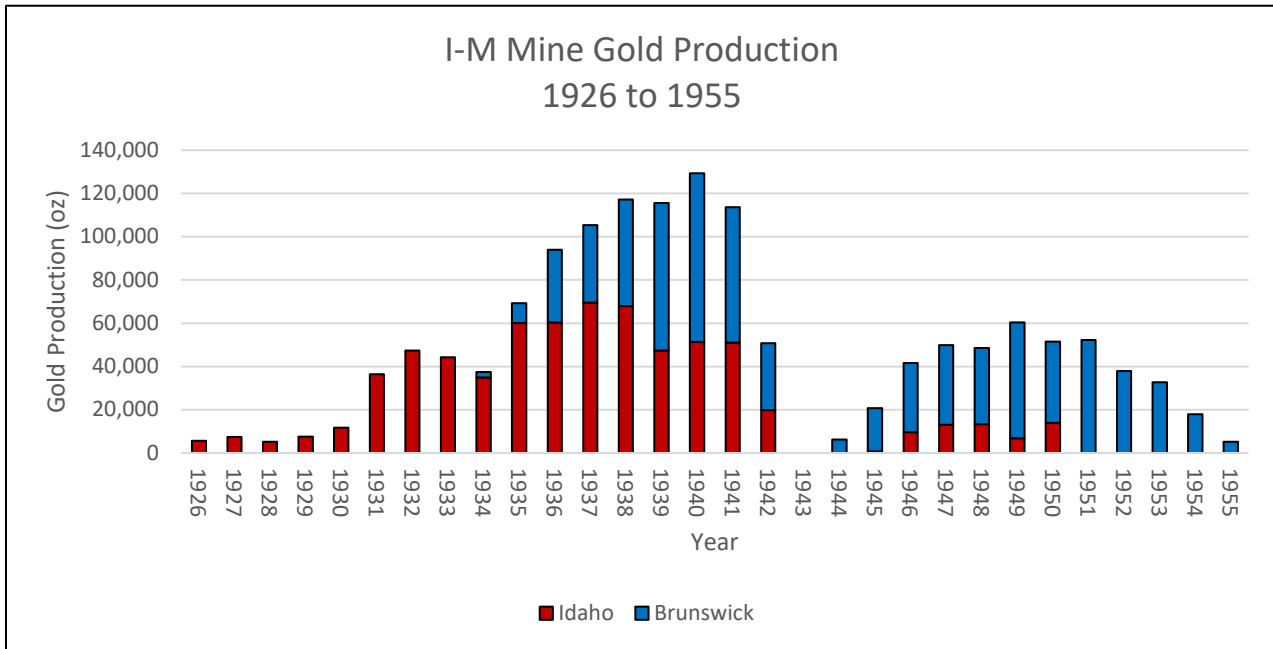
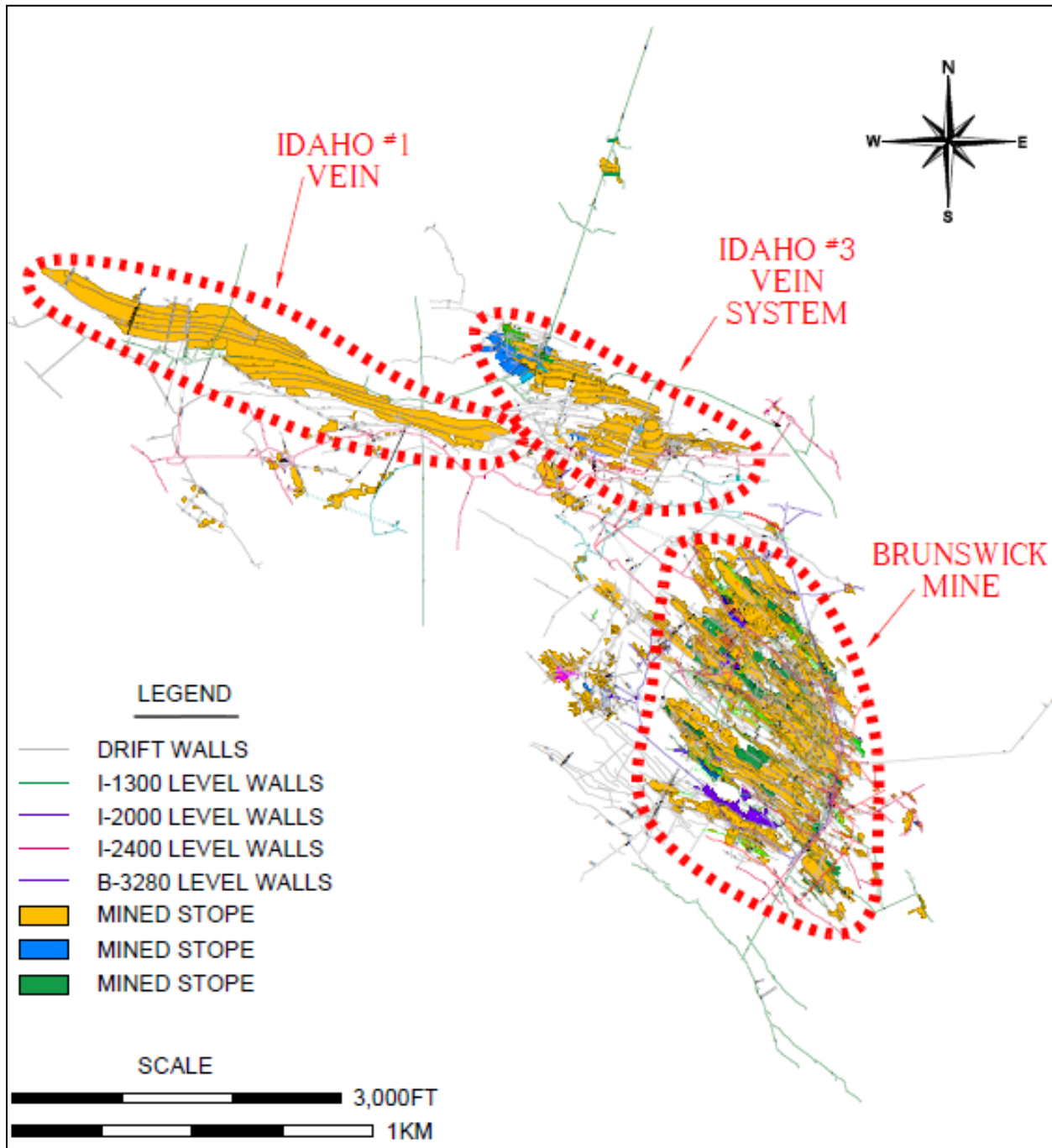


Figure 6: Idaho-Maryland Mine Workings, Plan View



## Mill Head Grade

The mill head grade is the grade of the mineralized material which is fed into the processing plant to be concentrated into gold bullion. The mill head grade includes mining dilution from un-mineralized rock adjacent to the veins. The mill head grade does not account for metallurgical recovery of gold during the processing of the mineralized material.

## Data Verification

Detailed production information from the internal records of the I-M Mine is available for the period from 1926 through 1955. Whenever possible, mill reports were reconciled against financial statements and submissions by Rise to the US Bureau of Mines. Where reconciliation between documents was possible, only minor variations in production reporting were noted. The entire library of documents is no longer fully complete but there is sufficient material to make an accurate estimate of historic production during this period. The following materials were used to prepare an estimate during the period from 1926-1955:

- Idaho Maryland Mines Co. Financial Statements (1926-1932, 1934-1942)
- Idaho Maryland Mines Co. Mill Reports (1933-1942, 1946-1950)
- Idaho Maryland Mines Co. Final Distributions Sheets (1944, 1945)
- Idaho Maryland Mines Co. Breakdown of Income and Expenses (1946-1949)
- Idaho Maryland Mines Co. Cost Data & Cost Sheets from (1946-1949)
- Idaho Maryland Mines Corp. Lode Mine Production Report to US Bureau of Mines (1944-1945, 1947-1948, 1950, 1952, 1953, 1955)

For the period prior to 1926 there are no internal corporate records regarding historic production. The following documents were used to prepare an estimate during the period from 1866-1925:

- Lindgren, Waldemar. The Gold Quartz Veins of Nevada City and Grass Valley Districts, California (1896)
- Hamilton, Fletcher. Mines and Mineral Resources of Nevada County (1918)
- Clark, Jack. Gold in Quartz: The Legendary Idaho Maryland Mine (2005)

Detailed records of metallurgical recoveries from the I-M Mine prior to 1924 are also not available. From 1924-1930 gold recoveries ranged from 72% to 89% using a similar process to that used in the years prior to 1924. Lindgren (1896) estimated that gold mills in the Grass Valley mines averaged 75% metallurgical gold recovery but noted that the I-M Mine was unique in that it treated the tailings from its concentrates by secondary processes. Rise has assumed a metallurgical recovery of 85% for the pre-1924 processing at the I-M Mine which it believes is the best estimate possible given the information available.

## **Geological Setting, Mineralization and Deposit Types**

### *Geology*

The I-M Mine Property is located in the Grass Valley area of the Western Sierra Nevada Foothills of Northern California. This belt of rocks consists of late Paleozoic marine sedimentary and ophiolitic rocks, and early and late Mesozoic submarine volcanic-arc and basinal terranes.

The Jura-Triassic arc belt has yielded the majority of gold production in the Western Sierra Nevada Foothills. Gold deposits in Jura-Triassic arc belt are associated with second, third, and fourth-order faults related to the regionally significant Wolf Creek/Bear Mountain and Melones faults.

The Grass Valley area is dominated by blocks of variably metamorphosed volcanic, mafic plutonic, and minor sedimentary rocks hosted in a serpentinite matrix. The whole package of rocks exhibits a region foliation and is interpreted as a serpentinite-matrix tectonic mélange. These rocks were variably metamorphosed from lower greenschist to amphibolite facies during and after accretion to the continental margin. Two distinct gold vein groups exist within the Grass Valley district: steeply dipping E-W-trending veins in the northern and generally N-S trending veins with gentler dips averaging 35° in the southern part of the district. The most important E-W veins are associated with the I-M Mine Property. Both vein sets have extraordinary vertical and lateral persistence; individual veins extend for kilometers.

### *Mineralization*

All of the significant gold production from the I-M Mine was localized within and around the Brunswick Block, which consists of variably metamorphosed volcanic and intrusive, and minor sedimentary rocks. The Brunswick Block is surrounded to the west, north, and east by gabbro and serpentinite rocks. Overlying Tertiary volcanic rocks mask rock units along the southern boundary of the Brunswick Block. The contacts between the Brunswick Block and surrounding gabbro and serpentinite are dominated by the 6-3, the Idaho, and the Morehouse Fault domains. Mineralization is closely associated with these significant second or third order structures close to the contact between the Brunswick block and serpentinite contact. Gold in the quartz veins occurs as native gold, ranging from very fine grains to large nuggets within the quartz. Sulfide minerals, primarily pyrite with lesser galena, chalcopyrite, from 1% to 4% are commonly associated with gold mineralization. Scheelite is common in the Union Hill area near the Brunswick mine. Gangue minerals include quartz, carbonate, sericite, chlorite, mariposite, and albite. Ankerite is a common alteration mineral and may occur in the mafic and ultra-mafic rocks and the meta-volcanic rocks. The mineralized wallrock is strongly carbonate altered.

Gold mineralization on the I-M Mine Property can be divided into three significant vein systems: the Idaho, the Brunswick, and the Morehouse systems.

### Idaho System

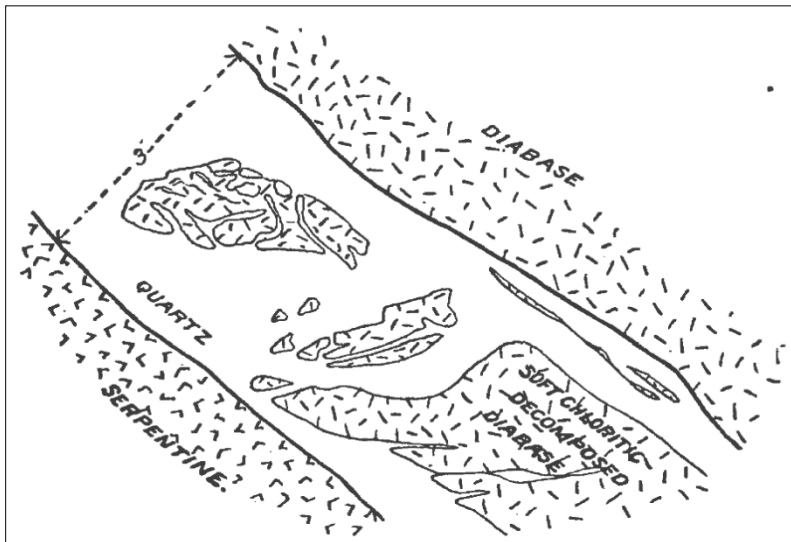
The #1 Vein, #2 Vein, and 3 Vein System comprise the Idaho Vein System.

The Eureka discovery showing outcropped at the western end of the #1 Vein system but had only minor gold concentration and could not be traced on surface east or west. High grade mineralization plunging to the south east was intersected starting at approximately 100 ft (30 m) below surface at this showing. Follow-up exploration and mining led to the development of the prolific Eureka-Idaho ore shoot which plunges at approximately 30° to the south east and has a pitch length of almost 1 mile (1.6 km) and a breadth of 500 ft to 1,000 ft (152 m to 305 m). The width of the vein within the ore shoot averaged approximately 3 ft (~1 m) and in places ranged up to 8 ft (~2.4 m). The average insitu grade of the #1 Vein would likely have been slightly higher than the estimated mill head grade of 1.12 oz/ton (39 gpt). The trend of the shoot is approximately parallel to an expected trend of the intersection of the Idaho and Morehouse faults suggesting the interaction of the Idaho and Morehouse faults may have played a role on the formation of the rich mineralization encountered in the Eureka-Idaho stope. Alternatively, the shape of the Brunswick Block may have influenced this trend.

The Idaho #1 Vein occurs coincident with a diabase dike hosted in serpentinite, in close proximity to the serpentinite-Brunswick Block contact. Just west of the Idaho shaft, at the western end of the Idaho #1 Vein, the diabase dike bends in an arc to the south mimicking a fold around the nose of the Brunswick Block. The Eureka-Idaho ore shoot pinches out at the I1500 Level but significant gold grades coincident with a diabase dike hosted in serpentinite in close proximity to the serpentinite-Brunswick contact were exposed in workings on the I2400 Level suggesting the vein may open up again or a second vein is present. To the east, the Eureka-Idaho ore shoot

pinches out near the #2 Vein. All rocks are highly altered and contain much ankerite. The cross section in Figure 7 shows the general form and relationship of the #1 Vein with the serpentinite and diabase dike.

**Figure 7: #1 Vein Cross Section, Section looking East (Lindgren, 1896)**



The #2 Vein is a disrupted zone of quartz veins trending northeast and dipping steeply to the south east. This vein system is hosted in the serpentinite approximately coincident with where the serpentinite-Brunswick Block contact bends abruptly to the north before turning east again. #2 Vein trends northeast into the 3 Vein System.

The 3 Vein System, like the #1 Vein system, hosts a prolific ore shoot. The 3 Vein System comprises an Idaho fault split into four main branches. Connecting diagonal structures between the four fault branches were also mineralized. As with the #1 Vein, gold mineralization is associated with a diabase dike sub parallel to the serpentine-Brunswick Block contact. The main 3 Vein was mined continuously over a vertical distance of approximately 1,500 ft (457 m) and an average horizontal strike length of approximately 700 ft (213 m). There were several important veins which splayed from the main 3 Vein, forming the larger 3 Vein System. The most important of which were named the 5 Vein, 13 Vein, and 22 Vein. Minor splays from the main 3 Vein included 19 Vein, 4 Vein, and 6 Vein. The 3 Vein ranged in dip from 45° to 70°, with an average dip of approximately 55°. An average vein width of approximately 5 ft (1.5 m) was typical but in places reached widths of over 20 ft (6 m).

In the 3 Vein System, the best mineralization was typically found in quartz veins where the Idaho structures intersected areas where diabase dikes or Brunswick Block rocks are in contact with the serpentinite unit. Veins hosted solely in serpentinite were rarely of economic importance due to the yielding nature of the serpentinite which typically does not allow wide or continuous open structures to form from faulting. The 23 Vein is an exception. Also known as the Rose Garden, it was intersected by exploration drifting 2,000 ft (610 m) east of the main 3 Vein System on I2000 Level. The mine operator was following the Idaho #5 Vein towards the 6-3 Fault and located the 23 Vein by diamond drilling. The 23 Vein dips to the northwest as opposed to the southwest and is hosted entirely in serpentinite. It is quite narrow but was noted to contain abundant visible gold. The 23 Vein was followed along strike to the south east directly to its intersection with the 6-3 Fault.

### Brunswick System

The Brunswick vein system constitutes a distinct vein system within meta-volcanic rocks of the Brunswick Block. The veins strike northwesterly and have a southwesterly dip. These parallel, vertically dipping mineralized veins were mined above 1600L along continuous strike lengths ranging from 430 ft (131 m) to 1,000 ft (305 m) with continuous vertical heights reaching up to 1,000 ft (305 m). These veins generally range from several inches up to 8 ft (2.4 m) in width. A few veins with opposite strike and dip occur. The veins are most numerous and have

the highest grades near the 6-3 Fault. The veins nearest to the fault turn to the north on the footwall side, suggesting a northward component of movement of the hanging wall. A quartz-carbonate stockwork develops near the fault. The quartz stringers dip from the veins toward the fault and many have connecting diagonals extending from an upper to a lower stringer toward the fault. The Brunswick veins generally pinch out before rarely coming in contact with the fault footwall. No significant mineralization is present in the fault. Only a few unimportant veins are known beyond its hanging wall.

In the area of the Brunswick veins there are layers of meta-sedimentary rocks within the meta-volcanic rocks that exhibit the regional N-W schistosity dipping very steeply to the north. Where the Brunswick veins cross these meta-sedimentary rocks vein splitting and en-echelon crossings occur forming what is known in the historical records as “Zebra Rock.” The “Zebra Rock” produced “fair” to “good” grades of large tonnage and the presence of free gold was reported. A large “Zebra Rock” zone was intersected and mined along the western extents of 16 Vein from levels 1300L to 1000L. Mining in this zone occurred over strike lengths from 360 ft to 525 ft (110 m to 160 m) and reached widths of up to 110 ft (34 m) on 1100 level.

### Morehouse System

The Morehouse vein system is not as well understood as the Idaho #1, #2, 3 Vein System, and Brunswick vein systems. It is defined by fault and quartz-vein and quartz stockwork intersections in workings and drill holes in only a few areas such as the Morehouse, 16 Vein, 52 Vein, and 60 Winze. There is little historic production from the Morehouse Vein system.

The Morehouse vein is associated with the serpentinite-hosted diabase dike wrapping around the western end of the Brunswick Block. Underground working show the Morehouse connects directly to the Idaho #1 Vein. The extension of the Idaho shaft in 1923 to I1500 Level intersected the Morehouse splay and the shaft station on I1500 Level is right above the #1 Vein.

The best Morehouse mineralization intersected to date, and the only significant production, occurs within the Brunswick Block at the 52 Vein and 60 Winze areas. There is very little other exploration of this vein in the Brunswick Block.

### *Mineral Deposit Type*

The Idaho System deposits on the I-M Mine Property can be described as an orogenic gold deposit. Orogenic gold deposits encompass a broad range of depth of formation and different host lithologies; however, common to orogenic gold deposits is a spatial association with compressional to transpressional deformation processes at convergent plate margins in accretionary and collisional orogens. Most ores are post-orogenic with respect to tectonism of their immediate host rocks but are simultaneously syn-orogenic with respect to ongoing deep-crustal, subduction-related thermal gradient. Depth of formation of orogenic deposits are best subdivided into epizonal (<6 km / <3.7 mi), mesozonal (6–12 km / 3.7-7.5 mi), and hypozonal (>12 km / >7.5 mi).

The gold deposits on the I-M Mine Property have been classified as Mesothermal Quartz Veins (Lindgren, 1894), are also known as and are type-examples of low-sulfide Au-quartz vein deposits (Berger, 1986), and gold quartz vein deposits (Ash, 2001). These classifications are sub-groups of orogenic gold deposit type.

### **Exploration**

Rise has completed an exploration drilling program on the I-M Mine Property in June of 2019. Up to July 31, 2019, Rise has completed seventeen drill holes, B-17-01, B-18-02 thru B-18-07, Z-18-08 & Z-18-09, I-18-10-I-18-12, I-19-13, I-1913A, I-19-12A, I-19-12B, I-19-14, & I-19-14A. Total drilling completed to July 31, 2019 by Rise Gold is ~20,584 meters. Assay results for all drill holes have been released as at July 31, 2019.

Exploration drilling at the Brunswick portion of the Idaho-Maryland Gold project has been successful with numerous gold-bearing veins intersected and previously released in 2018 on January 3rd, June 28th, July 23rd, August 7th and December 13th and in 2019 on March 19, May 21st, and June 28th 2019. A summary of drill highlights for the program released through July 31th 2019 is presented in the table.

<b>Drill Intercept Highlights Released to July 30th 2019</b>						
<b>Hole</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Gold (gpt)</b>	<b>Intercept Length (m)</b>	<b>Estimated True Width (m)</b>	<b>Vein</b>
B-17-01	638.89	653.80	12.2	14.90	7.8	B1
Including	643.74	646.48	62.7	2.74		B1 Center
Including	644.96	645.57	266.0	0.61		
B-17-01	1111.61	1126.85	4.5	15.24	?	?
Including	1112.06	1113.59	40.6	1.52		
B-18-02	578.42	582.78	7.9	4.36	1.0 - 3.4	B116 or B1
B-18-03	516.64	518.62	6.0	1.98	1.7	B1 East
B-18-04	516.94	520.96	8.0	4.02	3.0	B32
Including	516.94	518.01	23.0	1.07		
B-18-04	625.27	628.04	4.0	2.77	2.1	B10 HW
B-18-04	637.03	640.08	4.4	3.05	2.3	B10 FW
B-18-04	711.92	715.21	5.1	3.29	1.8	B18
B-18-05	667.88	671.38	5.9	3.51	2.0	B10 HW
Including	670.32	671.38	13.0	1.07		
B-18-05	682.90	690.37	2.4	7.47	4.1	B10 FW
B-18-05	748.28	763.58	2.6	15.30	11.0	B41
B-18-05	899.59	905.53	2.5	5.94	3.4	B39
B-18-05	978.10	983.28	22.4	5.18	2.6	B40
Including	978.10	979.32	93.2	1.22		
B-18-05	1590.14	1594.56	23.7	4.42	3.2	IB30
Including	1593.59	1594.01	230.0	0.43		
B-18-05	1887.47	1890.43	10.9	2.96	2.0	IB50
Including	1889.36	1889.85	61.0	0.49		
B-18-06	682.75	688.54	2.6	5.79	4.1	B10
B-18-06	766.54	775.50	4.9	8.96	8.2	B41
B-18-07	733.35	736.40	3.0	3.05	2.4	B6
B-18-07	746.49	750.14	4.0	3.66	2.8	B10 HW
B-18-07	756.97	760.78	1.9	3.81	5.4	B10 FW
Z-18-08	No Significant Intercepts					
Z-18-09	309.68	316.38	3.3	6.71	?	Zebra
I-18-10	171.08	174.60	4.7	3.52	?	Zebra

I-18-10	958.02	965.61	1.8	7.59	?	52 HW
I-18-10	965.61	972.01	3.2	6.40	?	52
I-18-10	977.98	978.44	97.3	0.46	?	52 FW
I-18-10	987.77	994.58	149.3	6.81	?	52 FW
Including	993.42	993.88	2190.0	0.46		
I-18-11	259.16	262.04	8.5	2.88	?	?
Including	261.14	262.04	18.8	0.90		
I-18-11	975.50	976.70	19.2	1.20	?	52
I-18-11	992.25	993.88	15.4	1.63	?	52
Including	992.70	993.22	35.6	0.52		
I-18-11	1046.17	1052.58	3.9	6.42	?	52
I-18-11	1142.33	1144.08	5.4	1.75	?	52
I-18-11	1381.86	1384.33	3.6	2.47	?	I1
I-18-12	950.50	960.49	2.6	9.98	?	
I-19-12B	1367.27	1373.22	9.4	5.94	?	I1
Including	1367.27	1370.11	18.5	2.83	?	I1
Including	1369.04	1370.11	46.3	1.07	?	I1
Including	1369.74	1370.11	111.5	0.37	?	I1
I-19-13	1007.97	1013.09	5.5	5.12	?	I1
I-19-13A	1005.31	1009.57	90.4	4.27	?	I1
Including	1008.77	1009.57	458.0	0.81		
I-19-14A	1014.42	1029.31	1.4	14.9	13.59	I2
Including	1014.42	1016.36	6.2	1.9	1.77	I2

Rise has prepared a drill hole database derived from information contained in the collection of historic documents and records acquired through the purchase of the I-M Mine Property. The drill hole database is divided into I-M Mine drilling completed before the mine shut down in 1956 and Emgold drilling completed in 2004.

## Sampling, Analysis and Data Verification

### *Sample Preparation and Analysis*

Rise Gold has implemented a quality control program for our drill program to ensure best practices in the sampling and analysis of the drill core. This includes the insertion of blind blanks, duplicates and certified standards. HQ and NQ sized drill core is saw cut with half of the drill core sampled at intervals based on geological criteria including lithology, visual mineralization, and alteration. The remaining half of the core is stored on-site at our warehouse in Grass Valley, California. Drill core samples are transported in sealed bags to ALS Minerals analytical assay lab in Reno, Nevada.

All gold assays were obtained using a method of screen fire assaying. The historic I-M Mine project is known to contain ‘coarse’ gold, for which a screen fire assay is the best way to obtain a definitive result. This procedure involves screening a large pulverized sample of up to 1 kg at 100 microns. The entire oversize (including the disposable screen) is fire assayed as this contains the ‘coarse’ gold and a duplicate determination is made on the ‘minus’ 100 micron fraction. A calculation can then be made to determine the total weight of gold in the sample. Any +100 micron material remaining on the screen is retained and analyzed in its entirety by fire assay with gravimetric finish and reported as the Au (+) fraction result. The –100 micron fraction is homogenized and two sub-samples of 50 grams are analyzed by fire assay with AAS finish. If the grade of the material exceeds 10 gpt the



sample is re-assayed using a gravimetric finish. The average of the two results is taken and reported as the Au (-) fraction result. All three values are used in calculating the combined gold content of the plus and minus fractions.

There is no detailed information describing sample preparation, analysis and security procedures applied by mine operators prior to 2002. The historical samples are reportedly fire-assayed at former mine site laboratories. No records exist of any QA/QC program.

Emgold sample preparation, analysis and security procedures for core collected by Emgold are described in a 2009 Technical Report prepared by Robert Pease, P.G., for Emgold titled "Idaho-Maryland Mine Project, Grass Valley CA". Three-foot core samples were cut in half by a wet saw. The half core samples were put in a sample bag, tagged, and shipped to a laboratory. All samples were crushed to 80% passing -10 mesh, rotary split to a 500 g subsample which was pulverized to 95% passing -150 mesh. All samples were analyzed using screened metallics fire assay methods. The QAQC program used Standard Reference Materials, blank samples, coarse reject and pulp duplicate samples, and third party laboratory check assays. Insertion rate of SRMs and duplicates was approximately 1 in 20 samples. Blanks were only inserted immediately following mineralized intervals. The control samples were reportedly used to successfully control the assay quality process.

#### *Historical Data Verification*

Although Rise has carefully digitized and checked the locations and values of drill hole results from level plans and other documents, the absence of drill hole related documentation, such as drill logs, drill hole deviation, core recovery and density measurements, assay certificates, and possible channel sample grade biases, could materially impact the accuracy and reliability of the reported results.

#### **Mineral Processing and Metallurgical Testing**

Rise has conducted no mineral processing or metallurgical testing analyses on the I-M Mine Property.

A significant amount of production has occurred on the I-M Mine Property which confirms that gold can be recovered, mainly by gravity and flotation methods. Nearly all gold at the I-M Mine is free milling, as demonstrated by cyanide leaching of concentrates and tailings by the I-M Mine during past production.

#### **Mineral Resource and Mineral Reserve Estimates**

No estimates of mineral resources have been prepared for the I-M Mine Property. We are not treating historical mineral resource estimated as a current mineral resource estimate. In addition, there are no mineral reserves estimates for the I-M Mine Project.

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### **Item 3. Legal Proceedings**

On September 17, 2014, we learned that our company, along with a number of additional defendants, was the subject of a notice of civil claim (the “Claim”) filed in the Supreme Court of British Columbia by Wundr Software Inc. (“Wundr”), an eBook software developer. Wundr and our company were formerly parties to a binding letter of intent that was announced on November 12, 2013 (the “Wundr LOI”), pursuant to which we proposed to acquire 100% of the outstanding shares of Wundr. On January 10, 2014, we reported that the Wundr LOI had expired.

Among other things, the Claim alleges that we committed the tort of intentional interference with economic or contractual relations by virtue of our role in an alleged scheme to establish a competing business to Wundr, and that we, through our agents, breached the terms of the Wundr LOI by appropriating certain confidential information and intellectual property of Wundr for the purpose of establishing a competing business. The Claim also alleges that we are vicariously liable for the actions of our agents.

Wundr is seeking general damages from our company as well as damages for conspiracy to cause economic harm. None of the allegations contained in the Claim have been proven in court, which we believe are without merit, and we therefore intend to vigorously defend our position against Wundr.

Other than as described above, we are not aware of any material pending legal proceedings to which it is a party or of which the Property is the subject. We also know of no proceedings to which any of our directors, officers or affiliates, or any registered or beneficial holders of more than 5% of any class of our securities, or any associate of any such director, officer, affiliate or security holder are an adverse party or have a material interest adverse to our company.

**Item 4. Mine Safety Disclosures**

None.

**PART II**

**Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

**Market Information**

Our common stock is listed for trading in Canada on the CSE under the symbol “RISE” and is quoted in the United States on the OTCQB Market under the symbol “RYES”.

**Holders**

As of the date of this Report, there are approximately 141 registered holders of our common stock.

**Recent Sales of Unregistered Securities**

Other than as disclosed in previous quarterly reports on Form 10-Q or current reports on Form 8-K, we have not offered and sold any equity securities that were not registered under the Securities Act during the fiscal year ended July 31, 2019.

**Item 6. Selected Financial Data.**

Not required.

## Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion provides information regarding the results of operations for the years ended July 31, 2019 and 2018 and our financial condition, liquidity and capital resources as of July 31, 2019 and July 31, 2018.

The following discussion and analysis should be read in conjunction with the information set forth in our audited financial statements and the notes thereto as of and for the years ended July 31, 2019 and July 31, 2018.

### Results of Operations

*For the Years Ended July 31, 2019 and 2018*

Our operating results for the years ended July 31, 2019 and 2018 are summarized as follows:

	For the year ended July 31, 2019 (in \$)	For the year ended July 31, 2018 (in \$)
Consulting	87,100	78,500
Directors fees	72,927	99,571
Filing and regulatory	60,791	87,395
Foreign exchange	44,657	(14,749)
Gain on settlement of payables	-	(37,068)
General and administrative	345,120	287,052
Mineral exploration	3,770,791	2,060,183
Interest expense	28,028	2,602
Professional fees	523,358	562,694
Promotion and shareholder communication	548,339	443,696
Other income	(66,620)	-
Salaries	184,286	350,627
Share-based payments	173,762	673,360
Net loss	5,772,539	4,593,863

Our operating expenses increased during the year ended July 31, 2019 compared to the prior year primarily as a result of increased costs as a result of increased activities by our company. These include salaries, filing and regulatory, general and administrative, professional fees, driven by the need for expenses related to planning and researching our mineral properties, and activity involved in raising funds in the recent private placements.

As a result of the increased activity, significant expenses during the year ended July 31, 2019 include:

- Increase in mineral exploration costs to \$3,770,791 (2018 - \$2,060,183) related to exploration work on the I-M Mine Property during the year;
- Decrease in share-based payments to \$173,762 (2018 - \$673,360) for the grant of options pursuant to our stock option plan to incentivize management and certain consultants;
- Decrease in professional fees to \$523,358 (2018 - \$562,694) related to a decrease in legal and regulatory items pertaining to operating in Canada and the United States; and
- Increase in promotion and shareholder communication to \$548,339 (2018 - \$443,696) as there were more activities compared to the previous year.

## **Liquidity and Capital Resources**

As of July 31, 2019, we had \$281,575 in cash, \$547,705 in current assets, \$6,807,618 in total assets, \$1,213,759 in current and total liabilities, working capital deficiency of \$666,054 and an accumulated deficit of \$16,394,326

During the year ended July 31, 2019, we used \$4,922,714 in net cash on operating activities, compared to \$3,895,524 in net cash on operating activities during the prior year. The difference in net cash used in operating activities during the year was largely due to the increase in our net loss for the most recent year, as we incurred expenses relating to mineral exploration within the I-M Mine Project.

During the year ended July 31, 2019, we used net cash of \$125,660 (2018 - \$1,747,033) in investing activities for the acquisition of the I-M Mine Property, related transaction costs, and the recent option agreement to increase the holdings of the I-M Mine Property.

During the year ended July 31, 2019, we generated net cash from financing activities of \$5,260,333 (2018 - \$5,375,074). There were warrants exercised during the year for the total proceeds of \$Nil (2018 - \$19,267). In the current year, we received gross proceeds of \$4,381,518 (2018 - \$5,560,220 offset by \$189,619 in share issuance costs) from private placements. We also received gross proceeds of \$1,000,000 from issuance of convertible debt.

We expect to operate at a loss for at least the next 12 months. We have received additional financing since the end of the July 31, 2019 fiscal year through private placements for a total of \$3,207,850 in gross proceeds as well as a US\$1,000,000 debt financing, but we cannot provide any assurance that additional funding will be available to finance our operations on acceptable terms in order to enable us to carry out our business plan. There are no assurances that we will be able to complete further sales of our common stock or any other form of additional financing. If we are unable to achieve the financing necessary to continue our plan of operations, then we will not be able to carry out any further exploration work on the I-M Mine Property or the other properties in which we own an interest and our business may fail.

## **Off-Balance Sheet Arrangements**

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

### **Item 7A. Quantitative and Qualitative Disclosures About Market Risk.**

Not required.

### **Item 8. Financial Statements and Supplementary Data.**



**CONSOLIDATED FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**

**FOR THE YEAR ENDED JULY 31, 2019**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Shareholders and Directors of  
Rise Gold Corp.

***Opinion on the Consolidated Financial Statements***

We have audited the accompanying consolidated balance sheets of Rise Gold Corp. (the “Company”), as of July 31, 2019 and 2018, and the related consolidated statements of operations and comprehensive loss, stockholders’ equity, and cash flows for the years ended July 31, 2019 and 2018, and the related notes (collectively referred to as the “financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Rise Gold Corp. as of July 31, 2019 and 2018, and the results of its operations and its cash flows for the years ended July 31, 2019 and 2018 in conformity with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatements of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Company’s auditor since 2013.

**“DAVIDSON & COMPANY LLP”**

Vancouver, Canada  
Accountants

Chartered Professional

October 25, 2019



**RISE GOLD CORP.**  
(An Exploration Stage Company)  
CONSOLIDATED BALANCE SHEETS  
(Expressed in Canadian Dollars)

AS AT	July 31, 2019	July 31, 2018
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 281,575	\$ 69,616
Receivables	16,269	17,059
Prepaid expenses (Note 4)	249,861	532,389
Total current assets	547,705	619,064
Mineral property interests (Note 5)	5,447,674	5,447,674
Equipment (Note 6)	812,239	711,366
Total assets	\$ 6,807,618	\$ 6,778,104
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 616,116	\$ 521,058
Payable to related parties (Note 9)	170,448	49,150
Advance (Note 5)	133,240	-
Current portion of equipment loan (Note 6)	293,955	305,710
Total current liabilities	1,213,759	875,918
Equipment loan (Note 6)	-	293,955
Total liabilities	1,213,759	1,169,873
<b>Stockholders' equity</b>		
Capital stock, \$0.001 par value, 400,000,000 shares authorized; 174,633,212 (July 31, 2018 – 116,105,982) shares issued and outstanding (Note 10)	174,633	116,106
Shares subscribed	247,714	-
Additional paid-in capital (Note 10)	21,732,501	16,280,575
Cumulative translation adjustment	(166,663)	(166,663)
Deficit	(16,394,326)	(10,621,787)
Total stockholders' equity	5,593,859	5,608,231
Total liabilities and stockholders' equity	\$ 6,807,618	\$ 6,778,104

**Nature and continuance of operations** (Note 1)

**Subsequent events** (Note 14)

Approved and authorized by the Board on October 25, 2019.

“Benjamin Mossman”  
Benjamin Mossman

Director

“Murray Flanigan”  
Murray Flanigan

Director

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



**RISE GOLD CORP.**

(An Exploration Stage Company)

**CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars)

FOR THE YEAR ENDED JULY 31,	2019	2018
<b>EXPENSES</b>		
Consulting	\$ 87,100	\$ 78,500
Directors' fees	72,927	99,571
Filing and regulatory	60,791	87,395
Foreign exchange	44,657	(14,749)
Gain on settlement of debt (Note 10)	-	(37,068)
General and administrative	345,120	287,052
Geological, mineral, and prospect costs (Note 5)	3,770,791	2,060,183
Interest expense (Note 6, 8)	28,028	2,602
Professional fees	523,358	562,694
Promotion and shareholder communication	548,339	443,696
Salaries	184,286	350,627
Share-based payments (Note 10)	173,762	673,360
<b>Loss before other items</b>	<b>\$ 5,839,159</b>	<b>\$ 4,593,863</b>
Other income (Note 5)	(66,620)	-
<b>Net loss and comprehensive loss for the year</b>	<b>5,772,539</b>	<b>4,593,863</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.04)</b>	<b>\$ (0.05)</b>
<b>Weighted average number of common shares outstanding (basic and diluted)</b>	<b>147,955,157</b>	<b>87,171,446</b>

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

**RISE GOLD CORP.**  
(An Exploration Stage Company)  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(Expressed in Canadian Dollars)

FOR THE YEAR ENDED JULY 31,	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the year	\$ (5,772,539)	\$ (4,593,863)
Items not involving cash		
Interest expense	28,012	-
Depreciation	24,787	2,306
Gain on settlement of debt	-	(37,068)
Share-based payments	173,762	673,360
Unrealized loss (gain) on foreign exchange	951	6,117
Non-cash working capital item changes:		
Receivables	790	1,024
Prepaid expenses	282,528	(367,271)
Accounts payables and accrued liabilities	75,408	419,871
Payable to related parties	130,347	-
Advance	133,240	-
Net cash used in operating activities	<u>(4,922,714)</u>	<u>(3,895,524)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of equipment	(125,660)	(89,213)
Mineral property	-	(1,657,820)
Net cash used in investing activities	<u>(125,660)</u>	<u>(1,747,033)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Private placement	4,381,518	5,560,220
Convertible debt	1,000,000	-
Subscriptions received in advance	247,714	-
Warrants exercised	-	19,267
Share issuance costs	(57,544)	(189,619)
Repayment of equipment loan	(301,355)	(24,794)
Loans from related parties	88,000	10,000
Repayment of loans from related parties	(98,000)	-
Net cash provided by financing activities	<u>5,260,333</u>	<u>5,375,074</u>
<b>Change in cash for the year</b>	211,959	(267,483)
<b>Cash, beginning of year</b>	69,616	337,099
<b>Cash, end of year</b>	<u>\$ 281,575</u>	<u>\$ 69,616</u>

Supplemental disclosure with respect to cash flows (Note 12)

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

**RISE GOLD CORP.**

(An Exploration Stage Company)

**CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY**

(Expressed in Canadian Dollars)

	<b>Capital Stock</b>		<b>Additional Paid-in Capital</b>	<b>Shares subscribed</b>	<b>Cumulative Translation Adjustment</b>	<b>Equity</b>	<b>Total</b>
	<b>Number</b>	<b>Amount</b>					
<b>Balance as at July 31, 2017</b>	66,707,655	\$ 66,708	\$ 10,103,162	\$ -	\$ (166,663)	\$ (6,027,924)	\$ 3,975,283
Shares issued for cash	48,788,473	48,788	5,511,432	-	-	-	5,560,220
Shares issued for debt	417,184	417	60,074	-	-	-	60,491
Warrants exercised	192,670	193	19,074	-	-	-	19,267
Share issuance costs	-	-	(86,527)	-	-	-	(86,527)
Share-based payments	-	-	673,360	-	-	-	673,360
Loss for the year	-	-	-	-	-	(4,593,863)	(4,593,863)
<b>Balance as at July 31, 2018</b>	116,105,982	\$ 116,106	\$ 16,280,575	\$ -	\$ (166,663)	\$ (10,621,787)	\$ 5,608,231
Shares issued for cash	48,477,506	48,477	4,390,541	-	-	-	4,439,018
Shares issued for conversion of debt	10,049,724	10,050	994,922	-	-	-	1,004,972
Share issuance costs	-	-	(107,299)	-	-	-	(107,299)
Share-based payments	-	-	173,762	-	-	-	173,762
Shares subscribed	-	-	-	247,714	-	-	247,714
Loss for the year	-	-	-	-	-	(5,772,539)	(5,772,539)
<b>Balance as at July 31, 2019</b>	174,633,212	\$ 174,633	\$ 21,732,501	\$ 247,714	\$ (166,663)	\$ (16,394,326)	\$ 5,593,859

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

**RISE GOLD CORP.**

(An Exploration Stage Company)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Rise Gold Corp. (the “Company”) was originally incorporated as Atlantic Resources Inc. in the State of Nevada on February 9, 2007 and is in the exploration stage. On April 11, 2012, the Company merged its wholly-owned subsidiary, Patriot Minefinders Inc., a Nevada corporation, in and to the Company to effect a name change to Patriot Minefinders Inc. On January 14, 2015, the Company completed a name change to Rise Resources Inc. in the same manner. On April 7, 2017, the Company changed its name to Rise Gold Corp. These mergers were carried out solely for the purpose of effecting these changes of names.

On April 9, 2015, the Company increased its authorized capital from 21,000,000 shares to 400,000,000 shares.

On January 29, 2016, the Company completed an initial public offering in Canada and began trading on the Canadian Securities Exchange (“CSE”) on February 1, 2016.

The Company is in the early stages of exploration and as is common with any exploration company, it raises financing for its acquisition activities. The accompanying consolidated financial statements have been prepared on the going concern basis, which presumes that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has incurred a loss of \$5,772,539 for the year ended July 31, 2019 and has accumulated a deficit of \$16,394,326. The ability of the Company to continue as a going concern is dependent on the Company’s ability to maintain continued support from its shareholders and creditors and to raise additional capital and implement its business plan. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. However, management believes that the Company has sufficient working capital to meet its projected minimum financial obligations for the next fiscal year. The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

At July 31, 2019, the Company had working capital deficiency of \$666,054 (2018 - \$256,854).

**2. BASIS OF PREPARATION****Generally accepted accounting principles**

These consolidated financial statements have been prepared in conformity with generally accepted accounting principles of the United States of America (“US GAAP”) for financial information with the instructions to Form 10-K and Regulation S-K.

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Rise Grass Valley Inc. All significant intercompany accounts and transactions have been eliminated on consolidation.

Certain of the prior year comparative figures have been reclassified to conform to the presentation adopted in the current year.

**RISE GOLD CORP.**

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

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**2. BASIS OF PREPARATION (cont'd...)****Use of Estimates**

The preparation of these financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant areas requiring the use of estimates include the carrying value and recoverability of mineral properties and the recognition of deferred tax assets based on the change in unrecognized deductible temporary tax differences. Actual results could differ from those estimates, and would impact future results of operations and cash flows.

**3. SIGNIFICANT ACCOUNTING POLICIES****Receivables**

The Company reviews all receivables that exceed terms and establishes an allowance for doubtful accounts based on management's assessment of the collectability of trade and other receivables.

**Mineral property**

The costs of acquiring mineral rights are capitalized at the date of acquisition. After acquisition, various factors can affect the recoverability of the capitalized costs. If, after review, management concludes that the carrying amount of a mineral property is impaired, it will be written down to estimated fair value. Exploration costs incurred on mineral properties are expensed as incurred. Development costs incurred on proven and probable reserves will be capitalized. Upon commencement of production, capitalized costs will be amortized using the unit-of-production method over the estimated life of the ore body based on proven and probable reserves (which exclude non-recoverable reserves and anticipated processing losses). When the Company receives an option payment related to a property, the proceeds of the payment are applied to reduce the carrying value of the exploration asset.

**Long-lived assets**

Long-lived assets, consisting of equipment held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For purposes of evaluating the recoverability of long-lived assets, the recoverability test is performed using undiscounted net cash flows related to the long-lived assets. If such assets are considered to be impaired, the impairment recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

**Equipment**

Equipment is recorded at the lower of cost less accumulated depreciation. Depreciation is provided over the assets' useful lives on a straight-line basis. Equipment purchased by the Company is depreciated over 15 years.

**RISE GOLD CORP.**

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)****Asset retirement obligations**

The Company records the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development, and/or normal use of the long-lived assets. The Company also records a corresponding asset which is amortized over the life of the asset. Subsequent to the initial measurement of the asset retirement obligation, the obligation is adjusted at the end of each period to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying the obligation (asset retirement cost).

**Loss per share**

Basic loss per common share is computed using the weighted average number of common shares outstanding during the year. To calculate diluted loss per share, the Company adjusts net income (loss) attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares such as stock options and warrants. As at July 31, 2019, 14,510,142 outstanding options and 81,965,236 outstanding warrants were excluded from the diluted calculation.

**Financial instruments**

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and payable to related parties and equipment loan. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from its financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise noted.

**Fair value of financial assets and liabilities**

The Company measures the fair value of financial assets and liabilities based on US GAAP guidance which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities depending on their nature. Financial assets and financial liabilities are recognized at fair value on their initial recognition, except for those arising from certain related party transactions which are accounted for at the transferor's carrying amount or exchange amount.

Financial assets and liabilities classified as held-for-trading are measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are measured at amortized cost, using the effective interest rate method of amortization. Financial assets classified as available-for-sale are measured at fair value, with unrealized gains and losses being recognized as other comprehensive income until realized, or if an unrealized loss is considered other than temporary, the unrealized loss is recorded in income.

The following indicates the fair value hierarchy of the valuation techniques the Company utilizes to determine the fair value of financial assets that are measured at fair value on a recurring basis.

Level 1 – Unadjusted quoted prices in active markets for identical assets and 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.

**RISE GOLD CORP.**

(An Exploration Stage Company)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

Cash is considered level 1 and classified as cash on hand and held at banks.

Financial instruments, including payable to related parties, accounts payable and accrued liabilities and equipment loan are classified as other financial liabilities and are carried at cost, which management believes approximates fair value due to the short term nature of these instruments.

**Concentration of credit risk**

The financial instrument which potentially subjects the Company to concentration of credit risk is cash. The Company maintains cash in bank accounts that, at times, may exceed federally insured limits. As of July 31, 2019 and 2018, the Company has not exceeded the federally insured limit. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant risks on its cash in bank accounts.

**Stock-based compensation**

The Company accounts for share-based compensation under the provisions of ASC 718, "Compensation-Stock Compensation". Under the fair value recognition provisions, stock-based compensation expense is measured at the fair value of the consideration received, or the fair value of the equity instruments issued, or liabilities incurred, whichever is more reliably measured. Share-based compensation for all stock-based awards to employees and directors is recognized as an expense over the requisite service period, which is generally the vesting period. The Black-Scholes option valuation model is used to calculate fair value.

The Company accounts for stock compensation arrangements with non-employees in accordance with ASC 718 which requires that such equity instruments are recorded at the value of the goods and services received on the measurement date. The measurement of stock-based compensation is subject to periodic adjustment as the underlying equity instruments vest. Non-employee stock-based compensation charges are amortized over the vesting period on a straight-line basis. For stock options granted to employees, directors, and non-employees, the fair value of the stock options is estimated using a Black-Scholes valuation model.

**Income taxes**

The Company accounts for income taxes under the asset and liability method, whereby deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss from the current year and any adjustment to income taxes payable related to previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or subsequently enacted by the year-end date.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under the asset and liability method the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recognized if it is more likely than not that some portion or all of the deferred tax asset will not be recognized.

**Foreign exchange**

The functional currency of the Company and its subsidiary is the Canadian dollar. Any monetary assets and liabilities that are in a currency other than the Canadian dollar are translated at the rate prevailing at year end. Revenue and expenses in a foreign currency are translated at rates that approximate those in effect at the time of translation. Gains and losses from translation of foreign currency transactions into Canadian dollars are included in current results of operations.

**RISE GOLD CORP.**

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)****Recently adopted and recently issued accounting standards**

In January 2016, the FASB issued ASU No. 2016-01, "Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Liabilities". This ASU amendment addresses aspects of recognition, measurement, presentation and disclosure of financial instruments. It affects investments in equity securities and the presentation of certain fair value changes for financial liabilities measured at fair value, and simplifies the impairment assessment of equity investments without a readily determinable fair value by requiring a qualitative assessment. The ASU applies to all entities and is effective for annual periods beginning after December 15, 2017, and interim periods thereafter, with early adoption permitted. The Company's adoption of this standard did not have an impact on its consolidated financials statements.

On February 25, 2016, the FASB issued ASU No. 2016-02, "Leases". This ASU applies to public companies beginning January 1, 2019 and affects the requirement that lessees account for all leases – both operating and finance – on the balance sheet while recognizing both an asset for the right to use the leased asset and an obligation to make lease payments over the lease term. The Company is currently evaluating the impact of the adoption of this standard.

Other than the above, the Company has determined that other significant newly issued accounting pronouncements are either not applicable to the Company's business or that no material effect is expected on the financial statements as a result of future adoption.

**4. PREPAID EXPENSES**

	<b>July 31, 2019</b>		<b>July 31, 2018</b>	
Promotion and shareholder communication	\$	52,407	\$	429,166
Rent		8,799		-
Insurance		44,384		102,723
Deposits		143,771		-
Other		500		500
	\$	249,861	\$	532,389

Included in deposits disclosed above are \$81,881 paid to California Department of Toxic Substance Control as part of a voluntarily clean up agreement required to obtain a mining permit. The remaining \$61,890 relates to security deposits for Corporate credit card.



**RISE GOLD CORP.**

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

**5. MINERAL PROPERTY INTERESTS**

The Company's mineral properties balance consists of:

	<b>Idaho-Maryland, California</b>
Beginning balance, July 31, 2017	3,789,854
Additions	1,657,820
Ending balance, July 31, 2018 and 2019	\$ 5,447,674

**Title to mineral properties**

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain mineral titles as well as the potential for problems arising from the frequently ambiguous conveying history characteristic of many mineral properties. As at July 31, 2019, the Company holds title to the Idaho-Maryland Gold Mine Property.

As of July 31, 2019, based on management's review of the carrying value of mineral rights, management determined that there is no evidence that the cost of these acquired mineral rights will not be fully recovered and accordingly, the Company determined that no adjustment to the carrying value of mineral rights was required. As of the date of these consolidated financial statements, the Company has not established any proven or probable reserves on its mineral properties and has incurred only acquisition and exploration costs.

**Idaho-Maryland Gold Mine Property, California**

On August 30, 2016, the Company entered into an option agreement with three parties to purchase a 100% interest in and to the Idaho-Maryland Gold Mine property located near Grass Valley, California, United States; pursuant to the option agreement, in order to exercise the option, the Company must pay US\$2,000,000 by November 30, 2016. Upon execution of the option agreement, the Company paid the vendors a non-refundable cash deposit in the amount of \$32,758 (US\$25,000), which will be credited against the purchase price of US\$2,000,000 upon exercise of the option. On November 30, 2016, the Company negotiated an extension of the closing date of the option agreement to December 26, 2016, in return for a cash payment of \$32,758 (US\$25,000), which will be credited against the purchase price of US\$2,000,000 upon exercise of the option. On December 28, 2016, the Company negotiated a further no-cost extension of the closing date of the option agreement to April 30, 2017. On January 25, 2017, the Company exercised the option by paying \$2,588,625 (US\$1,950,000), and acquired a 100% interest in the Idaho-Maryland Gold Mine property. In connection with the option agreement, the Company agreed to pay a cash commission of \$184,000 (US\$140,000) equal to 7 per cent of the purchase price of US\$2,000,000; the commission was settled on January 25, 2017 through the issuance of 920,000 units valued at \$0.20 per unit (Note 10). The Company also incurred additional transaction costs of \$144,391, which have been included in the carrying value of the Idaho-Maryland Gold Mine.

**RISE GOLD CORP.**

(An Exploration Stage Company)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

**5. MINERAL PROPERTY INTERESTS (cont'd...)**

On January 6, 2017, the Company entered into an option agreement with Sierra Pacific Industries Inc. ("Sierra") to purchase a 100% interest in and to certain surface rights totalling approximately 82 acres located near Grass Valley, California, United States, contiguous to the Idaho-Maryland Gold Mine property acquired by the Company on January 25, 2017. Pursuant to the option agreement, in order to exercise the option, the Company must pay US\$1,900,000 by March 31, 2017. Upon execution of the option agreement, the Company paid the vendors a non-refundable cash deposit in the amount of \$132,732 (US\$100,000), which will be credited against the purchase price of US\$1,900,000 upon exercise of the option. On April 3, 2017, the Company negotiated an extension of the closing date of the option agreement to June 30, 2017, in return for a cash payment of \$268,000 (US\$200,000), at which time a payment of US\$1,600,000 is due in order to exercise the option. On June 7, 2017, the Company negotiated an extension of the closing date of the option agreement to September 30, 2017, in return for a cash payment of \$406,590 (US\$300,000), at which time a payment of US\$1,300,000 is due in order to exercise the option.

On May 14, 2018, the Company completed the purchase of the surface rights totalling approximately 82 acres by making final payments totalling \$1,657,820 (US\$1,300,000).

On June 13, 2019, the Company received \$199,860 (US\$150,000) from a third party as a prepayment to use the Company's property for a period of six months. As at July 31, 2019, \$66,620 of this amount has been recognized as other income with the balance of \$133,240 remaining as an advance.

As at July 31, 2019, the Company has incurred cumulative property investigation costs of \$55,253 and cumulative exploration expenditures of \$6,204,648 on the Idaho-Maryland Gold Mine property as follows:

	Year ended July 31, 2019	Year ended July 31, 2018
Idaho-Maryland Gold Mine expenditures:		
Opening balance	\$ 2,436,163	\$ 375,980
Consulting	709,626	352,988
Exploration	2,184,437	1,030,710
Rent	124,176	32,380
Supplies	200,579	246,656
Sampling	313,858	278,344
Travel	213,328	116,799
Depreciation	24,787	2,306
Total expenditures for the year	3,770,791	2,060,183
Closing balance	\$ 6,204,648	\$ 2,436,163

**RISE GOLD CORP.**

(An Exploration Stage Company)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

**6. EQUIPMENT AND EQUIPMENT LOAN**

On June 7, 2018, the Company purchased two diamond core drilling rigs for exploration at the Idaho-Maryland Gold Project for a total purchase price of \$624,459. The purchase is financed and will be paid in equal monthly instalments of \$27,396 including interest per month over a 24-month period with an interest rate of 5% per annum. Interest expense incurred for the equipment purchase for the year ended July 31, 2019 is \$23,040 (2018 - \$2,602). During the year ended July 31, 2019, the company recorded depreciation of \$24,787 (2018 - \$2,306) on this equipment.

During the year ended July 31, 2019, the Company also purchased additional drilling equipment for a total of \$125,660 (2018 - \$89,213).

<b>Cost</b>		<b>Drilling equipment</b>
At July 31, 2017	\$	-
Purchases		713,672
At July 31, 2018	\$	713,672
Purchases		125,660
At July 31, 2019	\$	839,332
<b>Accumulated depreciation</b>		
At July 31, 2017	\$	-
Depreciation		2,306
At July 31, 2018	\$	2,306
Depreciation		24,787
At July 31, 2019	\$	27,093
Total carrying value, July 31, 2018	\$	711,366
<b>Total carrying value, July 31, 2019</b>	<b>\$</b>	<b>812,239</b>

During the year ended July 31, 2018, the Company recorded an equipment loan of \$624,459 in connection with the two diamond core drilling rigs purchased. The Company paid \$278,314 (2018 - \$27,396) including \$23,040 (2018 - \$2,602) of interest towards this loan during the year ended July 31, 2019. The Company also reclassified \$27,395 of this loan to accounts payable and accrued liabilities. As at July 31, 2019, the outstanding balance on this loan was \$293,955 (2018 - \$599,665) which has been classified as the current portion (2018 - \$305,710).

**7. CONTINGENCY**

During the year ended July 31, 2014, the Company entered into a binding letter of intent (“LOI”) with Wundr Software Inc. (“Wundr”). Under the terms of the LOI, the Company would acquire 100% of the issued and outstanding common shares of Wundr. Due to unforeseen circumstances, the Company did not complete the transactions contemplated in the LOI, which the Company announced had expired on January 10, 2014.

On September 17, 2014, the Company learned that it was the subject, along with a number of additional defendants, of a notice of civil claim (the “Claim”) filed in the Supreme Court of British Columbia by Wundr, under which Wundr is seeking general damages from the Company as well as damages for conspiracy to cause economic harm. None of the allegations contained in the Claim have been proven in court. Management has determined that the probability of the Claim resulting in an unfavourable outcome and financial loss to the Company is unlikely.

**RISE GOLD CORP.**

(An Exploration Stage Company)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

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**8. CONVERTIBLE DEBENTURE**

On February 13, 2019, the Company entered into convertible debenture whereby it received \$1,000,000 of principal amount (the "Debenture") from Meridian Jerritt Canyon Corp. ("Meridian"), a wholly-owned subsidiary of Yamana Gold Inc. ("Yamana"). The Debenture has a term of six months and an annual interest rate of 12%, calculated and compounded monthly, payable in cash or units of the Company at Yamana's option except as described below. The principal amount of the Debenture and any accrued interest thereon is convertible into units at a conversion price of \$0.10 per unit (the "Conversion Price") at any time at the sole discretion of Meridian. In addition, the principal amount of the Debenture will automatically be converted into units at the Conversion Price if, during the term of the Debenture, Rise Gold is able to raise proceeds of \$800,000 under the Private Placement from investors other than Yamana in connection with the March 2019 private placement.

On March 1, 2019, the Company completed a non-brokered private placement for a total of \$1,827,472. In conjunction with the closing, a total of 10,049,724 units have been issued to Yamana, through its wholly-owned subsidiary, Meridian, upon conversion of the \$1,000,000 principal amount and accrued interest of \$4,972 of the Debenture. As at July 31, 2019, the Debenture has been fully converted.

**9. RELATED PARTY TRANSACTIONS**

Key management personnel consist of the Chief Executive Officer, Chief Financial Officer, and the directors of the Company. The remuneration of the key management personnel is as follows:

- a) Salaries of \$180,000 (2018 - \$180,000) were paid or accrued to the CEO of the Company.
- b) Consulting fees of \$20,000 (2018 - \$51,000) were paid or accrued to the former CFO of the Company and consulting fees of \$5,800 (2018 - \$27,500) to a company in which the former CFO and a former director held a 50% interest.
- c) Directors fees of \$72,926 (2018 - \$99,571) to directors of the Company.
- d) During the year ended July 31, 2019, the Company paid \$160,000 (2018 - \$Nil) in professional fees to a company controlled by a director of the Company.
- e) During the year ended July 31, 2019, the Company received and fully repaid \$88,000 in loans from the CEO of the Company.
- f) Share-based compensation of \$167,770 (2018 - \$631,150) for options granted during the year ended July 31, 2019.
- g) Rent of \$Nil (2018 - \$10,800) to a company in which the former CFO and a former director held a 50% interest.

As at July 31, 2019, the Company has recorded loans from related parties of \$Nil (July 31, 2018 - \$10,000) and \$40,101 (US\$30,500) (July 31, 2018 - \$39,150 (US\$30,500)) representing advances made by a director and two former directors. The advances are due on demand without interest.

As at July 31, 2019, included in payable to related parties is \$130,347 (July 31, 2018 - \$68,521) owing to current and former related parties.

**RISE GOLD CORP.**

(An Exploration Stage Company)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

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**10. CAPITAL STOCK AND ADDITIONAL PAID-IN CAPITAL****Issued Capital Stock**

On August 9, 2017, the Company issued 417,184 units to a third party pursuant to a debt conversion by the third party in the amount of \$95,952, representing finders' fees payable on the private placement which closed May 5, 2017. Each unit consists of one share of common stock and one transferable share purchase warrant exercisable into one share of common stock at a price of \$0.40 for a period of two years from the date of issuance. At the time of issuance, the units had a fair value of \$60,491 (\$0.145 per unit); accordingly, the Company recognized a gain on settlement of debt of \$37,068.

On January 29, 2018, the Company issued a total of 192,670 shares of common stock upon the exercise of finders' warrants at a price of \$0.10 per share for total proceeds of \$19,267.

**Private Placements**

On September 26, 2017, the Company completed the first tranche of a non-brokered private placement, issuing an aggregate of 7,077,140 units at a price of \$0.15 per unit for gross proceeds of \$1,061,570. Each unit consisted of one share of common stock and one non-transferable share purchase warrant exercisable into one share of common stock at a price of \$0.25 for a period of two years from the date of issuance. In connection with the private placement, the Company paid finders' fees and share issuance costs of \$18,248 and issued a total of 3,600 finders' warrants valued at \$346 (discount rate – 1.59%, volatility – 150.97%, expected life – 2 years, dividend yield – 0%), exercisable into one share of common stock at a price of \$0.25 for a period of two years from the date of issuance.

On December 27, 2017, the Company completed the second tranche of a non-brokered private placement, issuing an aggregate of 6,417,000 units at a price of \$0.15 per unit for gross proceeds of \$962,550. Each unit consisted of one share of common stock and one non-transferable share purchase warrant exercisable into one share of common stock at a price of \$0.25 for a period of two years from the date of issuance. In connection with the private placement, the Company paid finders' fees and share issuance costs of \$60,279 and issued a total of 371,860 finders' warrants valued at \$28,997 (discount rate – 1.64%, volatility – 139.85%, expected life – 2 years, dividend yield – 0%), exercisable into one share of common stock at a price of \$0.25 for a period of two years from the date of issuance.

On January 3, 2018, the Company completed the third and final tranche of a non-brokered private placement, issuing an aggregate of 133,333 units at a price of \$0.15 per unit for gross proceeds of \$20,000. Each unit consisted of one share of common stock and one non-transferable share purchase warrant exercisable into one share of common stock at a price of \$0.25 for a period of two years from the date of issuance.

On April 18, 2018, the Company completed a non-brokered private placement, issuing an aggregate of 35,161,000 units at a price of \$0.10 per unit for gross proceeds of \$3,516,100. Each unit consisted of one share of common stock and one non-transferable share purchase warrant exercisable into one share of common stock at a price of \$0.15 for a period of three years from the date of issuance. In connection with the private placement, the Company paid finders' fees and share issuance costs of \$8,000 and issued a total of 21,000 finders' warrants valued at \$1,467 (discount rate – 1.88%, volatility – 123.60%, expected life – 2 years, dividend yield – 0%), exercisable into one share of common stock at a price of \$0.15 for a period of two years from the date of issuance.

On August 30, 2018, the Company completed a first tranche of a non-brokered private placement, issuing an aggregate of 2,881,250 units at a price of \$0.08 per unit for gross proceeds of \$230,500. Each unit consists of one share of common stock and one share purchase warrant exercisable into one share of common stock at a price of \$0.12 for a period of three years from the date of issuance until August 31, 2021.

**RISE GOLD CORP.**

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

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**10. CAPITAL STOCK AND ADDITIONAL PAID-IN CAPITAL (cont'd...)**

On September 17, 2018, the Company completed a second tranche of a non-brokered private placement, issuing an aggregate of 2,003,125 units at a price of \$0.08 per unit for gross proceeds of \$160,250. Each unit consists of one share of common stock and one share purchase warrant exercisable into one share of common stock at a price of \$0.12 for a period of three years from the date of issuance until September 17, 2021.

On October 16, 2018, the Company completed a strategic initial investment in a financing of \$1,750,000 by issuing 17,500,000 units to Meridian, a wholly-owned subsidiary of Yamana. Each unit consists of one share of common stock at a price of \$0.10 per unit and one-half of one share purchase warrant at a price of \$0.13 exercisable until October 16, 2020. As a result of the investment, the investor owned approximately 12.6% of the Company's issued and outstanding shares on a non-diluted basis. In conjunction with the investment, the Company issued 875,000 share purchase warrants valued at \$48,686 (discount rate – 1.65%, volatility – 139.09%, expected life – 2 years, dividend yield – 0%) as a finder's fee to Southern Arc Minerals Inc. ("Southern Arc"), which will be exercisable into one share of common stock at a price of \$0.13 until October 16, 2020.

On November 5, 2018, the Company raised \$750,000 through the sale of 7,500,000 units at \$0.10 per unit where each unit consists of one share of common stock and one half of one share purchase warrant exercisable into one share of common stock at a price of \$0.13 until November 5, 2020. All 7,500,000 units issued in the final tranche were acquired by Southern Arc.

On March 1, 2019, the Company completed a non-brokered private placement for a total of \$1,827,472 through the sale of 18,274,724 units at a price of \$0.10 per unit where each unit consists of one share of common stock and one-half of one share purchase warrant. Each whole warrant is exercisable into one share of common stock at a price of \$0.13 until March 1, 2021. Out of the 18,274,724 units issued as part of this private placement, 10,049,724 units were issued to Meridian, a wholly owned subsidiary of Yamana to settle convertible debt balance of \$1,004,972. In connection with the private placement, the Company incurred finders' fees and share issuance costs of \$107,299, and issued a total of 199,500 finders' warrants valued at \$11,100 (discount rate – 1.65%, volatility – 139.09%, expected life – 2 years, dividend yield – 0%), exercisable into one share of common stock at a price of \$0.13 for a period of two years from the date of issuance.

On July 3, 2019, the Company completed the first tranche of a non-brokered private placement. The Company raised a total of \$725,769 through the sale of 10,368,131 units at a price of \$0.07 per unit where each unit consists of one share of common stock and one-half of one share purchase warrant. Each whole warrant entitles the holder to acquire one additional share at an exercise price of \$0.10 until July 3, 2022.

**Stock Options**

On November 30, 2018, the Company granted 2,900,000 stock options with a fair value of \$173,762 to employees and directors of the Company. The options are exercisable at \$0.10 per share for a period of five years and expire on November 30, 2023.

During the year ended July 31, 2018, the Company granted a total of 6,381,000 stock options with a fair value of \$673,360 to employees, officers, directors, and consultants of the Company, exercisable at a weighted average price of \$0.12 per share for a period of five years.

**RISE GOLD CORP.**

(An Exploration Stage Company)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

**10. CAPITAL STOCK AND ADDITIONAL PAID-IN CAPITAL (cont'd...)**

The following incentive stock options were outstanding at July 31, 2019:

Number of Options	Exercise Price	Expiry Date
1,100,000	\$ 0.15	March 22, 2021
586,600	0.20	August 8, 2021
2,142,542	0.24	December 27, 2021
500,000	0.27	April 3, 2022
900,000	0.28	April 20, 2020
6,381,000	0.12	April 19, 2023
2,900,000	0.10	November 30, 2023
<u>14,510,142</u>	<u>\$ 0.15</u>	

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price	Aggregate Intrinsic Value
Balance, July 31, 2017	5,729,142	\$ 0.24	\$ Nil
Options granted	6,381,000	0.12	Nil
Options expired/forfeited	(500,000)	(0.33)	Nil
Balance, July 31, 2018	11,610,142	0.17	Nil
Options granted	2,900,000	0.10	Nil
Balance, July 31, 2019	14,510,142	\$ 0.15	\$ Nil

The following weighted average assumptions were used for the Black-Scholes pricing model valuation of stock options issued during the year ended July 31:

	2019	2018
Risk-free interest rate	2.12%	2.12%
Expected life of stock options	5.0 years	5.0 years
Expected annualized volatility	136.38%	136.38%
Dividend	Nil	Nil
Forfeiture rate	0%	0%

**RISE GOLD CORP.**

(An Exploration Stage Company)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

**10. CAPITAL STOCK AND ADDITIONAL PAID-IN CAPITAL (cont'd...)****Warrants**

The following warrants were outstanding at July 31, 2019:

Number of Warrants	Exercise Price	Expiry Date
7,080,740	\$ 0.25	September 25, 2019
6,788,860	0.25	December 27, 2019
133,333	0.25	January 3, 2020
21,000	0.15	April 18, 2020
35,161,000	0.15	April 18, 2021
2,881,250	0.12	August 31, 2021
2,003,125	0.12	September 17, 2021
9,625,000	0.13	October 16, 2020
3,750,000	0.13	November 5, 2020
9,336,862	0.13	March 1, 2021
5,184,066	0.10	July 3, 2022
<u>81,965,236</u>	<u>\$ 0.16</u>	

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, July 31, 2017	36,039,372	\$ 0.39
Warrants issued	49,602,117	0.18
Warrants expired	(1,500,000)	(0.23)
Warrants exercised	(192,670)	(0.10)
Balance, July 31, 2018	83,948,819	0.27
Warrants issued	32,780,303	0.12
Warrants expired	(34,763,886)	(0.40)
<u>Balance, July 31, 2019</u>	<u>81,965,236</u>	<u>\$ 0.16</u>

The following weighted average assumptions were used for the Black-Scholes pricing model valuation of finders' warrants issued during the year ended July 31:



**RISE GOLD CORP.**

(An Exploration Stage Company)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

**10. CAPITAL STOCK AND ADDITIONAL PAID-IN CAPITAL (cont'd...)**

	2019	2018
Risk-free interest rate	1.65%	1.65%
Expected life of warrants	2.0 years	2.0 years
Expected annualized volatility	139.09%	139.09%
Dividend	Nil	Nil
Forfeiture rate	0%	0%

**Share-Based Payments**

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan the exercise price of each option equals the market price of the Company's stock, less any applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years with vesting determined by the board of directors.

**RISE GOLD CORP.**

(An Exploration Stage Company)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

**11. INCOME TAXES**

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

	2019	2018
Loss before income taxes	\$ (5,772,539)	\$ (4,593,863)
Expected income tax (recovery) at statutory tax rates	\$ (1,212,000)	\$ (1,366,000)
Change in statutory, foreign tax, foreign exchange rates and other	(243,000)	798,000
Permanent differences	37,000	180,000
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	339,000	(48,000)
Change in unrecognized deductible temporary difference	<u>1,079,000</u>	<u>436,000</u>
Income tax recovery	\$ -	\$ -

Significant components of deferred tax assets (liabilities) that have not been included on the Company's consolidated balance sheet are as follows:

	2019	2018
Deferred tax assets (liabilities):		
Mineral property interest	\$ 1,501,000	\$ 525,000
Equipment	(82,000)	(19,000)
Net operating loss carry-forwards	<u>2,011,000</u>	<u>1,845,000</u>
Unrecognized deferred tax assets	<u>(3,430,000)</u>	<u>(2,351,000)</u>
Net deferred tax assets	\$ -	\$ -

The Company has approximately \$11,478,000 (2018 - \$8,136,000) in net operating losses which may be carried forward and applied against taxable income in future years.

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2019	Expiry Date Range	2018	Expiry Date Range
Temporary Differences				
Exploration and evaluation assets	\$ 5,362,000	No expiry date	\$ 1,881,000	No expiry date
Non-capital losses available for future period	8,970,000	2027 to Indefinite	8,067,000	2027 to Indefinite
USA	8,970,000	2027 to Indefinite	8,067,000	2027 to Indefinite

Tax attributes are subject to review and potential adjustments by tax authorities.

**RISE GOLD CORP.**

(An Exploration Stage Company)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JULY 31, 2019

(Expressed in Canadian Dollars)

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**12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

During the years ended July 31, 2019 and 2018, the Company had the following non-cash financing and investing activities:

For the year ended July 31, 2019:

- a) Issued 1,074,500 in finders' warrants valued at \$59,786 recorded as share issuance costs (Note 10);
- b) As at July 31, 2019, accounts payable and accrued liabilities include \$27,395 relating to the July 2019 instalment of the equipment loan;
- c) During the year ended July 31, 2019, the Company issued 625,000 units at \$0.08 per unit to settle \$50,000 in accounts payable. The Company also issued 75,000 units at \$0.10 a unit to settle \$7,500 in accounts payable; and
- d) As at July 31, 2019, the Company has \$49,755 of share issuance costs included in accounts payable and accrued liabilities.

For the year ended July 31, 2018:

- e) Issued 417,184 units, each unit comprised of one share of common stock and one share purchase warrant, valued at \$60,491, pursuant to a settlement of debt in relation to \$95,952 in finders' fees payable on the private placement which closed on May 5, 2017 (Note 10);
- f) As at July 31, 2018, \$713,672 of equipment costs is included in equipment loan payable (Note 6); and
- g) Issued 396,460 finders' warrants valued at \$30,810 (Note 10).

**13. SEGMENTED INFORMATION**

A reporting segment is defined as a component of the Company that:

- Engages in business activities from which it may earn revenues and incur expenses;
- Operating results are reviewed regularly by the entity's chief operating decision maker; and
- Discrete financial information is available

The Company has determined that it operates its business in one geographical segment located in California, United States, where all of its equipment and mineral property interests are located.

**RISE GOLD CORP. (FORMERLY RISE RESOURCES INC.)**  
(An Exploration Stage Company)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JULY 31, 2018  
(Expressed in Canadian Dollars)

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**14. SUBSEQUENT EVENTS**

On August 19, 2019, the Company completed the second tranche of a non-brokered private placement for a total of \$3,207,850 through the sale of 45,826,435 units at a price of \$0.07 per unit where each unit consists of one share of common stock and one-half of one share purchase warrant. Each whole warrant is exercisable into one share of common stock at a price of \$0.10 until August 19, 2022. The Company has paid finders' fees of \$7,837 and issued a total of 111,960 finder's warrants entitling the holder to acquire one share at a price of \$0.10 until August 19, 2022.

On August 21, 2019, the Company granted 7,512,840 stock options to employees and directors of the Company pursuant to the terms of the Company's Stock Option Plan. The options are exercisable at \$0.07 per share for a period of five years and expire on August 21, 2024.

On September 3, 2019, the Company also has completed a debt financing with Eridanus Capital LLC (the "Lender") for a US\$1,000,000 loan (the "Loan"). The Loan has a term of 4 years and an annual interest rate of 10% for the first two years increasing to 20% in year 3 and to 25% in year 4. Interest will accrue and be paid along with the principal upon the maturity date. The Lender received 11,500,000 bonus share purchase warrants as additional consideration for advancing the Loan. Each warrant entitles the holder to acquire one share of common stock at an exercise price of \$0.10 for a period of three years from the date of issuance. The Loan may be repaid prior to the maturity date, in whole or in part, provided that all accrued interest is paid. In addition, if total interest payments are less than \$200,000, the difference will be paid to the Lender as prepayment compensation. The Loan is secured against the assets of the Company and its subsidiary and will be used for permitting, engineering and working capital at the Company's Idaho Maryland Gold Project.

On September 25, 2019, 7,080,740 warrants expired without exercise.

**Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.**

None.

**Item 9A. Controls and Procedures**

**Evaluation of Disclosure Controls and Procedures**

The United States Securities and Exchange Commission (the “SEC”) defines the term “disclosure controls and procedures” to mean controls and other procedures of an issuer that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

As of the end of the period covered by this Report, our management carried out an evaluation, with the participation of its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, management concluded that our disclosure controls and procedures were not effective as of July 31, 2019 because of a material weakness in internal control over financial reporting that existed as of that date, as more fully described below.

**Management’s Annual Report on Internal Control over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company’s assets that could have a material effect on the financial statements.

We carried out an evaluation, with the participation of its Chief Executive Officer and Chief Financial Officer, of the effectiveness of its internal control over financial reporting as of July 31, 2019. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) in Internal Control-Integrated 2013 Framework. Management concluded that our company’s internal control over financial reporting was not effective as of July 31, 2019 because a material weakness in internal control over financial reporting existed as of that date as a result of a lack of segregation of incompatible duties due to insufficient personnel. A material weakness is a deficiency or a combination of control deficiencies in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented or detected on a timely basis.

This annual report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Management’s report was not subject to attestation

by our independent registered public accounting firm pursuant to a provision under the Dodd-Frank Wall Street Reform and Consumer Protection Act which grants a permanent exemption for non-accelerated filers from complying with Section 404(b) of the Sarbanes-Oxley Act of 2002.

### **Changes in Internal Control over Financial Reporting**

There were no changes in our company's internal control over financial reporting during the period ended July 31, 2019 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

### **Item 9B. Other Information.**

None.

## **PART III**

### **Item 10. Directors, Executive Officers and Corporate Governance.**

The names, ages and titles of the members of our Board of Directors and our executive officers are as follows:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Benjamin W. Mossman	42	Chief Executive Officer, President, Director
Vince W. Boon	38	Chief Financial Officer, Treasurer
Murray Flanigan	53	Director
John G. Proust	60	Director
Thomas I. Vehrs	72	Director
Lawrence Lepard	62	Director

Directors serve as such until our next annual stockholder meeting, or until their successors are elected and qualified. Officers hold their positions at the will of the Board of Directors. As of July 31, 2019, there were no arrangements, agreements or understandings between non-management security holders and management under which non-management security holders may directly or indirectly participate in or influence the management of our company's affairs other than as disclosed in this Report.

#### **Benjamin W. Mossman, Chief Executive Officer, President, Director**

Benjamin W. Mossman, P.Eng, was appointed as our Chief Executive Officer and a director on August 1, 2016 and our President on April 20, 2017. Mr. Mossman is a mining engineer with over 15 years of experience in the mining industry including experience in capital markets, project evaluation, acquisitions, and mine operations and development. He was formerly the President, Chief Executive Officer and a director of Banks Island Gold Ltd., a dormant mining company, formerly listed on the TSX Venture Exchange and currently in receivership. See "Involvement in Certain Legal Proceedings" below.

#### **Vince Boon, Chief Financial Officer, Treasurer**

Vince Boon was appointed as our Chief Financial Officer on May 1, 2018 and Treasurer on May 16, 2018. Mr. Boon is a chartered accountant with over ten years of professional accounting experience with private and public companies focusing on financial reporting, regulatory compliance, internal control and corporate finance activities. Mr. Boon's experience includes financial reporting for both Canadian and U.S. listed companies with international subsidiaries, strategic planning, tax planning, corporate governance, equity financings and due diligence for acquisitions. Mr. Boon is currently the CFO/Corporate Secretary of Japan Gold Corp., and the CFO of Southern Arc Minerals Inc., Canada Energy Partners Inc. and Lincoln Ventures

Ltd. Mr. Boon holds a Bachelor of Science degree from the University of British Columbia and is a Chartered Professional Accountant, CPA, CA.

### **John G. Proust, Director**

John G. Proust was appointed to our Board of Directors on April 18, 2018. Mr. Proust has founded and managed a number of resource companies over the past 30 years. Mr. Proust has served on several boards and held senior operating positions and has directed and advised public and private companies regarding debt and equity financing, mergers and acquisitions and corporate restructuring since 1986. Mr. Proust is currently Chairman and CEO of Southern Arc Minerals Inc., which is one of our major stockholders; Chairman and CEO of Japan Gold Corp.; Chairman and a director of Canada Energy Partners Inc.; non-executive Chairman and director of Tethyan Resources plc; President and a director of Lincoln Ventures Ltd and a director of Pinedale Energy Limited. Mr. Proust has extensive experience in corporate governance, is a graduate of The Directors College, Michael G. De Groote School of Business at McMaster University and holds the designation of Chartered Director.

### **Thomas I. Vehrs, Director**

Thomas I. Vehrs was appointed to our Board of Directors on April 20, 2017. Dr. Vehrs is a highly regarded and experienced exploration geologist with over 40 years of experience in the Americas. During his career, Dr. Vehrs has conducted and managed numerous exploration programs resulting in the discovery and delineation of major copper, gold and silver deposits, including the Los Pelambres porphyry copper deposit in Chile, the Northumberland sediment-hosted gold deposit in central Nevada, the Rio Blanco porphyry copper deposit in northern Peru and orogenic gold deposits in Central Guatemala. For the past ten years, Dr. Vehrs held the position of Vice President of Exploration for Fortuna Silver Mines and was responsible for the development and execution of exploration programs at the Caylloma Mine in Peru and the San Jose Mine in southern Mexico. During this period, Fortuna Silver Mines was successful in expanding the resources, reserves and production rate at the San Jose Mine resulting in a market capitalization in excess of \$1 billion. Dr. Vehrs holds a Ph.D. in geology from Syracuse University and served as an officer in the U.S. Army Corps of Engineers.

### **Murray Flanigan, Director**

Murray Flanigan was elected to our Board of Directors on June 27, 2019. Mr. Flanigan is a management consultant providing financial advisory services to a number of public and private oil and gas and technology companies in North America and abroad. Mr. Flanigan is a Chartered Professional Accountant and a Chartered Financial Analyst with expertise in corporate finance, mergers and acquisitions, international taxation, risk management, banking, treasury, corporate restructuring and accounting, and has served as Chief Financial Officer for various public and private companies. Mr. Flanigan is currently a Managing Principal and the CFO of Kepis & Pobe Financial Group Inc., where he is responsible for all aspects of the company's accounting, financing, treasury, tax, and legal affairs including overseeing the company's corporate development activities. Mr. Flanigan is also the Chief Financial Officer of Bankers Cobalt Corporation, a publicly traded mining and exploration company developing copper and cobalt resources in the Democratic Republic of the Congo. Prior to founding his own consulting company, Mr. Flanigan served as Senior Vice President, Corporate Development and CFO of Qwest Investment Management Corp., where he was responsible for regulatory reporting and corporate filings for over 15 private and publicly listed companies and limited partnerships in Qwest's portfolio, as well as arranging and closing numerous equity and debt financings. Mr. Flanigan also served as VP Corporate Development for Adelphia Communications Corporation, overseeing the company's financial restructuring and ultimate sale to Time Warner Inc. and Comcast Corporation for approximately US\$18 billion.

## **Lawrence Lepard, Director**

Lawrence Lepard was appointed to our Board of Directors on August 22, 2019. Mr. Lepard runs Equity Management Associates, LLC, an investment partnership which has focused on investing in precious metals since 2008. Prior to EMA, Mr. Lepard spent 25 years as a professional investor and venture capitalist. From 1991 to 2004 he was one of two Managing Partners at Geocapital Partners in New Jersey which managed six venture capital partnerships, the last of which was \$250 million. Geocapital was very active in technology, software and computer investing and invested heavily in the internet starting in 1993. Geocapital was the lead investor in Netcom, Inc., the first internet service provider to complete an IPO in 1996. Prior to Geocapital Mr. Lepard spent 7 years as a General Partner at Summit Partners in Boston, MA. Summit is a large venture capital and private equity firm. He was employee number 4, joining 1 year after Summit was launched. Mr. Lepard holds an MBA with Academic Distinction from Harvard Business School and a BA in Economics from Colgate University.

None of our directors has been a director of any other company with a class of securities registered pursuant to section 12 of the Exchange Act or subject to the requirements of section 15(d) of the Exchange Act, or any company registered as an investment company under the Investment Company Act of 1940, during the past five years.

## **Family Relationships**

There are no family relationships among any of our directors or executive officers.

## **Involvement in Certain Legal Proceedings**

Except as disclosed below, during the past ten years none of the persons serving as our executive officers and/or directors have been the subject of any of the following legal proceedings that are required to be disclosed pursuant to Item 401(f) of Regulation S-K, including: (a) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (b) any criminal convictions (excluding traffic violations and other minor offenses); (c) any order, judgment, or decree permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; (d) any finding by a court, the SEC or the CFTC to have violated a federal or state securities or commodities law, any law or regulation respecting financial institutions or insurance companies, or any law or regulation prohibiting mail or wire fraud; or (e) any sanction or order of any self-regulatory organization or registered entity or equivalent exchange, association, entity or other organization that has disciplinary authority over its members or persons associated with a member. Further, no such legal proceedings are believed to be contemplated by governmental authorities against any director or executive officer.

Benjamin W. Mossman was a director and officer of Banks Island Gold Ltd. (“Banks”) during the time it assigned itself into bankruptcy on January 7, 2016. Banks appointed D. Manning & Associates as trustee in the bankruptcy proceedings. Subsequent to the bankruptcy, a Receiver, FTI Consulting, was appointed as receiver by a major secured creditor. On April 4, 2018, the Trustee was discharged. All of the property and assets of Banks Island Gold were sold to MCC Canadian Gold Ventures Inc. in 2018 and approved by the court on December 6, 2018. To date, Banks remains undischarged from the bankruptcy proceeding.

Benjamin W. Mossman, along with two other former employees of Banks and Banks itself are subject to summary conviction proceedings commenced in August 2016 for alleged violations of the British Columbia provincial Environmental Management Act, the Provincial Water Act, and the federal Fisheries Act. Banks was a company listed on the TSX Venture Exchange at the time of the alleged infractions and traded under the symbol “BOZ”. The charges are related to the active mining operations conducted by Banks at and on Banks Island, BC during the period from 2014 to 2016. The court found Mr. Mossman not guilty, and acquitted of all charges, specifically the charges related to alleged pollution, under the Fisheries and Water



Act. He was acquitted of all but two minor offences under the Environmental Management Act and fined \$15,000. All charges were dropped against one former employee and the court dismissed all charges against the other former employee. Appeals were filed by both the Crown and defense and were heard in 2019 and will be decided in late 2019 or 2020. In March 2019, the Provincial Court of B.C. acquitted Mr. Mossman of a single charge of obstruction of justice under the BC Mines Act.

### **Delinquent Section 16(a) Reports**

Section 16(a) of the Exchange Act requires a company's directors and officers, and persons who own more than 10% of any class of a company's equity securities which are registered under Section 12 of the Exchange Act, to file with the SEC initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of our common shares and other equity securities, on Forms 3, 4 and 5, respectively. Such officers, directors and 10% stockholders are also required to furnish the company with copies of all Section 16(a) reports they file. Based solely on our review of the copies of such forms received by it, or written representations from the reporting persons as of the date of this Report, it believes that all Section 16(a) filing requirement applicable to its directors, officers and 10% stockholders with respect to the fiscal year ended July 31, 2019 have been fulfilled with the following exceptions:

During the fiscal year ended July 31, 2019, the number of late filings and number of transactions not reported on a timely basis for each named person or entity was as follows: Benjamin Mossman, 1 report and 2 transactions; John Anderson, 4 reports and 3 transactions; and Southern Arc Minerals Inc., 1 report and 1 transaction.

### **Audit Committee Financial Expert**

Murray Flanigan is an "audit committee financial expert" within the meaning of Item 401(h)(1) of Regulation S-K. In general, an "audit committee financial expert" is an individual member of the audit committee who (a) understands generally accepted accounting principles and financial statements, (b) is able to assess the general application of such principles in connection with the accounting for estimates, reserves and accruals, (c) has experience preparing, auditing, analyzing or evaluating financial statements comparable to the breadth and complexity of issues that can reasonably be expected to be raised by a company's financial statements, (d) understands internal controls over financial reporting, and (e) understands audit committee functions. We have determined that Mr. Flanigan is an independent director as defined in Nasdaq Listing Rule 5605(a)(2).

### **Nomination of Directors**

The Corporation does not have a formal process or committee for proposing new nominees for election to the Board or for stockholders to make such nominations. Management is in contact with individuals involved in the mineral exploration sector, and in the event that we require any new directors, such individuals will be brought to the attention of the Board. Management will conduct reference and background checks on suitable candidates. New nominees generally must have a track record in business management, areas of strategic interest to our company, the ability to devote the time required to carry out the obligations and responsibilities of a director and a willingness to serve in that capacity.

### **Code of Ethics**

During our fiscal year ended July 31, 2008, the Board of Directors adopted a written Code of Ethics within the meaning of Item 406(b) of Regulation S-K under the Securities Act. The Code of Ethics obligates our directors, officers and employees to disclose potential conflicts of interest and prohibits those persons from engaging in such transactions without the Board's consent.

**Item 11. Executive Compensation.**

The following table sets forth information with respect to the compensation awarded or paid to Benjamin W. Mossman, our Chief Executive Officer, President and a director (the “Named Executive Officer”), for all services rendered in all capacities to our company during the past two fiscal years. As of July 31, 2019, we did not have any other executive officers or former executive officers who had received total compensation in excess of US\$100,000 during the fiscal year ended July 31, 2019. Pursuant to Item 402(m)(4) of Regulation S-K, we have omitted certain columns from the table since there was no compensation awarded to, earned by or paid to the Named Executive Officer that was required to be reported in such columns in either year.

<b>Summary Compensation Table</b>					
<b>Name and Principal Position</b>	<b>Year Ended July 31</b>	<b>Salary (\$)</b>	<b>Stock Awards (\$)</b>	<b>Option Awards (\$)<sup>(1)</sup></b>	<b>Total (\$)</b>
Benjamin W. Mossman, Chief Executive Officer <sup>(2)</sup>	2019	180,000	-	59,918	239,918
	2018	180,000	-	277,638 <sup>(3)</sup>	457,638

(1) See Note 10 of the notes to our audited financial statements included in this Report for a description of the assumptions made in the valuation of option awards.

(2) Represents share-based payments related to options vesting during the years presented.

## Outstanding Equity Awards at Fiscal Year-End

The following table sets forth information relating to the options held by the Named Executive Officers as of July 31, 2019:

Outstanding Equity Awards at Fiscal Year-End					
Option Awards				Stock Awards	
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares That Have Not Vested (#)	Market Value of Shares That Have Not Vested (\$)
Benjamin W. Mossman	4,612,840	0.07	August 21, 2024	Nil	Nil
	1,000,000	0.10	November 29, 2023		
	2,631,000	0.12	April 23, 2023		
	586,600	0.20	August 8, 2021		
	2,142,542	0.24	December 27, 2021		

## Employment Agreements

On April 19, 2017, we entered into an executive employment agreement with Benjamin W. Mossman, which was amended on April 16, 2018 (the “Executive Employment Agreement”). The Executive Employment Agreement, which commenced on May 1, 2017, provides for an annual salary of \$180,000 per year and that Mr. Mossman will, subject to the terms of the stock option plan and exchange policies, be granted options from time to time to maintain his right to purchase 5% of our issued and outstanding common stock. To date, Mr. Mossman has been granted options to acquire 10,972,982 shares of common stock pursuant to the terms of his Executive Employment Agreement.

The Executive Employment Agreement includes compensation provisions for Mr. Mossman if there is a change of control, he is terminated without just cause, he resigns under circumstances contemplated in the Executive Employment Agreement or he dies while in our employment. If there is a change of control and Mr. Mossman is terminated within one (1) year of the date of a change of control or if Mr. Mossman terminates his employment with us upon the occurrence of certain events, including a material adverse and fundamental change in his overall authority and responsibilities, Mr. Mossman will be entitled to a lump sum amount equal to three (3) years of Mr. Mossman’s then applicable annual salary. If Mr. Mossman is otherwise terminated without just cause, Mr. Mossman will be entitled to an amount equal to three (3) months of Mr. Mossman’s then applicable annual salary and will also be entitled to maintain in effect, until the earliest of the expiration of 18 months and the death of Mr. Mossman, participation in certain of our benefit plans and stock option plans. If Mr. Mossman dies while employed with us, Mr. Mossman’s estate, subject to compliance with stock exchange requirements, our stock option plan, and the terms of the Executive Employment Agreement, will be entitled to continue Mr. Mossman’s participation in our stock option plan.

Other than Mr. Mossman, who devotes all of his working time to our business, we expect that our executive officers will allocate approximately 40% of their working time to our business.

## Benefit Plans

We do not currently have any pension plan, profit sharing plan or similar plan for the benefit of our officers, directors or employees; however, we may establish such plans in the future.

## Director Compensation

Our directors are compensated for serving on the Board of Directors. Management directors are not paid fees for services as a director; however, they may receive compensation for their services as employees or consultants.

The following table sets out compensation for the year ended July 31, 2019 of those individuals who served as directors during that year but did not qualify as Named Executive Officers.

Name	Fees Earned or Paid in Cash (\$)	Option Awards (\$) <sup>(1)</sup>	Total (\$)
Murray Flanigan <sup>(2)</sup>	Nil <sup>(4)</sup>	Nil	Nil
Thomas I. Vehrs	26,608 <sup>(4)</sup>	11,984 <sup>(6)</sup>	41,587
John G. Proust	26,521	89,877 <sup>(6)</sup>	98,422

Name	Fees Earned or Paid in Cash (\$)	Option Awards (\$) <sup>(1)</sup>	Total (\$)
Lawrence Lepard <sup>(3)</sup>	Nil	Nil	Nil
John D. Anderson <sup>(5)</sup> (Former Director and Chairman)	19,798 <sup>(4)</sup>	5,992 <sup>(6)</sup>	34,777

- (1) See Note 10 of the notes to our audited financial statements included in this Report for a description of the assumptions made in the valuation of option awards.
- (2) Mr. Flanigan was elected a director on June 27, 2019.
- (3) Mr. Lepard was appointed a director on August 22, 2019.
- (4) Represents directors' fees.
- (5) Mr. Anderson did not stand for re-election on June 27, 2019.
- (6) Represents share-based payments related to options granted during the year ended July 31, 2019.

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.**

As of October 25, 2019, we had 220,459,647 shares of common stock issued and outstanding. The following table sets forth the beneficial ownership of our common stock as of October 25, 2019 by (a) each person who serves as a director and/or is identified as a "Named Executive Officer" of Rise in Item 11, "Executive Compensation," above, and by all of our current directors and executive officers as a group, and (b) each person known by us to beneficially own more than 5.0% of any class of our voting securities.

A person is considered to beneficially own any shares over which such person, directly or indirectly, exercises sole or shared voting or investment power, or over which such person has the right to acquire beneficial ownership at any time within 60 days through an exercise of stock options or warrants or otherwise. Unless otherwise indicated, voting and investment power relating to the shares shown in the table for our officers and directors is exercised solely by the beneficial owner thereof.

For the purposes of this table, a person or group of persons is deemed to have "beneficial ownership" of any shares of our common stock that such person or group of persons has the right to acquire within 60 days. For the purposes of computing the percentage of outstanding shares of our common stock held by each person or group of persons named below, any shares that such person or group of persons has the right to acquire within 60 days of October 25, 2019 is deemed to be outstanding, but is not deemed to be outstanding for the purpose of computing the percentage ownership of any other person. The inclusion herein of any shares listed as beneficially owned does not constitute an admission of beneficial ownership.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class <sup>(1)</sup>
<b><i>Named Executive Officer and Directors</i></b>		
Benjamin W. Mossman	13,058,411 <sup>(2)</sup>	5.6%
Murray Flanigan	400,000 <sup>(3)</sup>	*
John G. Proust	55,575,000 <sup>(4)(8)</sup>	22.4%
Thomas I. Vehrs	1,250,000 <sup>(5)</sup>	*
Lawrence Lepard	21,707,500 <sup>(6)</sup>	9.5%
Executive Officers and Directors as a Group (6 persons)	92,390,911 <sup>(2)(3)(4)(5)(6)(7)(8)(9)</sup>	34.2%
<b><i>5% Owners</i></b>		
Southern Arc Minerals Inc. Suite 650, 669 Howe Street Vancouver, BC V6C 0B4	52,125,000 <sup>(8)</sup>	21.3%
EMA GARP FUND, LLP 211 Grove Street Wellesley, Massachusetts 02482 +	11,620,000 <sup>(9)</sup>	5.2%
Yamana Gold Inc. Royal Bank Plaza, North Tower 200 Bay Street, Suite 2200 Toronto, Ontario M5J 2J3	41,324,586 <sup>(10)</sup>	17.6%

- (1) Based on 220,459,647 shares of common stock issued and outstanding as of October 25, 2019.
- (2) Benjamin W. Mossman, our Chief Executive Officer, President and a director, holds 1,628,286 shares of common stock, 457,143 warrants, 100,000 of which are exercisable into common stock at a price of \$0.13 per share until March 1, 2021 and 357,143 of which are exercisable into common stock at a price of \$0.10 per share until July 3, 2022, and 10,972,982 stock options, 586,600 of which are exercisable into common stock at a price of \$0.20 per share until August 8, 2021, 2,142,542 of which are exercisable into common stock at a price of \$0.24 per share until December 27, 2021, 2,631,000 of which are exercisable into common stock at a price of \$0.12 per share until April 18, 2023, 1,000,000 of which are exercisable into common stock at a price of \$0.10 per share until November 29, 2023 and 4,612,840 of which are exercisable into common stock at a price of \$0.07 per share until August 21, 2024.
- (3) Murray Flanigan, a director, holds 400,000 stock options, each of which is exercisable into common stock at a price of \$0.07 per share until August 21, 2024.
- (4) John G. Proust, a director, holds 3,450,000 stock options, 1,200,000 of which are exercisable into common stock at a price of \$0.12 per share until April 18, 2023, 1,500,000 of which are exercisable into common stock at a price of \$0.09 per share until November 29, 2023 and 750,000 of which are exercisable into common stock at a price of \$0.07 per share until August 21, 2024. Mr. Proust is the Chairman and CEO and a director of Southern Arc Minerals Inc. See note (8).
- (5) Thomas I. Vehrs, a director, holds 1,250,000 stock options, 400,000 of which are exercisable into common stock at a price of \$0.28 per share until April 20, 2020, 250,000 of which are exercisable into common stock at a price of \$0.12 per share until April 18, 2023, 200,000 of which are exercisable into common stock at a price of \$0.10 per share until November 29, 2023 and 400,000 of which are exercisable into common stock at a price of \$0.07 per share until August 21, 2024.

- (6) Lawrence Lepard, a director, holds 4,918,750 shares of common stock and indirectly beneficially owns an additional 1,350,000 shares of common stock through his children. Mr. Lepard also holds 1,000,000 stock options, each of which is exercisable into common stock at a price of \$0.07 per share until August 21, 2024, and 2,818,750 warrants, 818,750 of which are exercisable into common stock at a price of \$0.12 per share until September 17, 2021 and 2,000,000 of which are exercisable into common stock at a price of \$0.10 per share until August 19, 2022. Mr. Lepard is the sole member and manager of EMA GARP GP, LLC, which is the general partner of EMA GARP FUND, LP. See note (9).
  - (7) Includes 400,000 stock options held by Vince Boon, our Chief Financial Officer and Treasurer, 300,000 of which are exercisable into common stock at a price of \$0.12 per share until April 18, 2023 and 100,000 of which are exercisable into common stock at a price of \$0.07 per share until August 21, 2024.
  - (8) Southern Arc Minerals Inc. holds 27,500,000 shares of common stock and 24,625,000 warrants, 20,000,000 of which are exercisable into common stock at a price of \$0.15 per share until April 18, 2021, 875,000 of which are exercisable into common stock at a price of \$0.13 per share until October 15, 2020 and 3,750,000 of which are exercisable into common stock at a price of \$0.10 per share until November 5, 2020. John G. Proust, one of our directors, is also the Chairman and CEO and a director of Southern Arc Minerals Inc. See note (4).
  - (9) EMA GARP FUND, LLP holds 7,320,000 shares of common stock and 4,300,000 warrants, 1,300,000 of which are exercisable into common stock at a price of \$0.15 per share until April 18, 2021, 500,000 of which are exercisable into common stock at a price of \$0.10 per share until July 3, 2022 and 2,500,000 of which are exercisable into common stock at a price of \$0.10 per share until August 19, 2022. EMA GARP GP, LLC is the general partner of the EMA GARP FUND, LLP. Lawrence Lepard, one of our directors, is the sole member and manager of EMA GARP GP, LLC. See note (6).
  - (10) Beneficially owned through Meridian Jerritt Canyon Corp., a wholly owned subsidiary of Yamana Gold Inc. Includes 27,549,724 shares of common stock and 13,774,862 warrants, 8,750,000 of which are exercisable into common stock at a price of \$0.13 per share until October 16, 2020 and 5,024,862 of which are exercisable into common stock at a price of \$0.13 per share until March 1, 2021.
- \* Less than 1%.

## **Changes in Control**

We are not aware of any arrangements, including any pledge by any person of its securities, the operation of which may at a subsequent date result in a change in control of our company.

## **Securities Authorized for Issuance Under Equity Compensation Plans**

On March 23, 2016, the Board of Directors approved the adoption of an incentive stock option plan that provides for the granting of options representing up to 10% of our common stock to its directors, officers, employees and consultants (the “Plan”). As of July 31, 2019, options to purchase 14,510,142 shares at prices of between \$0.10 and \$0.28 per share are outstanding to 15 persons under the Plan.

We do not have any other compensation plans under which our equity securities are authorized for issuance.

**Equity Compensation Plan Information**  
As of July 31, 2019

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by shareholders	Nil	Nil	Nil
Equity compensation plans not approved by shareholders	14,510,142	\$0.15	7,535,822
<b>Total</b>	<b>14,510,142</b>	<b>\$0.15</b>	<b>7,535,822</b>

**Item 13. Certain Relationships and Related Transactions, and Director Independence.**

**Certain Relationships and Related Transactions**

On April 17, 2018, we entered into a consulting agreement with J. Proust & Associates Inc. (“JPA”), a management services company owned by one of our directors, John Proust. JPA agreed to provide the Company with such business advisory, finance, accounting and corporate administrative services as may be requested by the Company, including a Chief Financial Officer, a Controller and Corporate Secretary, plus use of a fully furnished office, for a monthly fee of \$7,100, or \$85,200 on an annualized basis. The agreement provides that the Company may grant stock options to JPA or its employees, as determined by the Board of Directors from time to time. The agreement had a one-year term that commenced on April 17, 2018. On December 13, 2018, the parties amended the agreement to increase the compensation to \$15,000 per month, or \$180,000 on an annualized basis, and to revise the term of the agreement, with a new one-year term commencing on January 1, 2019 that continues thereafter on a month-to-month basis, unless the agreement is terminated by the parties in accordance with its terms.

On October 16, 2018, we entered into an agreement with Meridian Jerritt Canyon Corp. (“Meridian”), a wholly-owned subsidiary of Yamana Gold Inc., pursuant to which Meridian completed a strategic initial investment in our company of \$1.75 million through the purchase of 17,500,000 units (the “Agreement”). Under the Agreement, Meridian has the right, for as long as it owns 5% or more of our outstanding shares of common stock, to participate in any of our future equity financings in order to maintain its percentage equity interest or to increase its equity ownership up to 19.9% of our issued and outstanding shares. In addition, Meridian will be permitted to nominate one individual to our Board of Directors and to appoint two members to our advisory committee. The Agreement also granted Meridian an exclusive right of first offer and first refusal for a period of six months following the closing of the financing, in respect of any proposed transfer or sale by us of any interest, including a joint venture interest, in all or any part of the I-M Mine Project, on terms and conditions to be agreed upon by the parties. The right of first offer has expired.

**Director Independence**

Because our common stock is not currently listed on a national securities exchange, we currently use the definition in Nasdaq Listing Rule 5605(a)(2) for determining director independence, which provides that an “independent director” is a person other than an executive officer or employee of the company or any



other individual having a relationship which, in the opinion of the company's Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The Nasdaq listing rules provide that a director cannot be considered independent if:

- the director is, or at any time during the past three years was, an employee of the company;
- the director or a family member of the director accepted any compensation from the company in excess of US\$120,000 during any period of 12 consecutive months within the three years preceding the independence determination (subject to certain exclusions, including, among other things, compensation for board or board committee service);
- a family member of the director is, or at any time during the past three years was, an executive officer of the company;
- the director or a family member of the director is a partner in, controlling stockholder of, or an executive officer of an entity to which the company made, or from which the company received, payments in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenue for that year or US\$200,000, whichever is greater (subject to certain exclusions);
- the director or a family member of the director is employed as an executive officer of an entity where, at any time during the past three years, any of the executive officers of the company served on the compensation committee of such other entity; or
- the director or a family member of the director is a current partner of the company's outside auditor, or at any time during the past three years was a partner or employee of the company's outside auditor, and who worked on the company's audit.

We have determined that Murray Flanigan, Lawrence Lepard, John Proust, and Thomas Vehrs meet this definition of independence.

#### **Item 14. Principal Accounting Fees and Services.**

The following table shows the fees billed by our company's auditor, Davidson & Company LLP Chartered Accountants, for the fiscal years ended July 31, 2019 and 2018, and a summary of the services provided under each category follows the table:

	<b>July 31, 2019</b>	<b>July 31, 2018</b>
	(\$)	(\$)
Audit Fees	30,000	28,560
Audit-Related Fees	29,937	17,850
Tax Fees	-	32,800
All Other Fees	-	-

Audit Fees consist of fees billed for professional services rendered for the audit of the consolidated financial statements and review of the quarterly interim consolidated financial statements.

Audit-Related fees consist of the review of SEC comment letters and management responses.

Tax Fees consist of tax compliance fees and other tax planning advisory services.

All Other Fees: There were no fees billed by Davidson & Company for professional services rendered for other compliance purposes for the years ended July 31, 2019 and 2018.

Our Board of Directors has established pre-approval policies and procedures, pursuant to which the Board approved the foregoing audit and audit-related services provided by Davidson & Company in 2018 and 2017 consistent with the Board's responsibility for engaging our company's independent auditors. The Board also considered whether the non-audit services rendered by our independent registered public accounting firm are compatible with an auditor maintaining independence. The Board has determined that the rendering of such services is compatible with Davidson & Company maintaining its independence.

#### PART IV

##### **Item 15. Exhibits, Financial Statement Schedules.**

(a) The following financial statements are being filed as part of this Report:

##### **Consolidated Financial Statements of Rise Gold Corp.**

Report of Independent Registered Public Accounting Firm  
Consolidated Balance Sheets as of July 31, 2019 and 2018  
Consolidated Statement of Operations and Comprehensive Loss for the years ended July 31, 2019 and 2018  
Consolidated Statement of Cash Flows for the years ended July 31, 2019 and 2018  
Consolidated Statement of Stockholders' Equity (Deficit) for the years ended July 31, 2019 and 2018  
Notes to the Consolidated Financial Statements

(b) The following exhibits are being filed as part of this Report:

<u>Number</u>	<u>Exhibit Description</u>
3.1	Articles of Incorporation, as amended to date <sup>(1)</sup>
3.2	Bylaws <sup>(2)</sup>
4.1	Description of Capital Stock
10.1	Incentive Stock Option Plan dated March 23, 2016 <sup>(1)</sup>
10.2	Employment Agreement with Benjamin Mossman dated as of April 19, 2017 <sup>(1)</sup>
10.3	April 16, 2018 Amendment to the Employment Agreement with Benjamin Mossman dated as of April 19, 2017 <sup>(3)</sup>
10.4	Geological Consulting Services Agreement with Fred Tejada effective as of April 20, 2017 <sup>(1)</sup>
10.5	Consulting Services Agreement dated May 1, 2018 with Cale Thomas <sup>(3)</sup>
10.6	Form of Subscription Agreement with Meridian Jerritt Canyon Corp., a wholly-owned subsidiary of Yamana Gold Inc., dated October 16, 2018 <sup>(4)</sup>
10.7	Consulting Agreement with J. Proust & Associates Inc., as amended, dated December 13, 2018 <sup>(5)</sup>

10.8	Convertible Debenture issued to Meridian Jerritt Canyon Corp., dated as of February 14, 2019 <sup>(6)</sup>
10.9	Guarantee of Convertible Debenture made by Rise Grass Valley Inc. in favor of Meridian Jerritt Canyon Corp., dated as of February 14, 2019 <sup>(6)</sup>
10.10	Collateral Agreement in favor of Meridian Jerritt Canyon Corp., dated as of February 14, 2019 <sup>(6)</sup>
10.11	Loan Agreement between Rise Grass Valley Inc. and Eridanus Capital, LLC dated August 30, 2019
10.12	Collateral Agreement in favor of Eridanus Capital, LLC, dated August 30, 2019
10.13	Deed of Trust in favor of Jeremy A. M. Evans, as trustee, for the benefit of Eridanus Capital, LLC dated August 30, 2019
14.1	Code of Ethics <sup>(7)</sup>
14.1	Subsidiaries of the registrant <sup>(1)</sup>
23.1	Consent of Davidson & Company
31.1	Certificate of the Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certificate of the Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certificate of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certificate of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance File
101.SCH	XBRL Taxonomy Schema Linkbase Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

- (1) Included as an exhibit to our registration statement on Form S-1 filed on September 5, 2017 and incorporated herein by reference.
- (2) Included as an exhibit to our registration statement on Form S-1 filed on February 19, 2008 and incorporated herein by reference.
- (3) Included as an exhibit to our registration statement on Form S-1 filed on May 29, 2018 and incorporated herein by reference.
- (4) Included as an exhibit to post-effective Amendment No. 1 to our Form S-1 registration statement filed on November 26, 2018 and incorporated by reference.
- (5) Included as an exhibit to our Form S-1 registration statement filed on January 17, 2019 and incorporated herein by reference.
- (6) Included as an exhibit to our Form S-1 registration statement filed on April 17, 2019 and incorporated herein by reference.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: October 25, 2019

### **RISE GOLD CORP.**

/s/ Benjamin Mossman

Benjamin Mossman

Chief Executive Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Benjamin Mossman

Benjamin Mossman

Chief Executive Officer and Director

(Principal Executive Officer)

October 25, 2019

/s/ Vince Boon

Vincent Boon

Chief Financial Officer, Treasurer

(Principal Financial and Accounting Officer)

October 25, 2019

/s/ Murray Flanigan

Murray Flanigan

Director

October 25, 2019

/s/ John Proust

John Proust

Director

October 25, 2019

/s/ Thomas Vehrs

Dr. Thomas Vehrs

Director

October 25, 2019

/s/ Lawrence Lepard

Lawrence Lepard

Director

October 25, 2019