55 North Mining Inc.
(Formerly SGX Resources Inc.)

Condensed Interim Financial Statements

At June 30, 2019 and 2018

(in Canadian dollars, unless otherwise stated)

(unaudited)

Notice of No Auditor Review of Condensed Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements; they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

55 North Mining Inc.
(Formerly SGX Resources Inc.)
Condensed Interim Statements of Financial Position
(Unaudited)
Expressed in Canadian dollars

	June 30, 2019	December 31, 2018
ASSETS		
Current assets		
Cash	**$ 14,880**	$ 246,034
GST/HST recoverable	**7,436**	3,908
Prepaids	**5,400**	1,800
	$ 27,716	$ 251,742
Fixed Assets	**1,456**	2,428
	$ 29,172	$ 254,170
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**$ 339,235**	$ 302,656
Advance payable	**299,475**	357,165
Due to related parties *(Note 7)*	**1,844,865**	1,844,865
Promissory note payable *(Note 7)*	**127,601**	124,463
Flow-through share premium liability	**75,085**	117,978
	2,686,261	2,747,127
Shareholders' equity		
Share capital *(Note 4)*	**27,814,616**	27,814,616
Warrant reserve	**74,000**	74,000
Deficit	**(30,545,705)**	(30,381,573)
	(2,657,089)	(2,492,957)
	$ 29,172	$ 254,170

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

On behalf of the Board:
Signed:

"Bruce Reid" — Director

"Brien Sirola" — Director

55 North Mining Inc.

(Formerly SGX Resources Inc.)

Condensed Interim Statements of Comprehensive Loss

For the three and six months ended June 30, 2019 and 2018
(Unaudited)
Expressed in Canadian dollars, except shares and per share amounts

	3 months ended June 2019	3 months ended June 2018	6 months ended June 2019	6 months ended June 2018
Expenditures				
General and administration	**$ 44,565**	$ 77,823	**$ 139,298**	$ 131,992
Project costs	**32,900**	---	**64,600**	---
Interest expense	**1,566**	3,034	**3,127**	4,495
Loss before taxes	**(79,031)**	(80,857)	**(207,025)**	(136,487)
Future tax recovery	**42,893**	---	**42,893**	---
Loss and comprehensive loss for the period	**$ (36,138)**	$ (80,857)	**$(164,132)**	$(136,487)
Basic and diluted loss per share	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ (0.00)
Weighted average number of shares outstanding during the period - basic and diluted	**52,964,717**	45,064,723	**52,964,717**	45,064,723

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

55 North Mining Inc.

(Formerly SGX Resources Inc.)

Condensed Interim Statement of Changes in Equity

For the three and six months ended June 30, 2019 and 2018
(Unaudited)
Expressed in Canadian dollars

	Share Capital	Warrant Reserve	Deficit	Total
Balance at December 31, 2017	**$27,567,165**	**$ ---**	**$(30,154,357)**	**$(2,587,192)**
Loss for the period	---	---	(55,630)	(55,630)
Balance at March 31, 2018	**$27,567,165**	**$ ---**	**$(30,209,987)**	**$(2,642,822)**
Loss for the period	---	---	(80,857)	(80,857)
Balance at June 30, 2018	**$27,567,165**	**$ ---**	**$(30,290,844)**	**$(2,723,679)**
Balance at December 31, 2018	**$27,814,616**	**$ 74,000**	**$(30,381,573)**	**$(2,492,957)**
Loss for the period	---	---	(127,994)	(127,994)
Balance at March 31, 2019	**$27,814,616**	**$ 74,000**	**$(30,509,567)**	**$(2,620,951)**
Loss for the period	---	---	(36,138)	(36,138)
Balance at June 30, 2019	**$27,814,616**	**$ 74,000**	**$(30,381,573)**	**$(2,657,089)**

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

55 North Mining Inc.

(Formerly SGX Resources Inc.)

Condensed Interim Statements of Cash Flows

For the six months ended June 30, 2019 and 2018

(Unaudited)

Expressed in Canadian dollars

	2019	**2018**
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the period	**$ (207,025)**	$(136,487)
Depreciation expense	**972**	485
Net change in non-cash working capital items:		
Amounts receivable	**(3,528)**	1,406
Prepaids	**(3,600)**	(5,400)
Accounts payable and accrued liabilities	**36,579**	135,195
Promissory note payable	**3,138**	2,957
	(173,464)	(1,844)
FINANCING ACTIVITIES		
Advance reimbursed	**(57,690)**	(145,862)
Shares to be issued	**---**	222,000
	(57,690)	76,138
Net increase in cash	**246,034**	74,294
Cash, beginning of period	**(231,154)**	5,140
Cash, end of period	**$ 14,880**	$ 79,434

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

1. CORPORATE INFORMATION

55 North Mining Inc. (“55 North” or the "Company") was incorporated under the Canada Business Corporations Act on December 5, 2008 as SGX Resources Inc. The Company acquires, explores, and develops mineral properties in the Timmins region of Ontario, Canada.

The Company’s corporate head office is located at 401 Bay Street, Suite 2702, Toronto ON M5H 2Y4. The registered office of the Company is MLT Aikins LLP, 30th Floor, 360 Main Street, Winnipeg, MB R3C 4G1. The Company’s shares were listed on the TSX Venture Exchange (“TSXV”) and traded under the symbol “SXR”. Trading was suspended on May 9, 2016 and reinstated August 14, 2019.

At the shareholder meeting held on June 6, 2018, shareholders approved a name change to 55 North Mining Inc. and its ticker symbol was subsequently changed to “FFF”.

Going Concern

In addition to ongoing working capital requirements, the Company may be required to secure sufficient funding for exploration and development programs, general and administration costs. Although management may have been successful in the past in undertaking financing, there can be no assurance that management will be able to do so in the future on terms acceptable to the Company.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of operations for the foreseeable future. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and statement of financial position classifications that might be necessary if the Company was unable to continue as a going concern. These adjustments could be material.

These condensed interim financial statements of the Company for the three and six months ended June 30, 2019 were approved and authorized for issue by the Board of Directors of the Company on August 28, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

a) Basis of presentation:

The Company prepares its financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and IFRS Interpretations Committee (“IFRIC”) which the Canadian Accounting Standards Board has approved for incorporation into Part I of the Chartered Professional Accountants Canada Handbook. These financial statements have been prepared under the historical cost method, except for certain financial instruments measured at fair value. The Company has consistently applied the accounting policies used in preparation of these financial statements throughout all the periods presented. Critical accounting judgments and estimates used by management in the preparation of these financial statements are presented in Note 3.

These financial statements are presented in Canadian dollars, which is also the Company’s functional currency. All references to dollars ($) are to Canadian dollars unless otherwise noted.

These condensed interim financial statements have been prepared using the same accounting policies and methods of computation as the annual consolidated financial statements of the Company as at and for the year ended December 31, 2018. Accordingly, these condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES (CONT'D)

b) Recent accounting pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. None of these is expected to have a significant effect on the Consolidated Financial Statements of the Company.

IFRS 16 Leases ("IFRS 16") was issued by the IASB in January 2016 replacing IAS 17 Leases ("IAS 17"). Under IFRS 16, a lease will exist when a customer controls the right to use an identified asset as demonstrated by the customer having exclusive use of the asset for a period of time. IFRS 16 introduces a single accounting model for lessees and all leases will require an asset and liability to be recognized on the statement of financial position at inception. The accounting treatment for lessors will remain largely the same as under IAS 17. The standard is effective for the annual periods beginning on or after January 1, 2019 with early adoption permitted.

The Company elected not to recognize assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases of low-value assets. Lease payments associated with these leases will continue to be recognized as an expense over the lease term. As a result, the adoption of IFRS 16 did not have a significant impact to the statement of financial position or statement of loss and comprehensive loss.

<u>Future accounting standard changes, not effective as of June 30, 2019:</u>

On October 22, 2018, the IASB issued amendments to IFRS 3 Business Combinations, that seek to clarify whether a transaction results in an asset or a business acquisition. The amendments include an election to use a concentration test. This is a simplified assessment that results in an asset acquisition if substantially all of the fair value of the gross assets is concentrated in a single identifiable asset or a group of similar identifiable assets. If a preparer chooses not to apply the concentration test, or the test is failed, then the assessment focuses on the existence of a substantive process. The amendments apply to businesses acquired in annual reporting periods beginning on or after January 1, 2020. Earlier application is permitted. The Company will apply the requirements of the amendments to transactions entered into after January 1, 2020.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to use estimates and judgments that affect the reported amounts of assets and liabilities, as well as revenues and expenses. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in net loss in the period in which they become known.

The recoverability of deferred expenditures is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in the properties, the ability to obtain necessary financing to complete exploration, development and construction of processing facilities, obtaining certain government approvals and attaining profitable production.

The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax provision. At the end of each reporting period, the Company reassesses unrecognized income tax assets.

Expressed in Canadian dollars unless otherwise indicated

4. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares with each common share entitled to one vote.

b) Common shares issued:

	Number of Shares	Stated Capital
Balance, December 31, 2016 and 2017	**45,064,723**	**$27,567,165**
Shares issued in private placement	**7,899,994**	**474,000**
Share issue costs	**---**	**(26,939)**
Flow-through share premium liability	**---**	**(125,610)**
Value of associated warrants	**---**	**(74,000)**
Balance, December 31, 2018 and June 30, 2019	**52,964,717**	**$27,814,616**

At the shareholder meeting held on June 6, 2018, shareholders approved the consolidation of the number of shares outstanding at a ratio of 3:1, with fractional shares being cancelled. The shares listed above are presented on a post-consolidation basis. The number of common shares, common shares issuable upon exercise of the outstanding options of the Company, and per common share amounts, were also proportionally adjusted to reflect the share consolidation for the year ended December 31, 2017.

On July 4, 2018, the Company closed a private placement offering for gross proceeds of $222,000 by the issuance of 3,699,994 Units at a price of $0.06 per Unit. Each Unit is comprised of one flow through common share and one non-flow-through purchase warrant entitling the holder to acquire one additional common share at a price of $0.07 per share for 24 months.

On December 24, 2018, the Company closed a private placement offering for gross proceeds of $102,000 by the issuance of 1,700,000 flow-through shares at a price of $0.06 per share.

On December 28, 2018, the Company closed a private placement offering for gross proceeds of $150,000 by the issuance of 2,500,000 flow-through shares at a price of $0.06 per share.

5. SHARE OPTIONS

The Company may grant options to directors, officers, employees, and technical consultants of the Company. The maximum number of shares reserved for issuance under all securities compensation arrangements is limited to 10% of the total number of issued and outstanding shares exercisable for a period of up to 10 years. The maximum number of shares that may be issued to any officer, director or employee shall not exceed 5% of the total number of issued and outstanding shares. The maximum number of shares that may be issued to technical consultants, including investor relation consultants, shall not exceed 2% of the total number of issued and outstanding shares.

At June 30, 2019 and 2018, the Company had no stock options outstanding.

Expressed in Canadian dollars unless otherwise indicated

6. WARRANTS

The warrants issued on July 4, 2018, have a 24-month life. The fair value of this warrant grant was initially estimated on the date of the grant using the Black-Scholes option-pricing model with the following weighted average assumptions used for grants: dividend yield of 0%, expected volatility of 100%, risk free interest rate of 1.91% and expected life of 2 years. The Company then used the relative fair value method to value the warrants together with the value of the share capital issued.

A summary of the status of the Company's outstanding warrants and changes are as follows:

	2019		2018	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance, beginning	3,699,994	**$ 0.07**	**---**	**$ ---**
Granted	---	---	3,699,994	0.07
Balance, ending	**3,699,994**	**$ 0.07**	**3,699,994**	**$ 0.07**

7. RELATED PARTY TRANSACTIONS

Advance payable of $291,875 is made up of $95,008 due to two directors of the Company and $204,467 due to a company in which directors of the company are shareholders. Amounts were advanced to the company for settlement of various liabilities as well as for general working capital purposes.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly and indirectly, and include any director (whether executive or otherwise) of the Company. Total fees paid to these persons during the three and six month periods ended June 30, 2019 is $15,000 and $Nil, respectively (three and six months ended June 30, 2018 - $NIL) with $NIL in accounts payable at quarter end (June 30, 2018 - $NIL).

At June 30, 2019, due to related parties includes $870,552 (December 31, 2018 - $870,552) due to 1911 Gold Canada Corporation (previously Havilah Mining Corporation and formerly Klondex Canada Ltd.) ("1911 Gold") for exploration expenditures incurred on behalf of the Company. The amount was unsecured, non-interest bearing and due on demand. At June 30, 2019, 1911 Gold also held a $100,000 promissory note from the Company. The promissory note bore interest at 5% and was due on demand. The promissory note was secured against the Company's 50% interest in certain mining claims. The promissory note payable included $27,601 of accrued interest at June 30, 2019 (December 31, 2018 - $24,463).

In July 2019, the Company closed on its Agreement with 1911 Gold (see Note 10). On completion of this Agreement, 1911 Gold owns and exercises control over approximately 31.4% of the issued and outstanding Common Shares and exerts significant influence over the Company.

8. CAPITAL MANAGEMENT

The Company's total negative capital balance of $2,658,545 consists of $27,814,616 of share capital and an offsetting deficit of $30,545,705.

The Company's objectives when managing capital, which consists of shareholders' equity, are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

8. CAPITAL MANAGEMENT (CONT'D)

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital from time-to-time using a variety of measures. Monitoring procedures are typically performed as a part of the overall management of the Company's operations. The Company's strategy during the period, which was unchanged from the prior period, was to maintain its ability to secure access to financing at a reasonable cost. The requirements and terms of sources of capital cannot be predicted and change in ways the Company cannot predict.

9. RISK MANAGEMENT AND FAIR VALUES

Management's risk management policies are typically performed as a part of the overall management of the Company's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. In the normal course of its business, the Company is exposed to a number of risks that can affect its operating performance. Management's close involvement in operations helps identify risks and variations from expectations. The Company has not designated transactions as hedging transactions to manage risk. As a part of the overall operation of the Company, management considers the avoidance of undue concentrations of risk. The risks and the actions taken to manage them include the following:

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The Company's main sources of liquidity are external sources of debt and equity. The funds are primarily used to finance working capital and capital expenditure requirements. The Company's current liabilities exceed its current assets by $2,658,545.

Accounts payable, accrued liabilities, advance payable due to related parties and promissory note payable are due within one year.

Credit risk

Credit risk arises from the possibility that debtors may be unable to fulfill their commitments. For a financial asset, this is typically the gross carrying amount, net of any amounts offset and any impairment losses. The Company has credit policies to address credit risk on accounts receivable, which may include the analysis of the financial position of the debtor and review of credit limits. The Company also may review credit history before establishing credit and review credit performance. An allowance for doubtful accounts or other impairment provisions are established based upon factors surrounding credit risk, historical trends and other information.

A financial asset is past due when a debtor has failed to make a payment when contractually due. The Company has no financial assets that are past due and does not have an allowance for doubtful accounts receivable.

Currency risk

Currency risk is the risk that changes in foreign exchange rates may have an effect on future cash flows associated with financial instruments. Changes in the applicable exchange rate may result in a decrease or increase in foreign exchange income or expense. The Company only enters into transactions in Canadian dollars and is not exposed to currency risk.

9. RISK MANAGEMENT AND FAIR VALUES (CONT'D)

Interest rate risk

Interest rate risk is the risk that changes in market interest rates may have an effect on the cash flows associated with some financial instruments, known as interest rate cash flow risk, or on the fair value of other financial instruments, known as interest rate price risk. Obtaining a promissory note with a fixed interest rate minimizes cash flow risk.

Other price risk

Other price risk is the risk that changes in market prices, including commodity or equity prices, will have an effect on future cash flows associated with financial instruments. Mineral prices are affected by numerous factors such as the sale or purchase by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuations in the value of the US dollar and other foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world.

Fair values

The fair values of the Company's financial assets and liabilities consisting of cash, accounts receivable, advances to related party, accounts payable, due to related parties and promissory note payable approximate their recorded values as at June 30, 2019 and December 31, 2018 due to their short-term nature.

Fair value is an estimate of the amount at which items might be exchanged in an arm's length transaction between knowledgeable willing parties who are under no compulsion to act. Fair value should not be interpreted as an amount that could be realized in immediate settlement of the instruments. The estimate of fair value at the end of the periods may not represent fair values at any other date. The determination of fair value is also affected by the use of judgment and by uncertainty.

10. SUBSEQUENT EVENTS

An August 8, 2018, the Company announced that it had entered into an agreement (the "Agreement") with 1911 Gold, whereby 1911 Gold agreed to acquire the remaining 50% interest in the Tully mining claims and mining lease located in Timmins, Ontario (the "Tully Property"), an exploration property in Ontario (the "Acquisition"). Under the terms of the Agreement, 1911 Gold was to acquire the Company's legal and beneficial right, title and interest in and to all of the Company's 50% in the Tully Property in exchange for consideration which included payment of $200,000 in cash for the settlement of a claim against the Company by a former contractor, and the waiver of outstanding liabilities owing to 1911 Gold by the Company in the amount of approximately $998,153 at June 30, 2019.

Additionally, pursuant to the terms of the Agreement, concurrent with the closing of the Acquisition, the Company was required to complete a non-brokered private placement (the "Placement") offering of 3,333,333 post-consolidation common shares of the Company to Havilah, at a price of $0.06 per common share, for aggregate gross proceeds of $200,000.

On May 16, 2019, the Company's shareholders voted in favour of completing the Agreement with 1911 Gold and the delisting from the TSXV. On July 11, 2019 the Company announced that it had obtained regulatory and shareholder approvals for the previously announced sale of its remaining 50% interest in the Tully Property to 1911 Gold, and that such sale had closed. A payment of $200,000 in cash was paid by 1911 Gold for the settlement of outstanding litigation between 55 North and a former contractor (included in due to related parties at the claim amount of $400,000), and the waiver of outstanding liabilities owing to 1911 Gold Corporation by 55 North in the amount of approximately $998,153.

10. SUBSEQUENT EVENTS (CONT'D)

In July 2019, pursuant to the terms of the Agreement, 55 North completed a non-brokered private placement of 3,333,333 common shares of 55 North to 1911 Gold, at a price of $0.06 per 55 North Share, for aggregate gross proceeds of $199,999.98. As a result, 1911 Gold currently beneficially owns 17,682,418 commons shares of 55 North representing approximately 31.4% of the issued and outstanding 55 North Shares.