55 North Mining Inc.

FORM 2A

LISTING STATEMENT

April 13th. 2021

TABLE OF CONTENTS

1. GLOSSARY

The following is a glossary of certain terms used in this Listing Statement. Terms and abbreviations used in this Listing Statement and also appearing in the documents attached as schedules to the Listing Statement (including the financial statements) are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders. All dollar amounts herein are in Canadian dollars, unless otherwise stated.

"1911 Gold Canada" means 1911 Gold Canada Corporation a corporation incorporated under the laws of Canada;

"1911 Agreement" means the agreement announced July 11, 2019 whereby Havilah Mining Canada (now known as 1911 Gold Canada) agreed to acquire the Company's 50% interest in the Tully Property;

"2020 Consolidation" means the amendment of the articles of the Company whereby the Company amended its capital structure to consolidate all of its issued and unissued Common Shares on the basis of 1 for 10.13 basis;

"2020 Financing" means the private placement of common shares of the Company completed on December 4, 2020 resulting in the issue of issued a total of 14,384,646 non-flow through units at $0.15 per unit and 11,342,080 flow through units at $0.20 per unit each unit consisting of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of forty-eight months from the date of issuance at a purchase prices of $0.30 (on a post consolidation basis) yielding gross proceeds to the company of $4,426,113.00;

"2552883" means 2552883 Ontario Inc. a corporation incorporated under the laws of the Province of Ontario as it existed prior to giving effect to the Business Combination;

"Amalgamation Agreement" means the. amalgamation agreement among the Company, 2552883 and Subco dated giving effect to the Business Combination;

"Audit Committee" means the Audit Committee of the Company described in Part 13 of this Listing Statement;

"ASC" means the Alberta Securities Commission;

"**Board**" or "**Board of Directors**" means the board of directors of 55 North Mining Inc.;

"BCSC" means the British Columbia Securities Commission.;

"Business Combination" means the business combination between the Company and 2552883 Ontario Inc. which was completed by way of a three-cornered amalgamation amongst the Company, Subco and 2552883;

"**Common Shares**" means all of the issued and outstanding common shares in the capital of 55 North Mining Inc. and "**Common Share**" means any one common share of 55 North Mining Inc.;

"Company", **"Corporation"**, or **"55 North"** means 55 North Mining Inc. a company organized under the Canada Business Corporation Act;

"CSE" means the Canadian Securities Exchange operated by CNSX Markets Inc.;

"Dunlop Option Agreement" means the option agreement dated September 5, 2017, as amended on November 4th. 2019, between 2552883 Ontario Inc. and Peter Dunlop;

"Edleston Properties" means the property consisting of 305 cell mining claims and single leased mining claim located on about 6,200 ha. acres located in the Townships of Sothman, Semple, Nursey, and Halliday in the vicinity of Timmins Ontario;

"European Cobalt Agreement" means the agreement dated July 5, 2020 between the Company as vendor and European Cobalt Ltd. as buyer pursuant to which the Company, prior to giving effect to the Business Combination sold all of its right title and interest in the Edleston Properties to European Cobalt Ltd.;

"European Cobalt" means European Cobalt Ltd. a corporation incorporated pursuant to the *Corporations Act* (Australia) which by shareholders resolution passed at its annual meeting changed its name to Aston Minerals Limited;

"**Flow-through Shares**" means the Common Shares that are issued as "flow through shares" as defined in subsection 66(15) of the *Income Tax Act* (Canada);

"Last Hope Property" means the property consisting of 15 claims located near Lynn Lake, Manitoba;

"**Listing Statement**" means this CSE Form 2A of the Company together with all required supporting documents;

"MSC" means the Manitoba Securities Commission;

"**NI 43-101**" means National Instrument 43-101 – *Standards for Disclosure for Mineral Projects*, adopted by the Canadian Securities Administrators;

"NI 52-110" means National Instrument 52-110 – *Audit Committees,* adopted by the Canadian Securities Administrators;

"**NP 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings*, adopted by the Canadian Securities Administrators;

"Net Smelter Returns" means, for the Dunlop Option Agreement, the actual proceeds received by 2552883 Ontario Inc. from any independent custom smelter, mill, refinery, mint or other purchaser of ores, concentrates, metals and minerals mined and extracted from the Last Hope Property and delivered for treatment and/or sale, after deducting therefrom: (i) all charges and penalties for smelting, treatment, refining and, if applicable, minting done by such custom smelter, mill, refinery, mint or other purchaser; (ii) all transportation costs; (iii) all sampling and assaying charges made or levied after the extractions have left the Last Hope Property; (iv) all marketing costs, handling costs, and insurance premiums; and (v) any taxes levied if such taxes are measured by production or value of production.

"public float" means the total issued and outstanding Common Shares held by a public holder;

"public holder" has the same meaning as the same as in CSE Policy 2 – *Qualifications for Listing*;

"Related Entity" has the same meaning as the same as in CSE Policy 1 – *Interpretation and General Provisions;*

"Related Person" has the same meaning as the same as in CSE Policy 1 – *Interpretation and General Provisions;*

"San Gold Corporation" means San Gold Corporation a corporation incorporated under the laws of Canada;

"**Shoreacres Property**" means the property consisting of a single leased claim consisting of 14 units located in Sothman Township in the Timmins, Ontario area;

"Subco" means the wholly-owned subsidiary of the Company, 55 North Mining Operations Inc. a company amalgamated under the laws of Ontario as it exists after giving effect to the Business Combination;

"Technical Report" means National Instrument 43-101 entitled "Technical Report and Mineral Resource Estimate on the Last Hope Property in the Lynn Lake area, Manitoba, Canada" effective February 2, 2021, prepared for the Company by P&E Mining Consultants Inc.

"TSX-V" means the TSX Venture Exchange;

"Tully Property" means the property consisting of a 50% interest in sixteen patent claims and 2 claims comprising of 22 units in the Tully Township area located in Tully Township, Porcupine Mining Division, District of Cochrane, Ontario;

Forward-Looking Statements

This Listing Statement contains certain statements and information that , to the extent that they are not historical fact may constitute "forward looking information" within the meaning of appliable securities legislation. Forward looking information may include financial and other projections., as well as statements regarding future plans , objectives or economic performance , or the assumption underlying any of the foregoing. This Listing Statement uses the words such as "may", "would", "could", "will", "likely", "except", "anticipate", "believe", "intend" , "plan", "forecast". ""project', "estimate', " outlook", " and other similar expressions to identify forward-looking information. Examples of such statements include the proposed use of available funds, the Company's objectives and exploration plans, the Company's listing on the CSE, the Company's executive compensation , option grants by the Company and the composition of the Board of Directors and management.

Forward looking information is based on reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions, and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. The material factors and assumptions used to develop the forward-looking statements contained in this Listing Statement include the Company's ability to obtain listing approval from the CSE , the continued employment of key personnel and qualified employees, and its ability to secure the contractors and equipment to undertake its planned exploration.

Forward looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievement of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Accordingly, readers should not place undue reliance on any such forward looking information. Further, any forward-looking statement speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company's management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. The Company does not undertake any obligation to update and forward-looking information to reflect information , event, results, circumstances., or otherwise after the date hereof or to reflect the occurrence of unanticipated events , except as required by law, including securities law.

In particular, the Listing Statement contains forward looking statements pertaining to the following:

- Mineral resource estimates
- Targeting additional mineral resources and expansion of deposits
- The Company's expectation strategies and plans for its mineral properties, including the Company's planned exploration and development activities
- The results of future exploration and drilling
- The timing, receipt and maintenance of approvals, licenses and permits from the government and from any other applicable regulator or administrative body
- Future financial or operating performance and condition of the Company and its business operations and properties
- Any other statement that may predict, forecast, indicate or imply future plans, intentions levels of activity, results, performance or achievements

The actual results could differ materially from those anticipated in these forward-looking statements or information as a result of the risk factors set forth below and elsewhere in this Listing Statement

- Mineral exploration, development and operating risks
- Estimation of mineralization and resources
- Environmental health and safety regulations of the resource industry
- Competitive conditions
- Permitting and licensing risks
- Operational risks
- Negative cash flow
- Financing risks
- Exploration costs
- Uninsurable risks
- Conflict of interest
- Government policy changes
- Ownership risks
- Market conditions
- Commodity prices
- Reliance on key personnel
- Other factors discussed in *"Risk Factors"*
- Other risks and uncertainties described elsewhere in this Listing Statement.

2. CORPORATE STRUCTURE

Name, Address, and Incorporation

The Company is incorporated under *The Canada Business Corporations Act* (the "CBCA") and its registered office is located at 360 Main Street, 30th Floor, Winnipeg, Manitoba R3C 4G1. The Company's head office is located at 401 Bay Street, Suite 2702, Toronto, Ontario M5H 2Y4.

The Company has one wholly owned subsidiary, 55 North Mining Operations Inc. ("Subco") which holds the Issuer's prospective asset which is the Last Hope Property described below.

The Company was incorporated under the name "SGX Resources Inc." on December 5, 2008 pursuant to the **CBCA**. The Company did not commence active business operations until it acquired an interest in certain option agreements from San Gold Corporation on December 4, 2009. San Gold Corporation is the former parent of the Company and was formerly a reporting issuer listed on the TSX-V. San Gold Corporation was delisted on June 22, 2015.

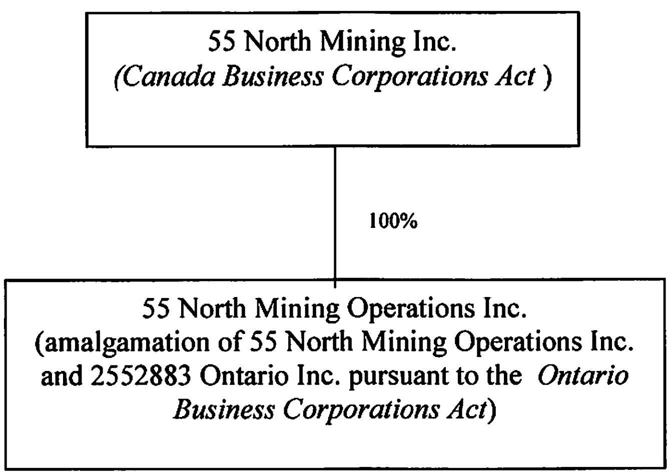
On June 14, 2018 the Company, by articles of amendment filed pursuant to the CBCA, changed its name to 55 North Mining Inc. and amended its capital structure to consolidate all issued and unissued common shares on a 1 for 3 basis.

Business Combination to acquire all issued shares of 2552883

On September 2, 2020, the Company again amended its capital structure to consolidate all issued and unissued Common Shares on a 1 for 10.13 basis (the "**2020 Consolidation**"). The 2020 Consolidation was undertaken as the first step in a business combination with 2552883. which proceeded effective September 2, 2020, by way of a three-cornered amalgamation pursuant to the *Ontario Business Corporations Act* ("OBCA") between the Company, its wholly-owned subsidiary 55 North Mining Operations Inc. and 2552883 (the "**Business Combination**"). After giving effect to the Business Combination Subco holds the prospective assets of the Company.

Intercorporate Relationships

The Company's corporate structure, its material subsidiaries, the percentage ownership in its material subsidiaries and the jurisdiction of incorporation of such corporations are set out in the following chart.



3. GENERAL DEVELOPMENT OF THE BUSINESS

Overview and Three-Year History of 55 North Mining Inc.

The principal business carried on by the Company is the exploration and potential development certain mining properties.

The Company is a reporting issuer in the provinces of Manitoba, Alberta and British Columbia and was previously listed on the TSX Venture Exchange ("**TSX-V**") effective April 27, 2010 where it traded under the ticker symbol "SXR". In 2015 the Company did not have sufficient working capital to fund ongoing operations and had reduced exploration activities and administrative overhead to conserve capital due to weak capital market conditions. On May 10, 2016 the Company received a notice from the TSX-V that the TSX-V had decided to change its classification from a Tier 1 classification to a Tier 2 classification and suspend the Common Shares from trading. The suspension of trading was due to a May 9, 2016 cease trade order issued by the Manitoba Securities Commission ("**MSC**") and the British Columbia Securities Commission ("**BCSC**") and reciprocated by the Alberta Securities Commission ("**ASC**"), for failure to promptly file annual audited financial statements and annual MD&A for Company's financial year ended 2015.

On December 22, 2017 the Company announced that it had successfully completed its application for the revocation of its cease trade order and by orders dated December 22, 2017 each of the MSC, the BCSC and the ASC revoked their respective cease trade orders against the Company.

As weak capital market conditions persisted in 2018 and 2019, management of the Company decided to reduce expenditures and conserve capital. The Company did not undertake any significant exploration activities during 2018 and 2019. The Company shares resumed trading on the TSX-V on August 14, 2019 before being delisted at the request of management on August 24, 2019.

Since 2017 and prior to the Business Combination described below, the following significant events affecting the Company have occurred:

Asset Sale with Havilah Mining (now known as 1911 Gold Corp.)

On August 8, 2018 the Company announced that it has entered into an agreement with Havilah Mining Canada Ltd., now known as 1911 Gold Canada Corporation ("**1911 Gold Canada**") whereby Havilah agreed to acquire Company's 50% interest in the Tully Property (the "**1911 Agreement** "). The completion of the 1911 Agreement was announced on July 11, 2019. Under the terms of the 1911 Agreement, 1911 Gold Canada acquired all of the Company's legal and beneficial right, title and interest in and to all of the Company's 50% interest in the Tully Property in exchange for consideration which included payment of $200,000 in cash for the settlement of outstanding litigation between the Company and Gary McDonald, a former contractor (see - litigation below) and a release and waiver of liabilities owed by the Company to 1911 Gold Corporation in the amount of approximately $970,552.00.

In addition, concurrent with the closing of the 1911 Agreement, 1911 Gold Canada acquired by private placement 3,333,333 Common Shares of the Company at a price of $0.06 per Common Shares for total proceeds of $199,999.98.

Asset Sale Agreement with European Cobalt Ltd.

On July 5, 2020, the Company announced that it had entered into an agreement with **European Cobalt,** whereby European Cobalt agreed to acquire the Company's interest in the Edleston Claims ("**European Cobalt Agreement**"). Pursuant to the European Cobalt Agreement, European Cobalt acquired the Company's legal and beneficial right, title and interest in and to all of the Company's interest in the Edleston Property in exchange for consideration of $750,000.00 paid to the Company and the issue of 100,000,000 common shares of European Cobalt (the "**Consideration Shares**") issued to the Company at a deemed issue price of Australian $0.02. Upon completion of the European Cobalt Agreement on September 1, 2020, the Company declared a one time dividend of the net proceeds of the disposition of the 100,000,000 Consideration Shares in the capital of European Cobalt to the Company's shareholders of record as of July 6, 2020. The payment of such dividend is subject to the expiry of a registry lock up agreement four months after closing and the disposition of the Consideration Shares by the Company The completion of the European Cobalt Agreement including the disposition of the Edleston Property and the declaration of the dividend was a condition precedent to the Business Combination with 2552883 described below.

Overview and Three Year History of 2552883

2552883 was, until the completion of the Business Combination, a private corporation incorporated under the *Business Corporations Act* (Ontario) on December 21, 2016. 2552883 was incorporated to provide a mechanism to raise necessary working capital to fund the creation of the financial statements and associated activities to permit the Company to apply for and successfully complete its application for the revocation of the cease trade orders affecting the Company.

In addition, 2552883 acquired mining properties. On December 30, 2016, 2552883 signed an option agreement with Tamarak Gold Resources Inc. ("Tamarak") to obtain an option of a mining project near Timmins Ontario. 2552883 paid $11,300 and issued 1,000,000 common shares to Tamarak at an issue price of $0.02 per common share.

On September 5, 2017, 2552883 entered into the Dunlop Option Agreement under which it acquired its interest in the Last Hope Project described below. The Company remains in compliance with its obligations under the Dunlop Option Agreement.

Between December 2016 and August 2020, 2552883 issued common shares at an issue price of $.02 per share and $0.08 per share. Immediately before the closing of the Business Combination which became effective on September 2, 2020, there were 70,493,217 common shares of 2552883 issued and outstanding to 26 shareholders. Upon giving effect to the Business Combination those 2552883 common shares were exchanged for a similar number of Common Shares.

Business Combination between 55 North Mining Inc. and 2552883

On September 2, 2020, after the completion of the sale of the Edleston Properties, the Company completed the Business Combination with 2552883 Ontario Inc. As a result of the Business Combination, the prospective asset of the Company is the Dunlop Option Agreement to acquire the Last Hope Property. The Last Hope Property consists of 15 non surveyed claims covering 3,513 ha. located approximately 23 km. south east of the Town of Lynn Lake, Manitoba. The Last Hope Property is described in detail in Appendix A and the Technical Report summarized below.

2020 Financing

In September, October, November and December 2020, the Company competed a series of five tranches of a private placement of flow though units and non flow through units described below (**"2020 Financing"**). The Company has raised $4,426,113 in gross proceeds comprised of $2,268,416 in flow through financing and $2,157, 697 in non flow through financing. Details of the 2020 Financing are set forth Section 11 below.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

General

The Company is in the business of exploring and developing mineral projects and has not yet determined whether any of its projects have economically recoverable reserves as defined by and compliant with the requirements of NI 43-101. The Company is currently in the exploration phase with respect to the development of its Last Hope Property and it has no mining operations. The Company has obtained an updated Technical Report described herein. Because the Company was in need of additional working capital, the Company successfully completed the 2020 Financing to fund its continuing operations including the exploration program as recommended in the Technical Report.

Subco, after giving effect to the Business Combination, is the optionee under the **Dunlop Option Agreement**. Under the Dunlop Option Agreement, Subco can acquire a 100% interest in the mining claims comprising the Last Hope Property. As of the date hereof, Subco has complied and is anticipated to remain in compliance with the provisions of the Dunlop Option Agreement and anticipated to remain in compliance with those terms which required the following:

a. The payment to Peter Dunlop of a total of $3,260,000 as follows: (i) $65,000 on September 5, 2017, (ii) $65,000 on or before September 5, 2018, (iii) $65,000 on or before September 5, 2019, (iv) $65,000 on or before September 5, 2020, (v) $100,000 on or before September 5, 2021 and (vi) $3,000,000 on or before September 5, 2022;

b. The issue by 2552883 (before giving effect to the Business Combination) of a total of 3,000,000 common shares to Peter Dunlop at an issue price of $0.02 per common share; and

c. Incurring of exploration expenditures of $1,000,000 on the Last Hope Property over a four-year period with a minimum of $250,000 of exploration expenditures completed each year.

If Subco chooses to fully exercise the option pursuant to the **Dunlop Option Agreement**, Peter Dunlop, or his permitted assigns, will be entitled to a 2% Net Smelter Return royalty with respect to the claims comprising the Last Hope Property payable in the manner set forth in the Dunlop Option Agreement.

The Company is in the early exploration phase and its Last Hope Property is not in production. Therefore, mineral exploration expenditures are not capitalized, and losses are incurred as a result of exploration expenditures and administrative expenses relating to the operation of the Company's business. Consequently, the Company's net income is not a meaningful indicator of its performance or potential.

The Company's objective for the ensuing 12-month period is to employ its existing capital and to secure further funding and liquidity as required which will be employed to continue its exploration program on the Last Hope Property in accordance with the following estimates:

Timeframe	Business Objectives	Estimated Costs
0 to 6 months	Continuation of current Phase I Resource drilling activities and sampling	$1,725,900
6 to 12 months	Phase II Exploration drilling and Sampling	$1,426,700

The Last Hope Property is anticipated to remain the focus of the Company's exploration activities. The Company will continue to assess the Last Hope Property and to assess new mineral properties and seek to acquire properties that it determines have sufficient potential provided the Company can secure adequate financing.

Last Hope Property Technical Report

The Last Hope Property is described in more detail in Appendix A and the Technical Report.

The Company commissioned the preparation of the Technical Report effective February 2, 2021, prepared by P&E Mining Consultants Inc. (P&E). The Technical Report is available on SEDAR (www.sedar.com). The Technical Report provides an independent, NI 43-101 compliant, Technical Report and Mineral Resource Estimate on the Last Hope Property in the Lynn Lake area, Manitoba, Canada.

The Last Hope Property is located in northern Manitoba, 820 km northwest of Manitoba's capital city, Winnipeg. Access to the Property is via a 15 km all-weather gravel road to the former BT mine site from the Town of Lynn Lake and then an 8 km winter road from the BT mine to the Property. Northern Manitoba provides significant of material and human resources to support a mining operation. The Last Hope Property comprises 15 claims covering an area of 3,513 ha. The Company has an option agreement in place to acquire 100% of the Last Hope Property, subject to a 2% NSR royalty.

The fifteen Last Hope claims (3,513 ha) have an annual required assessment work of $87,825 ($25/ha) due at various anniversary dates throughout the year. All claims are in good standing as of the effective date of this Technical Report.

Geologically, the Last Hope Deposit is situated approximately 5 km south of the southern portion of the Lynn Lake Greenstone Belt within the Churchill Structural Province of the Canadian Shield. The main mineralized feature on the Property is the Madole Vein that outcrops for approximately 225 m and strikes northwest, dips 80 degrees southwest and fills a fracture in thinly bedded impure quartzite. It ranges in thickness from 0.3 to 1.2 m.

The Last Hope Deposit is considered to be a Proterozoic, mesothermal lode gold deposit.

Between May 2018 and March 2020, Quantec Geophysics acquired 78.15 km of DCIP data over 35 lines over the Project area.

Carlisle Goldfields completed a 27 drill hole program on the Property in 2012. A 2020 drill program began in October of 2020, however, results were not available at the effective date of this Technical Report.

Based on the results of the 2012 drill program and 204 historic drill holes, the Technical Report presents a Mineral Resource Estimate as follows:

LAST HOPE PIT UNDERGROUND MINERAL RESOURCE ESTIMATE (1-5)				
Classification	**Cut-off (g/t)**	**Tonnes (k)**	**Au (g/t)**	**Contained Au (koz)**
Indicated	1.8	213	5.53	38.0
Inferred	1.8	1,107	5.17	184.1

(1) Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(2) The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(3) The Mineral Resources in this Technical Report were estimated using the inverse cubed grade interpolation method and the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions adopted by CIM Council.

(4) The gold price used was the December 31, 2020 approximate two-year trailing average of US$1,550/oz with a process recovery of 95% and 2% NSR Royalty. The US$ exchange rate used was $0.75.

(5) Process costs used were C$15/tonne and G&A was C$5/tonne. Underground mining costs were C$90/tonne.

(6) The underground Mineral Resource grade blocks were quantified above the 1.8 g/t Au cut-off and had exhibited continuity and reasonable potential for extraction by cut and fill and longhole mining methods.

The Technical Report recommends the following two-phase budget:

Phase I: Advance an additional 19 drill holes, totalling 7,500 m, to investigate the limits of mineralization at a budgeted cost of $1,725,900.

Phase II: Advance 13 drill holes totalling 6,200 m to investigate various IP targets on the remainder of the property at a budgeted cost of $1,426,700

Accordingly, the total Phase I and II proposed budget is $3,152,600 the details of which are set out in Section 26.1 of the Technical Report. The Company has commenced the Phase I 2020 late fall drill program utilizing the 2020 Financing proceeds and expects to move forward with the Phase II program in 2021. The following represents the anticipated Phase I and Phase II work programs and associated budgets:

Phase I: Resource Drilling

Proposed work	Quantity	Unit	Unit cost	Total
Core Drilling Program (all inclusive)	7,500	M	$200.00	$1,500,000
Assaying	1,000	samples	$30.00	$ 30,000
Supervision (report included)	3	months	$13,000.00	$39,000
Subtotal				$1,569,000
Contingency @10 %				$156,900
Total Phase I				**$1,725,900**

Phase II: Exploration Drilling

Proposed work	Quantity	Unit	Unit cost	Total
Core Drilling (all Inclusive)	6,200	M	$200.00	$1,240,000
Assaying	600	Samples	$ 30.00	$18,000
Supervision	3	months	$13,000.00	$39,000
				$1,297,000
Contingency @10 %				$129,700
Total Phase II				**$1,426,700**
Total Phase I and Phase II				**$3,152,600**

Use of Edleston Sale and 2020 Financing Proceeds

Upon the completion of the sale of the Edleston Properties pursuant to the European Cobalt Agreement, the Company received cash proceeds of $750,000.00 which proceeds have been applied to pay general administrative expenses and transaction costs.

As a result of the completion of the 2020 Financing and the sale of Edleston Properties, the estimated working capital of the Company as at January 30, 2021 was approximately $2,818,000 (the "Estimated Working Capital"). The Company may need additional funding in the future and may issue equity securities, including Common Shares, and/or issue debt securities to raise capital. The total funds available consisting Estimated Working Capital and other funds are as follows:

Total Funds Available	**$**
Estimated Working Capital	2,818,000
Other Funds	nil
Total	2,818,000

The Company intends to use the total available funds as follows:

Use of Total Available Funds	$
General and Administrative Expenses see Note [1]	600,000
Last Hope option payment	100,000
Exploration allocation	2,118 ,000
Total	2,818,000

Note 1

G& A Expense	Amount
Audit	$15,000
Legal and Corporate	$60,000
Management fees	$300,000
Rent and other office costs	$65,000
Shareholder communication	$25,000
CSE Fees	$10,000
CSE monthly fee and SEDAR fees	$9000
Office and miscellaneous	$116,000
Total	$600,000

Although the Company intends to spend available funds as indicated above, there may be circumstances were, for sound business reasons, a reallocation of funds may be necessary.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

	Nine Months ended September 30, 2020	**Year ended December 31, 2019**	**Year ended December 31, 2018**	**Year ended December 31, 2017**
Statement of Comprehensive Loss	**Unaudited**	**Audited $**	**Audited $**	**Audited $**
Revenue	-	-	-	-
Expenses	1,610,258	1,270,474	234,848	285,604
Net Income (Loss) and other comprehensive loss for the period	(1,554,024)	820,609	(227,216)	(285,604)
Net Income (Loss) per common share – basic and diluted	(0.10)	0.01	(0.00)	(0.01) [(1)]
Statement of Financial Position				
Current Assets: Cash, accounts receivables and Prepaid expenses	1,694,494	37,712	254,170	11,434
Non-Current Assets: Property and equipment, Intangible assets, investments	92,205	485	2,428	3,884

	Nine Months ended September 30, 2020	Year ended December 31, 2019	Year ended December 31, 2018	Year ended December 31, 2017
Current Liabilities: Accounts payable and other liabilities	1,025,270	541,510	2,747,127	2,602,510
Non-Current Liabilities: Canada Emergency Business Account	30,000	-	-	-
Total Shareholders' Equity	731,429	(503,798)	(2,492,957)	(2,587,192)
Number of Common Shares	85,458,212	79,348,050	52,964,717	45,064,723 [1]
Cash Dividends per Common Share	-	-	-	-

Note: [1] 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, and loss per share, listed above are presented on a post-consolidation basis. These numbers do not reflect the 10.13:1 share consolidation that was approved by shareholders on August 10, 2020 and effective September 2, 2020.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussions and Analysis of Financial Condition and Results of Operations ("**MD&A**") should be read in conjunction with the audited financial statements of the Company and the respective notes hereto included elsewhere in this Listing Statement for the corresponding period. The MD&A of 55 North Mining Inc. and 2552883 Ontario Inc. are attached to this Listing statement as Schedule "B" as follows:

1. 55 North M.D & A for the three and nine months ended September 30, 2020; and
2. 2552883 M.D & A for the year ended December 31, 2019;
3. 55 North M.D & A for the year ended December 31, 2019;
4. 2552883 M.D& A for the six months ended June 30, 2020.

*Certain statements contained in the MD&A are forward-looking statements that involve risks and uncertainties. The forward-looking statements are not historical facts, but rather are based on the current plans, objectives, goals, strategies, estimates, assumptions and projections about the Company's industry, business, and future financial results. Actual results could differ materially from the results contemplated by these forward-looking statements due to a number of factors, including those discussed in other sections of this Listing Statement. The financial statements and related notes have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").*

7. MARKET FOR SECURITIES

The Common Shares of the are not listed for trading. The Company is applying to list the 104,052,862 Common Shares, being all of the issued and outstanding Common Shares of the Company, as at the date of this Listing Statement. The Company's common shares had been listed and posted for trading on the TSX Venture Exchange under the ticker S.X.R. from April 27, 2010 until suspended as a result of the cease trade order issued by the MSC. The Common Shares resumed trading on the TSX Venture Exchange on August 14, 2019 before being delisted at the request of management on August 24, 2019.

8. CONSOLIDATED CAPITALIZATION

The following lists the issued and outstanding securities of the Company the date of the comparative financial statements for the nine months ended September 30, 2020 and the date of this Listing Statement.

Designation of Security	Number Issued at August 30, 2020 (prior to giving of effect to the Business Combination)	Number Issued at Date of this Listing Statement
Common Shares	**79,348,050**	**104,052,862**
Common Share Purchase Options (issued October 7, 2019)	**3,000,000**	**296,150 Common Share purchase Options exercisable at $0.5065**
2552883 Share Purchase Warrant issued by 2552883 expiring on December 31, 2022		**24,300,774 Common Share Purchase warrants exercisable at $0.18**
Compensation Options (see prior sales)		**1,663,330**
warrants (see prior sales)		**25,726,730**
Compensation units warrants (see prior sales)		**1,663,330**

9. OPTIONS TO PURCHASE SECURITIES

The Company may grant options to directors, officer, employees, and technical consultants of the Company in accordance with its stock option plan approved by the shareholders. 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 and are 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 investors relations consultants, shall not exceed 2% of the total number of issued and outstanding Common Shares. As at the date of this Listing Application 1,956,478 Common Share purchase options remain outstanding and unexercised as follows:

(a) On October 7, 2019 the Company issued 3,000,000 incentive share purchase options to Officers, Directors, employees, and consultants. These options have a five (5) year term and an exercise price of $0.05. After giving effect to the 2020 Consolidation there are now 296,148 stock options outstanding, each with an exercise price of $0.5065 per share;

(b) Pursuant to the 2020 Financing, the Company issued 825,730 Compensation Options to certain finders which options are exercisable at $0.15 and entitle the holder to acquire one Common Share and one common share purchase warrant exercisable at $0.30 for 48 months from the issue date and 834,600 Compensation Options to certain finders which options are exercisable at $0.020 and entitled the holder to acquire one Common Share and one common share purchase warrant exercisable at $0.30 for 48 months from the issue date. These Compensation Options are more particularly set forth in DESCRIPTION OF SECURITIES – prior sales in Part 10 below

10. DESCRIPTION OF THE SECURITIES

The Company's share capital consists of an unlimited number of Common Shares, of which there are 104,052,862 issued and outstanding as at the date hereof.

Holders of Common Shares are entitled to receive notice of, to attend and to cast one vote per share at any meeting of the shareholders of the Company, to receive, on a *pro rata* basis dividends , if any, as and when declared by the Board at its discretion and to receive , on a *pro rata* basis the net assets of the Company, after payment of debts other liabilities, and subordinate to senior ranking securityholders , upon liquidation. The Common Shares are non-assessable, do not carry any pre-emptive, subscription, redemption, or conversion rights , nor do they contain any sinking fund or purchase fund provisions.

On December 18, 2019 the Company issued 2,200,000 share purchase warrants entitling the holders thereof to purchase one common share at an exercise price of $0.06 exercisable until December 18, 2022. The terms of these warrants were adjusted to reflect the 10.13 to one stock consolidation effective September 2, 2020 such that there are now 217,176 warrants outstanding each with an exercise price of $0.6078. Since the giving of effect to the Business Combination the Company has issued further securities including convertible securities as described below under prior sales.

Prior Sales

In September, October, November and December 2020, the Company completed the 2020 Financing under which issued a total of 14,384,646 non-flow through units at $0.15 per unit and 11,342,080 flow through units at $0.20 per unit each unit consisting of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of forty-eight months from the date of issuance at a purchase prices of $0.30 (on a post consolidation basis) as follows:

Date	Number and Type of Securities	Issue / Exercise Price Per Security	Aggregate Issue / Exercise Price	Nature of Consideration Received
September 23, 2020	6,672,080 Common Shares (plus warrants exercisable at $0.30) for 48 months (flow through unit)	$0.20	$1,403,416	cash
September 23, 2020	460,000 Common Shares (plus warrant exercisable at $0.30 for 48 Months, (Non-flow through unit)	$0.15	$69,000.00	cash
September 23, 2020	36,800 Compensation Options (re: non-flow-through units) exercisable at $0.15 to acquire one common share and on share purchase warrant exercisable at $0.30 for 48 from the issue of the Compensation option	$0.15 Option $0.30 Warrant	Exercisable at $5,520 and $11,040	services
September 23, 2020	500,000 Compensation Options (re: flow-through units) exercisable at $0.20 to acquire one common share and on share purchase warrant exercisable at $0.30 for 48 from the issue of the Compensation option	$0.20 Option $0.30 Warrant	Exercisable at $100,000 and $150,000	services
October 15, 2020	4,120,000 Common Shares (plus warrant exercise able at $0.30 for 48 months (flow through unit)	$0.20	$824,000.00	cash
October 15, 2020	80,000 Common shares (plus warrants exercisable at $0.30 for 48 months (Non-flow through unit)	$0.15	$12,000.00	cash
October 15, 2020	6,400 Compensation Options (re: non-flow-through units) exercisable at $0.15 to acquire one common share and on share purchase warrant exercisable at $0.30 for 48 from the issue of the Compensation option	$0.15 Option $0.30 Warrant	Exercisable at $960 and $1,920	services
October 15, 2020	329,600 Compensation Options (re: flow-through units) exercisable at $0.20 to acquire one common share and on share purchase warrant exercisable at $0.30 for 48 from the issue of the Compensation option	$0.20 Option $0.30 Warrant	Exercisable at $65,920 and $98,880	services
November 9, 2020	9,146,133 Common shares (plus warrant exercisable at $0.30 for 48 months)(flow through unit)	$0.15	$1,371,920	cash

November 9, 2020	75,000 Common Shares (plus warrant exercisable at $0.30 for 48 months (non-flow through unit)	$0.20	$15,000	cash
November 9, 2020	534,531 Compensation Options exercisable (re: non-flow-through units) at $0.15 to acquire one common share and on share purchase warrant exercisable at $0.30 for 48 months from the issue of the Compensation option	$0.15 Option $0.30 Warrant	Exercisable at $80,179.65 and $160,359.30	services
November 9, 2020	6,000 finder's warrants exercisable at $0.30 for 48 months from the date of issue	$0.15	Exercisable at $900	services
November 27, 2020	475,000 Common Shares plus warrant exercise able at $0.30 for 48 months (flow through unit)	$0.20	$95,000	cash
November 27, 2020	3,365,183 Common Shares (plus warrant exercisable at $0.30 for 48 Months (non- flow through unit)	$0.15	$504,777.45	cash
November 27, 2020	141,333 Compensation Options (re non-flow-through units) exercisable at $0.15 to acquire one common share and on share purchase warrant exercisable at $0.30 for 48 months from the issue of the Compensation option	$0.15 $0.30 Warrant	Exercisable at $21,199.95 and $42,399.90	services
November 27, 2020	8,000 Compensation Options (flow-through units) exercisable at $0.20 to acquire one common share and on share purchase warrant exercisable at $0.30 for 48 months from the issue of the Compensation option	$0.20 $0.30 Warrant	Exercisable at $1,600 and $2,400	cash
December 4, 2020	1,333,334 Common Shares (plus warrant exercisable at $0.30 for 48 Months, (Non-flow through unit)	$0.15	$200,000	cash
December 4, 2020	106,666 Compensation Options (re: non-flow-through units) exercisable at $0.15 to acquire one common share and on share purchase warrant exercisable at $0.30 for 48 from the issue of the Compensation option	$0.15 Option $0.30 Warrant	Exercisable at $15,999 and $31,999.80	services
Totals				
	14,384,650 Common Shares	**$0.15**	**$2,157,697.50**	
	11,342,080 Common Shares	**$0.20**	**$2,268,416**	

	25,726,730 Common Share Purchase Warrants	**$0.30**	**$5,578,395 (if exercised)**	
	825,730 Compensation Units – shares	**$0.15**	**123,859.50 (if exercised)**	
	834,600 Compensation Units – shares (if exercised)	**$0.20**	**167,520**	
	1,663,330 Compensation Units – Warrants	**$0.30**	**$498,999 (if exercised)**	
	Finders Warrants	**$0.30**	**$1,800 (if exercised)**	

11. ESCROWED SECURITIES

In connection with the direct listing on the CSE, the following Common Shares are subject to escrow in accordance with CSE Policy 8 – Fundamental Changes and Changes of Business and agreements between the securityholder in each case and the Company's transfer agent:

(a) 18,696,151 Common Shares owned by a director Bruce Reid,
(b) 2,006,601 Common Shares owned by a director K Sethu Raman; and
(c) 3,794,866 Common Shares owned by an officer Julio Di Girolamo.

Pursuant to each escrow agreement, the aforementioned securities are subject to release from escrow over a period of 36 months, with 10% of such shares released on the date that the Common Shares commence trading on the CSE and an additional 15% to be released every six months thereafter. .

12. PRINCIPAL SHAREHOLDERS

To the knowledge of the Company, as of the date of this Listing Statement, no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Company's Common shares apart from Bruce Reid who owns 18,696,151 Common Shares being 18.2 % of the Common Shares.

13. DIRECTORS AND OFFICERS

The following table and the notes thereto set out the names of each director of the Company as well as their province of residence, principal occupation, business or employment, the year they first became a director of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as of the date hereof.

Name, Position, Province of Residence	Date of Appoint-ment	Principal Occupation during the Past Five Years	# of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised	Per centage of Common shares beneficially owned directly [2]
William Ferreira Winnipeg, MB, Canada, **Director** **Age 63**	11/2011	President of W. S. Ferreira Ltd., an exploration company.	72,074	.69%
Dan Hrushewsky[1] Toronto, ON, Canada **Director** **Age 60**	03/2019	Consultant to 55 North Mining Inc., Satori Resources Inc. (since 2019), Executive Vice President of Bunker Hill Mining Corp. (2017-2018), Consultant to various mining companies, funds, and private investors (2013-2016).	949,000	0.91 %
K. Sethu Raman(1) Toronto, ON, Canada **Director** **Age 82**	08/2012	Independent mining consultant to corporations, equity funds and private investors.	2,006,601	1.9%
Bruce Reid(1) Toronto, ON, Canada **Director and Chief Executive Officer** **Age 65**	01/2018 Also 8/2015 to 5/2016	Chairman of Idaho Champion Gold Mines Canada Inc (since 2018), President, CEO and Chairman of Bunker Hill Mining Corp. (2017-2018); President and CEO/Chairman of Blackjack Silver Corp (since 2020); President and CEO of Satori Resources until December 20, 2018.	18,696,151	18.0%
Julio DiGirolamo **Chief Financial Officer and Secretary** **Age 52**	01/2017	Chartered Professional Accountant and advisor to a number of exploration and development companies. Presently Mr. DiGirolamo acts as CFO to Idaho Champion Gold Mines Canada and Graycliff Resources Inc.	3,794,866 ,	3.7%

(1) Member of Audit Committee

(2) based on 104,052,862 issued and outstanding common shares

The term of each director and membership on the audit committee expires at each annual general meeting and the Board, after each such meeting, appoints the audit committee for the ensuing year.

Audit Committee

The Company has an Audit Committee presently consisting of the following members:

Bruce Reid;
Sethu Raman;
Dan Hrushewsky

The Company's Board will adopt a written charter setting forth the responsibilities, powers and operations of the Audit Committee consistent with NI 52-110 . The principal duties and responsibilities of the Company's Audit Committee is to assist the Company's board of directors in discharging the oversight of:

The Company's integrity of the consolidate financial statements and accounting and financial processes and the audits of its consolidated financial statements;

The Company's compliance with legal and regulatory requirements;

The Company's external auditors' qualifications and independence;

The Company's work and performance of the issuers' financial management and its external auditors;

The Company's system of disclosure controls and procedures and system of internal controls regarding finance, accounting, legal compliance and risk management established by management and the Company's Board.

The audit committee has access to all books, records, facilities and personnel and may request any information about the Company as it may deem appropriate. It also has the authority to retain and compensate special legal and , accounting financial and other consultants or advisors to advise the Audit Committee. The Audit Committee is expected to review and approve related party transactions and prepare reports for the Company's Board on such related party transactions as well as assuming responsibility for the pre-approval of non-audit services to be provided by the Company auditors.

The Company is an "venture issuer" as defined in NI 52-110 and is relying on the exemptions in section 6.1 of NI-52-110 in respect of the composition of the audit committee and in respect of its reporting obligations under NI-52-110.

Director and Management Profiles

Further biographical information with respect to each nominee for election as a director is set forth below:

William Ferreira, Director , aged 63

Mr. Ferreira aged 63 years is a current director of the Company and an exploration geologist with over 30 years' experience in gold, base-metal, and diamond exploration in Canada. Mr. Ferreira holds a Master of Science degree from the University of Manitoba in 1984 and a Bachelor of Science degree from the University of Minnesota, Duluth in granted in 1979. Mr. Ferreira's employment experience includes work for Noranda Exploration Canada, Esso Minerals Canada, Getty Mines, Falconbridge Ltd., Granges Exploration, Canmine Resources Corp., and San Gold Corp. Mr. Ferreira is past president of the Manitoba Prospectors and Developers Association. Mr. Ferreira has been a member of the Association of Professional Engineers and Geoscientists of the Province of Manitoba since 1988. Mr. Ferreira formerly served on the audit committee of 55 North Mining Inc. Mr. Ferreira will devote approximately 15% of his professional time to the business of the Company.

Dan Hrushewsky, Director Aged 60

Mr. Hrushewsky aged 60 years is a Mechanical Engineer and holds a B.A Sc. from University of Toronto granted in 1999, an MBA granted by Mc Master University, in 1982 and is a Chartered Financial Analyst (CFA) by certificate granted in 1986. He has more than 30 years of experience in the mining industry, including M&A/corporate development with several multinational gold and base metal producers. His experience in mining finance includes mining project finance for a Canadian bank; and mining equity finance for a precious metals fund, a private equity fund, and two investment dealers. Mr. Hrushewsky serves on the board of two other public companies and will devote approximately 20% of his time on a consulting basis to the business of the Company

K. Sethu Raman Director aged 82

Dr. K. Sethu Raman aged 82 years and has more than 48 years of international experience in all phases of exploration, mine development, acquisitions, and operations as well as experience in financial and legal areas. He has pioneered many new exploration concepts and strategies which have led to the discovery of eleven significant gold, silver, copper, zinc, phosphate and uranium deposits located near established mining camps, seven of which went on to become producing gold mines in Canada. As President and CEO of Holmer Gold Mines Ltd (1985-2004) and Director and Advisor to Lake Shore Gold Corp (2004-2016), Dr. Raman has been the driving force behind the discovery and development of the Timmins West Gold Mine Trend in a previously unknown faulted extension of the Timmins Mining Camp. This Trend hosts several gold deposits and profitable mines operated by Lake Shore Gold with an annual production of 180,000 ounces of gold in 2015. On April 1, 2016 Lake Shore accepted a friendly $945M takeover offer by Tahoe Resources Inc.

Dr. Raman previously spent 13 years with Campbell Chibougamau Mines/Campbell Resources, Royex Gold Mining and International Corona Resources Group of companies controlled by Ned Goodman. He joined as a Research Geologist and held various management positions including Vice President from 1980 to 1986. Here he played a key role in the discovery and development of six gold mines in Quebec, Ontario, and the Canadian Arctic. Subsequently these companies were sold to Home Stake Mining (now Barrick Gold) and Patino Mining Corp. He holds a Ph.D. in Geology from Carleton University granted in 1970 and a UNESCO Post-Graduate Diploma from the University of Vienna, Austria. Dr Raman will devote approximately 20% of his professional time to the business of the Company.

Bruce Reid, Director and Chief Executive Officer aged 65

Mr. Reid, 65 Years is the Chief Executive Officer of the Company , as well as a Director. Mr. Reid was previously the Chairman, President and Chief Executive Officer of Carlisle Goldfields from January 2010 until January 2016 when the Company was purchased by Alamos Gold Inc. Mr. Reid is also currently the Chairman and a Director of Idaho Champion Gold Mines Canada Inc. and KWG Resources Inc. Presently Mr Reid acts as an independent consultant to KWG Resources Inc. and Idaho Champion Gold Mines Canada Inc. Mr Reid is an independent contractor and will continue to devote approximately 30% of his time to the business of the Company.

Additional Information Regarding the Directors

Other Boards of Reporting Issuers

The following directors of the Company presently serve as directors of other reporting issuers as follows:

Director	Name of Reporting Issuer	Positions held	Name of Exchange or Market
K. Sethu Raman	Northern Graphite Corporation	Director	TSX-V
Bruce Reid	Idaho Champion Gold Mines Canada Inc., KWG Resources Inc. Altair Resources Inc. Canuc Resources Corporation	Director Director Director Director	CSE CSE TSX-V TSX-V
William Ferreira	N/A		
Dan Hrushewsky	XAU Resources Inc. Canada One Mining Corp.	Director Director	TSX- V TSX-V

Cease Trade Orders and Bankruptcies

Other than as disclosed below, to the knowledge of the Company, no director is, as at the date of this Listing Statement, or has been, within 10 years before the date of this Listing Statement:

a) a director, chief executive officer or chief financial officer of any corporation that:

- **i)** was subject to an order that was issued while a director was acting in the capacity as director, chief executive officer or chief financial officer; or
- **ii)** was subject to an order that was issued after a director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;

b) a director or executive officer of any corporation that, while such person was acting in that capacity, or within a year of such person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

c) someone who became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such shareholder nominee.

For the purposes of section (a) above, the term "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, except as otherwise noted below:

William Ferreira Aged 62

Mr. Ferreira is a director the Company. The Company did not file its annual financial statements and annual MD&A for the fourth quarter ended December 31, 2015 on time. On May 9, 2016, the Manitoba Securities Commission ("**MSC**") issued a Cease Trade Order for failing to file the documents within the required time period. Upon revocation of the Cease Trade Order, the Company's shares remained suspended until August 14, 2019 when they resumed trading . The Company then applied for and received consent form the TSX V to de-list effective August 24, 2019.

K. Sethu Raman Aged 82

Mr. Raman is a director the Company. The Company did not file its annual financial statements and annual MD&A for the fourth quarter ended December 31, 2015 on time. On May 9, 2016, the Manitoba Securities Commission ("**MSC**") issued a Cease Trade Order for failing to file the documents within the required time period. Upon revocation of the Cease Trade Order, the Company's shares remained suspended until the Company until August 14, 2019 when they resumed trading . The Company then applied for and received consent from the TSX V to de-list effective August 24, 2019.

Mr. Raman was a director of Zara Resources Inc. ("**Zara**"), a company listed on the CSE, between June 24, 2013, and May 27, 2016. On September 13, 2013, issuer take-over bids initiated by Zara was subject to a cease trade order ("**CTO**") issued by the Bureau de Decision et de Revision (Quebec). The cease trade order was issued pending correction and translation of all offer documents into French and review by staff of the Autorité des marchés financiers ("**AMF**"). On May 14, 2014, Zara issued a press release stating that it had terminated its take-over bids, but the CTO was not lifted.

Mr. Raman was a director of Red Crescent Resources Limited (formerly Nico Mining Limited) ("**Red Crescent**") between August 21, 2009 and March 31, 2014. On April 8, 2014, Red Crescent was subject to a temporary CTO issued by the BCSC and reciprocated by the ASC and the OSC. The CTO was issued in connection with failure to file its (i) audited annual financial statements for the year ended December 31, 2013; (ii) management's discussion and analysis relating to the audited annual financial statements for the year ended December 31, 2013; (iii) annual information form for the year ended December 31, 2013; and (iv) certification of the foregoing filings as required by National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*. On April 21, 2014, the CTO became permanent.

Bruce Reid Aged 65

Mr. Reid is a director the Company. The Company did not file its annual financial statements and annual MD&A for the fourth quarter ended December 31, 2015 on time. On May 9, 2016, the Manitoba Securities Commission ("**MSC**") issued a Cease Trade Order for failing to file the documents within the required time period. Upon revocation of the Cease Trade Order, the Company's shares remained suspended until the Company until August 14, 2019 when they resumed trading . The Company then applied for and received consent from the TSX V to de-list effective August 24, 2019.

Mr. Bruce Reid served as a director of Asia Now Resources Corp. ("ANR") from June 2012 to February 2015 and Mr. Julio DiGirolamo served as an executive officer of ANR from August 2013 to August 2015. Mr. Reid resigned from the board of ANR more than six months before the default of the Company on its secured debt and the receivership disclosed herein, and Mr. DiGirolamo also resigned from his role at ANR. Pursuant to directions in April 2015 to maximize shareholder value, the board of directors of ANR approved facilitating a "going private" transaction whereby ANR's majority shareholder and secured debtholder, China Gold Pte. Ltd., would purchase the outstanding ANR shares it did not already own. In July 2015, a sufficient number of ANR's minority shareholders to block approval of the proposed transaction voted against it, ultimately resulting in a default on ANR's outstanding secured debt. A receiver was appointed in August 2015 with a view to liquidating ANR's remaining assets. The receiver completed the liquidation of assets and was discharged in April 2016.

Penalties and Sanctions

Except as described above, to the knowledge of the Company, as of the date of this Listing Statement, no proposed director has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Management

BRUCE D, REID - Director and Chief Executive Officer, aged 65

Mr. Reid, 65 Years is the Chief Executive Officer and a director of the Company. Mr. Reid was previously the Chairman, President and Chief Executive Officer of Carlisle Goldfields from January 2010 until January 2016 when the Company was purchased by Alamos Gold Inc. Since 2016 Mr Reid has acted as an independent consultant to the issuer in his capacity as Chief Executive Officer and as an independent consultant in his capacity as Chief Executive Officer of Satori Resources until 2018. Mr. Reid is also currently the Chairman and a Director of Idaho Champion Gold Mines Canada Inc. Mr. Reid is an independent contractor who will devote approximately 30% of his time to the business of the Company. Mr. Reid has over 35 years' experience as a successful manager of mining development and exploration companies and as an analyst for leading Canadian securities dealers. Mr. Reid is not party to any non-competition nor any non-disclosure agreement with the Company.

JULIO DiGIROLAMO – Secretary and Chief Financial Officer, aged 52

Mr. DiGirolamo aged 52, is the Secretary and Chief Financial Officer of the Company. Mr. DiGirolamo holds a Bachelor of Commerce Degree from York University granted in 1991 and has been a Chartered Professional Account licensed to practice in the Province of Ontario since 1993. Mr. Di Girolamo has over twenty-five years of professional accounting experience and has spent the last twenty years acted in the role as Chief Financial Officer of a number of exploration and development firms. Mr. DiGirolamo is also currently the CFO Idaho Champion Gold Mines Canada Inc., Graycliff Resources Inc. and several other public mining companies. Mr. DiGirolamo is an independent contractor who will devote approximately 30% of his time to the business of the Company. Mr. DiGirolamo is not party to any non-competition nor any non-disclosure agreement with the Company.

14. CAPITALIZATION

Public Float	Number of securities (non-diluted)	Number of securities (fully diluted)	% age of Issued (non-diluted)	%age of Issued (non-diluted)
Total Outstanding (A)	104,052,862	157,926,346	100	100
Held by related persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	35,341,826	52,511,927	34.0%	33.3%
Total Public Float (A-B)	68,711,036	105,414,419	66.0%	66.8%
Freely-tradeable Float: Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	24,497,618	35,134,401		
Total tradeable Float (A-C)	79,555,244	122,791,945	. 76.45 %	77.8%

Public Securityholders (Registered)
Class of security Common Shares

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	3	129
100 – 499 securities	24	8,394
500 – 999 securities	26	19,986
1,000 – 1,999 securities	23	31,666
2,000 – 2,999 securities	6	15,086
3,000 – 3,999 securities	4	13,555
4,000 – 4,999 securities	1	4,935
5,000 or more	52	54,053,536

Public Securityholders (Beneficial)
Class of Security – Common shares

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	129	6,360
100- 499 securities	218	60,769
500 – 999 securities	134	98,763
1,000 – 1,999 securities	105	155,779
2,000 – 2,999 securities	50	125,072
3,000 – 3,999 securities	36	122,207
4,000 – 4,999 securities	13	57,138
5,000 or more securities	40	2,520,197
Unable to confirm		

Non-Public Securityholders (Registered)
Class of Security – Common Shares

Size of holding	Number of holders	Total number of securities
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	8	47,079,129

Details of Securities convertible exchangeable into Common Shares

Description of security (include conversion/ exercise terms, including conversion/ exercise price	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Share Purchase Options exercisable until October 7, 2024 at $0.5065 per share (originally issued for 3,000,000 common shares at an exercise price of $0.05 but adjusted as a result of the share consolidation)	296,148 options	296,148 Common Shares

Share Purchase Warrants for 217,176 post consolidation common shares at a price of $0.6078 on or before December 18, 2022 (originally issued for 2,200,000 common shares at an exercise price of $0.05 but adjusted as a result of the share consolidation	217,176 warrants	217,176 Common Shares
Share purchase warrants for 24,300,774 common shares at an exercise price of $0.18 expiring on December 31, 2022	24,300,774 warrants	24,300,774 Common Shares
Share Purchase warrants for 25726726 common shares at an exercise price of $0.30 expiring on various dates between September 24, 2024 and December 4, 2024	25,726,726 warrants	25,726,726 Common Shares
Finder's Warrants	6,000 warrants	6,000 Common Shares
837,600 Compensation Options (flow – Through Units) expiring on various dates between September 24, 2024 and December 4, 2024	837,600 Compensation Options Exercisable at $0.20 to acquire one Common Share and one Common Share purchase warrant exercisable at $0.30 for 40 months form the date of issue of the Compensation Option	1,675,200 Common Shares
825,730 Compensation Options (Non-Flow Through Units) expiring on various dates between September 24, 2024 and December 4, 2024	825, 730 Compensation Options exercisable at $0.15 to acquire one Common Share and one Common Share purchase warrant exercisable at $0.30 for 48 Months form the issue of the Compensation Option	1,651,460 Common Shares

15. EXECUTIVE COMPENSATION

During our fiscal year ended December 31, 2019, and for the nine months ended September 30, 2020, the following individuals were 55 North's named Executive Officers ("NEOs") as defined in National Instrument 51-102 :

- Bruce Reid, Chairman, Chief Executive Officer (since January 10, 2017); and
- Julio DiGirolamo, Secretary and Chief Financial Officer (since January 10, 2017).

55 North is a mineral exploration and development company engaged in the acquisition, exploration, and evaluation of mineral properties. 55 North has no significant revenues from operations and has, since its incorporation, operated administratively with limited financial resources to ensure that funds are available to complete scheduled exploration and drilling programs. As a result, our Board of Directors has to consider not only the financial situation of 55 North at the time of determination of executive compensation, but also the estimated financial situation of 55 North in the mid- and long-term. An important element of executive compensation is that of incentive stock options, which do not require cash disbursement by 55 North.

Additional information about 55 North and its operations is available in our audited financial statements and Management's Discussion & Analysis for the nine months ended September 30, 2020 and the year ended December 31, 2019, which have been electronically filed with regulators and are available for viewing under 55 North's Issuer Profile at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Compensation Objectives and Principles

The primary goal of our executive compensation process is to attract and retain the key executives necessary for our long-term success, to encourage executives to further the development of 55 North and our operations, and to motivate qualified and experienced executives. The key elements of executive compensation awarded by 55 North are: (i) base salary; (ii) potential annual incentive award; and (iii) incentive stock options. Our directors are of the view that all of these elements should be considered when determining executive compensation, rather than any single element.

Compensation Process

55 North's Board of Directors, as a whole, is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to our Named Executive Officers, as well as to our directors, and for reviewing the recommendations respecting compensation for any other officers of 55 North from time to time, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining compensation, the Board of Directors considers: (i) recruiting and retaining executives critical to 55 North's success and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and our Shareholders; and (iv) rewarding performance, both on an individual basis and with respect to our operations in general.

Base Salary and/or Consulting Fees

55 North is an exploratory stage mining company and does not anticipate generating revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by our Board of Directors to be appropriate in the evaluation of corporate or Named Executive Officer performance. The compensation of our executive officers is based, in substantial part, on industry compensation practices, trends in the mining industry, as well as achievement in raising capital and follow through on 55 North's business plans and objectives.

55 North provides Named Executive Officers with base salaries and/or consulting fees, which represent their minimum compensation for services rendered during the fiscal year. Named Executive Officers' base salaries or consulting fees depend on the scope of their experience, responsibilities, leadership skills and performance. Base salaries and/or consulting fees are reviewed annually by our Board of Directors. In addition to the above factors, decisions regarding salary or consulting fee amounts are impacted by each Named Executive Officers' current salary or fee, general industry trends and practices competitiveness, and 55 North's existing financial resources.

Option Based Awards

Options to purchase common shares of 55 North are intended to align the interests of our directors and executive officers with those of our Shareholders, to provide a long-term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation 55 North would otherwise have to pay. 55 North's Stock Option Plan is administered by our Board of Directors. In establishing the number of the incentive stock options to be granted to our Named Executive Officers, our Board of Directors considers the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in determining the level of incentive stock option compensation. Further, the Board of Directors also takes into account previous grants of options, the overall number of options that are outstanding relative to the number of outstanding common shares and the amount and term of any such grants.

Benefits and Perquisites

55 North does not, as of the date of this Listing Statement, offer any benefits or perquisites to its Named Executive Officers other than entitlement to incentive stock options as otherwise disclosed and discussed herein.

Risks Associated with 55 North's Compensation Practises

55 North's Board of Directors has not considered the implications of any risks to 55 North associated with decisions regarding compensation of 55 North's executive officers.

Hedging by Named Executive Officers or Directors

55 North has not, as yet, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted or awarded as compensation or held, directly or indirectly, by executive officers or directors.

Summary Compensation Table

The following table provides a summary of the compensation earned by, paid to, or accrued and payable to, our Named Executive Officers during the fiscal years ended December 31, 2019, 2018 and 2017. Amounts reported in the table below are in Canadian dollars.

					Non-equity incentive plan compensation ($)				
Name and principal position	**Fiscal Year ended Dec 31**	**Salary/ Fee ($)**	**Share-based awards ($)**	**Option-based awards ($)**	**Annual incentive plans**	**Long-term incentive plans**	**Pension value ($)**	**All other compen-sation ($)**	**Total compen-sation ($)**
Bruce Reid[(1)] *President & Chief Executive Officer*	2019 2018 2017	200,000[(3)] Nil N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	200,000 Nil N/A
Julio DiGirolamo[(2)] *Chief Financial Officer*	2019 2018 2017	175,000[(3)] Nil 50,000	Nil Nil N/A	Nil Nil N/A	Nil Nil N/A	Nil Nil N/A	Nil Nil N/A	Nil Nil N/A	175,000 Nil 50,000

(1) Mr. Reid served as Chief Executive Officer and has served as a director from January 10, 2017.

(2) Mr. DiGirolamo served as Chief Financial Officer from January 10, 2017.

(3) The fees were paid in common shares as part of the shares for debt settlement at a deemed price of $0.04 per Common Share ($0.4052 post-consolidation) on November 14, 2018 and November 4, 2019, respectively.

Incentive Plan Awards – Outstanding Option-Based Awards and Share-Based Awards

The following table sets out details of option-based awards granted to the Named Executive Officers by 55 North that were outstanding as at the fiscal year ended December 31, 2019 (share numbers and price per share are reflected on a post-consolidation basis).

	Option-based Awards outstanding at December 31, 2019				Share-based Awards outstanding at December 31, 2019		
Named Executive Officer	**Number of shares underlying unexercised options (#)**	**Option exercise price per common share ($)**	**Option expiry date**	**Value of unexercised in-the-money options ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Bruce Reid	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Julio DiGirolamo	46,890	0.5065	07-Oct-24	Nil	N/A	N/A	N/A

Incentive Plan Awards – Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. The value of options exercised is the difference between the option exercise price and the market price of the underlying security on the date of exercise.

No options have been granted to the Company's Named Executive Officers or anyone else. There are currently no option-based awards outstanding.

Named Executive Officer	Option-based awards – Value vested during the year ($)	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Bruce Reid	Nil	N/A	N/A
Julio DiGirolamo	Nil	N/A	N/A

As of the date of this Listing Statement, 55 North is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to NEOs at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of 55 North or a change in a NEO's responsibilities.

EXECUTIVE COMPENSATION

The following table sets forth information concerning the compensation in respect of the directors of the Company, other than the Named Executive Officers who may also serve as directors, during the financial year ended December 31, 2019. For details of the compensation for Bruce Reid, see the disclosure above in the "Summary Compensation Table".

Name of Director	Director Fees earned (1) ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
William Ferreira	20,000	N/A	Nil	Nil	Nil	Nil	20,000
Dan Hrushewsky	20,000	N/A	Nil	Nil	Nil	Nil	20,000
K. Sethu Raman	20,000	N/A	Nil	Nil	Nil	Nil	20,000
Brien Sirola (2)	20,000	N/A	Nil	Nil	Nil	Nil	20,000

(1) The fees were paid in common shares as part of s debt settlement at a deemed price of $0.04 per common share

(2) Mr. Sirola served as a director until July 3, 2020

Incentive Plan Awards - Outstanding Option-Based Awards

The following table sets out details of option-based awards granted to non-executive directors by 55 North that were outstanding at the fiscal year ended December 31, 2019 (share numbers and price per share are reflected on a post-consolidation basis).

•

Name	Option-based Awards outstanding at December 31, 2019				Share-based Awards outstanding at December 31, 2019		
	Number of common shares underlying unexercised options (#)	Option exercise price per common share ($)	Option expiry date	Value of unexercised in-the-money options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
William Ferreira	29,615	0.5065	07-Oct-24	Nil	N/A	N/A	N/A
Dan Hrushewsky	29,615	0.5065	07-Oct-24	Nil	N/A	N/A	N/A
K. Sethu Raman	29,615	0.5065	07-Oct-24	Nil	N/A	N/A	N/A
Brien Sirola	29,615	0.5065	07-Oct-24	Nil	N/A	N/A	N/A

Incentive Plan Awards – Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. The value of options exercised is the difference between the option exercise price and the market price of the underlying security on the date of exercise. No value vested or was earned by 55 North's executive officers or directors during 55 North's year ended December 31, 2019, as a result of stock options vesting or being exercised.

Name	Option-based awards – Value vested during the year ($)	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
William Ferreira	Nil	N/A	N/A
Dan Hrushewsky	Nil	N/A	N/A
K. Sethu Raman	Nil	N/A	N/A
Brien Sirola	Nil	N/A	N/A

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness for travel and other expense advances , no current or proposed director, executive officer or senior officer of the Company or any associate of any of them is currently indebted to the Company.

17. RISK FACTORS

The risks presented below may not be all the risks that the company may face. The Company will face a number of challenges in the development of its business . Readers should not rely on forward-looking statements as a prediction of future results and should carefully consider all such risks, including those set out in the discussion below.

Competition for Mineral deposits

The mineral exploration and mining industry is competitive in all phases of exploration, development, and production. The Company competes with a number of other entitles and individuals in the exploration of search for and acquisition of attractive mineral properties. As a result of this competition, much of which is with entities with greater financial resources that the Company, the Company may not be able to obtain funding for its exploration projects, obtain and maintain the necessary resources to carry out such exploration or acquire attractive properties in the future on terms which it considers acceptable. The Company competes with other resource companies, many of whom have greater financial resources and/or more advanced properties that are better able to attract equity investment and other capital.

Resource Exploration and development Involves a High Degree of Risk

Resource exploration and development is a speculative business and involves a high degree of risk. There is no known body of commercial ore on any of the properties of the Company. There is no certainty that any expenditure made by the Company in the exploration of any of its properties or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company

Capital Needs

As a mineral exploration company , the Company does not generate cash flow from its activities, and it must rely primarily on issuance of its securities or the borrowing of funds to finance its operations. The exploration and development of its properties will require substantial funds beyond those it has and there is no assurance that such additional funds wil be available to the Company on a commercially reasonable terms or in sufficient amount to allow the Company to continue to pursue its objectives. The inability of the Company to raise further funds whether through additional equity issuances or by other means , could result in delays or in the indefinite postponement of planned exploration and/or development activities or, in certain circumstances, the loss of some or all of its property interests in cessation of all mineral exploration and/or development activities.

Lag Time between Discovery and Production of Mineral resources

The Company is unable to predict the amount of time which may elapse between the date when any new mineral resources may be discovered and the date when production, if any, will commences from any discovery.

Infrastructure Requirements

Exploration and development of mineral properties depend, to one degree or another , on adequate infrastructure. Reliable roads, bridges power sources and water supply are important determinants which affect capital and operating costs . unusual or infrequent weather phenomenon, terrorism sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial conditions nd results of operation.

Title to the company's Properties or interest May be Disputed

Title to and the area of resource concessions may be disputed. There is no guarantee of title to any of the Company's properties. Th properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

Surface Area Rights

The Company does not have surface rights to all of its mineral properties and will be required to obtain all necessary permits prior to carrying out any exploration activities on certain of its properties. Accordingly, the Company may be unable to access certain if its properties and related mineral exploration claims to carry out its proposed exploration activities.

Aboriginal Land Claims an Aboriginal Rights

The mineral properties of the Company may in the future be the subject of aboriginal peoples' land claims or aboriginal rights claims. The legal basis of an aboriginal land claim and aboriginal rights is a matter of considerable legal complexity and the impact of the assertion of such a claim, or the possible effect of a settlement of such a claim upon the Company cannot be predicted with any degree of certainty at this time.

Risks May Not be Insurable

The Company's business is subject to a number of risks and hazards and no assurance can be given that insurance will cover the risks to which the Company's activities will be subject or will be available at all at commercially reasonable premiums.

No History of Earnings or Dividends

The Company was incorporated on December 5, 2008 and has no history of earnings or of a return on investment until the in-specie dividend of the European Cobalt Shares which arose as a result of the sale of the Edleston Properties . There is no assurance that the Company will generate earnings , operate profitably or provide a return on investment in the future. The Company has no plans to pay dividends.

Statutory and Regulatory Compliance

The current and future operations of the Company and any parties which may carry out exploration. Development and mining activities on properties in which the Company holds an interest will be governed by laws and regulations governing mineral concession acquisition , prospecting , development, mining, production , exports taxes, labour standards , occupational health , waste disposal taxic substances , land use, environmental protections , mine safety and other matters, companies engaged in exploration activities often experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws regulations and permits. The Company will apply for all necessary permits for the exploration work it intends to conduct, however, such permits are, as a practical matter, subject to the discretion of government authorities and there can be no assurance that the Company will be successful in obtaining such permits

Key Management and Employees

Recruiting and retaining qualified personal is critical to the Company's success. The number of persons skilled in acquisition , exploration and development of mining properties is limited and competition for such persons is intense. As he Company's business activity grows, the Company will require additional key financial, administrative, and mining personnel as well as additional operations staff. There can be no assurance that the Company will be successful in attracting, training, and retaining qualified personnel.

Shortage of Supplies

The Company may be adversely affected by shortages of critical supplies or equipment required to operate the business of the Company. Any shortage of critical supplies will affect the timeliness of the development of the Company and its business.

Estimate of Mineral Resources

There are numerous uncertainties inherent in estimating of reserves and mineral resources. The accuracy of any reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Fluctuations on precious metal prices , results of drilling or metallurgical testing, subsequent to the date of any estimate may require revision of such estimate. In addition, there can be no assurance that precious or base metal recoveries in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or during production.

Environmental Factors

All phases of the Company's operations are subject to environmental regulations in the jurisdictions in which it operates . Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines, and penalties for non-compliance, more stringent environmental assessments of prosed projects and a heightened degree or responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the company's operations . The Company's operations are subject to environmental regulations promulgated by various government agencies from time to time. Violation of existing r future environmental rules may result in various fines and penalties.

Conflict of Interest

Certain directors and officers of the Company were also directors, officers, or shareholders of other companies that are similarly engaged in the business of acquiring, developing, and exploiting natural resources properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interest which they may have in any project or opportunity of the Company.

18. PROMOTERS

Bruce Reid is a director and Chief executive officer of the Company who owns approximately 18.1 % of the Common Shares. He is a promotor of the Company within the definition of promoter in the *Securities Act* by reason of the fact that he is an individual who takes the initiative in founding and substantially reorganizing the business of the Company. Mr Reid has entered into an agreement for the escrow of his securities of the Company as described in Section 11.

19. LEGAL PROCEEDINGS

The Company settled proceedings initiated by Gary McDonald, a former independent contractor ("McDonald") by way of a cash payment of $200,000.00 made in 2019 in conjunction with the sale of the Tully Properties in 1911 Gold Canada Inc. The cash payment was made in exchange for a full and final release from Mr. McDonald in favour of the Company of all claims that McDonald could have as against the Company.

In 2015, under previous management, the Company had insufficient working capital to fund ongoing operations and had reduced exploration activities and administrative overhead to conserve capital due to weak capital market conditions. On May 9, 2016, the Company was issued a cease trade order by the MSC its primary regulator, for failure to promptly file annual audited financial statements and annual MD&A for its financial year ended December 2015. Subsequently, the BCSC and ASC reciprocated the cease trade order issued by the MSC. Due to the cease trade order, on May 10, 2016, the Company received a notice form the TSXV that the TSXV had decided to change the Company's classification form a Tier I classification to Tier II classification and suspend the Common Shares form trading.

On December 22, 2017, the Company announced that it had successfully completed its application for the revocation of its cease trade order.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed in this Listing statement , within the last three years , no director, executive officer or person that beneficially owns , or controls or directs , directly or indirectly, more than 10% of any class or series of the outstanding voting securities of the Company or any associate or affiliate of the foregoing has or has had, any material interest, direct or indirect, in any transaction prior to the date of this Listing Statement or any proposed transaction that has materially affected , or is reasonably expected to materially affect the Company.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditors of the company are Scarrow and Donald LLP., Charter Professional Accountants , located at 100- Five Donald Street, Winnipeg Manitoba R3L 2T4

The registrar and transfer agent of the Company is TSX Trust Company , located at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 1S3.

22. MATERIAL CONTRACTS

The Company has not entered into any material contracts other than those described elsewhere in this Listing Statement and now completed as described below:

1. The European Cobalt Asset sale agreement which completed on September 1, 2020;
2. The Business Combination through the Amalgamation Agreement among the Company, its wholly owned subsidiary 55 North Mining Operations Inc. and 2552883. which completed on September 2, 2020 as described elsewhere herein.

23. INTEREST OF EXPERTS

Scarrow and Donald LLP., Chartered Professional Accountants , are the Company's auditors and such firm has prepared an opinion in respect of the Company's financial statements as at December 31, 2019.

Scarrow & Donald LLP. Is independent in accordance with the Rules of Professional Conduct as specified by the Canadian Institute of Chartered Accountants.

24. OTHER MATERIAL FACTS

Other than as set out elsewhere in this Listing Statement, there are no other material facts about the Company and its securities which are necessary in order for this Listing statement to contain full true and plain disclosure of all material facts relating to the Company and its securities.

25. FINANCIAL STATEMENTS

Attached hereto as Schedule "A" and forming a part of this Listing Statement are the following financial statements:

1. 55 North Mining Inc. Consolidated Condensed Interim Financial Statements as at September 30, 2020 and 2019;

2. 2552883 Ontario Inc. financial Statements the years ended December 31, 2019 and 2018;

3. 55 North Annual Financial Statements for the year ended December 31, 2019;

4. 2552883 Financial Statements for the six months ended June 30, 2020

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, 55 North Mining Inc. hereby applies for the listing of the above-mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to 55 North Mining Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made. The Company will post all Material Contracts referred to in this Listing Statement on SEDAR .

Dated at Toronto, Ontario this 13 day of April 2021

Bruce Reid - Chief Executive Officer	Julio DiGirolamo - Chief Financial Officer
Bruce Reid - Director	William Ferreira - Director
Dan Hrushewsky - Director	Sethu Raman - Director

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, 55 North Mining Inc. hereby applies for the listing of the above-mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to 55 North Mining Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made. The Company will post all Material Contracts referred to in this Listing Statement on SEDAR.

Dated at Toronto, Ontario this 13 day of April 2021

BD Reid

Bruce Reid - Chief Executive Officer

Julio DiGirolamo - Chief Financial Officer

BD Reid

Bruce Reid - Director

William Ferreira - Director

Dan Hrushewsky - Director

K. Sethu Raman - Director

ANNUAL AND INTERIM FINANCIAL STATEMENTS

1. 55 North Mining Inc. Consolidated Condensed Interim Financial Statements as at September 30, 2020 and 2019;
2. 2552883 Ontario Inc. Financial Statements the years ended December 31, 2019 and 2018;
3. 55 North Mining Inc. Annual Financial statements for the year ended December 31, 2019;
4. 2552883 Ontario Inc. Financial Statements for the six months ended June 30, 2020;
5. 55 North Financial Statements for the six months ended June 30, 2020.

55 North Mining Inc.

Consolidated Condensed Interim Financial Statements

At September 30, 2020 and 2019

(in Canadian dollars, unless otherwise stated)

(unaudited)

55 North Mining Inc.

Consolidated Condensed Interim Statements of Financial Position

(Unaudited)

Expressed in Canadian dollars

	September 30, 2020	December 31, 2019
ASSETS		
Current assets		
Cash	**$ 1,595,298**	$ 478,139
Receivables	**81,373**	33,481
Prepaids	**17,823**	—
Loan receivable *(Note 10)*	**—**	428,233
	$ 1,694,494	$ 939,853
Investments	**92,205**	66,508
	$ 1,786,699	$ 1,006,361
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued liabilities	**$ 252,110**	$ 173,560
Flow-through share premium liability	**523,160**	210,095
Loan payable *(Note 10)*	**250,000**	220,000
	1,025,270	603,655
Long-term liabilities		
Canada Emergency Business Account *(Note 6)*	**30,000**	—
	1,055,270	603,655
Shareholders' equity		
Share capital *(Note 7)*	**2,693,432**	1,368,750
Warrant reserve	**802,454**	244,389
Deficit	**(2,764,457)**	(1,210,433)
	731,429	402,706
	$ 1,786,699	$ 1,006,361

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

On behalf of the Board:
Signed:

"Bruce Reid" — Director

"Sethu Raman" — Director

55 North Mining Inc.

Consolidated Condensed Interim Statements of Loss and Comprehensive Loss
For the three and nine months ended September 30, 2020 and 2019
(Unaudited)

Expressed in Canadian dollars, except shares and per share amounts

	3 months ended September 30, 2020	3 months ended September 30, 2019	9 months ended September 30, 2020	9 months ended September 30, 2019
Expenditures				
Listing costs *(Note 4)*	**$ 835,505**	$ —	**$ 835,505**	$ —
Promotion and shareholder communications	**228,350**	—	**228,350**	—
Management and consulting	**161,045**	51,300	**301,045**	51,300
Project expenditures	**5,000**	—	**77,503**	—
Acquisition costs	**65,000**	65,000	**65,000**	65,000
Professional fees	**20,240**	—	**63,195**	—
General and administration	**13,891**	15,346	**39,660**	15,554
Loss before other (income)/expenses and taxes	**1,329,031**	131,646	**1,610,258**	131,854
Forgiven Canada Emergency Business Account *(Note 6)*	**—**	—	**(10,000)**	—
Dividend received	**(93,006)**	—	**(93,006)**	—
Revaluation on investment	**66,544**	47,150	**67,310**	47,150
Loss before income taxes	**1,302,569**	178,796	**1,574,562**	179,004
Future tax recovery	**(1,325)**	—	**(20,538)**	—
Loss and comprehensive loss for the period	**$1,301,244**	$ 178,796	**$1,554,024**	$ 179,004
Basic and diluted loss per share	**$ (0.04)**	$ (0.03)	**$ (0.10)**	$ (0.03)
Weighted average number of shares outstanding during the period - basic and diluted *(Note 13)*	**29,752,508**	5,557,557	**15,219,738**	5,328,912

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

55 North Mining Inc.

Consolidated Condensed Interim Statements of Changes in Deficit

For the nine months ended September 30, 2020 and 2019
(Unaudited)
Expressed in Canadian dollars

	Share Capital	Warrants	Deficit	Total
Balance at December 31, 2018	**$ 844,301**	**$ 106,082**	**$ (877,475)**	**$ 72,908**
Loss for the period	---	---	(179,004)	(131,854)
Share issuance, private placement	724,647	150,353	---	875,000
Flow-through share premium liability	(198,750)	---	---	(198,750)
Share issue costs	(25,000)	---	---	(25,000)
Warrant expiry	---	(20,262)	20,262	---
Balance at September 30, 2019	**$ 1,345,198**	**$ 236,173**	**$(1,036,217)**	**$ 545,154**
Balance at December 31, 2019	**$ 1,368,750**	**$ 244,389**	**$ (1,210,433)**	**$ 402,706**
Loss for the period	---	---	(1,554,024)	(1,554,024)
Warrants issued	---	73,167	---	73,167
Share issuance, settlement of debt	150,000	---	---	150,000
Share issuance, reverse takeover transaction	695,988	---	---	695,988
Share issuance, private placement	918,518	484,898	---	1,403,416
Flow-through share premium liability	(333,604)	---	---	(333,604)
Share issue costs	(106,220)	---	---	(106,220)
Balance at September 30, 2020	**$ 2,693,432**	**$ 802,454**	**$(2,764,457)**	**$ 731,429**

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

55 North Mining Inc.

Consolidated Condensed Interim Statements of Cash Flows

For the nine months ended September 30, 2020 and 2019

(Unaudited)

Expressed in Canadian dollars

	2020	2019
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the period	**$(1,554,024)**	$(179,004)
Listing costs	**835,505**	—
Forgiven Canada Emergency Business Account	**(10,000)**	—
Investment revaluation	**67,310**	47,150
Tax recovery	**(20,538)**	—
Dividend	**(93,006)**	—
Shares issued for debt settlement	**150,000**	—
Warrants issued for consulting fees	**73,167**	—
Net change in non-cash working capital items:		
Receivables	**(34,595)**	(8,257)
Prepaids	**(11,090)**	—
Accounts payable and accrued liabilities	**(182,694)**	(112,982)
	(779,965)	(253,093)
FINANCING ACTIVITIES		
Share subscription	**1,297,196**	850,000
Loan receivable	**(126,361)**	45,000
Loan payable	**30,000**	—
Canada Emergency Business Account	**40,000**	—
Cash acquired on reverse takeover transaction net of transaction costs (Note 4)	**656,289**	—
	1,897,124	895,000
Net increase in cash	**1,117,159**	641,907
Cash, beginning of period	**478,139**	79,079
Cash, end of period	**$ 1,595,298**	$ 720,986

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

1. CORPORATE INFORMATION AND GOING CONCERN

55 North Mining Inc., a company incorporated under the Canada Business Corporation Act, and its wholly-owned subsidiary (collectively "**55 North**" or the "**Company**") are engaged in the acquisition, exploration, development and extraction of natural resources, specifically precious metals. 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 is a reporting issuer, as defined in corporate law, and its shares are not currently listed for trading on any stock exchange.

On September 2, 2020, 2552883 Ontario Inc. ("**Ontario Inc.**") and 55 North completed a reverse takeover transaction pursuant to which 55 North acquired all the issued and outstanding shares of Ontario Inc.. Ontario Inc. then amalgamated with a wholly-owned subsidiary of 55 North and continued as one company, 55 North Mining Operations Inc. Upon completion of the reverse takeover transaction, the shareholders of Ontario Inc. obtained control of the consolidated entity. Under the purchase method of accounting, Ontario Inc. was identified as the acquirer, and accordingly the entity is considered to be a continuation of Ontario Inc. with the net assets of the Company at the date of the reverse takeover transaction deemed to have been acquired by Ontario Inc. (Note 4). The consolidated condensed interim financial statements for the 3 month and 9 month periods ended September 30, 2020 include the results of operations of 55 North from January 1, 2020 to September 2, 2020, the date of the reverse takeover transaction. The comparative figures are those of Ontario Inc.

Ontario Inc. was originally set up as a means to access funds needed by 55 North which was unable to raise equity as a result of being cease-traded by various Canadian securities commissions. The intention was to eventually merge the two companies. This was achieved in September 2020.

These consolidated condensed interim financial statements of the Company for the three and nine months ended September 30, 2020 were approved and authorized for issue by the Board of Directors of the Company on December 16, 2020.

Going Concern

Mineral exploration projects, even when successful, require large amounts of exploration investment to prove mineable reserves, generally over long periods of time, prior to commencement of production. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing, the continued support of its existing shareholders, and the outlining and development of commercial deposits of metals at its project to generate positive cash flows from operations. While the Company has been successful in securing financing and identifying suitable properties to date, there is no assurance that the Company will continue to be successful in achieving these objectives.

The ability of the Company to realize the costs it has incurred to date on its properties is dependent upon the Company being able to identify economically recoverable reserves, to finance their development costs and to resolve any environmental, regulatory or other constraints, which may hinder the successful development of the reserves. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and development activities and in which it has an interest, in accordance with industry standards for the current stage of exploration and development of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, and non-compliance with regulatory and environmental requirements.

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.

2. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

Basis of presentation:

The Company prepares its consolidated condensed interim 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 consolidated condensed interim 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 consolidated condensed interim 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.

Basis of Measurement:

These unaudited consolidated condensed interim financial statements were prepared on a going concern basis, under the historical cost convention.

Basis of Consolidation:

These consolidated condensed interim financial statements include the accounts of 55 North and its wholly-owned subsidiary, 55 North Mining Operations Inc. Control is achieved when 55 North has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the period are included in the Consolidated Statements of Loss and Comprehensive Loss from the effective date of acquisition or to the date of disposal. Intergroup balances and transactions are eliminated on consolidation.

The preparation of consolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Use of Estimates and Judgments:

The preparation of unaudited consolidated condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the consolidated financial statements are disclosed in Notes 4 and 5. These financial statements are presented in Canadian dollars, which is the Company's functional currency.

Functional and Presentation Currency:

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

These consolidated 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, 2019, except for the accounting changes noted below. Accordingly, these consolidated condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2019.

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

Accounting changes:

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.

The Conceptual Framework for Financial Reporting (revised in 2018) has been updated to expand on the existing Conceptual Framework by focusing on the elements of financial statements, recognition and derecognition, measurement, and presentation and disclosure. The standard is effective for annual periods beginning on or after January 1, 2020. These new standards and changes did not have any material impact on the Company's financial statements.

Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors has been updated. The definition of "material" is being clarified for purpose of improving consistency and application of the concept where applicable. The standard is effective for annual periods beginning on or after January 1, 2020. This new standard and changes did not have any material impact on the Company's financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated condensed 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.

4. REVERSE TAKEOVER TRANSACTION

On September 2, 2020, the Company completed a reverse takeover transaction ("RTO") with Ontario Inc., whereby the shareholders of Ontario Inc. become shareholders of the Company. Ontario Inc. is the owner of an option to acquire 100% of the rights, title and interest in the Last Hope Gold Project, a high-grade gold project located in the emerging Lynn Lake Gold Camp in northern Manitoba.

Prior to completion of the RTO, 55 North consolidated all of its issued and outstanding shares on a 10.13:1 basis. On closing, 55 North issued post-consolidation shares in exchange for the outstanding shares of the Company on a one to one basis. As a result, 70,493,217 shares of 55 North were issued giving the shareholders of Ontario Inc. control of approximately 89.99% of the issued and outstanding share capital of 55 North. 55 North then immediately cancelled all of Ontario Inc.'s shares and Ontario Inc. was amalgamated with 55 North Mining Operations Inc., a wholly owned subsidiary of 55 North. All warrants to purchase shares of the Ontario Inc. have carried over to now purchase shares of 55 North on a one to one basis.

Expressed in Canadian dollars unless otherwise indicated

4. REVERSE TAKEOVER TRANSACTION (CONT'D)

After evaluating all the facts surrounding this Transaction, Management determined that IFRS 3, *Business Combinations*, is not applicable and that the Transaction was accounted for as an asset acquisition with Ontario Inc as the acquirer for accounting purposes. These financial statements, as a result of it being a reverse takeover, are a continuation of Ontario Inc.'s historical disclosures, combining 55 North's assets and liabilities and including 55 North transactions that flow through the Statements of Loss and Comprehensive Loss from September 2, 2020 through September 30, 2020.

The issued and outstanding common shares of 55 North are included in the identified assets acquired by Ontario Inc., with each valued as of September 2, 2002. The difference between these combined values, net costs associated with the Transaction, and the value of net assets as of September 2, 2020, is accounted for as Listing Costs on the Consolidated Statement of Loss.

55 North was valued by comparing the value of the shares retained by 55 North shareholders in comparison with the valuation of the Ontario Inc. prior to the RTO. 55 North was valued at $695,988. This value was allocated between the remaining net assets acquired with the difference charged to loss and comprehensive loss for the period as a cost of acquiring the listing.

The following table summarizes the fair value of the total consideration transferred to Ontario Inc. shareholders and the provisional fair value of identified assets acquired, and liabilities assumed, based on preliminary estimates of fair value.

Purchase Price	
Current assets	$ 663,022
Current liabilities	752,770
Net liabilities assumed	**$ 89,748**
Fair value of 7,832,915 shares issued	695,988
Fair value in excess of net liabilities assumed	785,736
Transaction costs related to RTO	49,769
Charge related to public company listing	**$ 835,505**

The consideration paid in excess of net assets acquired, together with related transaction costs were charged to loss and comprehensive loss as listing costs.

5. MINERAL PROPERTIES

On December 30, 2016, the Company signed an option agreement with Tamarak Gold Resources Inc. to option a project near Timmins, Ontario. The Company paid $11,300 and issued 1,000,000 common shares.

On September 5, 2017, the Company signed an option agreement with Peter Dunlop to option the Last Hope Project near Lynn Lake, Manitoba. On signing, the Company paid $65,000 and issued 1,500,000 common shares.

The Company committed to incur an aggregate of at least $250,000 per year for the four years following the execution of this agreement to an aggregate of $1,000,000 and make additional option payments as follows:

- September 5, 2018: $65,000 and an additional 1,500,000 common shares;
- September 5, 2019: $65,000;
- September 5, 2020: $65,000; and
- September 5, 2021: $3,000,000.

On November 4, 2019, an amendment was signed whereby the September 5, 2021 payment was changed to $100,000 and the $3,000,000 payment deferred to September 5, 2022.

The Last Hope Project bears a 2% net smelter returns royalty.

Expressed in Canadian dollars unless otherwise indicated

5. MINERAL PROPERTIES (CONT'D)

After announcing the signing of a letter of intent on June 8, 2020, on July 6, 2020 55 North announced that it had entered into a definitive agreement with European Cobalt Ltd. ("European Cobalt") pursuant to which European Cobalt Ltd. would acquire 100% of the rights, title and interest in the Edleston Gold Project located south of the Timmins gold camp in Ontario Canada ("Edleston"). Under the terms of the Agreement, European Cobalt paid a non-refundable cash payment of $100,000 to the Company, and, upon closing, made a cash payment of $650,000 and issued, to the Company, 100,000,000 common shares of European Cobalt, which are listed and trade on the Australian Securities Exchange. All of the common shares issued by European Cobalt were subject to a three-month voluntary escrow from the date of issue.

6. CANADA EMERGENCY BUSINESS ACCOUNT

As a result of COVID-19, the Canadian federal government created the Canada Emergency Business Account ("CEBA"), designed to provide some financial assistance to qualifying Canadian companies. In April 2020, the Company applied for this funding and received $40,000 as an unsecured, non-interest-bearing demand loan. This loan is due on or before December 31, 2022. If paid before this time, $10,000 of the loan is forgiven. If not paid by this date, interest at a rate of 5% per annum, will need to be paid monthly.

7. 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, 2018	**52,275,001**	**844,301**
Issued on private placement	16,718,216	925,025
Warrant allocation	—	(158,569)
Share issue costs	—	(30,000)
Flow-through premium	—	(212,007)
Balance, December 31, 2019	**68,993,217**	**$ 1,368,750**
Issued on settlement of debt	1,500,000	150,000
Issued on reverse takeover transaction	7,832,915	695,988
Issued on private placement	7,132,080	1,403,416
Warrant allocation	—	(484,898)
Share issue costs	—	(106,220)
Flow-through premium	—	(333,604)
Balance, September 30, 2020	**85,458,212**	**$ 2,693,432**

On September 10, 2019, a director of the Company subscribed for 1,562,500 units at a price of $0.08 per unit for proceeds of $125,000. Each unit was comprised of one common share and one half of a warrant, with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On September 10, 2019, the Company closed a private placement, issuing 14,285,716 flow-through units for proceeds of $750,000. Each unit was comprised of one flow-through common share and one-half warrant with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

Expressed in Canadian dollars unless otherwise indicated

7. SHARE CAPITAL (CONT'D)

On December 31, 2019, the Company closed a private placement, issuing 870,000 flow-through units for proceeds of $50,025. Each unit was comprised of one flow-through common share and one-half warrant with each warrant exercisable at $0.18 per share until December 31, 2022.

On July 2, 2020, certain creditors agreed to receive a total of 1,500,000 common shares in settlement of $150,000 debt owed to them, with each share issued at $0.10 per share.

On September 2, 2020, 55 North completed the RTO resulting in the acquisition of control of 55 North by the shareholders of Ontario Inc. Pursuant to the amalgamation, all issued and outstanding securities in the capital of 55 North were converted into like issued and outstanding securities of the Company on a one-for-one basis resulting in the issuance of 7,832,915 shares with each share issued at $0.09 per share.

On September 24, 2020, the Company closed a private placement for gross proceeds of $1,403,416, issuing 6,672,080 flow through units at $0.20 per unit for gross proceeds of $1,334,416 and 460,000 non-flow through units at $0.15 per unit for gross proceeds of $69,000. Each flow through and non-flow through unit consists of one common share and one warrant, with each warrant entitling the holder to acquire a common share at $0.30 per share for 48 months. As part of the compensation for the finder's fees the Company paid $105,520 to certain eligible finders and issued 500,000 compensation options that entitle the holder to acquire one common share for $0.20 per share for 48 months and 36,800 compensation options that entitle the holder to purchase one common share for $0.15 per share for 48 months.

8. WARRANTS

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

	September 30, 2020		December 31, 2019	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance, beginning	**22,634,108**	**$ 0.10**	**22,275,000**	**$ 0.05**
Granted – pre RTO	1,666,666	0.18	8,359,108	0.18
Cancelled	(24,300,774)	0.10	—	—
Granted – replacement warrants (1)	24,517,950	0.11	—	—
Granted – post RTO	7,668,880	0.29	—	—
Expired	—	—	(8,000,000)	0.05
Balance, ending	**32,186,830**	**$ 0.15**	**22,634,108**	**$ 0.10**

Notes:

(1) Following completion of the RTO, warrants issued by 55 North and Ontario Inc. were replaced by new 55 North Mining Inc. warrants using the transaction share exchange ratio.

At September 30, 2020, there were 32,186,830 warrants outstanding, with each warrant entitling the holder to acquire one common share of the Company at the prices noted below:

Expressed in Canadian dollars unless otherwise indicated

8. WARRANTS (CONT'D)

Number	Exercise Price	Remaining Contractual Life In Years	Expiry Date
217,176	$0.61	2.22	December 18, 2022
7,132,080	$0.30	3.99	September 24, 2024
1,666,666	$0.18	2.25	December 31, 2022
9,000,000	$0.05	0.24	December 28, 2020
5,275,000	$0.05	0.23	December 24, 2020
7,924,108	$0.18	2.25	September 10, 2022 (1)
435,000	$0.18	2.55	December 31, 2022 (2)
500,000	$0.20	3.99	September 24, 2024 (3)
36,800	$0.15	3.99	September 24, 2024 (4)
32,186,830	**$0.15**	**1.77**	

Notes:

(1) In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

(2) In August 2020, the terms of these warrants were changed to an exercise price of $0.18 and with an expiration date of December 31, 2022.

(3) These compensation options entitle the holder to acquire a unit at a price of $0.20 per unit. Each unit is comprised of one common share and one warrant which can be exercised to acquire one additional common share at a price of $0.30 for a period of 48 months.

(4) These compensation options entitle the holder to acquire a unit at a price of $0.15 per unit. Each unit is comprised of one common share and one warrant which can be exercised to acquire one additional common share at a price of $0.30 for a period of 48 months.

On July 13, 2020, the Company issued 1,666,666 warrants to 1911 Gold Inc., for services rendered in connection with various corporate activities. Each warrant is exercisable at $0.18 per share until December 31, 2022.

As part of the September 24, 2020 financing (see Note 7), the Company issued 7,132,080 warrants entitling the holder to acquire one common share at a price of $0.30 per share for 48 months. The Company also issued 500,000 compensation options that entitle the holder to acquire one unit at a price of $0.20 per unit., with each unit comprised of one common share and one warrant which can be exercised to acquire one additional common share at a price of $0.30 for a period of 48 months. The Company also issued 36,800 compensation options that entitle the holder to acquire one unit at a price of $0.15 per unit, with each unit comprised of one common share and one warrant which can be exercised to acquire one additional common share at a price of $0.30 for a period of 48 months.

The warrants value were 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 0.25% to 0.33% and expected life of 2.5 to 4 years.

Expressed in Canadian dollars unless otherwise indicated

9. 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.

On October 7, 2019, the 55 North Board issued 3,000,000 incentive share options to Officers, Directors, employees and consultants with each option having a 5-year term and an exercise price of $.05. After the 1 for 10.13 share consolidation effective September 1, 2020, the total number of options was adjusted to 296,148 and the exercise price adjusted to $0.51 per share. Share issue costs were 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 33%, risk free interest rate of 1.32% and expected life of 5 years. These options remain unexercised at September 30, 2020.

A summary of the status of the Company's outstanding options as at September 30, 2020 and December 31, 2019 and changes during the periods then ended are as follows:

	Sep. 30, 2020		Dec. 31, 2019	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance, beginning	**296,148**	**$ 0.51**	—	$ —
Cancelled	(296,148)	0.51	—	—
Granted – replacement options	296,148	0.51	296,148	0.51
Balance, ending	**296,148**	**$ 0.51**	**296,148**	**$ 0.51**

The average remaining life of the options is 4.02 years (December 31, 2019 – 4.77 years).

Notes:

(1) Following completion of the RTO, options issued by 55 North were replaced by new 55 North Mining Inc. options using the transaction share exchange ratio.

10. RELATED PARTY TRANSACTIONS

The Company's Chairman and CEO was owed $250,000 at September 30, 2020 (December 31, 2019 - $220,000). This liability was non-interest bearing, unsecured and repayable on demand. This amount, along with $50,000 of accrued pay was converted into units as part of the November 12, 2020 financing (see Note 14).

Compensation of key management personnel and directors for the period was as follows:

	Three Months Ended September 30, 2020	2019	Nine Months Ended September 30, 2020	2019
Cash compensation	$ 40,000	$ 30,000	$ 100,000	$ 30,000

10. RELATED PARTY TRANSACTIONS (CONT'D)

During the three and nine months ended September 30, 2020, the Company remunerated its CEO $5,000 and $5,000, respectively (three and nine months ended September 30, 2019 - $NIL and $NIL, respectively) and its CFO $5,000 and $35,000, respectively (three and nine months ended September 30, 2019 - $10,000 and $10,000, respectively). At September 30, 2020, the Company's CEO and CFO are owed $45,000 and $10,000, respectively, as unpaid compensation and unreimbursed expenses (December 31, 2019, the Company's CEO and CFO were owed $NIL and $NIL, respectively, for unpaid compensation).

On July 2, 2020, the Company's CFO and a director agreed to receive 200,000 common shares each in settlement of $20,000 debt owed to each of them, with each share issued at $0.10 per share (see Note 7).

Included in management and consulting are fees paid to certain directors for $20,000 and $60,000 for the three and nine-month period ended September 30, 2020 respectively (three and nine-month period ended September 30, 2019 - $nil and $nil).

The loan receivable as at December 31, 2019 of $428,233 was due from old 55 North and is non-interest bearing, unsecured, and repayable on demand. This amount eliminates on consolidation now that Ontario Inc. is a subsidiary of 55 North.

11. CAPITAL MANAGEMENT

The Company's total capital balance of $731,429 consists of $2,693,432 of share capital, $802,454 of warrant reserve, with an offsetting deficit of $2,764,457.

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.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and adjusts 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.

12. 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. At September 30, 2020, the Company had a working capital balance of $669,224.

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

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

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 is exposed to currency risk from its investments held in Australian dollars. Investments held in Australian dollars are reflected at the Canadian equivalent of $92,205 as at September 30, 2020 (December 31, 2019 - $nil).

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, receivables, accounts payable and accrued liabilities, loan payable, and Canada Emergency Business Account approximate their recorded values as at September 30, 2020 and December 31, 2019 due to their short-term nature. The Company's financial instruments are classified as level 1 except for investments which is classified as level 2.

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.

13. LOSS PER SHARE

The calculation of basic loss per share for the three and nine months ended September 30, 2020 was based on total loss attributable to common shareholders of $1,301,244 and $1,554,024, respectively (2019 – losses of $178,796 and $179,004, respectively) and a weighted average number of common shares outstanding of 29,752,508 and 15,219,738 respectively, (2019 – 5,557,557 and 5,328,912, respectively).

14. SUBSEQUENT EVENTS

In 2020, the outbreak of the novel strain of coronavirus ("COVID-19") has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Management has experienced a slow-down in the ability to transact business as a result of the self-isolating measures. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

On October 16, 2020, the Company announced that it closed the second tranche of a non-brokered private placement for gross proceeds of $836,000, made up of $824,000 in flow through financing and $12,000 in non-flow through financing. The flow through financing consisted of 4,120,000 flow through units. Each flow through units was priced at $0.20 each for gross proceeds of $824,000. The non-flow through financing consisted of 80,000 units priced at $0.15 each for gross proceeds of $12,000. Each unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months from the date of issuance.

On November 12, 2020 the Company announced that it closed the third tranche of a non-brokered private placement for gross proceeds of $1,386,920, consisting of $1,371,920 in non-flow-through financing and $15,000 in flow-through financing. Bruce Reid, CEO and Director, subscribed for 2,000,000 non-flowthrough units. The flow-through financing consisted of 75,000 flow-through units priced at $0.20. Each unit is comprised of one common share and one warrant entitling the holder to acquire one additional common share of the Company at a price of $0.30 per share for 48 months from the date of issuance. The Company paid a finder's fee in cash totaling $46,464 to certain eligible finders on the non-flow-through Units sold, and $1,200 on the flow-through Units sold. The Company paid 534,531 compensation options ("Compensation Options") to certain eligible finders of the non-flow-through Units, and 6,000 finder's warrants to certain eligible finders of the flow-through Units. Each Compensation Option is exercisable at a price of $0.15 if paid as commission on a non-flow-through Unit financing, and $0.20 if paid as commission on a flow-through Unit financing, any time prior to the date 48 months from the date of closing. Each Compensation Option entitles the holder to purchase one unit, with each unit consisting of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one common share at a price of $0.30 per share for a period of 48 months from the date of closing. Each finder's warrant entitles the holder to purchase one common share of the Company at a price of $0.30 per share for 48 months from the date of issuance.

14. SUBSEQUENT EVENTS (CONT'D)

On November 27, 2020 the Company announced that it closed an additional tranche of a non-brokered private placement for gross proceeds of $599,777 consisting of $504,777 in non-flow-through financing and $95,000 in flow-through financing. The non-flow-through financing consisted of 3,365,183 units ("NFT Units") priced at $0.15. The flow-through financing consisted of 475,000 flow-through units ("FT Units") priced at $0.20. Each FT and NFT 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 of the Company at a price of $0.30 per share for 48 months from the date of issuance. The Company paid a finder's fee in cash totaling $21,200 to certain eligible finders on the NFT Units sold, and $1,600 on the FT Units sold. The Company paid 141,333 compensation options ("Compensation Options") to certain eligible finders of the NFT Units, and 8,000 compensation options to certain eligible finders of the FT Units. Each Compensation Option is exercisable at a price of $0.15 if paid as commission on a NFT Unit financing, and $0.20 if paid as commission on a FT Unit financing, any time prior to the date 48 months from the date of closing. Each Compensation Option entitles the holder to purchase one unit, with each unit consisting of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one common share at a price of $0.30 per share for a period of 48 months from the date of closing. Each finder's warrant entitles the holder to purchase one common share of the Company at a price of $0.30 per share for 48 months from the date of issuance

On December 4, 2020 the Company announced that it closed an additional tranche of a non-brokered private placement for gross proceeds of $200,000 in non-flow-through financing. The non-flow-through financing consisted of 1,333,334 units priced at $0.15 per unit. Each unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share of the Company at a price of $0.30 per share for 48 months from the date of issuance. The Company paid a finder's fee in cash totaling $16,000 to certain eligible finders on the non-flow-through units sold. The Company also paid 106,666 compensation options to certain eligible finders that are exercisable at a price of $0.15 per option. Each option entitles the holder to purchase one common share and one common share purchase warrant that is exercisable at a price of $0.30 per share for a period of 48 months from the date of issuance.

2552883 Ontario Inc.

Financial Statements

December 31, 2019 and 2018

2552883 Ontario Inc.
Statements of Financial Position
Expressed in Canadian dollars

	December 31, 2019	December 31, 2018
ASSETS		
Current assets		
Cash	**$ 478,139**	$ 79,079
Receivables	**33,481**	6,927
Loan receivable *(Note 9)*	**428,233**	280,645
	$ 939,853	366,651
Investments *(Note 5)*	**66,508**	115,000
	$ 1,006,361	$ 481,651
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**$ 173,560**	$ 291,518
Flow-through share premium liability *(Note 13)*	**210,095**	17,225
Loan payable *(Note 9)*	**220,000**	100,000
	603,655	408,743
Shareholders' equity		
Share capital *(Note 6)*	**1,368,750**	844,301
Warrants *(Note 7)*	**244,389**	106,082
Deficit	**(1,210,433)**	(877,475)
	402,706	72,908
	$ 1,006,361	$ 481,651

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

On behalf of the Board:

B D Reid

Bruce Reid

Director

2552883 Ontario Inc.

Statements of Loss and Comprehensive Loss

For the years ended December 31, 2019 and 2018

Expressed in Canadian dollars

	2019	2018
Expenditures		
General and administration	$ 102,046	$ 997
Management and consulting	100,000	135,500
Mining claim commitments	65,000	95,000
Project expenditures	50,116	444,170
Professional fees	6,703	37,200
Loss and comprehensive loss before other items	323,865	712,867
Revaluation of investment	48,492	—
Loss and comprehensive loss before taxes	372,357	712,867
Future tax recovery	(19,137)	(39,750)
Loss and comprehensive loss for the year	$ 353,220	$ 673,117
Basic and diluted loss per common share *(Note 12)*	$ (0.01)	$ (0.02)
Weighted average number of shares outstanding during the year/period - basic and diluted	57,183,819	30,867,878

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

2552883 Ontario Inc.
Statements of Changes in Equity
For the years ended December 31, 2019 and 2018
Expressed in Canadian dollars

	Share Capital	Warrants	Deficit	Total
Balance at December 31, 2017	**$ 443,008**	**$ ---**	**$ (204,358)**	**$ 238,650**
Loss for the year	---	---	(673,117)	(673,117)
Shares issued - private placement *(Note 6)*	87,336	12,664	---	100,000
Shares issued - shares for debt *(Note 6)*	127,798	42,702	---	170,500
Shares issued – flow-through private placement *(Note 6)*	101,832	23,168	---	125,000
Flow-through share premium liability	(33,125)		---	(33,125)
Shares issued for investment	87,452	27,548	---	115,000
Shares issued - property acquisition *(Note 6)*	30,000	---	---	30,000
Balance at December 31, 2018	**$ 844,301**	**$ 106,082**	**$ (877,475)**	**$ 72,908**
Loss for the year	---	---	(353,220)	(320,769)
Shares issued – private placement *(Note 6)*	766,456	158,569	---	925,025
Flow-through share premium liability	(212,007)	---	---	(212,007)
Share issue costs	(30,000)	---	---	(30,000)
Warrant expiry	---	(20,262)	20,262	---
Balance at December 31, 2019	**$1,368,750**	**$ 244,389**	**$(1,210,433)**	**$ 402,706**

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

2552883 Ontario Inc.
Statements of Cash Flows
For the years ended December 31, 2019 and 2018
Expressed in Canadian dollars

	2019	2018
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the year	$(353,220)	$ (673,117)
Investment revaluation	48,492	—
Tax recovery	(19,137)	(39,750)
Acquisition costs	—	30,000
Shares issued for debt	—	170,500
Net change in non-cash working capital items:		
Receivables	(26,554)	(3,510)
Prepaids	—	50,000
Accounts payable and accrued liabilities	(117,958)	142,295
	(468,377)	(323,582)
FINANCING ACTIVITIES		
Shares issued	895,025	225,000
Loan payable	120,000	100,000
Loan receivable	(147,588)	68,328
	867,437	393,328
Net change in cash	399,060	69,746
Cash, beginning of year	79,079	9,333
Cash, end of year	$ 478,139	$ 79,079

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

1. CORPORATE INFORMATION

2552883 Ontario Inc. (the "Company") was incorporated under the laws of Ontario on December 21, 2016. The Company acquires, explores, and develops mineral properties in Manitoba, Canada.

The Company was originally set up as a means to access funds needed by 55 North Mining Inc. ("55 North"), as 55 North was unable to raise equity as a result of being cease-traded by various Canadian securities commissions. The intention was to eventually merge the two companies. This was achieved in September 2020 (see Note 14).

The Company's corporate head office and registered is located at 401 Bay Street, Suite 2702, Toronto ON M5H 2Y4. The Company is not a reporting issuer, as defined in corporate law, and its shares are not currently listed for trading on any stock exchange.

Going Concern

For the year ended December 31, 2019, the Company had a loss of $353,220 (2018 - $673,117) and, as of that date, the Company's current assets exceeded its current liabilities by $336,198 (2018 - negative working capital of $42,092) and the Company had shareholders' equity of $402,706 (2018 - $72,908). The Company has no significant sources of revenue. 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 financial statements of the Company for the twelve months ended December 31, 2019 were approved and authorized for issue by the Board of Directors of the Company on October 28, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

a) Basis of presentation:

The Company prepares it consolidated 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 reference to dollars ($) are to Canadian dollars unless otherwise noted.

b) Cash

Cash consists of funds on deposit.

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

c) Financial instruments

Financial assets must be classified and measured based on three categories: amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"). Financial liabilities are classified and measured based on two categories: amortized cost and FVTPL. Initially, all financial assets and financial liabilities are recorded in the consolidated balance sheets at fair value. After initial recognition, the effective interest related to financial assets and liabilities measured at amortized cost and the gain or loss arising from the change in the fair value of financial assets or liabilities classified as FVTPL are included in net income (loss) for the year in which they arise. Financial assets measured at amortized cost or those measured at FVTOCI, except for investment in equity instruments, at each balance sheet date requires an impairment analysis using the expected credit loss model ("ECL") to determine the expected credit losses using judgment determined on a probability weighting basis.

The Company has designated its cash, receivables and loan receivable as amortized cost, measured at amortized cost and has designated its accounts payable and accrued liabilities as amortized cost measured at amortized cost, which is reflected on the statement of financial position as amortized cost using the effective interest method of measurement.

The Company has designated its investments as fair value through profit or loss, measured at fair value.

Transaction costs are expensed as incurred for financial instruments classified or designated at fair value through profit or loss. For other financial instruments, transaction costs are added to the related financial asset or liability on initial recognition and are measured at amortized cost using the effective interest method. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability.

The Company assesses impairment of all its financial assets, except those classified at fair value through profit or loss. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Impairment is measured as the difference between the asset's carrying value and its fair value. Impairment is included in current net loss.

d) Fair Value

The fair value of a financial instrument is the amount of consideration that could be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no obligation to act. In certain circumstances, however, the initial fair value may be based on other observable current market transactions in the same instrument, without modification or on a valuation technique using market-based inputs.

Fair value measurements recognized in the statement of financial position are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobserved inputs) (Level 3).

Each type of fair value is categorized based on the lowest level input that is significant to the fair value measurement in its entirety.

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

e) Income taxes

Current tax is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the statement of financial position date and includes adjustments to tax payable or recoverable in respect of previous periods.

Deferred tax is recognized using the statement of financial position method in respect of all temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes, except as indicated below.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilized, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in an acquisition that is not a business combination and, at the time of the acquisition, affects neither the accounting profit nor taxable profit or loss and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in an acquisition that is not a business combination and, at the time of the acquisition, affects neither the accounting profit nor taxable profit or loss and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. To the extent that an asset not previously recognized fulfils the criteria for recognition, a deferred income tax asset is recorded.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the asset is realized or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the statement of financial position date.

Current and deferred taxes relating to items recognized directly in equity are recognized in equity and not in the income statement.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority on either the same taxable entities or in different taxable entities, and, where there is the intent to settle the balance on a net basis.

Mining taxes

Income tax expense includes the mining taxes payable to governments that are calculated based on a percentage of taxable profit whereby taxable profit represents net income adjusted for certain items defined in the applicable legislation.

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

e) Income taxes (cont'd)

Flow-through shares

The Company will, from time to time, issue flow-through shares to finance a portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) the flow-through share premium liability measured at fair value, which is recognized as a liability representing the sale of tax deductions, and ii) the residual proceeds are allocated as the value of the common shares issued. On issuance of a flow-through unit (consisting of a flow-through share and a warrant to purchase a common share), the Company allocates the flow-through unit into i) the flow-through share premium liability measured at fair value, which is recognized as a liability representing the sale of tax deductions, ii), and the estimated fair value of a warrant and common share using the relative fair value method. Upon qualifying expenses being incurred the Company derecognizes the flow-through share premium liability and recognizes a credit to deferred tax expense.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a liability until paid.

f) Revenue recognition

Interest income is recognized using the effective interest rate method.

g) Exploration expenditures and mining claims

Exploration expenditures relate to activities that are directed towards less than proven and probable ore reserves and are expensed as incurred. The costs to acquire mining claims is expensed.

h) Impairment of non-financial assets

Mining claims are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). Value in use is determined as the present value of the future cash flows expected to be derived from an asset or CGU. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Fair value less cost to sell is the amount obtainable from the sale of an asset or CGU in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount and is recorded as an expense.

Non-financial assets that have been impaired in prior periods are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior periods. A reversal of an impairment loss is recognized in the statement of loss and comprehensive loss.

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

i) Provisions

Provisions are recognized in other liabilities when the Company has a present legal or constructive obligation because of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is material, such as closure costs.

j) Share-based compensation plan and warrants

The fair value-based method of accounting is applied to all share-based compensation. The fair value of the share options granted is estimated on the date of grant using the Black-Scholes option-pricing model and is recorded as an expense over the applicable vesting period based on the number of awards expected to vest. Each tranche of an award is considered a separate award with its own vesting period and grant date fair value. Any consideration paid by the directors on exercise of the share option is credited to share capital. Awards of options and warrants related to private placements or public offerings of shares are treated as share issue costs.

k) Net loss per share

Basic net loss per share is calculated using the daily weighted average number of shares outstanding.

Diluted net loss per share is calculated using the daily weighted average number of shares that would have been outstanding during the year had all dilutive potential common shares been issued at the beginning of the year, or when the underlying options, warrants or convertible securities were granted or issued, if later. The treasury share method is employed to determine the incremental number of shares that would have been outstanding had the Company used proceeds from the exercise of options or warrants to acquire shares.

l) Recent accounting pronouncements

Adoption of IFRS framework

These are the first statements prepared by the Company under IFRS since incorporation.

Future accounting pronouncements

The Conceptual Framework for Financial Reporting (revised in 2018) has been updated to expand on the existing Conceptual Framework by focusing on the elements of financial statements, recognition and derecognition, measurement, and presentation and disclosure. The standard is effective for annual periods beginning on or after January 1, 2020. The Company is currently evaluating the impact of the new standard on its financial statements.

Amendments to IAS 1 - Presentation of Financial Statements and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors has been updated. The definition of "material" is being clarified for purpose of improving consistency and application of the concept where applicable. The standard is effective for annual periods beginning on or after January 1, 2020. The Company is currently evaluating the impact of the new standard on its financial statements.

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 income (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.

The Company is also required to spend proceeds received from the issuance of flow-through shares on qualifying resource expenditures. Management's judgment is applied in determining whether qualified expenditures have been incurred. Differences in judgment between management and regulatory authorities could materially increase the flow-through premium liability and flow-through expenditure commitment.

The Company makes estimates as to the market value and inputs related to the valuation of share capital, flow-through share premium liability and the value associated with warrants issued at the time of issuance with respect to the volatility on the underlying common shares, risk free interest rate and forfeiture rates and market premiums paid for flow-through common shares. In establishing fair value management considers historical performance.

4. MINING CLAIMS

On December 30, 2016, the Company signed an option agreement with Tamarak Gold Resources Inc. to option a project near Timmins, Ontario. The Company paid $11,300 and issued 1,000,000 common shares.

On September 5, 2017, the Company signed an option agreement with Peter Dunlop to option the Last Hope Project near Lynn Lake, Manitoba. On signing, the Company paid $65,000 and issued 1,500,000 common shares.

The Company committed to incur an aggregate of at least $250,000 per year for the four years following the execution of this agreement to an aggregate of $1,000,000 and make additional option payments as follows:

- September 5, 2018: $65,000 and an additional 1,500,000 common shares;
- September 5, 2019: $65,000;
- September 5, 2020: $65,000; and
- September 5, 2021: $3,000,000.

On November 4, 2019, an amendment was signed whereby the September 5, 2021 payment was changed to $100,000 and the $3,000,000 payment deferred to September 5, 2022.

The Last Hope Project bears a 2% net smelter returns royalty.

5. INVESTMENTS

Investments consist of 1,916,666 shares held in 55 North and 1,916,666 warrants to purchase further shares of 55 North.

Expressed in Canadian dollars, unless otherwise indicated

The warrants granted on December 28, 2018, have an 18-month life and are exercisable into common shares of 55 North at a price of 0.07 per share. The fair value of this warrants is valued using the Black-Scholes option-pricing model with the following weighted average assumptions used for warrants: dividend yield of 0%, expected volatility of 100%, risk free interest rate of 1.79% (December 31, 2018 - 1.85%) and expected life of 6 months (2018 – 18 months).

	2019	2018
Shares of 55 North	$ 65,742	$ 65,742
Warrants	766	49,258
Total	**$ 66,508**	**$ 115,000**

6. 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, 2017	**25,250,001**	**$ 443,008**
Share issuance - private placement	11,250,000	189,168
Share issuance – shares for debt	8,525,000	127,798
Flow-through premium	—	(33,125)
Shares issued for investment	5,750,000	87,452
Share issuance – mining claim commitments	1,500,000	30,000
Balance, December 31, 2018	**52,275,001**	**844,301**
Share issuance - private placement	16,718,216	925,025
Warrant allocation	—	(158,569)
Share issue costs	—	(30,000)
Flow-through premium	—	(212,007)
Balance, December 31, 2019	**68,993,217**	**$ 1,368,750**

On April 23, 2018, the Company closed a private placement, issuing 3,000,000 flow-through units to the Company's Chairman at a price of $0.02 per unit, resulting in proceeds of $60,000. Each unit was comprised of one common share and one warrant with each warrant exercisable at $0.05 per share until April 23, 2019. These warrants expired unexercised.

On June 1, 2018, the Company closed a private placement, issuing 5,000,000 units at a price of $0.02 per unit, resulting in proceeds of $100,000. Each unit was comprised of one common share and one warrant with each warrant exercisable at $0.05 per share until June 1, 2019. These warrants expired unexercised.

On September 5, 2018, the Company issued 1,500,000 commons shares at a deemed value of $0.02 per share as an option payment to Peter Dunlop for the Last Hope project in Manitoba.

Expressed in Canadian dollars, unless otherwise indicated

6. SHARE CAPITAL (CONT'D)

On December 28, 2018, the Company closed a private placement, issuing 3,250,000 flow-through units to the Company's Chairman at a price of $0.02 per unit, resulting in proceeds of $65,000. Each unit was comprised of one common share and one warrant with each warrant exercisable at $0.05 per share until December 28, 2020.

On December 28, 2018, the Company completed a transaction with the Company's Chairman whereby the Company acquired from him 1,916,666 common shares and 1,916,666 warrants of 55 North. As consideration, the Company issued 5,750,000 units, with each unit comprised of one common share and one warrant. Each warrant is exercisable at $0.05 per share until December 28, 2020.

On December 31, 2018, certain creditors agreed to receive a total of 3,250,000 common shares in settlement of $65,000 debt owed to them, with each share issued at $0.02 per share. Concurrently, certain directors agreed to receive a total of 5,275,000 units at a deemed value of $0.02 per unit in settlement of $105,500 debt owed to them, with each unit issued at $0.02 per unit. The units were comprised of one common share and one warrant, with each warrant exercisable into one common share a price of $0.05 per share until December 31, 2024. In August 2020, the terms of these warrants were changed to an exercise price of $0.18 and with an expiration date of December 31, 2022.

On September 10, 2019, a director of the Company subscribed for 1,562,500 units at a price of 0.08 per unit for proceeds of $125,000. Each unit was comprised of one common share and one half of a warrant, with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On September 10, 2019, the Company closed a private placement, issuing 14,285,716 flow-through units for proceeds of $750,000. Each unit was comprised of one flow-through common share and one half of a warrant with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On December 31, 2019, the Company closed a private placement, issuing 870,000 flow-through units for proceeds of $50,025. Each unit was comprised of one flow-through common share and one half of a warrant with each warrant exercisable at $0.18 per share until December 31, 2022.

7. WARRANTS

The fair value of warrants granted 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% (2018 – 0%), expected volatility of 100% (2018 – 100%), risk free interest rate of 1.53% to 1.69% (2018 - 1.85% to 1.93%) and expected life of 3 years (2018 – 1 to 6 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	**22,275,000**	**$ 0.05**	**—**	**$ —**
Granted	8,359,108	0.18	22,275,000	0.05
Expired	(8,000,000)	0.05	—	—
Balance, ending	**22,634,108**	**$ 0.10**	**22,275,000**	**$ 0.05**

Expressed in Canadian dollars, unless otherwise indicated

7. WARRANTS (CONT'D)

The warrants have a weighted average remaining life of 2.56 years (2018 - 2.36 years) consisting of the following:

	2019	2018
Number of warrants	Remaining life	Remaining life
3,000,000	—	0.31
5,000,000	—	0.42
3,250,000	0.99	1.99
5,750,000	0.99	1.99
5,275,000	5.00	6.00
781,250	2.70	—
7,142,858	2.70	—
435,000	3.00	—
Weighted average	2.56	2.36

8. INCOME TAXES

Income tax provision

The provision for income taxes reflects an effective rate that differs from the combined federal and provincial tax rates for the following reasons:

	2019	2018
Loss before income taxes	**$ (372,357)**	$ (712,867)
Combined statutory income tax rate	**26.50%**	26.50%
Income tax recovery using statutory income tax rates	**(98,675)**	(188,910)
Share issue costs	**(7,950)**	—
Revaluation of investment	**12,850**	—
Valuation allowance	**74,638**	149,160
Deferred tax recovery	**$ (19,137)**	$ (39,750)

Deferred income taxes

Significant components of the Company's deferred income tax asset (liability) are as follows:

	2019	2018
Non-capital losses	**$ 105,663**	$ 48,137
Canadian exploration and development expense pools	**148,313**	136,944
Share issuance costs	**7,585**	1,842
Deferred income tax asset	**261,561**	186,923
Valuation allowance	**(261,561)**	(186,923)
Deferred tax asset	**$ —**	$ —

8. INCOME TAXES

The Company has non-capital loss carry forward amounts available for income tax purposes of $398,727 that expire $319 in 2026, $5,304 in 2027, $176,026 in 2028 and $217,078 in 2029. The Company has $559,671 (December 31, 2018 - $516,770) of unused cumulative Canadian exploration and development costs available to offset future taxable income. The tax benefits pertaining to these expenses are available for carry forward indefinitely.

9. RELATED PARTY TRANSACTIONS

The loan receivable as at December 31, 2019 of $428,233 (December 31, 2018 - $280,645) is due a company under common management, and is non-interest bearing, unsecured, and repayable on demand.

The Company's Chairman and CEO was owed $220,000 at December 31, 2019 (December 31, 2018 - $100,000). This liability is non-interest bearing, unsecured and repayable on demand.

During the year ended December 31, 2019, the Company's CFO was paid $25,000 (2018 - $nil) in compensation.

During the year ended December 31, 2018, the Company recorded liabilities for services rendered to certain directors and officers totaling $130,500. This liability was settled by the issuance of 6,525,000 common shares and 5,275,000 warrants. Each warrant was exercisable into one common share a price of $0.05 per share until December 31, 2024. In August 2020, the terms of these warrants were changed to an exercise price of $0.18 and with an expiration date of December 31, 2022.

10. CAPITAL MANAGEMENT

The Company's total capital balance of $402,706 (December 31, 2018 - capital balance of $72,908) consists of $1,368,750 (December 31, 2018 - $844,301) of share capital, warrants valued at $244,389 (December 31, 2018 - $106,082), and a deficit of $1,210,433 (December 31, 2018 - $877,475).

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.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and adjusts 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.

11. 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:

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

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 assets exceed its current liabilities by $336,198 (December 31, 2018 – negative working capital of $42,092).

Receivables, loan receivable, accounts payable and accrued liabilities and loan 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.

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. The Company is not exposed to any interest rate 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, receivables, loan receivable and accounts payable and accrued liabilities approximate their recorded values as at December 31, 2019 and December 31, 2018 due to their short-term nature. The Company's financial instruments are classified as level 1 except for investments which is classified as level 2.

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.

Expressed in Canadian dollars, unless otherwise indicated

12. LOSS PER SHARE

The calculation of basic and diluted loss per share for the years ended December 31, 2019 and 2018, was based on total loss attributable to common shareholders of $353,270 (2018 - $673,117) and a weighted average number of common shares outstanding of 57,183,819 (2018 – 30,867,878).

13. FLOW-THROUGH SHARE PREMIUM LIABILITY

Balance, December 31, 2017	$	23,850
Flow-through share premium liability incurred		33,125
Settlement of flow-through share liability on incurring expenditures		(39,750)
Balance, December 31, 2018		17,225
Flow-through share premium liability incurred		212,007
Settlement of flow-through share liability on incurring expenditures		(19,137)
Balance, December 31, 2019	**$**	**210,095**

During the years ended December 31, 2019 and 2018, the Company incurred qualified flow through funded exploration expenditures, fulfilling its commitment under the flow through financing from the year ended December 30, 2017. The Company must spend $792,810 (2018 - $65,000) on qualified flow through funded exploration expenditures before December 31, 2020 (2018 – December 31, 2019). Subsequent to year-end, as a result of COVID-19 measures flow through expenditures were granted a 12 month extension.

14. SUBSEQUENT EVENTS

Subsequent to December 31, 2019, the outbreak of the novel strain of coronavirus ("COVID-19"), has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.
On July 2, 2020, certain creditors agreed to receive a total of 1,500,000 common shares in settlement of $150,000 debt owed to them, with each share issued at $0.10 per share.

On July 13, 2020, the Company issued 1,666,666 warrants to 1911 Gold Inc., for services rendered in connection with various corporate activities. Each warrant is exercisable at $0.18 per share until December 31. 2022.

On September 2, 2020, 55 North announced that it had completed its acquisition of the Company through a reverse takeover arrangement (the "RTO").

Prior to completion of the RTO, 55 North consolidated all of its issued and outstanding shares on a 10.13:1 basis. On closing, 55 North issued post-consolidation shares in exchange for the outstanding shares of the Company on a one to one basis. As a result, 70,493,217 shares of 55 North were issued giving the shareholders of the Company control of approximately 89.99% of the issued and outstanding share capital of 55 North. 55 North then immediately cancelled all of the Company's shares and was amalgamated with 55 North Mining Operations Inc., a wholly owned subsidiary of 55 North. All warrants to purchase shares of the Company have carried over to now purchase shares of 55 North on a one to one basis.

55 North was valued by comparing the value of the shares retained by 55 North shareholders in comparison with the valuation of the Company prior to the RTO. 55 North was valued at $750,953. This value was allocated between the remaining net assets acquired with the difference charged to loss and comprehensive loss for the period as a cost of acquiring the listing.

Expressed in Canadian dollars, unless otherwise indicated

14. SUBSEQUENT EVENTS (CONT'D)

As a result of the RTO the net assets acquired by the Company of 55 North are as follows:

Current assets	$	665,954
Current liabilities		(206,087)
Net assets acquired	$	459,867

Value of shares issued by the Company to acquire 55 North	$	750,953
Consideration paid in excess of net assets acquired		291,086

The consideration paid in excess of net assets acquired, together with related transaction costs will be expensed as a charge related to acquiring a public company listing

On September 24, 2020, the Company announced that it closed a non-brokered private placement for gross proceeds of $1,403,416. 6,672,080 flow through units at $0.20 per unit were issued for gross proceeds of $1,334,416. Each flow through unit consists of one common flow through share and one warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months. 460,000 non-flow through units at $0.15 per unit were issued for gross proceeds of $69,000. Each non-flow through unit consists of one common share and one warrant entitling the holder to acquire on additional common share at $0.30 per share for 48 months.

As part of the compensation for the finder's fees the Company paid $105,520 to certain eligible finders and issued 500,000 options that entitle the holder to acquire one common share for $0.20 per share for 48 months and 36,800 options that entitle the holder to purchase one common share for $0.15 per share for 48 months.

On October 16, 2020, the Company announced that it closed the second tranche of a non-brokered private placement for gross proceeds of $836,000, made up of $824,000 in flow through financing and $12,000 in non-flow through financing. The flow through financing consisted of 4,120,000 flow through units ("FT Units"). Each FT Unit was priced at $0.20 each for gross proceeds of $824,000. Each FT 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 $0.30 per share for 48 months from the date of issuance. The non-flow through financing consisted of 80,000 units ("NFT Units") priced at $0.15 each for gross proceeds of $12,000. Each NFT Unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months from the date of issuance.

55 North Mining Inc.

(Formerly SGX Resources Inc.)

Financial Statements

December 31, 2019 and 2018

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards ("IFRS"). This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Board of Directors exercises its responsibilities for financial controls and is responsible for overseeing management in the performance of its financial reporting responsibilities. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Audit Committee is also responsible for recommending the appointment of the Company's external auditors.

Scarrow & Donald LLP, an independent firm of Chartered Professional Accountants, is appointed by the shareholders to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

B D Reid

Bruce Reid
President & CEO, Director

Julio DiGirolamo CPA, CA
Chief Financial Officer

April 28, 2020

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of 55 North Mining Inc.:

Opinion
We have audited the financial statements of 55 North Mining Inc. (the Company), which comprise the statements of financial position as at December 31, 2019 and 2018 and the statements of net income (loss) and comprehensive income (loss), statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

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

Material Uncertainty Related to Going Concern
We draw attention to Note 1 in the financial statements, which indicates that the Company had net income of $820,609 (2018 - loss of $227,216) during the year ended December 31, 2019, the Company's current liabilities exceeded its total assets by $504,283 (2018 - $2,495,385), and as of that date, the Company had a deficit of $29,560,964 (2018 - $30,381,573). As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information
Management is responsible for the other information. The other information comprises the Management's Discussion & Analysis.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Scott Smith.

Scarrow & Donald LLP

Chartered Professional Accountants
Winnipeg, Manitoba
April 28, 2020

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

	December 31, 2019	December 31, 2018
ASSETS		
Current assets		
Cash	**$ 2,315**	$ 246,034
GST/HST recoverable	**33,562**	3,908
Prepaids	**1,350**	1,800
	37,227	251,742
Fixed assets *(Note 4)*	**485**	2,428
	$ 37,712	$ 254,170
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**$ 152,055**	$ 302,656
Advances payable *(Note 9)*	**389,455**	357,165
Due to related parties *(Note 9)*	**---**	1,844,865
Promissory note payable *(Note 9)*	**---**	124,463
Flow-through share premium liability *(Note 13)*	**---**	117,978
	541,510	2,747,127
Shareholders' equity		
Share capital *(Note 5)*	**28,940,766**	27,814,616
Contributed surplus	**116,400**	74,000
Deficit	**(29,560,964)**	(30,381,573)
	(503,798)	(2,492,957)
	$ 37,712	$ 254,170

Contingency *(Note 12)*

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

On behalf of the Board:

"Bruce Reid" *"Sethu Raman"*

Bruce Reid
Director

Sethu Raman
Director

55 North Mining Inc.

(Formerly SGX Resources Inc.)

Statements of Income (Loss) and Comprehensive Income (Loss)

For the years ended December 31, 2019 and 2018

Expressed in Canadian dollars

	2019	2018
Expenditures		
General and administration	$ 857,320	$ 196,941
Share-based payments	27,000	---
Depreciation	1,943	1,456
Interest expense	3,126	6,046
Exploration costs	381,085	30,405
Loss before other income and income taxes	1,270,474	234,848
Gain on sale of mining claims	1,223,403	---
Forgiveness of debt	749,702	---
Income (loss) before income taxes	702,631	(238,848)
Deferred tax recovery	117,978	7,632
Income (loss) and comprehensive income (loss) for the year	$ 820,609	$ (227,216)
Basic and diluted income (loss) per share	$ 0.01	$ (0.00)
Weighted average number of shares outstanding during the period –		
basic	57,316,909	46,952,665
diluted	61,787,862	46,952,665

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

55 North Mining Inc.

(Formerly SGX Resources Inc.)

Statements of Changes in Equity

For the years ended December 31, 2019 and 2018

Expressed in Canadian dollars

	Share Capital	Contributed Surplus	Deficit	Total
Balance at December 31, 2017	**$27,567,165**	**$ ---**	**$(30,154,357)**	**$(2,587,192)**
Loss for the year	---	---	(227,216)	(227,216)
Shares issued *(Note 5)*	247,451	74,000	---	321,451
Balance at December 31, 2018	**$27,814,616**	**$ 74,000**	**$(30,381,573)**	**$(2,492,957)**
Income for the year	**---**	**---**	**820,609**	**820,609**
Share-based payments	**---**	**27,000**	**---**	**27,000**
Warrants issued	**---**	**15,400**	**---**	**15,400**
Shares issued *(Note 5)*	**1,126,150**	**---**	**---**	**1,126,150**
Balance at December 31, 2019	**$28,940,766**	**$116,400**	**$(29,560,964)**	**$ (503,798)**

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

55 North Mining Inc.
(Formerly SGX Resources Inc.)
Statements of Cash Flows
For the years ended December 31, 2019 and 2018
Expressed in Canadian dollars

	2019	2018
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net income (loss) for the year	**$ 820,609**	$ (227,216)
Add (deduct) non-cash effects on operating income:		
Depreciation expense	**1,943**	1,456
Share-based payments (Note 6)	**27,000**	---
Deferred tax recovery	**(117,978)**	(7,632)
Gain on sale of mining claims	**(1,223,403)**	---
Forgiveness of debt	**(749,702)**	---
Waived interest expense	**3,126**	---
Shares issued for payment of expenses	**780,000**	---
Net change in non-cash working capital items:		
GST/HST recoverable	**(29,654)**	586
Prepaids	**450**	---
Accounts payable and accrued liabilities	**13,399**	195,623
Due to related parties	**(199,349)**	---
Promissory note payable	**---**	6,039
	(673,559)	(31,144)
INVESTING ACTIVITIES		
Sale of mining claim	**200,000**	---
FINANCING ACTIVITIES		
Change in advances	**32,290**	(175,023)
Subscribed shares	**200,000**	474,000
Payment for share issue costs	**(2,450)**	(26,939)
	229,840	272,038
Net change in cash	**(243,719)**	240,894
Cash, beginning of year	**246,034**	5,140
Cash, end of year	**$ 2,315**	$ 246,034

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

1. CORPORATE INFORMATION

55 North Mining Inc. (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".

The Company's shares resumed trading on the TSXV on August 14, 2019, trading for 10 days before being delisted, at the request of management. The Company has conditional approval from the Canadian Securities Exchange to begin trading, pending compliance with certain conditions, specifically having adequate working capital. Management is currently in the process of raising capital to comply with this condition.

Going Concern

For the year ended December 31, 2019, the Company had net income of $820,609 (2018 - loss of $227,216) and, as of that date, the Company's current liabilities exceeded its current assets by $504,283 (2018 - $2,495,385) and the Company had a deficit of $29,560,964 (2018 - $30,381,573). 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 financial statements of the Company for the twelve months ended December 31, 2019 were approved and authorized for issue by the Board of Directors of the Company on April 28, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

a) Basis of presentation:

The Company prepares it consolidated 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 reference to dollars ($) are to Canadian dollars unless otherwise noted.

b) Cash

Cash consists of funds on deposit.

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

c) Fixed Assets

Fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. The application of this policy requires an estimate of the useful life of the asset and its residual value. The Company provides for depreciation of computer equipment so as to apply the cost of the assets over the estimated useful lives on a straight-line basis over 3 years.

d) Financial instruments

Financial assets must be classified and measured based on three categories: amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"). Financial liabilities are classified and measured based on two categories: amortized cost and FVTPL. Initially, all financial assets and financial liabilities are recorded in the consolidated balance sheets at fair value. After initial recognition, the effective interest related to financial assets and liabilities measured at amortized cost and the gain or loss arising from the change in the fair value of financial assets or liabilities classified as FVTPL are included in net income (loss) for the year in which they arise. Financial assets measured at amortized cost or those measured at FVTOCI, except for investment in equity instruments, at each balance sheet date requires an impairment analysis using the expected credit loss model ("ECL") to determine the expected credit losses using judgment determined on a probability weighting basis.

The Company has designated its cash as amortized cost, measured at amortized cost and has designated its accounts payable and accrued liabilities, advances payable, due to related parties and promissory note payable as amortized cost measured at amortized cost, which is reflected on the statement of financial position as amortized cost using the effective interest method of measurement.

Transaction costs are expensed as incurred for financial instruments classified or designated at fair value through profit or loss. For other financial instruments, transaction costs are added to the related financial asset or liability on initial recognition and are measured at amortized cost using the effective interest method. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability.

The Company assesses impairment of all its financial assets, except those classified at fair value through profit or loss. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Impairment is measured as the difference between the asset's carrying value and its fair value. Impairment is included in current net loss.

e) Fair Value

The fair value of a financial instrument is the amount of consideration that could be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no obligation to act. In certain circumstances, however, the initial fair value may be based on other observable current market transactions in the same instrument, without modification or on a valuation technique using market-based inputs.

Fair value measurements recognized in the statement of financial position are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobserved inputs) (Level 3).

Each type of fair value is categorized based on the lowest level input that is significant to the fair value measurement in its entirety.

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

f) Income taxes

Current tax is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the statement of financial position date and includes adjustments to tax payable or recoverable in respect of previous periods.

Deferred tax is recognized using the statement of financial position method in respect of all temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes, except as indicated below.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilized, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in an acquisition that is not a business combination and, at the time of the acquisition, affects neither the accounting profit nor taxable profit or loss and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in an acquisition that is not a business combination and, at the time of the acquisition, affects neither the accounting profit nor taxable profit or loss and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. To the extent that an asset not previously recognized fulfils the criteria for recognition, a deferred income tax asset is recorded.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the asset is realized or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the statement of financial position date.

Current and deferred taxes relating to items recognized directly in equity are recognized in equity and not in the income statement.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority on either the same taxable entities or in different taxable entities, and, where there is the intent to settle the balance on a net basis.

Mining taxes

Income tax expense includes the mining taxes payable to governments that are calculated based on a percentage of taxable profit whereby taxable profit represents net income adjusted for certain items defined in the applicable legislation.

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

f) Income taxes (cont'd)

Flow-through shares

The Company will, from time to time, issue flow-through shares to finance a portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) the flow-through share premium liability measured at fair value, which is recognized as a liability representing the sale of tax deductions, and ii) the residual proceeds are allocated as the value of the common shares issued. On issuance of a flow-through unit (consisting of a flow-through share and a warrant to purchase a common share), the Company allocates the flow-through unit into i) the flow-through share premium liability measured at fair value, which is recognized as a liability representing the sale of tax deductions, ii), and the estimated fair value of a warrant and common share using the relative fair value method. Upon qualifying expenses being incurred the Company derecognizes the flow-through share premium liability and recognizes a credit to deferred tax expense.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a liability until paid.

g) Revenue recognition

Interest income is recognized using the effective interest rate method.

h) Exploration expenditures and mining claims

Exploration expenditures relate to activities that are directed towards less than proven and probable ore reserves and are expensed as incurred. The costs to acquire mining claims are capitalized.

i) Impairment of non-financial assets

Mining claims are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). Value in use is determined as the present value of the future cash flows expected to be derived from an asset or CGU. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Fair value less cost to sell is the amount obtainable from the sale of an asset or CGU in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount and is recorded as an expense.

Non-financial assets that have been impaired in prior periods are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior periods. A reversal of an impairment loss is recognized in the statement of income (loss) and comprehensive income (loss).

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

j) Provisions

Provisions are recognized in other liabilities when the Company has a present legal or constructive obligation because of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material, such as closure costs.

k) Share-based compensation plan and warrants

The fair value-based method of accounting is applied to all share-based compensation. The fair value of the share options granted is estimated on the date of grant using the Black-Scholes option-pricing model and is recorded as an expense over the applicable vesting period based on the number of awards expected to vest. Each tranche of an award is considered a separate award with its own vesting period and grant date fair value. Any consideration paid by the directors on exercise of the share option is credited to share capital. Awards of options and warrants related to private placements or public offerings of shares are treated as share issue costs.

l) Net loss per share

Basic net loss per share is calculated using the daily weighted average number of shares outstanding.

Diluted net loss per share is calculated using the daily weighted average number of shares that would have been outstanding during the year had all dilutive potential common shares been issued at the beginning of the year, or when the underlying options, warrants or convertible securities were granted or issued, if later. The treasury share method is employed to determine the incremental number of shares that would have been outstanding had the Company used proceeds from the exercise of options or warrants to acquire shares.

m) Adoption of significant accounting policies

IFRS 16 – Leases - In January 2016, the IASB issued IFRS 16. The new standard requires that for most leases, lessees must initially recognize a lease liability for the obligation to make lease payments and a corresponding right-of-use asset for the right to use the underlying asset for the lease term. Lessor accounting under IFRS 16 is substantially unchanged, lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between an operating or finance lease. The Company adopted the standard on January 1, 2019.

At the commencement date of a lease, a lessee will recognize a liability to make lease payments and an asset representing the right-of-use to use the underlying asset during the lease term. Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense or fair value gain (loss) on the right-of-use asset, depending on the balance sheet classification of the asset. The standard includes two recognition exemptions for leases; leases of 'low-value' assets and short-term leases. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events. The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

There was no impact from the adoption of IFRS 16 to the financial statements.

Expressed in Canadian dollars, unless otherwise indicated

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

n) Future changes in accounting policies

The Conceptual Framework for Financial Reporting (revised in 2018) has been updated to expand on the existing Conceptual Framework by focusing on the elements of financial statements, recognition and derecognition, measurement, and presentation and disclosure. The standard is effective for annual periods beginning on or after January 1, 2020. The Company is currently evaluating the impact of the new standard on its financial statements.

Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors has been updated. The definition of "material" is being clarified for purpose of improving consistency and application of the concept where applicable. The standard is effective for annual periods beginning on or after January 1, 2020. The Company is currently evaluating the impact of the new standard on its financial statements.

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 income (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.

The Company is also required to spend proceeds received from the issuance of flow-through shares on qualifying resource expenditures. Management's judgment is applied in determining whether qualified expenditures have been incurred. Differences in judgment between management and regulatory authorities could materially increase the flow-through premium liability and flow-through expenditure commitment.

The Company makes estimates as to the market value and inputs related to the valuation of share capital, flow-through share premium liability and the value associated with warrants issued at the time of issuance with respect to the volatility on the underlying common shares, risk free interest rate and forfeiture rates and market premiums paid for flow-through common shares. In establishing fair value management considers historical performance.

4. FIXED ASSETS

	2019		2018	
	Cost	Accumulated depreciation	Cost	Accumulated depreciation
Computer equipment	$ 5,826	$ (5,341)	$ 5,826	$(3,398)
Balance, end of year		**$ 485**		**$ 2,428**

Expressed in Canadian dollars, unless otherwise indicated

5. 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, 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	**52,964,717**	**$27,814,616**
Shares issued in private placement	**26,383,333**	**1,144,000**
Value of associated warrants	---	**(15,400)**
Share issue costs	---	**(2,450)**
Balance, December 31, 2019	**79,348,050**	**$28,940,766**

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, 2018.

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.

On July 9, 2019, the Company completed a non-brokered private placement offering of 3,333,333 common shares of the Company, at a price of $0.06 per common share, for aggregate gross proceeds of $200,000.

On November 14, 2019, the Company settled $834,000 of debt by issuing 20,850,000 common shares of the Company at a deemed price of $0.04 per share to certain creditors of the Company, including certain of its directors and officers.

On December 18, 2019, the Company finalized the settlement of $110,000 in indebtedness to a service provider through the issuance of 2,200,000 units at $0.05 per unit. Each unit consisted of one common share and one common share purchase warrant. Each Warrant entitles the holder to purchase one common share for a period of thirty-six months from the date of issuance at $0.06.

Expressed in Canadian dollars, unless otherwise indicated

6. 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 December 31, 2018, the Company had no share options outstanding.

On October 7, 2019, the Company's Board issued 3,000,000 incentive share options to Officers, Directors, employees and consultants. These options have a 5-year term and an exercise price of $0.05. Share issue costs were 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 33%, risk free interest rate of 1.32% and expected life of 5 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 options as at December 31, 2019 and December 31, 2018 and changes during the periods then ended are as follows:

	2019		2018	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance, beginning	---	$ ---	---	$ ---
Granted	3,000,000	0.05	---	---
Balance, ending	3,000,000	$ 0.05	---	$ ---

The average remaining life of the options is 4.77 years.

Expressed in Canadian dollars, unless otherwise indicated

7. 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.

The warrants issued on December 18, 2019, have a 36-month life. The fair value of this warrant grant was 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 33%, risk free interest rate of 1.74% and expected life of 3 years.

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	2,200,000	0.06	3,699,994	0.07
Balance, ending	**5,899,994**	**$ 0.07**	**3,699,994**	**$ 0.07**

The warrants have a weighted average remaining life of 1.43 years (2018 - 1.51 years) consisting of 0.51 years for 3,699,994 warrants and 2.97 years for 2,200,000 warrants.

Expressed in Canadian dollars, unless otherwise indicated

8. INCOME TAXES

Income tax provision

The provision for income taxes reflects an effective rate that differs from the combined federal and provincial tax rates for the following reasons:

	2019	2018
Loss before income taxes	**$ 702,631**	$ (227,216)
Combined statutory income tax rate	**26.50%**	26.50%
Income tax expense (recovery) using statutory income tax rates	**186,200**	(60,200)
Share issue costs and other	**(178)**	(7,232)
Valuation allowance	**(304,000)**	59,800
Deferred tax recovery	**$ (117,978)**	$ (7,632)

Deferred income taxes

Significant components of the Company's deferred income tax asset (liability) are as follows:

	2019	2018
Non-capital losses	**$ 2,168,100**	$ 2,474,000
Canadian exploration and development expense pools	**2,742,900**	2,740,100
Share issuance costs	**4,800**	5,700
Deferred income tax asset	**4,915,800**	5,219,800
Valuation allowance	**(4,915,800)**	(5,219,800)
Deferred tax asset	**$ —**	$ —

The Company has non-capital loss carry forward amounts available for income tax purposes of $8,182,000 that expire $1,455,000 in 2031, $1,007,000 in 2032, $2,451,000 in 2033, $1,665,000 in 2034, $743,000 in 2035, $418,000 in 2036, $231,000 in 2037 and $212,000 in 2038. The Company has $10,351,000 (2018 - $10,340,000) of unused cumulative Canadian exploration and development costs available to offset future taxable income. The tax benefits pertaining to these expenses are available for carry forward indefinitely.

9. RELATED PARTY TRANSACTIONS

Due to related parties includes $NIL (2018 - $870,552) due to 1911 Gold Canada Corporation (formerly Havilah, Klondex Canada Ltd. and formerly San Gold Corporation) ("1911 Gold") for exploration expenditures incurred on behalf of the Company. The amount was unsecured, non-interest bearing and due on demand. 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 $NIL (2018 - $24,463) of accrued interest due to 1911 Gold. During the year $3,126 of interest was recorded (2018 - $6,039). 1911 Gold owns and exercises control over approximately 22.3% (2018 - 27%) of the issued and outstanding Common Shares and exerts significant influence over the Company.

Included in due to related parties is $NIL (2018 - $966,139) payable to former officers and directors or companies controlled by former officers and directors for services and directors fees and $NIL (2018 - $8,174) payable to directors for expenses incurred on behalf of the Company. The amounts are unsecured, non-interest bearing and have no set terms of repayment. Included in forgiveness of debt is $703,853 (2018 -$NIL) related to amounts from officers and directors and companies controlled by key management of the organization.

9. RELATED PARTY TRANSACTIONS (CONT'D)

At December 31, 2019, advance payable of $389,455 is made up of monies due to a company in which directors of the company are shareholders. At December 31, 2018, advances payable of $357,165 is made up of $115,298 due to directors of the Company and $241,867 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. The advances are unsecured, non-interest bearing and due on demand.

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 for the year ended December 31, 2019 were $360,000 (2018 - $NIL) paid to management and $80,000 (2018 - $NIL) paid to directors. The fees were paid in common shares as part of the shares for debt settlement on November 14, 2019. An additional $15,075 (2018 - $NIL) related to the value of options granted was incurred for certain key management and directors of the Company.

On August 8, 2018, the Company announced that it had entered into an 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.

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 offering of 3,333,333 common shares of the Company to 1911 Gold, 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 the Company and a former contractor (previously included in due to related parties at the claim amount of $400,000), and the waiver of outstanding liabilities owing to 1911 Gold by the Company in the amount of approximately $1,023,403 ($895,802 previously in due to related parties and $127, 601 previously in promissory note payable).

On July 9, 2019, pursuant to the terms of the agreement, the Company completed a non-brokered private placement of 3,333,333 common shares of the Company to 1911 Gold, at a price of $0.06 per Company share, for aggregate gross proceeds of $200,000. As a result, 1911 Gold currently beneficially owns 17,742,418 commons shares of the Company representing approximately 22.3% of the issued and outstanding shares of the Company.

During the year the Company made payments of $15,000 (2018 - $NIL) to a company owned by a member of key management for consulting services. The Company also made payments of $30,000 (2018 - $NIL) to a director for consulting services. The amounts are included in general and administrative expenses.

These transactions were in the normal course of business and measured at their exchange amount.

10. CAPITAL MANAGEMENT

The Company's total capital deficiency of $503,798 (2018 - capital deficiency of $2,492,957) consists of $28,940,766 (2018 - $27,814,616) of share capital, contributed surplus of $116,400 (2018 - $74,000) and a deficit of $29,560,964 (2018 - $30,381,573).

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.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and adjusts 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.

11. 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 $504,283 (2018 - $2,495,385).

Accounts payable and accrued liabilities and advances 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.

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

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.

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 payable, advances payable, due to related parties and promissory note payable approximate their recorded values as at December 31, 2019 and 2018 due to their short-term nature. The Company's financial instruments are classified as level 1.

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.

12. CONTINGENCY

In the normal course of operations, the Company may become subject to a variety of legal and other claims. Management and legal counsel evaluate all claims on their apparent merits, and accrue management's best estimate of the estimated costs to satisfy such claims. Although the outcome of existing legal and other claims are not reasonably determinable, management believes that any such outcome will not be material.

Expressed in Canadian dollars, unless otherwise indicated

13. FLOW-THROUGH SHARE PREMIUM LIABILITY

Balance, December 31, 2017	$ —
Flow-through share premium liability incurred on July 4, 2018	58,830
Flow-through share premium liability incurred on December 24, 2018	27,030
Flow-through share premium liability incurred on December 28, 2018	39,750
Settlement of flow-through share liability on incurring expenditures	(7,632)
Balance, December 31, 2018	$117,978
Settlement of flow-through share liability on incurring expenditures	(117,978)
Balance, December 31, 2019	**$ —**

During the year ended December 31, 2019, the Company incurred qualified flow through funded exploration expenditures, fulfilling its commitment under the flow through financing on July 4, December 24 and December 28, 2018.

14. SUBSEQUENT EVENT

Subsequent to December 31, 2019, the outbreak of the novel strain of coronavirus ("COVID-19"), has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

2552883 Ontario Inc.

Condensed Interim Financial Statements

At June 30, 2020 and 2019

(in Canadian dollars, unless otherwise stated)

(unaudited)

2552883 Ontario Inc.
Condensed Interim Statements of Financial Position
(Unaudited)
Expressed in Canadian dollars

	June 30, 2020	December 31, 2019
ASSETS		
Current assets		
Cash	$ 17,946	$ 478,139
Receivables	99,210	33,481
Loan receivable *(Note 7)*	559,320	428,233
	$ 676,476	$ 939,853
Investments	65,742	66,508
	$ 742,218	$ 1,006,361
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued liabilities	$ 151,410	$ 173,560
Flow-through share premium liability	190,882	210,095
Loan payable *(Note 7)*	220,000	220,000
	562,292	603,655
Long-term liabilities		
Canadian Emergency Business Account *(Note 4)*	30,000	---
	592,292	603,655
Shareholders' equity		
Share capital *(Note 5)*	1,368,750	1,368,750
Warrant reserve	244,389	244,389
Deficit	(1,463,213)	(1,210,433)
	149,926	402,706
	$ 742,218	$ 1,006,361

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

On behalf of the Board:
Signed:

"Bruce Reid"

Director

2552883 Ontario Inc.

Condensed Interim Statements of Loss and Comprehensive Loss
For the three and six months ended June 30, 2020 and 2019
(Unaudited)

Expressed in Canadian dollars, except shares and per share amounts

	3 months ended June 30, 2020	3 months ended June 30, 2019	6 months ended June 30, 2020	6 months ended June 30, 2019
Expenditures				
General and administration	**$ 1,587**	$ 57	**$ 25,769**	$ 208
Professional fees	**11,405**	---	**42,955**	---
Project expenditures	**15,940**	---	**72,503**	---
Management and consulting	**70,000**	---	**140,000**	---
Loss before other (income)/expenses and taxes	**98,932**	57	**281,227**	208
Forgiven Canadian Emergency Business Account (Note 4)	**(10,000)**	---	**(10,000)**	---
Revaluation on investment	**---**	4,983	**766**	9,775
Loss before income taxes	**88,932**	5,040	**271,993**	9,983
Future tax recovery	**(4,224)**	---	**(19,213)**	---
Loss and comprehensive loss for the period	**$ 84,708**	$ 5,040	**$ 252,780**	$ 9,983
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	**68,993,217**	52,275,001	**68,993,217**	52,275,001

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

2552883 Ontario Inc.

Condensed Interim Statements of Changes in Deficit

For the six months ended June 30, 2020 and 2019
(Unaudited)
Expressed in Canadian dollars

	Share Capital	Warrants	Deficit	Total
Balance at December 31, 2018	**$ 844,301**	**$ 106,082**	**$ (877,475)**	**$ 72,908**
Loss for the period	---	---	(9,983)	(9,983)
Warrant expiry	---	(20,262)	20,262	---
Balance at December June 30, 2019	**$ 844,301**	**$ 85,820**	**$(867,196)**	**$ 62,925**
Balance at December 31, 2019	**$ 1,368,780**	**$ 244,389**	**$ (1,210,433)**	**$ 402,908**
Loss for the period	---	---	(252,780)	(252,780)
Balance at June 30, 2020	**$ 1,368,780**	**$ 244,389**	**$(1,463,213)**	**$ 149,926**

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

2552883 Ontario Inc.
Condensed Interim Statements of Cash Flows
For the six months ended June 30, 2020 and 2019

(Unaudited)

Expressed in Canadian dollars

	2020	2019
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the period	**$ (252,780)**	$ (9,983)
Forgiven Canadian Emergency Business Account	**(10,000)**	---
Investment revaluation	**766**	9,775
Tax recovery	**(19,213)**	---
Net change in non-cash working capital items:		
Amounts receivable	**(65,729)**	---
Accounts payable and accrued liabilities	**(22,150)**	(111,631)
	(369,106)	(111,839)
FINANCING ACTIVITIES		
Loan receivable	**(131,087)**	45,000
Canadian Emergency Business Account	**40,000**	---
	(91,087)	45,000
Net decrease in cash	**(430,193)**	(66,839)
Cash, beginning of period	**478,139**	79,079
Cash, end of period	**$ 17,946**	$ 12,240

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

1. CORPORATE INFORMATION

2552883 Ontario Inc. (the "Company") was incorporated under the laws of Ontario on December 21, 2016. The Company acquires, explores, and develops mineral properties in Manitoba, Canada.

The Company was originally set up as a means to access funds needed by 55 North Mining Inc. ("55 North"), as 55 North was unable to raise equity as a result of being cease-traded by various Canadian securities commissions. The intention was to eventually merge the two companies. This was achieved in September 2020 (see Note 10).

The Company's corporate head office and registered is located at 401 Bay Street, Suite 2702, Toronto ON M5H 2Y4. The Company is not a reporting issuer, as defined in corporate law, and its shares are not currently listed for trading on any stock exchange.

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, 2020 were approved and authorized for issue by the Board of Directors of the Company on October 28, 2020.

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 reference 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, 2019, except for the accounting changes noted below. Accordingly, these condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2019.

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

b) Accounting changes

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.

The Conceptual Framework for Financial Reporting (revised in 2018) has been updated to expand on the existing Conceptual Framework by focusing on the elements of financial statements, recognition and derecognition, measurement, and presentation and disclosure. The standard is effective for annual periods beginning on or after January 1, 2020. These new standards and changes did not have any material impact on the Company's financial statements.

Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors has been updated. The definition of "material" is being clarified for purpose of improving consistency and application of the concept where applicable. The standard is effective for annual periods beginning on or after January 1, 2020. This new standard and changes did not have any material impact on the Company's financial statements.

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.

4. CANADIAN EMERGENCY BUSINESS ACCOUNT

As a result of COVID-19, the Canadian federal government created the Canada Emergency Business Account ("CEBA"), designed to provide some financial assistance to qualifying Canadian companies. In April 2020, the Company applied for this funding and received $40,000 as an unsecured, non-interest-bearing demand loan. This loan is due on or before December 31, 2022. If paid before this time, $10,000 of the loan is forgiven. If not paid by this date, interest at a rate of 5% per annum, will need to be paid monthly.

Expressed in Canadian dollars unless otherwise indicated

5. 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, 2018	**52,275,001**	**844,301**
Share issuance - private placement	16,718,216	925,025
Warrant allocation	---	(158,569)
Share issue costs	---	(30,000)
Flow-through premium	---	(212,007)
Balance, December 31, 2019 and June 30, 2020	**68,993,217**	**$ 1,368,750**

On September 10, 2019, a director of the Company subscribed for 1,562,500 units at a price of 0.08 per unit for proceeds of $125,000. Each unit was comprised of one common share and one half of a warrant, with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On September 10, 2019, the Company closed a private placement, issuing 14,285,716 flow-through units for proceeds of $750,000. Each unit was comprised of one flow-through common share and one half warrant with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On December 31, 2019, the Company closed a private placement, issuing 870,000 flow-through units for proceeds of $50,025. Each unit was comprised of one flow-through common share and one half warrant with each warrant exercisable at $0.18 per share until December 31, 2022.

6. WARRANTS

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

	Jun. 30, 2020		Dec. 31, 2019	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance, beginning	**22,634,108**	**$ 0.10**	**22,275,000**	**$ 0.05**
Granted	—	—	8,359,108	0.18
Expired	—	—	(8,000,000)	0.05
Balance, ending	**22,634,108**	**$ 0.10**	**22,634,108**	**$ 0.10**

On July 13, 2020, the Company issued 1,666,666 warrants to 1911 Gold Inc., for services rendered in connection with various corporate activities. Each warrant is exercisable at $0.18 per share until December 31, 2022.

Expressed in Canadian dollars unless otherwise indicated

6. WARRANTS (CONT'D)

At June 30, 2020, there were 22,634,108 warrants outstanding, with each warrant entitling the holder to acquire one common share of the company at the prices noted below:

Number	Exercise Price	Remaining Contractual Life In Years	Expiry Date
9,000,000	$0.05	0.50	December 28, 2020
5,275,000	$0.05	4.51	December 24, 2020
7,924,108	$0.18	2.20	September 10, 2024 (1)
435,000	$0.18	2.50	December 31, 2024 (2)
22,634,108	**$0.07**	**2.06**	

Notes:

(1) In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.
(2) In August 2020, the terms of these warrants were changed to an exercise price of $0.18 and with an expiration date of December 31, 2022.

7. RELATED PARTY TRANSACTIONS

The loan receivable as at June 30, 2020 of $559,320 (December 31, 2019 - $428,233) is due from a company under common management, and is non-interest bearing, unsecured and repayable on demand.

The Company's Chairman and CEO was owed $220,000 at June 30, 2020 (December 31, 2019 - $220,000). This liability is non-interest bearing, unsecured and repayable on demand.

During the six months ended June 30, 2020, the Company's CEO and CFO was paid $Nil and $30,000, respectively in compensation (six months ended June 30, 2019 - $NIL and $NIL, respectively).

8. CAPITAL MANAGEMENT

The Company's total capital balance of $149,926 consists of $1,368,750 of share capital, $244,389 of warrant reserve, with an offsetting deficit of $1,463,213.

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.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and adjusts 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. At June 30, 2020, the Company's had a working capital balance of $114,184.

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.

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.

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

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, 2020 and December 31, 2019 due to their short-term nature. The Company's financial instruments are classified as level 1 except for investments which is classified as level 2.

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

In 2020, the outbreak of the novel strain of coronavirus ("COVID-19") has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Management has experienced a slow-down in the ability to transact business as a result of the self-isolating measures. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

On July 2, 2020, certain creditors agreed to receive a total of 1,500,000 common shares in settlement of $150,000 debt owed to them, with each share issued at $0.10 per share.

On July 13, 2020, the Company issued 1,666,666 warrants to 1911 Gold Inc., for services rendered in connection with various corporate activities. Each warrant is exercisable at $0.18 per share until December 31. 2022.

On September 2, 2020, 55 North announced that it had completed its acquisition of the Company through a reverse takeover arrangement (the "RTO").

Prior to completion of the RTO, 55 North consolidated all of its issued and outstanding shares on a 10.13:1 basis. On closing, 55 North issued post-consolidation shares in exchange for the outstanding shares of the Company on a one to one basis. As a result, 70,493,217 shares of 55 North were issued giving the shareholders of the Company control of approximately 89.99% of the issued and outstanding share capital of 55 North. 55 North then immediately cancelled all of the Company's shares and was amalgamated with 55 North Mining Operations Inc., a wholly owned subsidiary of 55 North. All warrants to purchase shares of the Company have carried over to now purchase shares of 55 North on a one to one basis.

55 North was valued by comparing the value of the shares retained by 55 North shareholders in comparison with the valuation of the Company prior to the RTO. 55 North was valued at $750,953. This value was allocated between the remaining net assets acquired with the difference charged to loss and comprehensive loss for the period as a cost of acquiring the listing.

Expressed in Canadian dollars unless otherwise indicated

10. SUBSEQUENT EVENTS (CONT'D)

As a result of the RTO the net assets acquired by the Company of 55 North are as follows:

Current assets	$	665,954
Current liabilities		(206,087)
Net assets acquired	$	459,867
Value of shares issued by the Company to acquire 55 North	$	750,953
Consideration paid in excess of net assets acquired	$	291,086

The consideration paid in excess of net assets acquired, together with related transaction costs will be expensed as a charge related to acquiring a public company listing

On September 24, 2020, the Company announced that it closed a non-brokered private placement for gross proceeds of $1,403,416. 6,672,080 flow through units at $0.20 per unit were issued for gross proceeds of $1,334,416. Each flow through unit consists of one common flow through share and one warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months. 460,000 non-flow through units at $0.15 per unit were issued for gross proceeds of $69,000. Each non-flow through unit consists of one common share and one warrant entitling the holder to acquire on additional common share at $0.30 per share for 48 months.

As part of the compensation for the finder's fees the Company paid $105,520 to certain eligible finders and issued 500,000 options that entitle the holder to acquire one common share for $0.20 per share for 48 months and 36,800 options that entitle the holder to purchase one common share for $0.15 per share for 48 months.

On October 16, 2020, the Company announced that it closed the second tranche of a non-brokered private placement for gross proceeds of $836,000, made up of $824,000 in flow through financing and $12,000 in non-flow through financing. The flow through financing consisted of 4,120,000 flow through units ("FT Units"). Each FT Unit was priced at $0.20 each for gross proceeds of $824,000. Each FT 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 $0.30 per share for 48 months from the date of issuance. The non-flow through financing consisted of 80,000 units ("NFT Units") priced at $0.15 each for gross proceeds of $12,000. Each NFT Unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months from the date of issuance.

55 North Mining Inc.

Condensed Interim Financial Statements

At June 30, 2020 and 2019

(in Canadian dollars, unless otherwise stated)

(unaudited)

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

	June 30, 2020	December 31, 2019
ASSETS		
Current assets		
Cash	**$ 56,907**	$ 2,315
GST/HST recoverable	**6,820**	33,562
Prepaids	**14,805**	1,350
	$ 78,532	$ 37,227
Fixed Assets	**—**	485
	$ 78,532	$ 37,712
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued liabilities	**$ 234,076**	$ 152,055
Advance payable	**559,321**	389,455
	793,397	541,510
Shareholders' deficit		
Share capital *(Note 4)*	**28,940,766**	28,940,766
Warrant reserve	**116,400**	116,400
Deficit	**(29,772,031)**	(29,560,964)
	(714,865)	(503,798)
	$ 78,532	$ 37,712

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

On behalf of the Board:
Signed:

"Bruce Reid" Director

"Sethu Raman" Director

55 North Mining Inc.
Condensed Interim Statements of Comprehensive Loss
For the three and six months ended June 30, 2020 and 2019
(Unaudited)
Expressed in Canadian dollars, except shares and per share amounts

	3 months ended June		6 months ended June	
	2020	**2019**	**2020**	**2019**
Expenditures				
General and administration	**$ 101,318**	$ 44,080	**$ 171,804**	$ 138,326
Project costs	**38,778**	32,900	**38,778**	64,600
Depreciation	—	485	**485**	972
Interest expense	—	1,566	—	3,127
Loss before taxes	**(140,096)**	(79,031)	**(211,067)**	(207,025)
Future tax recovery	—	42,893	—	42,893
Loss and comprehensive loss for the period	**$ (140,096)**	$ (36,138)	**$(211,067)**	$(164,132)
Basic and diluted loss per share	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ (0.00)
Weighted average number of shares outstanding during the period - basic and diluted	**79,348,050**	52,964,717	**79,348,050**	52,964,717

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

55 North Mining Inc.

Condensed Interim Statements of Changes in Deficit

For the six months ended June 30, 2020 and 2019
(Unaudited)
Expressed in Canadian dollars

	Share Capital	Warrant Reserve	Deficit	Total
Balance at December 31, 2018	**$27,814,616**	**$ 74,000**	**$(30,381,573)**	**$(2,492,957)**
Loss for the period	—	—	(164,132)	(164,132)
Balance at June 30, 2019	**$27,814,616**	**$ 74,000**	**$(30,545,705)**	**$(2,657,089)**
Balance at December 31, 2019	**$28,940,766**	**$ 116,400**	**$(29,560,964)**	**$(503,798)**
Loss for the period	—	—	(211,067)	(211,067)
Balance at June 30, 2020	**$28,940,766**	**$ 116,400**	**$(29,772,031)**	**$(714,865)**

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

55 North Mining Inc.
Condensed Interim Statements of Cash Flows
For the six months ended June 30, 2020 and 2019

(Unaudited)

Expressed in Canadian dollars

	2020	2019
Cash provided by (used in):		
OPERATING ACTIVITIES		
Loss for the period	$ (211,067)	$(164,132)
Depreciation expense	485	972
Future tax recovery	—	(42,893)
Net change in non-cash working capital items:		
GST/HST recoverable	26,742	(3,528)
Prepaids	(13,455)	(3,600)
Accounts payable and accrued liabilities	82,021	36,579
Promissory note payable	—	3,138
	(115,274)	(173,464)
FINANCING ACTIVITIES		
Advance received (reimbursed)	169,866	(57,690)
	169,866	(57,690)
Change in cash	54,592	(231,154)
Cash, beginning of period	2,315	246,034
Cash, end of period	$ 56,907	$ 14,880

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. At the shareholder meeting held on June 6, 2018, shareholders approved a name change to 55 North Mining 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.

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, 2020 were approved and authorized for issue by the Board of Directors of the Company on October 28, 2020.

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 reference 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, 2019, except for the following changes. Accordingly, these condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2019.

Expressed in Canadian dollars unless otherwise indicated

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

b) Accounting changes

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 Financial Statements of the Company.

The Conceptual Framework for Financial Reporting (revised in 2018) has been updated to expand on the existing Conceptual Framework by focusing on the elements of financial statements, recognition and derecognition, measurement, and presentation and disclosure. The standard is effective for annual periods beginning on or after January 1, 2020. These new standards and changes did not have any material impact on the Company's financial statements.

Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors has been updated. The definition of "material" is being clarified for purpose of improving consistency and application of the concept where applicable. The standard is effective for annual periods beginning on or after January 1, 2020. This new standard and changes did not have any material impact on the Company's financial statements.

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.

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, 2018	**52,964,717**	**$27,814,616**
Shares issued in private placement	**26,383,333**	**1,144,000**
Value of associated warrants	**—**	**(15,400)**
Share issue costs	**—**	**(2,450)**
Balance, December 31, 2019 and June 30, 2020	**79,348,050**	**$28,940,766**

Expressed in Canadian dollars unless otherwise indicated

4. SHARE CAPITAL (CONT'D)

On July 9, 2019, the Company completed a non-brokered private placement offering of 3,333,333 common shares of the Company, at a price of $0.06 per common share, for aggregate gross proceeds of $200,000.

On November 14, 2019, the Company settled $834,000 of debt by issuing 20,850,000 common shares of the Company at a deemed price of $0.04 per share to certain creditors of the Company, including certain of its directors and officers.

On December 18, 2019, the Company finalized the settlement of $110,000 in indebtedness to a service provider through the issuance of 2,200,000 units at $0.05 per unit. Each unit consisted of one common share and one common share purchase warrant. Each Warrant entitles the holder to purchase one common share for a period of thirty-six months from the date of issuance at $0.06.

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.

On October 7, 2019, the Company's Board issued 3,000,000 incentive share options to Officers, Directors, employees and consultants. These options have a 5-year term and an exercise price of $0.05. Share issue costs were 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 33%, risk free interest rate of 1.32% and expected life of 5 years. The Company then used the relative fair value method to value the warrants together with the value of the share capital issued. These options remain unexercised at June 30, 2020.

A summary of the status of the Company's outstanding options as at June 30, 2020 and December 31, 2019 and changes during the periods then ended are as follows:

	Jun. 30, 2020		Dec. 31, 2019	
	Number	**Weighted average exercise price**	**Number**	**Weighted average exercise price**
Balance, beginning	**3,000,000**	**$ 0.05**	—	$ —
Granted	—	—	3,000,000	0.05
Balance, ending	**3,000,000**	**$ 0.05**	—	**$ 0.05**

The average remaining life of the options is 4.27 years (December 31, 2019 – 4.77 years).

Expressed in Canadian dollars unless otherwise indicated

6. WARRANTS

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

	Jun. 30, 2020		Dec. 31, 2019	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance, beginning	**5,899,994**	**$ 0.07**	**3,699,994**	**$ 0.07**
Granted	—	—	2,200,000	0.06
Balance, ending	**5,899,994**	**$ 0.07**	**5,899,994**	**$ 0.07**

On July 3, 2020, 3,699,994 warrants with an exercise price of $0.07 expired unexercised. At June 30, 2020, there were 5,899,994 warrants outstanding, with each warrant entitling the holder to acquire one common share of the company at the prices noted below:

Number	Exercise Price	Remaining Contractual Life In Years	Expiry Date
3,699,994	$0.07	0.01	July 3, 2020
2,200,000	$0.06	2.47	December 18, 2022
5,899,994	**$0.07**	**0.93**	

7. RELATED PARTY TRANSACTIONS

At June 30, 2020, advance payable of $559,321 (December 31, 2019 - $389,455) is made up of monies due to a company in which certain directors of the Company are shareholders. The advances are unsecured, non-interest bearing and due on demand.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly and indirectly, include any director (whether executive or otherwise) of the Company. Total fees paid to the Company's CEO during the three and six months ended June 30, 2020 is $30,000 (three and six months ended June 30, 2019 - $NIL) with $30,000 remaining in accounts payable at June 30, 2020 (June 30, 2019 - $NIL). Total fees paid to the Company's CFO during the three and six months ended June 30, 2020 is $7,000 and $20,000, respectively (three and six months ended June 30, 2019 - $NIL and $15,000, respectively) with $20,000 remaining in accounts payable at June 30, 2020 (June 30, 2019 - $NIL). Total fees paid to a Company Director during the three and six months ended June 30, 2020 is $30,000 and $50,000, respectively (three and six months ended June 30, 2019 - $NIL and $30,000, respectively) with $30,000 remaining in accounts payable at quarter end (June 30, 2019 - $NIL). At June 30, 2020, the Company's Chairman is owed $5,486 in expenses (June 30, 2019 - $NIL), which amount remains in accounts payable at quarter-end.

8. CAPITAL MANAGEMENT

The Company's total negative capital balance of $714,865 consists of $28,940,766 of share capital and $116,400 of warrant reserve with an offsetting deficit of $29,772,031.

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.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and adjusts 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 $714,865.

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.

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

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.

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 payable and accrued liabilities and advance payable approximate their recorded values as at June 30, 2020 and December 31, 2019 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. CONTINGENCY

In the normal course of operations, the Company may become subject to a variety of legal and other claims. Management and legal counsel evaluate all claims on their apparent merits, and accrue management's best estimate of the estimated costs to satisfy such claims. Although the outcome of existing legal and other claims is not reasonably determinable, management believes that any such outcome will not be material.

11. SUBSEQUENT EVENTS

In 2020, the outbreak of the novel strain of coronavirus ("COVID-19") has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Management has experienced a slow-down in the ability to transact business as a result of the self-isolating measures. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

12. SUBSEQUENT EVENTS

After announcing the signing of a letter of intent on June 8, 2020, on July 6, 2020 the Company announced that it had entered into a definitive agreement with European Cobalt Ltd. ("European Cobalt") pursuant to which European Cobalt Ltd. would acquire 100% of the rights, title and interest in the Edleston Gold Project located south of the Timmins gold camp in Ontario Canada ("Edleston"). Under the terms of the Agreement, European Cobalt paid a non-refundable cash payment of $100,000 to the Company, and, upon closing, will pay a cash payment of $650,000 and issue 100,000,000 common shares of European Cobalt, which are listed and trade on the Australian Securities Exchange, to the Company. All of the common shares issued by European Cobalt will be subject to a three-month voluntary escrow from the date of issue. This transaction was approved by shareholders at a meeting held on August 10, 2020.

On June 29, 2020, the Company announced that it entered into a binding letter of intent ("LOI") with 2552883 Ontario Inc. ("2552883"), whereby the Company will enter into a reverse takeover transaction with 2552883 whereby the shareholders of 2552883 will become shareholders of the Company. 2552883 is the owner of an option to acquire 100% of the rights, title and interest in the Last Hope Gold Project, a high grade gold project located in the emerging Lynn Lake Gold Camp in northern Manitoba. This transaction was approved by shareholders at a meeting held on August 10, 2020.

The board of directors of the Company had also decided to affect a 10.13:1 rollback of the Company's shares after the dividend of European Cobalt shares to the Company shareholders. After the reverse takeover transaction, ex-dividend, and post rollback, existing Company and 2552883 shareholders will own approximately 10% and 90% of the Company, respectively, with shares outstanding of approximately 78,326,193. This rollback was approved by shareholders at a meeting held on August 10, 2020.

On September 24, 2020, the Company announced that it closed a non-brokered private placement for gross proceeds of $1,403,416. 6,672,080 flow through units at $0.20 per unit were issued for gross proceeds of $1,334,416. Each flow through unit consists of one common flow through share and one warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months. 460,000 non-flow through units at $0.15 per unit were issued for gross proceeds of $69,000. Each non-flow through unit consists of one common share and one warrant entitling the holder to acquire on additional common share at $0.30 per share for 48 months.

As part of the compensation for the finder's fees the Company paid $105,520 to certain eligible finders and issued 500,000 options that entitle the holder to acquire one common share for $0.20 per share for 48 months and 36,800 options that entitle the holder to purchase one common share for $0.15 per share for 48 months.

On October 16, 2020, the Company announced that it closed the second tranche of a non-brokered private placement for gross proceeds of $836,000, made up of $824,000 in flow through financing and $12,000 in non-flow through financing. The flow through financing consisted of 4,120,000 flow through units ("FT Units"). Each FT Unit was priced at $0.20 each for gross proceeds of $824,000. Each FT 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 $0.30 per share for 48 months from the date of issuance. The non-flow through financing consisted of 80,000 units ("NFT Units") priced at $0.15 each for gross proceeds of $12,000. Each NFT Unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months from the date of issuance.

SCHEDULE "B"

MANAGEMENT DISCUSSION AND ANALYSIS

1. 55 North Mining Inc. Management's Discussion and Analysis for the three and nine months ended September 30, 2020;

2. 2552883 Ontario Inc. Management's Discussion and Analysis for the year ended December 31, 2019;

3. 55 North Mining Inc. Management's Discussion and Analysis for the six months ended June 30, 2020;

4. 2552883 Ontario Inc. Management's Discussion and Analysis for the six month's ended June 20, 2020

55 North Mining Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OF THE COMPANY'S FINANCIAL CONDITION

AND RESULTS OF OPERATIONS

FOR THE THREE AND NINE MONTHS ENDED

SEPTEMBER 30, 2020

The following management discussion and analysis of the financial condition and results of operations of 55 North Mining Inc. (the "Company") is prepared and reported as at September 30, 2020 and should be read in conjunction with the Company's unaudited financial statements and notes thereto for the three and nine months ended September 30, 2020 as well as the Company's audited financial statements and notes thereto for the year ending December 31, 2019.

The information provided herein is given as of December 16, 2020 unless otherwise indicated.

FORWARD LOOKING STATEMENT

This management discussion and analysis contains "forward-looking statements" which reflect management's expectations regarding the Company's future growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements may include, but are not limited to, statements with respect to the future financial or operating performance of the Company and its projects, the future price of gold or other metal prices, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations" of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; fluctuations in currency exchange rates; changes in project parameters as plans continue to be refined; changes in labour costs; future prices of gold or other metal prices; possible variations of mineral grade; accidents, hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and actual results of reclamation activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this management discussion and analysis and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

BUSINESS ENVIRONMENT and OUTLOOK

Beginning in the first quarter of 2020, the outbreak of the novel strain of coronavirus ("COVID-19"), has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Management has experienced a slow-down in the ability to transact business as a result of the self-isolating measures. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

Due to recent weak capital markets for junior mineral exploration companies, Management with the support of the Board of Directors has reduced operations to conserve capital. This involves the curtailment of exploration activities and the reduction of administrative overheads to an absolute minimum until such time that the capital markets are more supportive of junior exploration projects.

The Company will need to raise additional working capital, as it does not have sufficient working capital to fund its ongoing operations. In the current financial environment, there is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company's ability to continue as a going-concern.

Management believes that going forward, subject to economic conditions, finances and the availability of equity financing, the longer-term prospects for the Corporation should remain positive. It is the intention of the

Company to continue exploration activities on its mineral properties going forward. When opportunities present themselves, the Company will seriously evaluate the acquisition of additional mineral.

OVERVIEW OF THE BUSINESS

55 North Mining Inc., a company incorporated under the Canada Business Corporation Act, and its wholly-owned subsidiary (collectively "**55 North**" or the "**Company**") are engaged in the acquisition, exploration, development and extraction of natural resources, specifically precious metals. 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 is a reporting issuer, as defined in corporate law, and its shares are not currently listed for trading on any stock exchange.

On September 2, 2020, 2552883 Ontario Inc. ("**Ontario Inc.**") and 55 North completed a reverse takeover transaction pursuant to which 55 North acquired all the issued and outstanding shares of Ontario Inc.. Ontario Inc. then amalgamated with a wholly-owned subsidiary of 55 North and continued as one company, 55 North Mining Operations Inc. Upon completion of the reverse takeover transaction, the shareholders of Ontario Inc. obtained control of the consolidated entity. Under the purchase method of accounting, Ontario Inc. was identified as the acquirer, and accordingly the entity is considered to be a continuation of Ontario Inc. with the net assets of the Company at the date of the reverse takeover transaction deemed to have been acquired by Ontario Inc. The consolidated condensed interim financial statements for the 3 month and 9 month periods ended September 30, 2020 include the results of operations of 55 North from January 1, 2020 to September 2, 2020, the date of the reverse takeover transaction. The comparative figures are those of Ontario Inc.

Ontario Inc. was originally set up as a means to access funds needed by 55 North which was unable to raise equity as a result of being cease-traded by various Canadian securities commissions. The intention was to eventually merge the two companies. This was achieved in September 2020.

On June 29, 2020, 55 North announced that it entered into a binding letter of intent ("LOI") with the Company whereby the two companies will enter into a business combination whereby the shareholders of the Company will become shareholders of 55 North. This transaction was approved by 55 North shareholders at a meeting held on August 10, 2020. The Company's shareholders approved of this business combination by way of a consent resolution effective August 4, 2020.

On September 2, 2020, the Company completed the previously announced amalgamation with 55 North. In accordance with the terms of the amalgamation agreement, 55 North acquired all of the issued and outstanding common shares of the Company on the basis of one share issued for each Company share outstanding immediately prior to the amalgamation. As a result, 70,493,217 Post-Consolidation Shares were issued giving the shareholders of the Company control of approximately 89.99 % of the issued and outstanding share capital of the merged entity as at the effective date of the amalgamation.

On September 5, 2017, the Company signed an option agreement with Peter Dunlop to option the Last Hope Project near Lynn Lake, Manitoba. On signing, the Company paid $65,000 and issued 1,500,000 common shares.

The Company committed to incur an aggregate of at least $250,000 per year for the four years following the execution of this agreement to an aggregate of $1,000,000 and make additional option payments as follows:

- September 5, 2018: $65,000 and an additional 1,500,000 common shares;
- September 5, 2019: $65,000;
- September 5, 2020: $65,000; and
- September 5, 2021: $3,000,000.

On November 4, 2019, an amendment was signed whereby the September 5, 2021 payment was changed to $100,000 and the $3,000,000 payment deferred to September 5, 2022.

The Last Hope Project bears a 2% net smelter returns royalty.

MINERAL RESOURCES and MINERAL RESERVES

The Last Hope Gold Project

<u>Property Location and Details</u>

The Last Hope Property is located approximately 23 km south-east of the town of Lynn Lake in northern Manitoba, Canada. The Property is approximately centered at latitude 387,000 E and longitude 6,283,000 N and is located approximately 810 km northwest of Manitoba's capital and largest city, Winnipeg.

The Last Hope Property consists of 15 non surveyed claims covering an area of 3,513 ha as per the following figure and table. Claims are crown grants and include surface access. All claims have been located by physical staking as per The Mines and Minerals Act of Manitoba.

LAST HOPE PROPERTY CLAIMS						
Name	**Number**	**Type**	**Area (ha)**	**Granted**	**Expires**	**Annual Amount Due**
Last Hope 14	P9479E	Claim	195	28/06/1988	27/08/2024	$4,875
Last Hope 1	P8881E	Claim	256	27/01/1986	28/03/2029	$6,400
Last Hope 4	W45575	Claim	256	19/07/1982	17/09/2024	$6,400
Last Hope 2	P8880E	Claim	256	27/01/1986	28/03/2026	$6,400
Last Hope 10	P6994E	Claim	256	21/12/1987	19/02/2025	$6,400
Last Hope 8	W45579	Claim	256	16/07/1982	09/14/2024	$6,400
Last Hope 5	W45576	Claim	256	16/07/1982	14/09/2024	$6,400
	CB9043	Claim	259	13/03/1978	12/05/2040	$6,475
Last Hope 12	P9477E	Claim	256	28/06/1988	27/08/2024	$6,400
Last Hope 11	P9478E	Claim	256	28/06/1988	27/08/2024	$6,400
Last Hope 6	W45577	Claim	256	16/07/1982	14/09/2030	$6,400
Last Hope 9	W45580	Claim	112	16/07/1982	14/09/2024	$2,800
Last Hope 13	P9476E	Claim	131	28/06/1988	27/08/2024	$3,275
Last Hope 3	P8879E	Claim	256	27/01/1986	28/03/2026	$6,400
Last Hope 7	W45578	Claim	256	16/07/1982	14/09/2030	$6,400
Total		**15 Claims**	**3,513**			**$87,825**

The Company has an option to earn a 100% interest in the claims comprising the property held by Peter C. Dunlop. The option was signed on September 5, 2017 and amended on November 4, 2019. In order to acquire 100% interest in the Last Hope Property, the Company agreed to the following schedule: It paid Mr. Dunlop $65,000 and 1.5 million shares upon the Execution Date of the Option Agreement (Sept. 5, 2017) and on the first anniversary of the Execution Date (September 5, 2018). A further $65,000 was paid on the second (September 5, 2019) and third anniversary (September 5, 2020) of the Execution Date, and $100,000 will be paid on the fourth anniversary (September 5, 2021). $3,000,000 must be paid on the fifth anniversary of the Execution Date (September 5, 2022). The Company agreed to incur exploration expenditures of $250,000 per year in the four years following the Execution Date, to an aggregate of $1,000,000, with exploration expenditures in any year exceeding $250,000 to be applied to the following years. The Company is up to date on all option payments, and has satisfied fully the exploration expense requirements, i.e. the full $1,000,000 has already been spent.

The option to acquire a 100% interest in the property is subject to a 2% royalty. The Company has the right, any time prior to the commencement of commercial production, to acquire up to half (1%) of the net smelter return royalty upon payment of $500,000 for each 0.5% of the royalty purchased.

There is no known environmental liability existing on the Last Hope property.

Property Infrastructure

The Last Hope Property is located approximately 23 km southeast of the mining town of Lynn Lake and is accessed by an all-weather gravel road, the Burnt Timber Mine road, to the mine site and subsequently an 8 km winter road from the Burnt Timber mine to the Property. Highways 6 and 391 connect Lynn Lake to Winnipeg and the Trans Canada Highway. Lynn Lake is also connected by railway which extends south to the

Pas, Manitoba, and from there, to the rest of Canada. Lynn Lake Airport (YYL) has a 5,000 ft. paved runway that can land commercial jet aircraft.

Lynn Lake (population of 800) has a hospital, hotel and general store, and was founded to service Sherritt Gordon's nickel discovery in 1950.

Historically, drilling has been conducted year-round with warm weather drilling assisted by helicopter.

Water is abundant in nearby lakes and rivers. Hydroelectric power is available in the town of Lynn Lake. Manitoba has a long history of mining with world class mining centres in Flin Flon and Thompson Manitoba.

History

Gold was first discovered at Last Hope in 1937. The following table outlines historical work done on the property:

HISTORICAL EXPLORATION ON THE LAST HOPE PROPERTY		
Year	**Company**	**Exploration**
1937	R. Madole	Last Hope area staked.
1939	Sheritt Gordon Mines Ltd.	59 hole drill program totalling 3,129 m.
1978	W.B Dunlop Limited NPL	Last Hope area re-staked.
1986	Balcor Resources Corp.	Calculated a historic mineral resource on the property that predates NI 43-101. Identified two shallow plunging ore shoots within a steep, tabular quartz vein averaging 1.5 m in width.
2012	Carlisle Goldfields	27 hole DD program totalling 2012. Based on this, and 204 historic drill holes, a NI 43-101 compliant resource estimate was prepared in September 2017 (at a 2.0 g/t cut-off: Indicated: 201,000 tonnes @ 5.75 g/t for 37,000 ozs, Inferred: 1,067,000 tonnes @ 5.29 g/t for 182,000 ozs.
2017-2020	2552883 Ontario Inc.	68 line km of IP survey

In August 2020, the shareholders of 55 North and 2552883 Ontario Inc. voted to amalgamate under the name of 55 North, whereby 55 North effectively acquired the Last Hope Gold project.

Selected drill results from historic drilling are presented below:

Hole-ID	From (M)	To (M)	Length (M)	Au g/t
87-DDH-105	120.67	122.41	1.74	79.44
SG-03	25.79	27.55	1.76	55.59
87-DDH-094	91.17	93.42	2.25	38.54
SG-01	26.43	29.75	3.32	26.66
SG-26	49.99	53.74	3.75	23.63
87-DDH-068	50.87	55.75	4.88	22.65
87-DDH-140	231.19	234.3	3.11	19.49
87-DDH-067	24.93	26.85	1.92	17.33
SG-27	24.81	27.61	2.80	15.93
88-DDH-189	268.93	276.15	7.22	14.76

Regional Geology

The Last Hope Property is located within the Churchill Structural Province of the Canadian Shield, lying within the southern portion of the Lynn Lake Greenstone Belt (see figures below). It consists of tholeiitic to calc-alkaline mafic volcanic and volcaniclastic rocks with minor rhyolite and dacite (Jones, et. al. 2005).

The Lynn Lake Greenstone Belt, comprised of the North and older South Belts, is part of a larger litho-structural unit which extends in a north-easterly direction from the La Ronge Greenstone Belt in Saskatchewan. The rocks in the South Belt consist of lens-shaped volcanic and sedimentary units which have been interpreted as representing overlapping edifices with flanking aprons of volcaniclastic rocks (Gilbert et al. 1980). This linear feature has been termed the 'Johnson Trend'. The former Burnt Timber open pit deposit (Au) is contained within this trend.

Structurally, the most significant feature in the South Belt is the east-west trending Johnson Shear Zone ("JSZ"), a wide zone of intense brittle-ductile deformation, characterized by faulting, shearing, mylonization and associated silica and carbonate alteration and sporadic gold mineralization. The JSZ is host to at least 26 gold prospects and showings over a 44 km strike length.

The North Belt is a north-facing homocline and consists of rhyolite, overlain by andesite and basalt, sedimentary rocks and an upper basaltic unit. The upper basalts include high alumina and subordinate high magnesia tholeiites. Both the MacLellan deposit (Au, Ag) and the Farley Lake deposit (Au) are located within this belt occurring in a metallotect termed the 'Rainbow Trend'.

Property Geology

The Last Hope Property (see figure below) is underlain by a west-northwest-striking layered succession. From south to north, this succession is comprised of quartz-feldspar porphyry, mafic tuff, quartzite, mudstone, magnetite-bearing quartzite and feldspathic quartzite (see figure below). The deposit consists of two shallow plunging ore shoots within a steep, tabular quartz vein that averages 1.5 m in width.

Two parallel quartz veins cut the quartzite, the South Vein and the Mandole Vein, both hosting gold bearing sulphide mineralization while the North Vein is barren.

Mineralization

The Mandole Vein outcrops for approximately 225 m and strikes northwest, dips 80 degrees southwest and fills a fracture in thinly bedded impure quartzite. The wall rocks around the veins are altered for approximately 2.5 cm. The north boundary of the vein is a felsite dyke and is schistose at the contact. The south boundary is a hornblende schist and cherty feldspathic quartzite. Minor amounts of chlorite are present.

The Mandole Vein is 0.3 to 1.2 m wide and can be divided into two units:

- A southern white massive quartz unit; and
- A northern grey aphanitic, siliceous unit with disseminated grains and stringers of pyrite and trace chalcopyrite.

The average sulphide content of the south vein is 5% (local variation up to 15%). The best gold values are found in the highly altered, quartz-pyrite rich footwall of a fault which lies on the periphery of an intrusive. The Johnson Shear Zone, host to at least 26 gold prospects over a 44 km strike length, lies approximately 10 km to the north.

The Last Hope Deposit can be classified as a mesothermal lode gold deposit in a Proterozoic setting. Mesothermal lode gold deposits typically occur in metamorphosed, supracrustal rocks, most commonly in tholeiitic basalts and komatiites but also in felsic volcanic rocks. Discrete veins occur in deformation zones in greenschist metamorphic domains where brittle or brittle-ductile fracturing is dominant. Veins are emplaced in cross-cutting or layer-parallel shear zones, extensional zones and more rarely in saddle reefs (Klien and Day, 1994). Gold is associated with disseminated sulphide minerals. Gold-bearing sulphide minerals are controlled by minor fractures, and occur in irregular patches in quartz, in the wall rock adjacent to the vein, or as disseminations or replacements in zones of highly altered and deformed rocks. Ore bodies tend to be tabular or rod-shaped formed by persistent or discontinuous veins and irregular bodies of gold bearing quartz. Quartz veins are typically surrounded by haloes of silicification and carbonate minerals.

Mineral Resources and Mineral Reserves

MINERAL RESOURCE ESTIMATE FOR LAST HOPE PROPERTY AT 2.0 G/T AU CUT-OFF (1-4)			
Classification	**Tonnes**	**Au g/t**	**Au oz**
Indicated	201,000	5.75	37,000
Inferred	1,067,000	5.29	182,000

(1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(2) The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(3) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.

(4) The Mineral Resource Estimate is based on 219 drill holes of which 15 holes were drilled in 2012 and 204 holes were historical diamond drill holes. The core from this historical drilling remains intact at the Property and was partially re-assayed in 2012.

The Indicated Mineral Resource category was justified for blocks interpolated by pass one which was using at least four composites from a minimum of two drill holes within a spacing of 25m on strike, 20m down dip and 10m across dip. Inferred resources were categorized by passes 2 to 4 on all remaining grade populated blocks.

Last Hope's Proximity to Alamos Gold's Lynn Lake Gold Project

Last Hope is located approximately 20 km directly south of Lynn Lake's proposed plant location, well within economic trucking distance, and could present an opportunity to blend in Last Hope's higher grade material to enhance project economics (Last Hope M&I grade = 6.75 g/t versus Lynn Lake's P&P grade of 1.83 g/t). Alamos Gold Lynn Lake Project's 2018 Feasibility Study stipulated a Proven and Probable reserve estimate which was since updated to 31.9Mt @ 1.83 g/t for 1.88M ozs, and proposed a 7,000 tpd conventional open pit CIP mining/milling operation. Alamos Gold's Lynn Lake Gold Project is currently in the permitting stage with ongoing exploration on the property.

Exploration Upside

Existing Resource Drill Targets

The Company plans to expand the high grade portions of the current resource by drilling the down-plunge extensions of high-grade shoots. Also, the Company plans to conduct infill drilling to upgrade and expand the existing resources.

Parallel Structure Drill Targets

In the summer of 2020, the previous owner, 2552883 Ontario Inc., completed a 68 line-kilometre Induced Polarization survey which identified 2 potential parallel structures to the east of the current resource estimate, similar to that hosting the current resource. These two parallel structures, each with a strike length of 3.4 km, were indicated by strong geophysical anomalies coinciding with soil geochemical highs as indicated in the figure below. The Company plans to drill each of these two parallel potentially mineralized structures - this represents an opportunity to ultimately significantly increase the current resource estimate.

MINING OPERATIONS

The Corporation has no mining operations.

OVERALL PERFORMANCE

RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2020

Analysis of the periods ended September 30, 2020 compared to the periods ended September 30, 2019

As the Company is in the exploration phase and its property is in the early stage of exploration and not in production. Therefore, mineral exploration expenditures are not capitalized and losses are incurred as a result of exploration expenditures and administrative expenses relating to the operation of the Company's business. Consequently, the Company's net income is not a meaningful indicator of its performance of potential. The key performance driver for the Company is the acquisition, exploration, and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases the probability of finding and developing economic mineral deposits.

At this time the Company is not anticipating profit from operations in the near future. Until such time as the Company is able to realize profits from the production and marketing of commodities from its properties, the Company will report a deficit and will rely on its ability to obtain equity or debt financing to fund ongoing operations. Additional financing is required for new exploration and promotional initiatives. Due to the nature of the junior mineral exploration industry, the Company will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities, as well as its obligations relating to its properties.

For the three and nine months ended September 30, 2020, the Company reported losses of $1,255,864 and $1,501,395, respectively, compared to a loss of $178,796 for the three months ended September 30, 2019 and a loss of $179,004 for the nine months ended September 30, 2019.

The Company did not undertake any significant exploration activities during 2019 or the first nine months of 2020. For the past three and a half years, Management has focused on administrative and organizational "clean up". With the raising capital in September 2020 and the fourth quarter of 2020, the Company, being well equipped to begin exploration activities, started a drill program at its Last Hope property.

During 2020, Management has worked to secure financing, complete its RTO and get the Company's shares listed on the Canadian Securities Exchange. Management is well along this path and expects to be publicly-listed shortly. These efforts are reflected in the increase of Management and consulting expenditures for the three and nine months ended September 30, 2020 of $87,878 and $227,878, respectively compared to $51,200 for each of the three and none months ended September 30, 2019 as well as $228,350 of promotion and shareholder communications expenditures in the third quarter of 2020. Reflective of this activity, professional fees for the three and nine months ended September 30, 2020 were $20,240 and $63,195 with $Nil in the first nine months of 2019. The results of the third quarter of 2020 include $835,505 in Listing Costs, reflective of the accounting cost of the RTO.

SUMMARY OF QUARTERLY RESULTS

The following are the results for the below noted quarters:

	Q3 2020	Q2 2020	Q1 2020	Q4 2019
General administrative expenses	13,891	1,587	24,182	76,492
Acquisition costs	—	—	—	—
Project expenditures	5,000	15,940	56,563	50,116
Net loss	1,228,402	84,708	168,072	211,591
Loss per share	0.00	0.00	0.00	0.00

	Q3 2019	Q2 2019	Q1 2019	Q4 2018
General administrative expenses	15,346	57	151	(5,249)
Acquisition costs	65,000	—	—	—
Project expenditures	—	—	—	(82,346)
Net loss	178,796	5,040	4,943	85,105
Loss per share	0.03	0.00	0.00	0.00

The pace of development of its properties will determine how quickly the Company expends its working capital and how long it will take before the Company requires additional working capital. The ability of the Company to access new working capital through additional financings could be adversely affected by many factors including a downturn in mineral prices, a general economic downturn, poor results from exploration programs on its properties and a variety of other factors.

FINANCING ACTIVITIES AND CAPITAL RESOURCES

The Company is in the exploration stage and therefore has no regular cash inflows. As at September 30, 2020, the Company had a cash balance of $1,595,298 a working capital of $649,208 (December 31, 2019 – a cash balance of $478,139 and working capital of $336,198).

On September 24, 2020, the Company closed a private placement for gross proceeds of $1,403,416. On October 16, 2020, the Company announced that it closed the second tranche of a non-brokered private placement for gross proceeds of $836,000. On November 12, 2020 the Company announced that it closed the third tranche of a non-brokered private placement for gross proceeds of $1,386,920. On November 27, 2020 the Company announced that it closed an additional tranche of non-brokered private placement for gross proceeds of $599,777.

FINANCIAL INSTRUMENTS

The Corporation's financial instruments consist of cash, receivables, loan receivable, accounts payable and accrued liabilities and loan payable.

(a) Risk management and hedging activities

In the normal course of operations the Company is exposed to various financial risks. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The company does not meaningfully participate in the use of financial instruments to control these risks. The company has no designated hedging transactions. The financial risks and management's risk management objectives and policies are as follows:

(i) Currency risk

The company holds investments that are held in Australian dollars. The Australian dollar equivalent of investments held at September 30, 2020 was $96,600.

(ii) Price risk

The company is exposed to price risk with respect to commodity prices. As the company is not a producing entity, this risk does not currently affect earnings, however, the risk could affect the completion of future equity transactions. The company monitors commodity prices of precious metals and the stock market to determine the timing, nature and extent of equity transactions.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the entity. The company is exposed to credit risk on cash, trade receivables and other receivables. Cash is held with an established Canadian financial institution and the company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

(iv) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at September 30, 2020, the Company had working capital in the amount of $649,208.

(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's promissory note agreement fixes interest at 5% per annum and accordingly is not subject to cash flow interest rate risk due to changes in the market rate of interest. Changes in future interest rates could however affect the carrying value of the debt and result in a non-cash adjustment to earnings.

(b) Fair values, carrying amounts and changes in fair value

The fair values of the Company's financial instruments approximate their carrying value due to their short-term nature. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy in Canadian generally accepted accounting principles.

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level two includes inputs that are observable other than quoted prices included in level one.
- Level three includes inputs that are not based on observable market data.

At September 30, 2020 and December 31, 2019, the Company's financial instruments were classified as Level 1.

(c) Collateral

The carrying value of financial assets the Company has pledged as collateral as at September 30, 2020 and December 31, 2019 is $Nil.

RISK FACTORS

The business of the Company is subject to a number of risks and uncertainties that may impact the business of the Company. A summary of the risk factors that may affect the Company is set forth below.

COMPETITION FOR MINERAL DEPOSITS

The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Company competes with a number of other entities and individuals in the exploration of search for and the acquisition of attractive mineral properties. As a result of this competition, much of which is with entities with greater financial resources than the Company, the Company may not be able to obtain funding for its exploration projects, obtain and maintain the necessary resources to carry out such exploration or acquire attractive properties in the future on terms it considers acceptable. The Company competes with other resource companies, many of whom have greater financial resources and/or more advanced properties that are better able to attract equity investment and other capital.

RESOURCE EXPLORATION AND DEVELOPMENT INVOLVES A HIGH DEGREE OF RISK

Resource exploration and development is a speculative business and involves a high degree of risk. There is no known body of commercial ore on any of the properties of the Company. There is no certainty that any expenditure made by the Company in the exploration of any of its properties or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company.

LAG TIME BETWEEN DISCOVERY AND PRODUCTION OF MINERAL RESOURCES

The Company is unable to predict the amount of time which may elapse between the date when any new mineral resource may be discovered and the date when production, if any, will commence from any such discovery.

INFRASTRUCTURE REQUIREMENTS

Exploration and development of mineral properties depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial conditions and results of operations.

TITLE TO THE COMPANY'S PROPERTIES OR INTEREST MAY BE DISPUTED

Title to and the area of resource concessions may be disputed. There is no guarantee of title to any of the Company's properties. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

SURFACE ACCESS RIGHTS

The Company does not have surface access rights to all of its mineral properties and will be required to obtain all necessary permits prior to carrying out any exploration activities on certain of its properties. According, the Company may be unable to access certain of its properties and related mineral exploration claims to carry out its proposed exploration activities.

ABORIGINAL LAND CLAIMS AND ABORIGINAL RIGHTS

The mineral properties of the Company may in the future be the subject of aboriginal peoples' land claims or aboriginal rights claims. The legal basis of an aboriginal land claim and aboriginal rights is a matter of considerable legal complexity and the impact of the assertion of such a claim, or the possible effect of a settlement of such claim upon the Company cannot be predicted with any degree of certainty at this time.

ADDITIONAL FUNDS FOR FUTURE EXPLORATION AND DEVELOPMENT, DILUTION

As a mineral exploration company, the Company does not generate cash flow from its activities and it must rely primarily on issuances of its securities or the borrowing of funds to finance its operations. The exploration and development of its properties will require substantial funds beyond those it has and there is no assurance that such additional funds will be available to the Company on commercially reasonable terms or in sufficient amounts to allow the Company to continue to pursue its objectives. The inability of the Company to raise further funds whether through additional equity issuances or by other means, could result in delays or the indefinite postponement of planned exploration and/or development activities or, in certain circumstances, the loss of some or all of its property interests or cessation of all mineral exploration and/or development activities.

RISKS ASSOCIATED WITH THE COMPANY'S ACTIVITIES MAY NOT BE INSURABLE

The Company's business is subject to a number of risks and hazards and no assurance can be given that insurance will cover the risks to which the Company's activities will be subject or will be available at all or at commercially reasonable premiums.

THE COMPANY HAS NO HISTORY OF OPERATIONS, EARNINGS OR DIVIDENDS

The Company was incorporated on December 5, 2008 and has no history of earnings or of a return on investment, and there is no assurance that it will generate earnings, operate profitably or provide a return on investment in the future. The Company has no plans to pay dividends.

STATUTORY AND REGULATORY COMPLIANCE IS COMPLEX AND MAY RESULT IN DELAY OR CURTAILMENT OF THE COMPANY'S OPERATIONS

The current and future operations of the Company and any parties which may carry out exploration, development and mining activities on properties in which the Company holds an interest will be governed by laws and regulations governing mineral concession acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities often experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. The Company will apply for all necessary permits for the exploration work it intends to conduct, however such permits are, as a practical matter, subject to the discretion of government authorities and there can be no assurance that the Company will be successful in obtaining or maintaining such permits.

THE COMPANY DEPENDS ON KEY MANAGEMENT AND EMPLOYEES

Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel.

SHORTAGE OF SUPPLIES

The Company may be adversely affected by shortages of critical supplies or equipment required to operate the business of the Company. Any shortage of critical supplies or equipment will affect the timeliness of the development of the Company and its business.

ESTIMATES OF MINERAL RESOURCES

There are numerous uncertainties inherent in estimating ore reserves and mineral resources. The accuracy of any reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Fluctuations in precious or base metal prices, results of drilling or metallurgical testing, subsequent to the date of any estimate may require revision of such estimate. In addition, there can be no assurance that precious or base metal recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

ENVIRONMENTAL FACTORS

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The Company's operations are subject to environmental regulations promulgated by various government agencies from time to time. Violation of existing or future environmental rules may result in various fines and penalties.

CONFLICT OF INTEREST

Certain directors and officers of the Company were also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing, and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

RELATED PARTY TRANSACTIONS

The Company's Chairman and CEO was owed $250,000 at September 30, 2020 (December 31, 2019 - $220,000). This liability was non-interest bearing, unsecured and repayable on demand. This amount, along with $50,000 of accrued pay was converted into units as part of the November 12, 2020 financing.

Compensation of key management personnel and directors for the period was as follows:

	Three Months Ended September 30, 2020	2019	Nine Months Ended September 30, 2020	2019
Cash compensation	$ 40,000	$ 30,000	$ 100,000	$ 30,000

During the three and nine months ended September 30, 2020, the Company remunerated its CEO $5,000 and $5,000, respectively (three and nine months ended September 30, 2019 - $NIL and $NIL, respectively) and its CFO $5,000 and $35,000, respectively (three and nine months ended September 30, 2019 - $10,000 and $10,000, respectively). At September 30, 2020, the Company's CEO and CFO are owed $45,000 and $10,000, respectively, as unpaid compensation and unreimbursed expenses (December 31, 2019, the Company's CEO and CFO were owed $NIL and $NIL, respectively, for unpaid compensation).

On July 2, 2020, the Company's CFO and a director agreed to receive 200,000 common shares each in settlement of $20,000 debt owed to each of them, with each share issued at $0.10 per share (see Note 7).

Included in management and consulting are fees paid to certain directors for $20,000 and $60,000 for the three and nine-month period ended September 30, 2020 respectively (three and nine-month period ended September 30, 2019 - $nil and $nil).The loan receivable as at December 31, 2019 of $428,233 was due from Old 55 North and is non-interest bearing, unsecured, and repayable on demand. This amount eliminates on consolidation now that Ontario Inc. is a subsidiary of 55 North.

FUTURE CHANGES in ACCOUNTING POLICIES

New 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.

The Conceptual Framework for Financial Reporting (revised in 2018) has been updated to expand on the existing Conceptual Framework by focusing on the elements of financial statements, recognition and derecognition, measurement, and presentation and disclosure. The standard is effective for annual periods beginning on or after January 1, 2020. These new standards and changes did not have any material impact on the Company's financial statements.

Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors has been updated. The definition of "material" is being clarified for purpose of improving consistency and application of the concept where applicable. The standard is effective for annual periods beginning on or after January 1, 2020. This new standard and changes did not have any material impact on the Company's financial statements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

As the Company has had no significant revenue from operations since inception (December 5, 2008), the following is a breakdown of the material costs incurred by the Company:

	Three months Ended Sept. 30, 2020 $$	**Three months Ended Sept. 30, 2019 $$**	**Nine Months Ended Sept. 30, 2020 $$**	**Nine Months Ended Sept. 30, 2019 $$**
Project Expenditures	5,000	—	77,503	—
Listing Costs	835,505	—	835,505	—
General and Administrative Expenses	13,891	15,346	39,660	15,554

DISCLOSURE OF OUTSTANDING SHARE DATA

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, 2018	**52,275,001**	**844,301**
Issued on private placement	16,718,216	925,025
Warrant allocation	—	(158,569)
Share issue costs	—	(30,000)
Flow-through premium	—	(212,007)
Balance, December 31, 2019	**68,993,217**	**$ 1,368,750**
Issued on settlement of debt	1,500,000	150,000
Issued on reverse takeover transaction	7,832,915	695,988
Issued on private placement	7,132,080	1,403,416
Warrant allocation	—	(484,898)
Share issue costs	—	(106,220)
Flow-through premium	—	(353,620)
Balance, September 30, 2020	**85,458,212**	**$ 2,673,416**

On September 10, 2019, a director of the Company subscribed for 1,562,500 units at a price of $0.08 per unit for proceeds of $125,000. Each unit was comprised of one common share and one half of a warrant, with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On September 10, 2019, the Company closed a private placement, issuing 14,285,716 flow-through units for proceeds of $750,000. Each unit was comprised of one flow-through common share and one-half warrant with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On December 31, 2019, the Company closed a private placement, issuing 870,000 flow-through units for proceeds of $50,025. Each unit was comprised of one flow-through common share and one-half warrant with each warrant exercisable at $0.18 per share until December 31, 2022.

On July 2, 2020, certain creditors agreed to receive a total of 1,500,000 common shares in settlement of $150,000 debt owed to them, with each share issued at $0.10 per share.

On September 2, 2020, 55 North completed the RTO resulting in the acquisition of control of 55 North by the shareholders of Ontario Inc. Pursuant to the amalgamation, all issued and outstanding securities in the capital of 55 North were converted into like issued and outstanding securities of the Company on a one-for-one basis resulting in the issuance of 7,832,915 shares.

On September 24, 2020, the Company closed a private placement for gross proceeds of $1,403,416, issuing 6,672,080 flow through units at $0.20 per unit for gross proceeds of $1,334,416 and 460,000 non-flow through units at $0.15 per unit for gross proceeds of $69,000. Each flow through and non-flow through unit consists of one common share and one warrant, with each warrant entitling the holder to acquire a common share at $0.30 per share for 48 months. As part of the compensation for the finder's fees the Company paid $105,520 to certain eligible finders and issued 500,000 compensation options that entitle the holder to acquire one additional common share for $0.20 per share for 48 months and 36,800 compensation options that entitle the holder to purchase one additional common share for $0.15 per share for 48 months.

On October 16, 2020, the Company announced that it closed the second tranche of a non-brokered private placement for gross proceeds of $836,000, made up of $824,000 in flow through financing and $12,000 in non-flow through financing. The flow through financing consisted of 4,120,000 flow through units. Each flow through units was priced at $0.20 each for gross proceeds of $824,000. Each flow through units 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 $0.30 per share for 48 months from the date of issuance. The non-flow through financing consisted of 80,000 units priced at $0.15 each for gross proceeds of $12,000. Each unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months from the date of issuance.

On November 12, 2020 the Company announced that it closed the third tranche of a non-brokered private placement for gross proceeds of $1,386,920, consisting of $1,371,920 in non-flow-through financing and $15,000 in flow-through financing. Each non-flowthrough unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share of the Company at a price of $0.30 per share for 48 months from the date of issuance. Bruce Reid, CEO and Director, subscribed for 2,000,000 non-flowthrough units. The flow-through financing consisted of 75,000 flow-through units priced at $0.20. Each flow-through 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 of the Company at a price of $0.30 per share for 48 months from the date of issuance. The Company paid a finder's fee in cash totaling $46,464 to certain eligible finders on the non-flow-through Units sold, and $1,200 on the flow-through Units sold. The Company paid 534,531 compensation options ("Compensation Options") to certain eligible finders of the non-flow-through Units, and 6,000 finder's warrants to certain eligible finders of the flow-through Units. Each Compensation Option is exercisable at a price of $0.15 if paid as commission on a non-flow-through Unit financing, and $0.20 if paid as commission on a flow-through Unit financing, any time prior to the date 48 months from the date of closing. Each Compensation Option entitles the holder to purchase one unit, with each unit consisting of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one common share at a price of $0.30 per share for a period of 48 months from the date of closing. Each finder's warrant entitles the holder to purchase one common share of the Company at a price of $0.30 per share for 48 months from the date of issuance.

On November 27, 2020 the Company announced that it closed an additional tranche of a non-brokered private placement for gross proceeds of $599,777 consisting of $504,777 in non-flow-through financing and $95,000 in flow-through financing. The non-flow-through financing consisted of 3,365,183 units ("NFT Units") priced at $0.15. The flow-through financing consisted of 475,000 flow-through units ("FT Units") priced at $0.20. Each FT and NFT 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 of the Company at a price of $0.30 per share for 48 months from the date of issuance. The Company paid a finder's fee in cash totaling $21,200 to certain eligible finders on the NFT Units sold, and $1,600 on the FT Units sold. The Company paid 141,333 compensation options ("Compensation Options") to certain eligible finders of the NFT Units, and 8,000 compensation options to certain eligible finders of the FT Units. Each Compensation Option is exercisable at a price of $0.15 if paid as commission on a NFT Unit financing, and $0.20 if paid as commission on a FT Unit financing, any time prior to the date 48 months from the date of closing. Each Compensation Option entitles the holder to purchase one unit, with each unit consisting of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one common share at a price of $0.30 per share for a period of 48 months from the date of closing. Each finder's warrant entitles the holder to purchase one common share of the Company at a price of $0.30 per share for 48 months from the date of issuance.

On December 4, 2020 the Company announced that it closed an additional tranche of a non-brokered private placement for gross proceeds of $200,000 in non-flow-through financing. The non-flow-through financing consisted of 1,333,334 units priced at $0.15 per unit. Each unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share of the Company at a price of $0.30 per share for 48 months from the date of issuance. The Company paid a finder's fee in cash totaling $16,000 to certain eligible finders on the non-flow-through units sold. The Company also paid 106,666 compensation options to certain eligible finders that are exercisable at a price of $0.15 per option. Each option entitles the holder to purchase one common share and one common share purchase warrant that is exercisable at a price of $0.30 per share for a period of 48 months from the date of issuance.

Warrants

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

	September 30, 2020		December 31, 2019	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance, beginning	**22,634,108**	**$ 0.10**	**22,275,000**	**$ 0.05**
Granted – pre RTO	1,666,666	0.18	8,359,108	0.18
Cancelled	(24,300,774)	0.10	—	—
Granted – replacement warrants (1)	24,517,950	0.11	—	—
Granted – post RTO	7,668,880	0.29	—	—
Expired	—	—	(8,000,000)	0.05
Balance, ending	**32,186,830**	**$ 0.15**	**22,634,108**	**$ 0.10**

Notes:

(1) Following completion of the RTO, warrants issued by 55 North and Ontario Inc. were replaced by new 55 North Mining Inc. warrants using the transaction share exchange ratio.

At September 30, 2020, there were 32,186,830 warrants outstanding, with each warrant entitling the holder to acquire one common share of the Company at the prices noted below:

Number	Exercise Price	Remaining Contractual Life In Years	Expiry Date
217,176	$0.61	2.22	December 18, 2022
7,132,080	$0.30	3.99	September 24, 2024
1,666,666	$0.18	2.25	December 31, 2022
9,000,000	$0.05	0.24	December 28, 2020
5,275,000	$0.05	0.23	December 24, 2020
7,924,108	$0.18	2.25	September 10, 2022 (1)
435,000	$0.18	2.55	December 31, 2022 (2)
500,000	$0.20	3.99	September 24, 2024 (3)
36,800	$0.15	3.99	September 24, 2024 (4)
32,186,830	**$0.15**	**1.77**	

A summary of the status of the Company's outstanding options as at September 30, 2020 and December 31, 2019 and changes during the periods then ended are as follows:

	Sep. 30, 2020		Dec. 31, 2019	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance, beginning	**296,148**	**$ 0.51**	—	$ —
Cancelled	(296,148)	0.51	—	—
Granted – replacement options [(1)]	296,148	0.51	296,148	0.51
Balance, ending	**296,148**	**$ 0.51**	**296,148**	**$ 0.51**

The average remaining life of the options is 4.02 years (December 31, 2019 – 4.77 years).

Notes:

(1) Following completion of the RTO, options issued by 55 North were replaced by new 55 North Mining Inc. options using the transaction share exchange ratio.

OTHER REQUIREMENTS

Additional information relating to the Company is available on SEDAR at www.sedar.com.

APPROVAL

Management is responsible for all information contained in this report. The unaudited condensed interim financial statements for the three and nine months ended September 30, 2020 have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the financial statements for the three and nine months ended September 30, 2020 in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Board of Directors has approved the audited consolidated financial statements on the recommendation of the Audit Committee.

Bruce Reid
President & CEO

December 16, 2020

2552883 Ontario Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OF THE COMPANY'S FINANCIAL CONDITION

AND RESULTS OF OPERATIONS

FOR THE YEAR ENDED

DECEMBER 31, 2019

The following management discussion and analysis of the financial condition and results of operations of 2552883 Ontario Inc. (the "Company") is prepared and reported as at December 31, 2019 and should be read in conjunction with the Company's audited financial statements and notes thereto for the year ending December 31, 2019.

The information provided herein is given as of October 28, 2020 unless otherwise indicated.

FORWARD LOOKING STATEMENT

This management discussion and analysis contains "forward-looking statements" which reflect management's expectations regarding the Company's future growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements may include, but are not limited to, statements with respect to the future financial or operating performance of the Company and its projects, the future price of gold or other metal prices, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations" of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; fluctuations in currency exchange rates; changes in project parameters as plans continue to be refined; changes in labour costs; future prices of gold or other metal prices; possible variations of mineral grade; accidents, hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and actual results of reclamation activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this management discussion and analysis and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

BUSINESS ENVIRONMENT and OUTLOOK

Subsequent to December 31, 2019, the outbreak of the novel strain of coronavirus ("COVID-19"), has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Management has experienced a slow-down in the ability to transact business as a result of the self-isolating measures. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

Due to weak capital markets for junior mineral exploration companies, Management with the support of the Board of Directors has reduced operations to conserve capital. This involves the curtailment of exploration activities and the reduction of administrative overheads to an absolute minimum until such time that the capital markets are more supportive of junior exploration projects.

The Company will need to raise additional working capital, as it does not have sufficient working capital to fund its ongoing operations. In the current financial environment, there is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company's ability to continue as a going-concern.

Management believes that going forward, subject to economic conditions, finances and the availability of equity financing, the longer-term prospects for the Corporation should remain positive. It is the intention of the Company to continue exploration activities on its mineral properties going forward. When opportunities present themselves, the Company will seriously evaluate the acquisition of additional mineral.

OVERVIEW OF THE BUSINESS

The Company was incorporated under the laws of Ontario on December 21, 2016. The Company acquires, explores, and develops mineral properties in Manitoba, Canada.

The Company was originally set up as a means to access funds needed by 55 North Mining Inc. ("55 North"), as 55 North was unable to raise equity as a result of being cease-traded by various Canadian securities commissions. The intention was to eventually merge the two companies.

On June 29, 2020, 55 North announced that it entered into a binding letter of intent ("LOI") with the Company whereby the two companies will enter into a business combination whereby the shareholders of the Company will become shareholders of 55 North. This transaction was approved by 55 North shareholders at a meeting held on August 10, 2020. The Company's shareholders approved of this business combination by way of a consent resolution effective August 4, 2020.

On September 2, 2020, the Company completed the previously announced amalgamation with 55 North. In accordance with the terms of the amalgamation agreement, 55 North acquired all of the issued and outstanding common shares of the Company on the basis of one share issued for each Company share outstanding immediately prior to the amalgamation. As a result, 70,493,217 Post-Consolidation Shares were issued giving the shareholders of the Company control of approximately 89.99 % of the issued and outstanding share capital of the merged entity as at the effective date of the amalgamation.

The Company's corporate head office and registered is located at 401 Bay Street, Suite 2702, Toronto ON M5H 2Y4. The Company is not a reporting issuer, as defined in corporate law, and its shares are not currently listed for trading on any stock exchange.

On December 30, 2016, the Company signed an option agreement with Tamarak Gold Resources Inc. to option a project near Timmins, Ontario. The Company paid $11,300 and issued 1,000,000 common shares.

On September 5, 2017, the Company signed an option agreement with Peter Dunlop to option the Last Hope Project near Lynn Lake, Manitoba. On signing, the Company paid $65,000 and issued 1,500,000 common shares.

The Company committed to incur an aggregate of at least $250,000 per year for the four years following the execution of this agreement to an aggregate of $1,000,000 and make additional option payments as follows:

- September 5, 2018: $65,000 and an additional 1,500,000 common shares;
- September 5, 2019: $65,000;
- September 5, 2020: $65,000; and
- September 5, 2021: $3,000,000.

On November 4, 2019, an amendment was signed whereby the September 5, 2021 payment was changed to $100,000 and the $3,000,000 payment deferred to September 5, 2022.

The Last Hope Project bears a 2% net smelter returns royalty.

MINERAL RESOURCES and MINERAL RESERVES

The Last Hope Gold Project

Property Location and Details

The Last Hope Property is located approximately 23 km south-east of the town of Lynn Lake in northern Manitoba, Canada. The Property is approximately centred at latitude 387,000 E and longitude 6,283,000 N and is located approximately 810 km northwest of Manitoba's capital and largest city, Winnipeg.

The Last Hope Property consists of 15 non surveyed claims covering an area of 3,513 ha as per the following figure and table. Claims are crown grants and include surface access. All claims have been located by physical staking as per The Mines and Minerals Act of Manitoba.

LAST HOPE PROPERTY CLAIMS						
Name	**Number**	**Type**	**Area (ha)**	**Granted**	**Expires**	**Annual Amount Due**
Last Hope 14	P9479E	Claim	195	28/06/1988	27/08/2024	$4,875
Last Hope 1	P8881E	Claim	256	27/01/1986	28/03/2029	$6,400
Last Hope 4	W45575	Claim	256	19/07/1982	17/09/2024	$6,400
Last Hope 2	P8880E	Claim	256	27/01/1986	28/03/2026	$6,400
Last Hope 10	P6994E	Claim	256	21/12/1987	19/02/2025	$6,400
Last Hope 8	W45579	Claim	256	16/07/1982	09/14/2024	$6,400
Last Hope 5	W45576	Claim	256	16/07/1982	14/09/2024	$6,400
	CB9043	Claim	259	13/03/1978	12/05/2040	$6,475
Last Hope 12	P9477E	Claim	256	28/06/1988	27/08/2024	$6,400
Last Hope 11	P9478E	Claim	256	28/06/1988	27/08/2024	$6,400
Last Hope 6	W45577	Claim	256	16/07/1982	14/09/2030	$6,400
Last Hope 9	W45580	Claim	112	16/07/1982	14/09/2024	$2,800
Last Hope 13	P9476E	Claim	131	28/06/1988	27/08/2024	$3,275
Last Hope 3	P8879E	Claim	256	27/01/1986	28/03/2026	$6,400
Last Hope 7	W45578	Claim	256	16/07/1982	14/09/2030	$6,400
Total		**15 Claims**	**3,513**			**$87,825**

The Company has an option to earn a 100% interest in the claims comprising the property held by Peter C. Dunlop. The option was signed on September 5, 2017 and amended on November 4, 2019. In order to acquire 100% interest in the Last Hope Property, the Company agreed to the following schedule: It paid Mr. Dunlop $65,000 and 1.5 million shares upon the Execution Date of the Option Agreement (Sept. 5, 2017) and on the first anniversary of the Execution Date (September 5, 2018). A further $65,000 was paid on the second (September 5, 2019) and third anniversary (September 5, 2020) of the Execution Date, and $100,000 will be paid on the fourth anniversary (September 5, 2021). $3,000,000 must be paid on the fifth anniversary of the Execution Date (September 5, 2022). The Company agreed to incur exploration expenditures of $250,000 per year in the four years following the Execution Date, to an aggregate of $1,000,000, with exploration expenditures in any year exceeding $250,000 to be applied to the following years. The Company is up to date on all option payments, and has satisfied fully the exploration expense requirements, i.e. the full $1,000,000 has already been spent.

The option to acquire a 100% interest in the property is subject to a 2% royalty. The Company has the right, any time prior to the commencement of commercial production, to acquire up to half (1%) of the net smelter return royalty upon payment of $500,000 for each 0.5% of the royalty purchased.

There is no known environmental liability existing on the Last Hope property.

Property Infrastructure

The Last Hope Property is located approximately 23 km southeast of the mining town of Lynn Lake and is accessed by an all-weather gravel road, the Burnt Timber Mine road, to the mine site and subsequently an 8 km winter road from the Burnt Timber mine to the Property. Highways 6 and 391 connect Lynn Lake to Winnipeg and the Trans Canada Highway. Lynn Lake is also connected by railway which extends south to the Pas, Manitoba, and from there, to the rest of Canada. Lynn Lake Airport (YYL) has a 5,000 ft. paved runway that can land commercial jet aircraft.

Lynn Lake (population of 800) has a hospital, hotel and general store, and was founded to service Sherritt Gordon's nickel discovery in 1950.

Historically, drilling has been conducted year-round with warm weather drilling assisted by helicopter.

Water is abundant in nearby lakes and rivers. Hydroelectric power is available in the town of Lynn Lake. Manitoba has a long history of mining with world class mining centres in Flin Flon and Thompson Manitoba.

History

Gold was first discovered at Last Hope in 1937. The following table outlines historical work done on the property:

HISTORICAL EXPLORATION ON THE LAST HOPE PROPERTY		
Year	**Company**	**Exploration**
1937	R. Madole	Last Hope area staked.
1939	Sheritt Gordon Mines Ltd.	59 hole drill program totalling 3,129 m.
1978	W.B Dunlop Limited NPL	Last Hope area re-staked.
1986	Balcor Resources Corp.	Calculated a resource on the property that predates NI 43-101. Identified two shallow plunging ore shoots within a steep, tabular quartz vein averaging 1.5 m in width.
1986	Balcor Resources Corp.	Calculated a historic mineral resource on the property that predates NI 43-101. Identified two shallow plunging ore shoots within a steep, tabular quartz vein averaging 1.5 m in width.
2012	Carlisle Goldfields	27 hole DD program totalling 2012. Based on this, and 204 historic drill holes, a NI 43-101 compliant resource estimate was prepared in September 2017 (at a 2.0 g/t cut-off: Indicated: 201,000 tonnes @ 5.75 g/t for 37,000 ozs, Inferred: 1,067,000 tonnes @ 5.29 g/t for 182,000 ozs.
2017-2020	2552883 Ontario Inc.	68 line km of IP survey

In August 2020, the shareholders of 55 North and 2552883 Ontario Inc. voted to amalgamate under the name of 55 North, whereby 55 North effectively acquired the Last Hope Gold project.

Selected drill results from historic drilling are presented below:

Hole-ID	From (M)	To (M)	Length (M)	Au g/t
87-DDH-105	120.67	122.41	1.74	79.44
SG-03	25.79	27.55	1.76	55.59
87-DDH-094	91.17	93.42	2.25	38.54
SG-01	26.43	29.75	3.32	26.66
SG-26	49.99	53.74	3.75	23.63
87-DDH-068	50.87	55.75	4.88	22.65
87-DDH-140	231.19	234.3	3.11	19.49
87-DDH-067	24.93	26.85	1.92	17.33
SG-27	24.81	27.61	2.80	15.93
88-DDH-189	268.93	276.15	7.22	14.76

Regional Geology

The Last Hope Property is located within the Churchill Structural Province of the Canadian Shield, lying within the southern portion of the Lynn Lake Greenstone Belt (see figures below). It consists of tholeiitic to calc-alkaline mafic volcanic and volcaniclastic rocks with minor rhyolite and dacite (Jones, et. al. 2005).

The Lynn Lake Greenstone Belt, comprised of the North and older South Belts, is part of a larger litho-structural unit which extends in a north-easterly direction from the La Ronge Greenstone Belt in Saskatchewan. The rocks in the South Belt consist of lens-shaped volcanic and sedimentary units which have been interpreted as representing overlapping edifices with flanking aprons of volcaniclastic rocks (Gilbert et al. 1980). This linear feature has been termed the 'Johnson Trend'. The former Burnt Timber open pit deposit (Au) is contained within this trend.

Structurally, the most significant feature in the South Belt is the east-west trending Johnson Shear Zone ("JSZ"), a wide zone of intense brittle-ductile deformation, characterized by faulting, shearing, mylonization and associated silica and carbonate alteration and sporadic gold mineralization. The JSZ is host to at least 26 gold prospects and showings over a 44 km strike length.

The North Belt is a north-facing homocline and consists of rhyolite, overlain by andesite and basalt, sedimentary rocks and an upper basaltic unit. The upper basalts include high alumina and subordinate high magnesia tholeiites. Both the MacLellan deposit (Au, Ag) and the Farley Lake deposit (Au) are located within this belt occurring in a metallotect termed the 'Rainbow Trend'.

Property Geology

The Last Hope Property (see figure below) is underlain by a west-northwest-striking layered succession. From south to north, this succession is comprised of quartz-feldspar porphyry, mafic tuff, quartzite, mudstone, magnetite-bearing quartzite and feldspathic quartzite (see figure below). The deposit consists of two shallow plunging ore shoots within a steep, tabular quartz vein that averages 1.5 m in width.

Two parallel quartz veins cut the quartzite, the South Vein and the Mandole Vein, both hosting gold bearing sulphide mineralization while the North Vein is barren (see figure below).

Mineralization

The Mandole Vein outcrops for approximately 225 m and strikes northwest, dips 80 degrees southwest and fills a fracture in thinly bedded impure quartzite. The wall rocks around the veins are altered for approximately 2.5 cm. The north boundary of the vein is a felsite dyke and is schistose at the contact. The south boundary is a hornblende schist and cherty feldspathic quartzite. Minor amounts of chlorite are present.

The Mandole Vein is 0.3 to 1.2 m wide and can be divided into two units:

- A southern white massive quartz unit; and
- A northern grey aphanitic, siliceous unit with disseminated grains and stringers of pyrite and trace chalcopyrite.

The average sulphide content of the south vein is 5% (local variation up to 15%). The best gold values are found in the highly altered, quartz-pyrite rich footwall of a fault which lies on the periphery of an intrusive. The Johnson Shear Zone, host to at least 26 gold prospects over a 44 km strike length, lies approximately 10 km to the north.

The Last Hope Deposit can be classified as a mesothermal lode gold deposit in a Proterozoic setting. Mesothermal lode gold deposits typically occur in metamorphosed, supracrustal rocks, most commonly in tholeiitic basalts and komatiites but also in felsic volcanic rocks. Discrete veins occur in deformation zones in greenschist metamorphic domains where brittle or brittle-ductile fracturing is dominant. Veins are emplaced in cross-cutting or layer-parallel shear zones, extensional zones and more rarely in saddle reefs (Klien and Day, 1994). Gold is associated with disseminated sulphide minerals. Gold-bearing sulphide minerals are controlled by minor fractures, and occur in irregular patches in quartz, in the wall rock adjacent to the vein, or as disseminations or replacements in zones of highly altered and deformed rocks. Ore bodies tend to be tabular or rod-shaped formed by persistent or discontinuous veins and irregular bodies of gold bearing quartz. Quartz veins are typically surrounded by haloes of silicification and carbonate minerals.

Mineral Resources and Mineral Reserves

MINERAL RESOURCE ESTIMATE FOR LAST HOPE PROPERTY AT 2.0 G/T AU CUT-OFF (1-4)			
Classification	**Tonnes**	**Au g/t**	**Au oz**
Indicated	201,000	5.75	37,000
Inferred	1,067,000	5.29	182,000

(1) *Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*

(2) *The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.*

(3) *The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.*

(4) *The Mineral Resource Estimate is based on 219 drill holes of which 15 holes were drilled in 2012 and 204 holes were historical diamond drill holes. The core from this historical drilling remains intact at the Property and was partially re-assayed in 2012.*

The Indicated Mineral Resource category was justified for blocks interpolated by pass one which was using at least four composites from a minimum of two drill holes within a spacing of 25m on strike, 20m down dip and 10m across dip. Inferred resources were categorized by passes 2 to 4 on all remaining grade populated blocks.

Last Hope's Proximity to Alamos Gold's Lynn Lake Gold Project

Last Hope is located approximately 20 km directly south of Lynn Lake's proposed plant location, well within economic trucking distance, and could present an opportunity to blend in Last Hope's higher grade material to enhance project economics (Last Hope M&I grade = 6.75 g/t versus Lynn Lake's P&P grade of 1.83 g/t). Alamos Gold Lynn Lake Project's 2018 Feasibility Study stipulated a Proven and Probable reserve estimate which was since updated to 31.9Mt @ 1.83 g/t for 1.88M ozs, and proposed a 7,000 tpd conventional open pit CIP mining/milling operation. Alamos Gold's Lynn Lake Gold Project is currently in the permitting stage with ongoing exploration on the property.

Exploration Upside

Existing Resource Drill Targets

The Company plans to expand the high grade portions of the current resource by drilling the down-plunge extensions of high-grade shoots. Also, the Company plans to conduct infill drilling to upgrade and expand the existing resources.

Parallel Structure Drill Targets

In the summer of 2020, the previous owner, 2552883 Ontario Inc., completed a 68 line-kilometre Induced Polarization survey which identified 2 potential parallel structures to the east of the current resource estimate, similar to that hosting the current resource. These two parallel structures, each with a strike length of 3.4 km, were indicated by strong geophysical anomalies coinciding with soil geochemical highs as indicated in the figure below. The Company plans to drill each of these two parallel potentially mineralized structures - this represents an opportunity to ultimately significantly increase the current resource estimate.

MINING OPERATIONS

The Corporation has no mining operations.

OVERALL PERFORMANCE

RESULTS OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2019

Analysis of the year ended December 31, 2019 compared to the year ended December 31, 2018

As the Company is in the exploration phase and its properties are in the early stage of exploration, none of its properties are in production. Therefore, mineral exploration expenditures are not capitalized and losses are incurred as a result of exploration expenditures and administrative expenses relating to the operation of the Company's business. Consequently, the Company's net income is not a meaningful indicator of its performance of potential. The key performance driver for the Company is the acquisition, exploration, and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases the probability of finding and developing economic mineral deposits.

At this time the Company is not anticipating profit from operations in the near future. Until such time as the Company is able to realize profits from the production and marketing of commodities from its properties, the Company will report a deficit and will rely on its ability to obtain equity or debt financing to fund ongoing operations. Additional financing is required for new exploration and promotional initiatives. Due to the nature of the junior mineral exploration industry, the Company will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities, as well as its obligations relating to its properties.

The Company reported a loss of $353,220 for the year ended December 31, 2019 compared to a loss of $673,117 for the year ended December 31, 2018.

In 2019, the Company conducted little property-related work, incurring $50,116 of property expenditures, as opposed to 2018, when it incurred $444,170 of property expenditures.

A summary of the general administrative activity for the years ended December 31, 2019 and 2018 is as follows:

	2019	2018
Expenses:		
General and administration	**$ 102,046**	**$ 997**
Management and consulting	**100,000**	**135,500**
Mining claim commitments	**65,000**	**95,000**
Project expenditures	**50,116**	**444,170**
Professional fees	**6,703**	**37,200**
Total general administrative expenses	**$ 323,865**	**$ 712,867**

SUMMARY OF QUARTERLY RESULTS

The following are the results for the below noted quarters:

	Q4 2019	Q3 2019	Q2 2019	Q1 2019
General administrative expenses	76,492	25,346	57	151
Acquisition costs	—	65,000	—	—
Project expenditures	50,116	—	—	—
Net loss	211,591	131,646	5,040	4,943
Loss per share	0.00	0.00	0.00	0.00

	Q4 2018	Q3 2018	Q2 2018	Q1 2018
General administrative expenses	(5,249)	23,346	1,879	4,106
Acquisition costs	—	95,000	—	—
Project expenditures	(82,346)	—	376,260	137,787
Net loss (income)	85,105	107,730	347,343	132,939
Loss (Income) per share	0.00	0.00	0.00	0.00

The Company is in the exploration stage and therefore has no regular cash inflows. As at December 31, 2019, the Company had working capital of $336,198 (December 31, 2018 – a working capital deficiency of $42,092).

The pace of development of its properties will determine how quickly the Company expends its working capital and how long it will take before the Company requires additional working capital. The ability of the Company to access new working capital through additional financings could be adversely affected by many factors including a downturn in mineral prices, a general economic downturn, poor results from exploration programs on its properties and a variety of other factors.

FINANCIAL INSTRUMENTS

The Corporation's financial instruments consist of cash, accounts payable and accrued liabilities, advance payable, due to related party and promissory note payable.

(a) Risk management and hedging activities

In the normal course of operations the company is exposed to various financial risks. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The company does not meaningfully participate in the use of financial instruments to control these risks. The company has no designated hedging transactions. The financial risks and management's risk management objectives and policies are as follows:

(i) Currency risk

The company does not hold any assets or liabilities denominated in a foreign currency.

(ii) Price risk

The company is exposed to price risk with respect to commodity prices. As the company is not a producing entity, this risk does not currently affect earnings, however, the risk could affect the completion of future equity transactions. The company monitors commodity prices of precious metals and the stock market to determine the timing, nature and extent of equity transactions.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the entity. The company is exposed to credit risk on cash, trade receivables and other receivables. Cash is held with an established Canadian financial institution and the company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

(iv) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at December 31, 2019, the Company had a working capital of $336,198.

(v) 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.

(b) Fair values, carrying amounts and changes in fair value

The fair values of the company's financial instruments approximate their carrying value due to their short-term nature. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy in Canadian generally accepted accounting principles.

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level two includes inputs that are observable other than quoted prices included in level one.
- Level three includes inputs that are not based on observable market data.

At December 31, 2019 and December 31, 2018, the Company's financial instruments were comprised solely of its cash, receivables, loan receivable, accounts payable and accrued liabilities, and loan payable which was classified as Level 1.

(c) Collateral

The carrying value of financial assets the company has pledged as collateral as at December 31, 2019 and December 31, 2018 is $Nil.

RISK FACTORS

The business of the Company is subject to a number of risks and uncertainties that may impact the business of the Company. A summary of the risk factors that may affect the Company is set forth below.

COMPETION FOR MINERAL DEPOSITS

The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Company competes with a number of other entities and individuals in the exploration of search for and the acquisition of attractive mineral properties. As a result of this competition, much of which is with entities with greater financial resources than the Company, the Company may not be able to obtain funding for its exploration projects, obtain and maintain the necessary resources to carry out such exploration or acquire attractive properties in the future on terms it considers acceptable. The Company competes with other resource companies, many of whom have greater financial resources and/or more advanced properties that are better able to attract equity investment and other capital.

RESOURCE EXPLORATION AND DEVELOPMENT INVOLVES A HGITH DEGREE OF RISK

Resource exploration and development is a speculative business and involves a high degree of risk. There is no known body of commercial ore on any of the properties of the Company. There is no certainty that any expenditure made by the Company in the exploration of any of its properties or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company.

LAG TIME BETWEEN DISCOVERY AND PRODUCTION OF MINERAL RESOURCES

The Company is unable to predict the amount of time which may elapse between the date when any new mineral resource may be discovered and the date when production, if any, will commence from any such discovery.

INFRASTRUCTURE REQUIREMENTS

Exploration and development of mineral properties depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial conditions and results of operations.

TITLE TO THE COMPANY'S PROPERTIES OR INTEREST MAY BE DISPUTED

Title to and the area of resource concessions may be disputed. There is no guarantee of title to any of the Company's properties. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

SURFACE ACCESS RIGHTS

The Company does not have surface access rights to all of its mineral properties and will be required to obtain all necessary permits prior to carrying out any exploration activities on certain of its properties. According, the

Company may be unable to access certain of its properties and related mineral exploration claims to carry out its proposed exploration activities.

ABORIGINAL LAND CLAIMS AND ABORIGINAL RIGHTS

The mineral properties of the Company may in the future be the subject of aboriginal peoples' land claims or aboriginal rights claims. The legal basis of an aboriginal land claim and aboriginal rights is a matter of considerable legal complexity and the impact of the assertion of such a claim, or the possible effect of a settlement of such claim upon the Company cannot be predicted with any degree of certainty at this time.

ADDITIONAL FUNDS FOR FUTURE EXPLORATION AND DEVELOPMENT, DILUTION

As a mineral exploration company, the Company does not generate cash flow from its activities and it must rely primarily on issuances of its securities or the borrowing of funds to finance its operations. The exploration and development of its properties will require substantial funds beyond those it has and there is no assurance that such additional funds will be available to the Company on commercially reasonable terms or in sufficient amounts to allow the Company to continue to pursue its objectives. The inability of the Company to raise further funds whether through additional equity issuances or by other means, could result in delays or the indefinite postponement of planned exploration and/or development activities or, in certain circumstances, the loss of some or all of its property interests or cessation of all mineral exploration and/or development activities.

RISKS ASSOCIATED WITH THE COMPANY'S ACTIVITIES MAY NOT BE INSURABLE

The Company's business is subject to a number of risks and hazards and no assurance can be given that insurance will cover the risks to which the Company's activities will be subject or will be available at all or at commercially reasonable premiums.

THE COMPANY HAS NO HISTORY OF OPERTAIONS, EARNINGS OR DIVIDENDS

The Company was incorporated on December 5, 2008 and has no history of earnings or of a return on investment, and there is no assurance that it will generate earnings, operate profitably or provide a return on investment in the future. The Company has no plans to pay dividends.

STATUTORY AND REGULATORY COMPLIANCE IS COMPLEX AND MAY RESULT IN DELAY OR CURTAILMENT OF THE COMPANY'S OPERATIONS

The current and future operations of the Company and any parties which may carry out exploration, development and mining activities on properties in which the Company holds an interest will be governed by laws and regulations governing mineral concession acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities often experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. The Company will apply for all necessary permits for the exploration work it intends to conduct, however such permits are, as a practical matter, subject to the discretion of government authorities and there can be no assurance that the Company will be successful in obtaining or maintaining such permits.

THE COMPANY DEPENDS ON KEY MANAGEMENT AND EMPLOYEES

Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel.

SHORTAGE OF SUPPLIES

The Company may be adversely affected by shortages of critical supplies or equipment required to operate the business of the Company. Any shortage of critical supplies or equipment will affect the timeliness of the development of the Company and its business.

ESTIMATES OF MINERAL RESOURCES

There are numerous uncertainties inherent in estimating ore reserves and mineral resources. The accuracy of any reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Fluctuations in precious or base metal prices, results of drilling or metallurgical testing, subsequent to the date of any estimate may require revision of such estimate. In addition, there can be no assurance that precious or base metal recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

ENVIRONMENTAL FACTORS

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The Company's operations are subject to environmental regulations promulgated by various government agencies from time to time. Violation of existing or future environmental rules may result in various fines and penalties.

CONFLICT OF INTEREST

Certain directors and officers of the Company were also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing, and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

RELATED PARTY TRANSACTIONS

The loan receivable as at December 31, 2019 of $428,233 (December 31, 2018 - $280,645) is due from 55 North, a company under common management, and is non-interest bearing and repayable on demand.

The Company's Chairman and CEO was owed $220,000 at December 31, 2019 (December 31, 2018 - $100,000). This liability is non-interest bearing and repayable on demand.

During the year ended December 31, 2019, the Company's CFO was paid $25,000 in compensation.

During the year ended December 31, 2018, the Company recorded liabilities for services rendered to certain directors and officers totaling $130,500. This liability was settled by the issuance of 6,525,000 common shares and 5,275,000 warrants. Each warrant was exercisable into one common share a price of $0.05 per share until December 31, 2024. In August 2020, the terms of these warrants were changed to an exercise price of $0.18 and with an expiration date of December 31, 2022.

FUTURE CHANGES in ACCOUNTING POLICIES

New accounting pronouncements

IFRS 16 – Leases - In January 2016, the IASB issued IFRS 16. The new standard requires that for most leases, lessees must initially recognize a lease liability for the obligation to make lease payments and a corresponding right-of-use asset for the right to use the underlying asset for the lease term. Lessor accounting under IFRS 16 is substantially unchanged, lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between an operating or finance lease. The Company adopted the standard on January 1, 2019.

At the commencement date of a lease, a lessee will recognize a liability to make lease payments and an asset representing the right-of-use to use the underlying asset during the lease term. Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense or fair value gain (loss) on the right-of-use asset, depending on the balance sheet classification of the asset. The standard includes two recognition exemptions for leases; leases of 'low-value' assets and short-term leases. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events. The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

There was no impact from the adoption of IFRS 16 to the financial statements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

As the Company has had no significant revenue from operations since inception (December 21, 2016), the following is a breakdown of the material costs incurred by the Company:

	Year Ended December 31, 2019	**Year Ended December 31, 2018**
Project expenditures	$ 50,116	$ 444,170
Acquisition costs	65,000	95,000
General and administrative expenses	$ 102,046	$ 997

DISCLOSURE OF OUTSTANDING SHARE DATA

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, 2017	**25,250,001**	**$ 443,008**
Share issuance - private placement	3,000,000	87,336
Share issuance – debt settlement	8,525,000	127,798
Share issuance - private placement	9,000,000	101,832
Flow-through premium	—	(33,125)
Shares issued for investment	5,000,000	87,452
Share issuance - option payment	1,500,000	30,000
Balance, December 31, 2018	**52,275,001**	**844,301**
Share issuance - private placement	16,718,216	925,025
Warrant allocation	—	(158,569)
Share issue costs	—	(30,000)
Flow-through premium	—	(212,007)
Balance, December 31, 2019	**68,993,217**	**$ 1,368,750**

On April 23, 2018, the Company closed a private placement, issuing 3,000,000 flow-through units to the Company's Chairman at a price of $0.02 per unit, resulting in proceeds of $60,000. Each unit was comprised of one common share and one warrant with each warrant exercisable at $0.05 per share until April 23, 2019. These warrants expired unexercised.

On June 1, 2018, the Company closed a private placement, issuing 5,000,000 units at a price of $0.02 per unit, resulting in proceeds of $100,000. Each unit was comprised of one common share and one warrant with each warrant exercisable at $0.05 per share until June 1, 2019. These warrants expired unexercised.

On September 5, 2018, Last Hope issued 1,500,000 commons shares as an option payment to Peter Dunlop for the Last Hope project in Manitoba.

On December 28, 2018, the Company closed a private placement, issuing 3,250,000 flow-through units to the Company's Chairman at a price of $0.02 per unit, resulting in proceeds of $65,000. Each unit was comprised of one common share and one warrant with each warrant exercisable at $0.05 per share until December 28, 2020.

On December 28, 2018, the Company completed a transaction with the Company's Chairman whereby Last Hope acquired from him 1,916,666 common shares and 1,916,666 warrants of 55 North. The warrants acquired are exercisable into common shares at a price of $0.07 and expire July 4, 2020. The value of this transaction was $115,000. As consideration, the Company issued 5,750,000 units, with each unit comprised of one common share and one warrant. Each warrant is exercisable at $0.05 per share until December 28, 2020. These warrants expired unexercised.

On December 31, 2018, certain creditors agreed to receive a total of 3,250,000 common shares in settlement of $65,000 debt owed to them, with each share issued at $0.02 per share. Concurrently, certain directors agreed to receive a total of 5,275,000 units in settlement of $105,500 debt owed to them, with each unit issued at $0.02 per unit. The units were comprised of one common share and one warrant, with each warrant exercisable into one common share a price of $0.05 per share until December 31, 2024. In August 2020, the terms of these warrants were changed to an exercise price of $0.18 and with an expiration date of December 31, 2022.

On September 10, 2019, a director of the Company subscribed for 1,562,500 units at a price of 0.08 per unit for proceeds of $125,000. Each unit was comprised of one common share and one half of a warrant, with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On September 10, 2019, the Company closed a private placement, issuing 14,285,716 flow-through units for proceeds of $750,000. Each unit was comprised of one flow-through common share and one half of a warrant with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On December 31, 2019, the Company closed a private placement, issuing 870,000 flow-through units for proceeds of $50,025. Each unit was comprised of one flow-through common share and one half of a warrant with each warrant exercisable at $0.18 per share until December 31, 2022.

On September 24, 2020, the Company announced that it closed a non-brokered private placement for gross proceeds of $1,403,416. 6,672,080 flow through units at $0.20 per unit were issued for gross proceeds of $1,334,416. Each flow through unit consists of one common flow through share and one warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months. 460,000 non-flow through units at $0.15 per unit were issued for gross proceeds of $69,000. Each non-flow through unit consists of one common share and one warrant entitling the holder to acquire on additional common share at $0.30 per share for 48 months.

As part of the compensation for the finder's fees the Company paid $105,520 to certain eligible finders and issued 500,000 options that entitle the holder to acquire one common share for $0.20 per share for 48 months and 36,800 options that entitle the holder to purchase one common share for $0.15 per share for 48 months.

On October 16, 2020, the Company announced that it closed the second tranche of a non-brokered private placement for gross proceeds of $836,000, made up of $824,000 in flow through financing and $12,000 in non-flow through financing. The flow through financing consisted of 4,120,000 flow through units ("FT Units"). Each FT Unit was priced at $0.20 each for gross proceeds of $824,000. Each FT 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 $0.30 per share for 48 months from the date of issuance. The non-flow through financing consisted of 80,000 units ("NFT Units") priced at $0.15 each for gross proceeds of $12,000. Each NFT Unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months from the date of issuance.

OTHER REQUIREMENTS:

Additional information relating to the Company is available on SEDAR at www.sedar.com.

APPROVAL

Management is responsible for all information contained in this report. The audited consolidated financial statements for the year ended December 31, 2019 have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the financial statements for year ended December 31, 2019 in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Board of Directors has approved the audited consolidated financial statements on the recommendation of the Audit Committee.

Bruce Reid
President & CEO
October 28, 2020

55 NORTH MINING INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OF THE COMPANY'S FINANCIAL CONDITION

AND RESULTS OF OPERATIONS

FOR THE THREE AND SIX MONTHS ENDED

JUNE 30, 2020

The following management discussion and analysis of the financial condition and results of operations of 55 North Mining Inc. (the "Company") is prepared and reported as at June 30, 2020 and should be read in conjunction with the Company's unaudited financial statements and notes thereto for the three and six months ended June 30, 2020 as well as the Company's audited financial statements and notes thereto for the year ending December 31, 2019. Additional information about the Company has been filed with applicable Canadian securities regulatory authorities and is available at www.sedar.com.

The information provided herein is given as of October 28, 2020 unless otherwise indicated.

FORWARD LOOKING STATEMENT

This management discussion and analysis contains "forward-looking statements" which reflect management's expectations regarding the Company's future growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements may include, but are not limited to, statements with respect to the future financial or operating performance of the Company and its projects, the future price of gold or other metal prices, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations" of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; fluctuations in currency exchange rates; changes in project parameters as plans continue to be refined; changes in labour costs; future prices of gold or other metal prices; possible variations of mineral grade; accidents, hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and actual results of reclamation activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this management discussion and analysis and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

BUSINESS ENVIRONMENT and OUTLOOK

Beginning in the first quarter of 2020, the outbreak of the novel strain of coronavirus ("COVID-19"), has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Management has experienced a slow-down in the ability to transact business as a result of the self-isolating measures. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

Due to recent weak capital markets for junior mineral exploration companies, Management with the support of the Board of Directors has reduced operations to conserve capital. This involves the curtailment of exploration activities and the reduction of administrative overheads to an absolute minimum until such time that the capital markets are more supportive of junior exploration projects.

The Company will need to raise additional working capital, as it does not have sufficient working capital to fund its ongoing operations. In the current financial environment, there is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company's ability to continue as a going-concern.

Management believes that going forward, subject to economic conditions, finances and the availability of equity financing, the longer-term prospects for the Corporation should remain positive. It is the intention of the

Company to continue exploration activities on certain of its mineral properties going forward, as set forth in the technical report with respect to the Properties entitled "Technical Report on the Timmins Area Properties for SGX Resources Inc." dated January 15, 2010 prepared by John R. Boissoneault, B.SC, P.Eng. and available on SEDAR at www.sedar.com. The Company also intends to undertake exploration of its other properties not covered by this report. When opportunities present themselves, the Company will seriously evaluate the acquisition of additional mineral properties in the Timmins, Ontario area.

OVERVIEW OF THE BUSINESS

The Company was incorporated under the Canada Business Corporations Act on December 5, 2008. The Company did not commence active business operations until it acquired an interest in certain option agreements from San Gold Corporation ("San Gold") on December 4, 2009. The current business of the Company is exploration and development of its mineral properties.

In 2016 the Company effectively curtailed all activities, including exploration and supporting activities. During 2016, the Company's Board was unable to convene a properly called meeting with quorum. With nothing being approved by the Board, no official business could take place. Ultimately, this meant that the Company was not in compliance with its regulatory filing requirements and the Company's shares were suspended from trading on the TSX Venture Exchange ("TSXV") on May 9, 2016.

On January 10, 2017, at an annual and special meeting of shareholders requisitioned by 1911 Gold Canada Corporation (formerly known as Havilah Mining Corporation and previously Klondex Canada Ltd.) ("1911 Gold"), a significant shareholder in the Company, a new Board of Directors was elected, and new management was subsequently appointed (see press release dated January 11, 2017). 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".

On 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.

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 1911 Gold, 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 (previously 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 $1,023,403 ($895,802 previously in Due to Related Parties and $127,601 previously in Promissory Note Payable).

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 common shares of 55 North representing approximately 22.3% of the issued and outstanding 55 North shares.

The Company's shares resumed trading on the TSXV on August 14, 2019, trading for 10 days before being delisted, at the request of Management. The Company has conditional approval from the Canadian Securities Exchange to begin trading, pending compliance with certain conditions, specifically having adequate working capital. Management is currently in the process of raising capital to comply with this condition.

After announcing the signing of a letter of intent on June 8, 2020, on July 6, 2020 the Company announced that it had entered into a definitive agreement with European Cobalt Ltd. ("European Cobalt") pursuant to which European Cobalt Ltd. would acquire 100% of the rights, title and interest in the Edleston Gold Project located south of the Timmins gold camp in Ontario Canada ("Edleston"). Under the terms of the Agreement, European Cobalt paid a non-refundable cash payment of $100,000 to 55 North (received on June 1, 2020), and, upon closing, will pay a cash payment of $650,000 and issue 100,000,000 common shares of European Cobalt, which are listed and trade on the Australian Securities Exchange, to 55 North. All of the common shares issued by European Cobalt will be subject to a three-month voluntary escrow from the date of issue. This transaction was approved by shareholders at a meeting held on August 10, 2020.

On June 29, 2020, 55 North announced that it entered into a binding letter of intent ("LOI") with 2552883 Ontario Inc. ("2552883"), whereby 55 North will enter into a business combination with 2552883 (a three cornered amalgamation) whereby the shareholders of 2552883 will become shareholders of 55 North (the "Planned Transaction"). 2552883 is the owner of an option to acquire 100% of the rights, title and interest in the Last Hope Gold Project ("Last Hope"), a high-grade gold project located in the emerging Lynn Lake Gold Camp in northern Manitoba. This transaction was approved by shareholders at a meeting held on August 10, 2020.

The board of directors of 55 North had also decided to affect a 10.13:1 rollback of 55 North shares after the dividend of European Cobalt shares to 55 North shareholders. After the three-cornered amalgamation, ex-dividend, and post rollback, existing 55 North and 2552883 shareholders will own approximately 10% and 90% of the pro-forma company, respectively, with shares outstanding of approximately 78,326,193. This rollback was approved by shareholders at a meeting held on August 10, 2020.

MINERAL RESOURCES and MINERAL RESERVES

The Corporation has no known mineral reserves as defined by and compliant with the requirements of National Instrument 43-101.

MINING OPERATIONS

The Corporation has no mining operations.

OVERALL PERFORMANCE

Edleston (Timmins South):

55 North has undertaken an extensive diamond drilling program on the Edleston Property (previously referred to as the Timmins South or Sothman property) since September of 2011 as a follow-up to geophysical targets with the objective of locating near surface gold deposits. This land package is located approximately 60 km to the south of Timmins, Ontario, between the Young-Davidson mine to the east and the Cote Lake deposit to the west. Geophysical anomaly drilling for vein-style gold targets intersected what is now known as the Edleston Zone with drill holes #SL-11-14 and #SL-11-16 in late 2011. This discovery is located in the north-west quadrant of 55 North's claim group within the Sothman Township and has road access via Pine Street extending south from Timmins. The deposit dips moderately steeply to the south and strikes roughly at an azimuth of 100 degrees or east-southeast. More than 75 drill holes have been completed to date along 50 metre spaced sections, outlining a mineralized zone approximately 100 metres wide and over 600 metres long, drilled to a maximum depth of 250 metres while the zone continues to remain open in all directions. The favorable geological host rock package extends southwest and east for many kilometers in a horseshoe shape yielding many classic structural targets. 55 North has recently discovered a new high-grade surface zone parallel and to the south of the Edleston Deposit as drilling moves eastward along strike including 6 metres of 68 grams per tonne. 55 North plans to continue to build on the size of the Edleston Deposit and to extend and explore the newly discovered high-grade zone, as well as to continue determining mineral potential in the remainder of this property package.

Recent geophysical and geological work conducted by 55 North has demonstrated that the Edleston Zone sits within the north limb of the host unit/horizon that stretches over 10 km to the east. This unit is broadly folded back toward the south and east immediately to the west of the deposit continuing under and near the contact with shallow sedimentary cover. Pronounced axial planes extend across the folded host unit. Regionally, this property appears to lie along the potential western extension of the Cadillac-Larder fault zone along which a number of major gold deposits are located. The host rock is an altered and sheared ultramafic that exhibits extensive silicification and contains quartz-carbonate in veins, veinlets and fracture fills. Mineralization is broadly distributed throughout the unit as pyrite in amounts of 3 to 5 per cent with trace chalcopyrite and occasional visible gold observed as well. Additional intercalated volcanic and meta sediment units lie to the north and south of the deposit, large felsic and mafic intrusive units are in contact with the northern volcanic rocks to the east beyond the 55 North property boundaries. Along strike to the east of the Edleston zone by approximately 1.5 km lies the Sirola Zone, which exhibits similar geology and mineralization and contains some of the only outcropping in the region. The outcropping portion of this property consists of an altered reddish feldspar porphyry which lies in contact with mineralized ultramafic volcanic. These formations have a general strike of 100 degrees azimuth with a steep dip and are generally sheared and highly altered by carbonatization and silicification. Numerous trenches and test pits, believed to be from the early 1980's are also located on the property.

Tully (Timmins North): Joint Venture with Shoreline Gold Inc. (formerly San Gold Corporation)

Activities at the Timmins North or Tully property, located approximately 25 km to the north of Timmins are focused on diamond drilling in order to expand on and further define the Tully gold deposit, first discovered in 1969 by McIntyre Mines. The Tully property has year-round road access and is located immediately to the east of the Kidd Creek mine, and to the north of the Bell Creek milling facility. During the latter part of 2012 an internal study was undertaken focusing on the structural and geological setting in order to fully appreciate the potential for additional mineralization and its controls. What resulted is a different interpretation of vein geometry than that of past operators giving rise to a new exploration program consisting of steeply oriented drilling in order to intersect veining at perpendicular angles and to utilize drill footage more efficiently by intersecting numerous vein sets. In general terms, the Tully deposit is now interpreted to be a series of shallow dipping (extensional or ladder) stacked vein sets within a subvertical competent mafic tuff host that is bounded by ultramafic volcanic rocks to the south and sediments to the north. This host sequence of rocks all lie within the regional east-west Pipestone Fault corridor, a northern splay from the Porcupine-Destor Fault. Movement along this fault corridor gave rise to competence contrast in the tuff unit, allowing for dilation and the formation of extension fractures which became repositories for gold bearing hydrothermal fluids. The Tully deposit has been drilled over a 600 metre strike length to date, and to depths of over 200 metres, remaining open along strike and to depth. 55 North intends to continue its program of definition and exploration drilling along strike and to depth, focusing on high grade, near surface potential. This was sold to 1911 Gold.

Other Properties:

Other strategic land positions are held in the west Timmins area and immediately west of Kirkland Lake, all near current and past production. The Company has also signed an exploration agreement with Mattagami First Nation. The Agreement recognizes the rights, obligations, and responsibilities held by each party in relation to ongoing exploration activities on claims held by the Company that are located in Mattagami traditional territory. The Agreement also identifies potential opportunities which may arise from exploration activities in these areas and provides methods for the Mattagami community to participate in these opportunities. This property was sold and the Company no longer has an interest in this property.

On December 21, 2011, the Company had completed the acquisition of five mineral claims (the "Salo Mineral Claims") located in the Porcupine Mining Division, District of Cochrane, Ontario from Randall Salo ("Salo"). The consideration paid by 55 North to Salo for the Salo Mineral Claims was 100,000 common shares of 55 North and $10,000 in cash. The Salo Mineral Claims were subject to a 2% net smelter royalty in favor of Salo. The Company let these claims lapse in 2015 and no longer has an interest in this property.

On December 21, 2011, the Company completed the acquisition of four mineral claims (the "Bremner Mineral Claims") located in Sothman Township in the Porcupine Mining Division, District of Cochrane, Ontario from Daryl Bremner ("Bremner). The consideration paid by 55 North to Bremner for the Bremner Mineral Claims was 120,000 common shares of 55 North and $2,000 in cash. The Bremner Mineral Claims were also subject to a 2% net smelter royalty in favor of Bremner. The Company let these claims lapse in 2015 and no longer has an interest in this property.

In April 2012, the Company completed the acquisition of three mineral claims (the "Mineral Claims") located in Hutt Township and Halliday Township in the Porcupine Mining Division, District of Cochrane, Ontario from Yvan Verroneau ("Verroneau"). Consideration paid by 55 North to Verroneau for the Mineral Claims consisted of 17,778 common shares of 55 North. The Company let these claims lapse in 2015 and no longer has an interest in this property.

On April 18, 2012, the Company announced that San Gold and 55 North completed their previously announced sale by San Gold to 55 North of all of the interests of San Gold in its mineral properties in Tisdale Township, in the Timmins, Ontario mining camp (the "Transaction"). The consideration paid by 55 North to San Gold was 8,060,000 common shares of 55 North ("55 North Shares") at a deemed price of $0.50 per 55 North Share. These shares represented approximately 7.26% of the current issued and outstanding 55 North Shares. The Transaction was completed pursuant to a purchase agreement between San Gold and 55 North dated as of the date hereof. The Tisdale Township properties consist of a 31.5% ownership in 12 mineral claims known as the "Davidson-Tisdale Property" and a 100% interest in 13 mineral claims known as the "North Tisdale Property" as well as certain surface rights (collectively, the "Properties"). The remaining 68.5% of the Davidson-Tisdale Property is owned by Lexam VG Gold Inc. Laurion Mineral Exploration Inc. retains a 2% net smelter return royalty on the North Tisdale Property, which is now an obligation of 55 North. This property was sold and the Company no longer has an interest in this property.

The Company has entered into an option agreement (the "Option Agreement") with James E. Croxall (the "Optionor") dated as of June 1, 2012 (the "Effective Date"). Pursuant to the Option Agreement, the Optionor has provided 55 North with an option to acquire a 100% undivided interest in seven mineral claims (the "Properties") held by the Optionor in Zavitz Township, Porcupine Mining District in the Timmins, Ontario area. Pursuant to the terms of the Option Agreement, 55 North has the option to earn a 100% undivided interest in the Properties by making the following aggregate cash payments and issuing the following aggregate numbers of common shares of 55 North ("Common Shares") to the Optionor: (i) $10,000 cash and 30,000 Common Shares on the date of execution of the Option Agreement, which has been done; (ii) $15,000 cash and 30,000 common shares on or before the date that is one year following the Effective Date; (iii) $25,000 cash and 40,000 Common Shares on or before the second anniversary of the Effective Date; and (iv) $50,000 cash and 150,000 Common Shares on or before the third anniversary of the Effective Date. In addition, 55 North must incur at least $200,000 in exploration expenditures on the Properties on or before the third anniversary of the Effective Date. Upon transfer of a 100% undivided interest in the Properties from the Optionor to 55 North, the Optionor shall be entitled to an aggregate 2% net smelter returns royalty on the Properties. 55 North shall be entitled to purchase half of such royalty (1%) from the Optionor for $1,000,000 in cash, subject to an adjustment based on the change in the Consumer Price Index from the Effective Date until the time of such purchase. The Company ended further work and returned the property to the Optionor.

On July 9, 2012 the Company entered into an option agreement with each of Randall Salo, Michael Tremblay and Jacques Robert. Pursuant to the Option Agreement, the Optionors provided 55 North with an option to acquire a 100% undivided interest in eight mineral claims held by the Optionors in Zavitz Township and Hincks Township in the Porcupine and Larder Lake Mining Districts in the Timmins, Ontario area. The Company no longer has an interest in this property.

On August 21, 2012, 55 North entered into an option agreement (the "Option Agreement") with each of Shoreacres Explorations Ltd., 2090720 Ontario Inc. and 2229667 Ontario Inc. (collectively, the "Optionors"). Pursuant to the Option Agreement, the Optionors provided 55 North with an option to acquire a 100% undivided interest in eight leased mineral claims (the "Properties") help by the Optionors in Grenfell Township in the Larder Lake Mining District in the Kirkland Lake, Ontario area. Pursuant to the terms of the Option Agreement, 55 North has the option to earn a 100% undivided interest in the Properties by making the following aggregate cash payments and issuing the following aggregate numbers of common shares of 55 North ("Common Shares") to the Optionors: (i) $25,000 cash and 100,000 Common Shares on or about the date that the TSX Venture Exchange accepts the terms of the Option Agreement (the "Effective Date"): (ii) $25,000 cash and 100,000 common shares on or before the first anniversary of the Effective Date; (iii) $25,000 cash and 100,000 Common Shares on or before the second anniversary of the Effective Date; (iv) $37,500 cash and 150,000 Common Shares on or before the third anniversary of the Effective Date; and (v) $62,500 cash and 250,000 Common Shares on or before the fourth anniversary of the Effective Date. There was no specific work commitment required by 55 North pursuant to the Option Agreement. Upon transfer of a 100% undivided interest in the Properties from the Optionors to 55 North, the Optionors shall be entitled to an aggregate 1% net smelter returns royalty on the Properties. This is in addition to the existing 2% net smelter returns royalty on the Property. 55 North shall be entitled to purchase half of such royalty (1%) from the holder for $1,000,000 in cash. The Company ended work on these Properties and no longer has an interest in this property.

On May 31, 2013, the Company completed the acquisition of one mining claim (the Clayton Larche Claim) located in the Porcupine Division in the District of Cochrane, Ontario from Clayton Larche. The consideration paid by 55 North to Clayton Larche for the Clayton Larche claim was $10,000 in cash, for outright ownership of claim. The Clayton Larche claim is also subject to a 2% net smelter royalty in favor of Larche. 55 North shall be entitled to purchase half of such royalty (1%) from the holder for $1,000,000 in cash. The Company ended work on this claim no longer has an interest in this property.

On May 29, 2014, the Company completed all cash payments and share issuances required pursuant to the option agreement (the "Option Agreement") dated May 17, 2010 between the Company and Shoreacres Exploration Limited ("Shoreacres") to earn its 100% interest in leased claim CLM 114 (the "Mineral Property") located in Sothman Township in the Timmins, Ontario area. In accordance with the terms of the Option Agreement, Shoreacres will transfer ownership of the Mineral Property to the Company within 30 days. Shoreacres shall retain a 2% net smelter returns royalty on the Mineral Property in accordance with the terms of the Option Agreement.

During the year ended December 31, 2016, the Company did not undertake any exploration work on its properties. During the year ended December 31, 2017, some exploration work took place on its properties. All of the properties of the Company are located in and around the Timmins, Ontario area. A summary of the properties of the Company and the exploration activities of the Company on such properties during the year is set forth below.

THE SHOREACRES PROPERTY - Own Outright

The Shoreacres Property consists of a single leased claim consisting of 14 units located in Sothman Township in the Timmins, Ontario area.

Claim Status

LEASE#	UNITS	HECTARES	RECORDING DATE	Expiry Date	TOWNSHIP/AREA
CLM114	14	278.448	29-May-14	31-Dec-28	Sothman
Total Lease	14 Units	278.448 Hectares			

THE EDLESTON (TIMMINS SOUTH) PROPERTY (Croxall et al) – Under Option

The Timmins South Property consists of Thirty-Six claims consisting of 333 units located in Sothman, Semple, Halliday, and Nursey Township in Ontario.

Claim Status

CLAIM#	UNITS	RECORDING DATE	DUE DATE	TOWNSHIP/AREA
1149934	9	30-May-03	30-May-21	Sothman
1149935	8	9-Jul-03	9-Jul-21	Semple
1149936	4	20-May-03	20-May-21	Sothman
1149937	16	7-May-03	7-May-21	Sothman
1149938	10	7-May-03	7-May-22	Sothman
1149939	2	20-May-03	20-May-21	Sothman
1191895	16	18-Feb-02	18-Feb-21	Semple
1227898	15	31-May-05	31-May-21	Semple
1247541	9	15-Apr-03	15-Apr-21	Sothman
1247542	8	15-Apr-03	15-Apr-21	Sothman
1247543	2	15-Apr-03	15-Apr-21	Sothman
3005882	6	4-Mar-04	4-Mar-21	Semple
3005884	16	4-Mar-04	4-Mar-23	Sothman
3005885	6	4-Mar-04	4-Mar-21	Sothman
3005886	3	4-Mar-04	4-Mar-22	Sothman
3005887	11	4-Mar-04	4-Mar-22	Sothman
3005888	1	4-Mar-04	4-Mar-21	Sothman
3016396	8	3-Jul-03	3-Jul-21	Sothman
3016397	8	3-Jul-03	3-Jul-21	Sothman
4202189	9	2-Mar-09	2-Mar-21	Halliday
4203285	8	4-Jul-05	4-Jul-21	Semple
4210938	6	2-Mar-09	2-Mar-21	Halliday
4212409	6	23-Feb-07	23-Feb-23	Nursey
4212410	1	23-Feb-07	23-Feb-21	Sothman
4212411	16	23-Feb-07	23-Feb-21	Sothman
4224481	16	28-Aug-07	28-Aug-21	Sothman
4224482	12	28-Aug-07	28-Aug-21	Sothman

4224483	16	28-Aug-07	28-Aug-21	Sothman
4224484	4	28-Aug-07	28-Aug-21	Sothman
4224485	16	28-Aug-07	28-Aug-21	Sothman
4224486	13	28-Aug-07	28-Aug-21	Sothman
4224487	10	28-Aug-07	28-Aug-21	Halliday
4250777	8	29-Apr-10	29-Apr24	Sothman
30001053	9	18-Feb-03	18-Feb-21	Semple
34 claims	308			

The above claims were registered in the names of Croxall, Kangas, Miller and Bryant in various owner proportions and are under option with the Company. Effective November 6, 2019 the properties listed above have had the various proportions transferred 100% to 55 North Mining Inc. It should be noted that the claim numbers are legacy numbers under the new claims recording initiative. The claims are all in good standing under the new program. Effective April 01, 2020 two additional claim cells were staked. Claim cells 582951 and 582952 were added to the Edleston land package in Sothman twp. These claims have a due date of April 1, 2022.

RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2020

Analysis of the periods ended June 30, 2020 compared to the periods ended June 30, 2019

As the Company is in the exploration phase and its properties are in the early stage of exploration, none of its properties are in production. Therefore, mineral exploration expenditures are not capitalized and losses are incurred as a result of exploration expenditures and administrative expenses relating to the operation of the Company's business. Consequently, the Company's net income is not a meaningful indicator of its performance of potential. The key performance driver for the Company is the acquisition, exploration, and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases the probability of finding and developing economic mineral deposits.

At this time the Company is not anticipating profit from operations in the near future. Until such time as the Company is able to realize profits from the production and marketing of commodities from its properties, the Company will report a deficit and will rely on its ability to obtain equity or debt financing to fund ongoing operations. Additional financing is required for new exploration and promotional initiatives. Due to the nature of the junior mineral exploration industry, the Company will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities, as well as its obligations relating to its properties.

For the three and six months ended June 30, 2020, the Company reported losses of $140,096 and $211,067, respectively, compared to losses of $36,138 and $164,132 for the three months and six months ended June 30, 2019.

The Company did not undertake any significant exploration activities during 2019 or the first six months of 2020. For the past three and a half years, Management has focused on administrative and organizational "clean up". During 2020, Management has worked to sell its current assets, secure, in the opinion of Management, new world class assets, and get the Company's shares listed for trading on the Canadian Securities Exchange by raising sufficient working capital needed to carry operations forward. Management is well along this path, with a shareholder meeting scheduled on August 10, 2020 to approve this course of action (see Overview of the Business, above).

As a result of more personnel being focused on the projects at hand, the Company incurred higher payroll and consulting costs of $120,000 in the first six months of 2020 compared to $76,060 in the first six months of 2019. Costs to date related to the motions in front of shareholders, including legal costs of $15,428, were $30,428. Legal costs for the first six months of 2019 were $5,121.

During 2020, the company incurred shareholder relations and communication costs of $14,219, compared to $8,842 in the first six months of 2019.

Project-related expenditures were $38,778 in the three and six months ended June 30, 2020 compared to $32,900 and $64,600, respectively, for the three and six months ended June 30, 2019.

SUMMARY OF QUARTERLY RESULTS

The following are the results for the below noted quarters:

	Q2 2020	Q1 2020	Q4 2019	Q3 2019
General administrative expenses	101,318	70,486	711,731	6,291
Net income (loss)	(140,096)	(70,971)	(648,225)	1,632,963
Income (loss) per share	0.00	(0.00)	(0.01)	0.03

	Q2 2019	Q1 2019	Q4 2018	Q3 2018
General administrative expenses	44,080	94,246	24,331	42,145
Net loss	(36,138)	(127,994)	(48,584)	(42,145)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

The Company is in the exploration stage and therefore has no regular cash inflows. As at June 30, 2020, the Company had a working capital deficiency of $714,865 (December 31, 2019 – a working capital deficiency of $504,283).

The pace of development of its properties will determine how quickly the Company expends its working capital and how long it will take before the Company requires additional working capital. The ability of the Company to access new working capital through additional financings could be adversely affected by many factors including a downturn in mineral prices, a general economic downturn, poor results from exploration programs on its properties and a variety of other factors.

FINANCIAL INSTRUMENTS

The Corporation's financial instruments consist of cash, accounts payable and accrued liabilities, advance payable, due to related party and promissory note payable.

(a) Risk management and hedging activities

In the normal course of operations the Company is exposed to various financial risks. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The company does not meaningfully participate in the use of financial instruments to control these risks. The company has no designated hedging transactions. The financial risks and management's risk management objectives and policies are as follows:

(i) Currency risk

The company does not hold any assets or liabilities denominated in a foreign currency.

(ii) Price risk

The company is exposed to price risk with respect to commodity prices. As the company is not a producing entity, this risk does not currently affect earnings, however, the risk could affect the completion of future equity transactions. The company monitors commodity prices of precious metals and the stock market to determine the timing, nature and extent of equity transactions.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the entity. The company is exposed to credit risk on cash, trade receivables and other receivables. Cash is held with an established Canadian financial institution and the company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

(iv) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at June 30, 2020, the Company had a working capital deficiency in the amount of $714,865.

(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's promissory note agreement fixes interest at 5% per annum and accordingly is not subject to cash flow interest rate risk due to changes in the market rate of interest. Changes in future interest rates could however affect the carrying value of the debt and result in a non-cash adjustment to earnings.

(b) Fair values, carrying amounts and changes in fair value

The fair values of the Company's financial instruments approximate their carrying value due to their short-term nature. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy in Canadian generally accepted accounting principles.

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level two includes inputs that are observable other than quoted prices included in level one.
- Level three includes inputs that are not based on observable market data.

At June 30, 2020 and December 31, 2019, the Company's financial instruments were classified as Level 1.

(c) Collateral

The carrying value of financial assets the Company has pledged as collateral as at June 30, 2020 and December 31, 2019 is $Nil.

RISK FACTORS

The business of the Company is subject to a number of risks and uncertainties that may impact the business of the Company. A summary of the risk factors that may affect the Company is set forth below.

COMPETITION FOR MINERAL DEPOSITS

The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Company competes with a number of other entities and individuals in the exploration of search for and the acquisition of attractive mineral properties. As a result of this competition, much of which is with entities with greater financial resources than the Company, the Company may not be able to obtain funding for its exploration projects, obtain and maintain the necessary resources to carry out such exploration or acquire attractive properties in the future on terms it considers acceptable. The Company competes with other resource companies, many of whom have greater financial resources and/or more advanced properties that are better able to attract equity investment and other capital.

RESOURCE EXPLORATION AND DEVELOPMENT INVOLVES A HIGH DEGREE OF RISK

Resource exploration and development is a speculative business and involves a high degree of risk. There is no known body of commercial ore on any of the properties of the Company. There is no certainty that any expenditure made by the Company in the exploration of any of its properties or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company.

LAG TIME BETWEEN DISCOVERY AND PRODUCTION OF MINERAL RESOURCES

The Company is unable to predict the amount of time which may elapse between the date when any new mineral resource may be discovered and the date when production, if any, will commence from any such discovery.

INFRASTRUCTURE REQUIREMENTS

Exploration and development of mineral properties depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial conditions and results of operations.

TITLE TO THE COMPANY'S PROPERTIES OR INTEREST MAY BE DISPUTED

Title to and the area of resource concessions may be disputed. There is no guarantee of title to any of the Company's properties. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

SURFACE ACCESS RIGHTS

The Company does not have surface access rights to all of its mineral properties and will be required to obtain all necessary permits prior to carrying out any exploration activities on certain of its properties. According, the Company may be unable to access certain of its properties and related mineral exploration claims to carry out its proposed exploration activities.

ABORIGINAL LAND CLAIMS AND ABORIGINAL RIGHTS

The mineral properties of the Company may in the future be the subject of aboriginal peoples' land claims or aboriginal rights claims. The legal basis of an aboriginal land claim and aboriginal rights is a matter of considerable legal complexity and the impact of the assertion of such a claim, or the possible effect of a settlement of such claim upon the Company cannot be predicted with any degree of certainty at this time.

ADDITIONAL FUNDS FOR FUTURE EXPLORATION AND DEVELOPMENT, DILUTION

As a mineral exploration company, the Company does not generate cash flow from its activities and it must rely primarily on issuances of its securities or the borrowing of funds to finance its operations. The exploration and development of its properties will require substantial funds beyond those it has and there is no assurance that such additional funds will be available to the Company on commercially reasonable terms or in sufficient amounts to allow the Company to continue to pursue its objectives. The inability of the Company to raise further funds whether through additional equity issuances or by other means, could result in delays or the indefinite postponement of planned exploration and/or development activities or, in certain circumstances, the loss of some or all of its property interests or cessation of all mineral exploration and/or development activities.

RISKS ASSOCIATED WITH THE COMPANY'S ACTIVITIES MAY NOT BE INSURABLE

The Company's business is subject to a number of risks and hazards and no assurance can be given that insurance will cover the risks to which the Company's activities will be subject or will be available at all or at commercially reasonable premiums.

THE COMPANY HAS NO HISTORY OF OPERATIONS, EARNINGS OR DIVIDENDS

The Company was incorporated on December 5, 2008 and has no history of earnings or of a return on investment, and there is no assurance that it will generate earnings, operate profitably or provide a return on investment in the future. The Company has no plans to pay dividends.

STATUTORY AND REGULATORY COMPLIANCE IS COMPLEX AND MAY RESULT IN DELAY OR CURTAILMENT OF THE COMPANY'S OPERATIONS

The current and future operations of the Company and any parties which may carry out exploration, development and mining activities on properties in which the Company holds an interest will be governed by laws and regulations governing mineral concession acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities often experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. The Company will apply for all necessary permits for the exploration work it intends to conduct, however such permits are, as a practical matter, subject to the discretion of government authorities and there can be no assurance that the Company will be successful in obtaining or maintaining such permits.

THE COMPANY DEPENDS ON KEY MANAGEMENT AND EMPLOYEES

Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel.

SHORTAGE OF SUPPLIES

The Company may be adversely affected by shortages of critical supplies or equipment required to operate the business of the Company. Any shortage of critical supplies or equipment will affect the timeliness of the development of the Company and its business.

ESTIMATES OF MINERAL RESOURCES

There are numerous uncertainties inherent in estimating ore reserves and mineral resources. The accuracy of any reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Fluctuations in precious or base metal prices, results of drilling or metallurgical testing, subsequent to the date of any estimate may require revision of such estimate. In addition, there can be no assurance that precious or base metal recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

ENVIRONMENTAL FACTORS

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The Company's operations are subject to environmental regulations promulgated by various government agencies from time to time. Violation of existing or future environmental rules may result in various fines and penalties.

CONFLICT OF INTEREST

Certain directors and officers of the Company were also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing, and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

RELATED PARTY TRANSACTIONS

At June 30, 2020, advance payable of $559,321 (December 31, 2019 - $389,455) is made up of monies due to a company in which certain directors of the Company are shareholders. The advances are unsecured, non-interest bearing and due on demand.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly and indirectly, include any director (whether executive or otherwise) of the Company. Total fees paid to the Company's CEO during the three and six months ended June 30, 2020 is $30,000 (three and six months ended June 30, 2019 - $NIL) with $30,000 remaining in accounts payable at June 30, 2020 (June 30, 2019 - $NIL). Total fees paid to the Company's CFO during the three and six months ended June 30, 2020 is $7,000 and $20,000, respectively (three and six months ended June 30, 2019 - $NIL and $15,000, respectively) with $20,000 remaining in accounts payable at June 30, 2020 (June 30, 2019 - $NIL). Total fees paid to a Company Director during the three and six months ended June 30, 2020 is $30,000 and $50,000, respectively (three and six months ended June 30, 2019 - $NIL and $30,000, respectively) with $30,000 remaining in accounts payable at quarter end (June 30, 2019 - $NIL). At June 30, 2020, the Company's Chairman is owed $5,486 in expenses (June 30, 2019 - $NIL), which amount remains in accounts payable at quarter-end.

FUTURE CHANGES in ACCOUNTING POLICIES

New 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.

The Conceptual Framework for Financial Reporting (revised in 2018) has been updated to expand on the existing Conceptual Framework by focusing on the elements of financial statements, recognition and derecognition, measurement, and presentation and disclosure. The standard is effective for annual periods beginning on or after January 1, 2020. These new standards and changes did not have any material impact on the Company's financial statements.

Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors has been updated. The definition of "material" is being clarified for purpose of improving consistency and application of the concept where applicable. The standard is effective for annual periods beginning on or after January 1, 2020. This new standard and changes did not have any material impact on the Company's financial statements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

As the Company has had no significant revenue from operations since inception (December 5, 2008), the following is a breakdown of the material costs incurred by the Company:

	Three months Ended June 30, 2020	Three months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Project Costs	$ 38,778	$ 32,900	$ 38,778	$ 64,600
General and Administrative Expenses	$ 101 319	$ 44,080	$ 171 804	$ 138,326

DISCLOSURE OF OUTSTANDING SHARE DATA

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, 2018	**52,964,717**	**$27,814,616**
Shares issued in private placement	**26,383,333**	**1,144,000**
Value of associated warrants	**---**	**(15,400)**
Share issue costs	**---**	**(2,450)**
Balance, December 31, 2019 and June 30, 2020	**79,348,050**	**$28,940,766**

On September 24, 2020, the Company announced that it closed a non-brokered private placement for gross proceeds of $1,403,416. 6,672,080 flow through units at $0.20 per unit were issued for gross proceeds of $1,334,416. Each flow through unit consists of one common flow through share and one warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months. 460,000 non-flow through units at $0.15 per unit were issued for gross proceeds of $69,000. Each non-flow through unit consists of one common share and one warrant entitling the holder to acquire on additional common share at $0.30 per share for 48 months.

As part of the compensation for the finder's fees the Company paid $105,520 to certain eligible finders and issued 500,000 options that entitle the holder to acquire one common share for $0.20 per share for 48 months and 36,800 options that entitle the holder to purchase one common share for $0.15 per share for 48 months.

On October 16, 2020, the Company announced that it closed the second tranche of a non-brokered private placement for gross proceeds of $836,000, made up of $824,000 in flow through financing and $12,000 in non-flow through financing. The flow through financing consisted of 4,120,000 flow through units ("FT Units"). Each FT Unit was priced at $0.20 each for gross proceeds of $824,000. Each FT 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 $0.30 per share for 48 months from the date of issuance. The non-flow through financing consisted of 80,000 units ("NFT Units") priced at $0.15 each for gross proceeds of $12,000. Each NFT Unit is comprised of one common share and one common share purchase warrant entitling the holder to acquire one additional common share at a price of $0.30 per share for 48 months from the date of issuance.

OTHER REQUIREMENTS:

Additional information relating to the Company is available on SEDAR at www.sedar.com.

APPROVAL

Management is responsible for all information contained in this report. The unaudited condensed interim financial statements for the three and six months ended June 30, 2020 have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the financial statements for the three and six months ended June 30, 2020 in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Board of Directors has approved the audited consolidated financial statements on the recommendation of the Audit Committee.

Bruce Reid
President & CEO

October 28, 2020

2552883 Ontario Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OF THE COMPANY'S FINANCIAL CONDITION

AND RESULTS OF OPERATIONS

FOR THE THREE AND SIX MONTHS ENDED

JUNE 30, 2020

The following management discussion and analysis of the financial condition and results of operations of 2552883 Ontario Inc. (the "Company") is prepared and reported as at June 30, 2020 and should be read in conjunction with the Company's unaudited financial statements and notes thereto for the three and six months ended June 30, 2020 as well as the Company's audited financial statements and notes thereto for the year ending December 31, 2019.

The information provided herein is given as of October 28, 2020 unless otherwise indicated.

FORWARD LOOKING STATEMENT

This management discussion and analysis contains "forward-looking statements" which reflect management's expectations regarding the Company's future growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements may include, but are not limited to, statements with respect to the future financial or operating performance of the Company and its projects, the future price of gold or other metal prices, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations" of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; fluctuations in currency exchange rates; changes in project parameters as plans continue to be refined; changes in labour costs; future prices of gold or other metal prices; possible variations of mineral grade; accidents, hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and actual results of reclamation activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this management discussion and analysis and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

BUSINESS ENVIRONMENT and OUTLOOK

Beginning in the first quarter of 2020, the outbreak of the novel strain of coronavirus ("COVID-19"), has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Management has experienced a slow-down in the ability to transact business as a result of the self-isolating measures. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

Due to recent weak capital markets for junior mineral exploration companies, Management with the support of the Board of Directors has reduced operations to conserve capital. This involves the curtailment of exploration activities and the reduction of administrative overheads to an absolute minimum until such time that the capital markets are more supportive of junior exploration projects.

The Company will need to raise additional working capital, as it does not have sufficient working capital to fund its ongoing operations. In the current financial environment, there is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company's ability to continue as a going-concern.

Management believes that going forward, subject to economic conditions, finances and the availability of equity financing, the longer-term prospects for the Corporation should remain positive. It is the intention of the

Company to continue exploration activities on its mineral properties going forward. When opportunities present themselves, the Company will seriously evaluate the acquisition of additional mineral.

OVERVIEW OF THE BUSINESS

The Company was incorporated under the laws of Ontario on December 21, 2016. The Company acquires, explores, and develops mineral properties in Manitoba, Canada.

The Company was originally set up as a means to access funds needed by 55 North Mining Inc. ("55 North"), as 55 North was unable to raise equity as a result of being cease-traded by various Canadian securities commissions. The intention was to eventually merge the two companies.

On June 29, 2020, 55 North announced that it entered into a binding letter of intent ("LOI") with the Company whereby the two companies will enter into a business combination whereby the shareholders of the Company will become shareholders of 55 North. This transaction was approved by 55 North shareholders at a meeting held on August 10, 2020. The Company's shareholders approved of this business combination by way of a consent resolution effective August 4, 2020.

On September 2, 2020, the Company completed the previously announced amalgamation with 55 North. In accordance with the terms of the amalgamation agreement, 55 North acquired all of the issued and outstanding common shares of the Company on the basis of one share issued for each Company share outstanding immediately prior to the amalgamation. As a result, 70,493,217 Post-Consolidation Shares were issued giving the shareholders of the Company control of approximately 89.99 % of the issued and outstanding share capital of the merged entity as at the effective date of the amalgamation.

The Company's corporate head office and registered is located at 401 Bay Street, Suite 2702, Toronto ON M5H 2Y4. The Company is not a reporting issuer, as defined in corporate law, and its shares are not currently listed for trading on any stock exchange.

On December 30, 2016, the Company signed an option agreement with Tamarak Gold Resources Inc. to option a project near Timmins, Ontario. The Company paid $11,300 and issued 1,000,000 common shares.

On September 5, 2017, the Company signed an option agreement with Peter Dunlop to option the Last Hope Project near Lynn Lake, Manitoba. On signing, the Company paid $65,000 and issued 1,500,000 common shares.

The Company committed to incur an aggregate of at least $250,000 per year for the four years following the execution of this agreement to an aggregate of $1,000,000 and make additional option payments as follows:

- September 5, 2018: $65,000 and an additional 1,500,000 common shares;
- September 5, 2019: $65,000;
- September 5, 2020: $65,000; and
- September 5, 2021: $3,000,000.

On November 4, 2019, an amendment was signed whereby the September 5, 2021 payment was changed to $100,000 and the $3,000,000 payment deferred to September 5, 2022.

The Last Hope Project bears a 2% net smelter returns royalty.

MINERAL RESOURCES and MINERAL RESERVES

The Last Hope Gold Project

<u>Property Location and Details</u>

The Last Hope Property is located approximately 23 km south-east of the town of Lynn Lake in northern Manitoba, Canada. The Property is approximately centered at latitude 387,000 E and longitude 6,283,000 N and is located approximately 810 km northwest of Manitoba's capital and largest city, Winnipeg.

The Last Hope Property consists of 15 non surveyed claims covering an area of 3,513 ha as per the following figure and table. Claims are crown grants and include surface access. All claims have been located by physical staking as per The Mines and Minerals Act of Manitoba.

Last Hope Property Claims						
Name	**Number**	**Type**	**Area (ha)**	**Granted**	**Expires**	**Annual Amount Due**
Last Hope 14	P9479E	Claim	195	28/06/1988	27/08/2024	$4,875
Last Hope 1	P8881E	Claim	256	27/01/1986	28/03/2029	$6,400
Last Hope 4	W45575	Claim	256	19/07/1982	17/09/2024	$6,400
Last Hope 2	P8880E	Claim	256	27/01/1986	28/03/2026	$6,400
Last Hope 10	P6994E	Claim	256	21/12/1987	19/02/2025	$6,400
Last Hope 8	W45579	Claim	256	16/07/1982	09/14/2024	$6,400
Last Hope 5	W45576	Claim	256	16/07/1982	14/09/2024	$6,400
	CB9043	Claim	259	13/03/1978	12/05/2040	$6,475
Last Hope 12	P9477E	Claim	256	28/06/1988	27/08/2024	$6,400
Last Hope 11	P9478E	Claim	256	28/06/1988	27/08/2024	$6,400
Last Hope 6	W45577	Claim	256	16/07/1982	14/09/2030	$6,400
Last Hope 9	W45580	Claim	112	16/07/1982	14/09/2024	$2,800
Last Hope 13	P9476E	Claim	131	28/06/1988	27/08/2024	$3,275
Last Hope 3	P8879E	Claim	256	27/01/1986	28/03/2026	$6,400
Last Hope 7	W45578	Claim	256	16/07/1982	14/09/2030	$6,400
Total		**15 Claims**	**3,513**			**$87,825**

The Company has an option to earn a 100% interest in the claims comprising the property held by Peter C. Dunlop. The option was signed on September 5, 2017 and amended on November 4, 2019. In order to acquire 100% interest in the Last Hope Property, the Company agreed to the following schedule: It paid Mr. Dunlop $65,000 and 1.5 million shares upon the Execution Date of the Option Agreement (Sept. 5, 2017) and on the first anniversary of the Execution Date (September 5, 2018). A further $65,000 was paid on the second (September 5, 2019) and third anniversary (September 5, 2020) of the Execution Date, and $100,000 will be paid on the fourth anniversary (September 5, 2021). $3,000,000 must be paid on the fifth anniversary of the Execution Date (September 5, 2022). The Company agreed to incur exploration expenditures of $250,000 per year in the four years following the Execution Date, to an aggregate of $1,000,000, with exploration expenditures in any year exceeding $250,000 to be applied to the following years. The Company is up to date on all option payments, and has satisfied fully the exploration expense requirements, i.e. the full $1,000,000 has already been spent.

The option to acquire a 100% interest in the property is subject to a 2% royalty. The Company has the right, any time prior to the commencement of commercial production, to acquire up to half (1%) of the net smelter return royalty upon payment of $500,000 for each 0.5% of the royalty purchased.

There is no known environmental liability existing on the Last Hope property.

Property Infrastructure

The Last Hope Property is located approximately 23 km southeast of the mining town of Lynn Lake and is accessed by an all-weather gravel road, the Burnt Timber Mine road, to the mine site and subsequently an 8 km winter road from the Burnt Timber mine to the Property. Highways 6 and 391 connect Lynn Lake to Winnipeg and the Trans Canada Highway. Lynn Lake is also connected by railway which extends south to the Pas, Manitoba, and from there, to the rest of Canada. Lynn Lake Airport (YYL) has a 5,000 ft. paved runway that can land commercial jet aircraft.

Lynn Lake (population of 800) has a hospital, hotel and general store, and was founded to service Sherritt Gordon's nickel discovery in 1950.

Historically, drilling has been conducted year-round with warm weather drilling assisted by helicopter.

Water is abundant in nearby lakes and rivers. Hydroelectric power is available in the town of Lynn Lake. Manitoba has a long history of mining with world class mining centres in Flin Flon and Thompson Manitoba.

History

Gold was first discovered at Last Hope in 1937. The following table outlines historical work done on the property:

HISTORICAL EXPLORATION ON THE LAST HOPE PROPERTY		
Year	**Company**	**Exploration**
1937	R. Madole	Last Hope area staked.
1939	Sheritt Gordon Mines Ltd.	59 hole drill program totalling 3,129 m.
1978	W.B Dunlop Limited NPL	Last Hope area re-staked.
1986	Balcor Resources Corp.	Calculated a resource on the property that predates NI 43-101. Identified two shallow plunging ore shoots within a steep, tabular quartz vein averaging 1.5 m in width.
1986	Balcor Resources Corp.	Calculated a historic mineral resource on the property that predates NI 43-101. Identified two shallow plunging ore shoots within a steep, tabular quartz vein averaging 1.5 m in width.
2012	Carlisle Goldfields	27 hole DD program totalling 2012. Based on this, and 204 historic drill holes, a NI 43-101 compliant resource estimate was prepared in September 2017 (at a 2.0 g/t cut-off: Indicated: 201,000 tonnes @ 5.75 g/t for 37,000 ozs, Inferred: 1,067,000 tonnes @ 5.29 g/t for 182,000 ozs.
2017-2020	2552883 Ontario Inc.	68 line km of IP survey

In August 2020, the shareholders of 55 North and 2552883 Ontario Inc. voted to amalgamate under the name of 55 North, whereby 55 North effectively acquired the Last Hope Gold project.

Selected drill results from historic drilling are presented below:

Hole-ID	From (M)	To (M)	Length (M)	Au g/t
87-DDH-105	120.67	122.41	1.74	79.44
SG-03	25.79	27.55	1.76	55.59
87-DDH-094	91.17	93.42	2.25	38.54
SG-01	26.43	29.75	3.32	26.66
SG-26	49.99	53.74	3.75	23.63
87-DDH-068	50.87	55.75	4.88	22.65
87-DDH-140	231.19	234.3	3.11	19.49
87-DDH-067	24.93	26.85	1.92	17.33
SG-27	24.81	27.61	2.80	15.93
88-DDH-189	268.93	276.15	7.22	14.76

Regional Geology

The Last Hope Property is located within the Churchill Structural Province of the Canadian Shield, lying within the southern portion of the Lynn Lake Greenstone Belt (see figures below). It consists of tholeiitic to calc-alkaline mafic volcanic and volcaniclastic rocks with minor rhyolite and dacite (Jones, et. al. 2005).

The Lynn Lake Greenstone Belt, comprised of the North and older South Belts, is part of a larger litho-structural unit which extends in a north-easterly direction from the La Ronge Greenstone Belt in Saskatchewan. The rocks in the South Belt consist of lens-shaped volcanic and sedimentary units which have been interpreted as representing overlapping edifices with flanking aprons of volcaniclastic rocks (Gilbert et al. 1980). This linear feature has been termed the 'Johnson Trend'. The former Burnt Timber open pit deposit (Au) is contained within this trend.

Structurally, the most significant feature in the South Belt is the east-west trending Johnson Shear Zone ("JSZ"), a wide zone of intense brittle-ductile deformation, characterized by faulting, shearing, mylonization and associated silica and carbonate alteration and sporadic gold mineralization. The JSZ is host to at least 26 gold prospects and showings over a 44 km strike length.

The North Belt is a north-facing homocline and consists of rhyolite, overlain by andesite and basalt, sedimentary rocks and an upper basaltic unit. The upper basalts include high alumina and subordinate high magnesia tholeiites. Both the MacLellan deposit (Au, Ag) and the Farley Lake deposit (Au) are located within this belt occurring in a metallotect termed the 'Rainbow Trend'.

Property Geology

The Last Hope Property (see figure below) is underlain by a west-northwest-striking layered succession. From south to north, this succession is comprised of quartz-feldspar porphyry, mafic tuff, quartzite, mudstone, magnetite-bearing quartzite and feldspathic quartzite (see figure below). The deposit consists of two shallow plunging ore shoots within a steep, tabular quartz vein that averages 1.5 m in width.

Two parallel quartz veins cut the quartzite, the South Vein and the Mandole Vein, both hosting gold bearing sulphide mineralization while the North Vein is barren (see figure below).

Mineralization

The Mandole Vein outcrops for approximately 225 m and strikes northwest, dips 80 degrees southwest and fills a fracture in thinly bedded impure quartzite. The wall rocks around the veins are altered for approximately 2.5 cm. The north boundary of the vein is a felsite dyke and is schistose at the contact. The south boundary is a hornblende schist and cherty feldspathic quartzite. Minor amounts of chlorite are present.

The Mandole Vein is 0.3 to 1.2 m wide and can be divided into two units:

- A southern white massive quartz unit; and
- A northern grey aphanitic, siliceous unit with disseminated grains and stringers of pyrite and trace chalcopyrite.

The average sulphide content of the south vein is 5% (local variation up to 15%). The best gold values are found in the highly altered, quartz-pyrite rich footwall of a fault which lies on the periphery of an intrusive. The Johnson Shear Zone, host to at least 26 gold prospects over a 44 km strike length, lies approximately 10 km to the north.

The Last Hope Deposit can be classified as a mesothermal lode gold deposit in a Proterozoic setting. Mesothermal lode gold deposits typically occur in metamorphosed, supracrustal rocks, most commonly in tholeiitic basalts and komatiites but also in felsic volcanic rocks. Discrete veins occur in deformation zones in greenschist metamorphic domains where brittle or brittle-ductile fracturing is dominant. Veins are emplaced in cross-cutting or layer-parallel shear zones, extensional zones and more rarely in saddle reefs (Klien and Day, 1994). Gold is associated with disseminated sulphide minerals. Gold-bearing sulphide minerals are controlled by minor fractures, and occur in irregular patches in quartz, in the wall rock adjacent to the vein, or as disseminations or replacements in zones of highly altered and deformed rocks. Ore bodies tend to be tabular or rod-shaped formed by persistent or discontinuous veins and irregular bodies of gold bearing quartz. Quartz veins are typically surrounded by haloes of silicification and carbonate minerals.

Mineral Resources and Mineral Reserves

MINERAL RESOURCE ESTIMATE FOR LAST HOPE PROPERTY AT 2.0 G/T AU CUT-OFF (1-4)			
Classification	**Tonnes**	**Au g/t**	**Au oz**
Indicated	201,000	5.75	37,000
Inferred	1,067,000	5.29	182,000

(1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(2) The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(3) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.

(4) The Mineral Resource Estimate is based on 219 drill holes of which 15 holes were drilled in 2012 and 204 holes were historical diamond drill holes. The core from this historical drilling remains intact at the Property and was partially re-assayed in 2012.

The Indicated Mineral Resource category was justified for blocks interpolated by pass one which was using at least four composites from a minimum of two drill holes within a spacing of 25m on strike, 20m down dip and 10m across dip. Inferred resources were categorized by passes 2 to 4 on all remaining grade populated blocks.

Last Hope's Proximity to Alamos Gold's Lynn Lake Gold Project

Last Hope is located approximately 20 km directly south of Lynn Lake's proposed plant location, well within economic trucking distance, and could present an opportunity to blend in Last Hope's higher grade material to enhance project economics (Last Hope M&I grade = 6.75 g/t versus Lynn Lake's P&P grade of 1.83 g/t). Alamos Gold Lynn Lake Project's 2018 Feasibility Study stipulated a Proven and Probable reserve estimate which was since updated to 31.9Mt @ 1.83 g/t for 1.88M ozs, and proposed a 7,000 tpd conventional open pit CIP mining/milling operation. Alamos Gold's Lynn Lake Gold Project is currently in the permitting stage with ongoing exploration on the property.

Exploration Upside

Existing Resource Drill Targets

The Company plans to expand the high grade portions of the current resource by drilling the down-plunge extensions of high-grade shoots. Also, the Company plans to conduct infill drilling to upgrade and expand the existing resources.

Parallel Structure Drill Targets

In the summer of 2020, the previous owner, 2552883 Ontario Inc., completed a 68 line-kilometre Induced Polarization survey which identified 2 potential parallel structures to the east of the current resource estimate, similar to that hosting the current resource. These two parallel structures, each with a strike length of 3.4 km, were indicated by strong geophysical anomalies coinciding with soil geochemical highs as indicated in the figure below. The Company plans to drill each of these two parallel potentially mineralized structures - this represents an opportunity to ultimately significantly increase the current resource estimate.

MINING OPERATIONS

The Corporation has no mining operations.

OVERALL PERFORMANCE

RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2020

Analysis of the periods ended June 30, 2020 compared to the periods ended June 30, 2019

As the Company is in the exploration phase and its properties are in the early stage of exploration, none of its properties are in production. Therefore, mineral exploration expenditures are not capitalized and losses are incurred as a result of exploration expenditures and administrative expenses relating to the operation of the Company's business. Consequently, the Company's net income is not a meaningful indicator of its performance of potential. The key performance driver for the Company is the acquisition, exploration, and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases the probability of finding and developing economic mineral deposits.

At this time the Company is not anticipating profit from operations in the near future. Until such time as the Company is able to realize profits from the production and marketing of commodities from its properties, the Company will report a deficit and will rely on its ability to obtain equity or debt financing to fund ongoing operations. Additional financing is required for new exploration and promotional initiatives. Due to the nature of the junior mineral exploration industry, the Company will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities, as well as its obligations relating to its properties.

For the three and six months ended June 30, 2020, the Company reported losses of $84,708 and $252,780, respectively, compared to a loss of $5,040 for the three months ended June 30, 2019 and a loss of $9,983 for the six months ended June 30, 2019.

The Company did not undertake any significant exploration activities during 2019 or the first six months of 2020. For the past three and a half years, Management has focused on administrative and organizational "clean up". During 2020, Management has worked to secure financing, complete its merger with 55 North Mining Inc. and get the Company's shares listed on the Canadian Securities Exchange. Management is well along this path and expects to be publicly-listed in Q4 2020.

SUMMARY OF QUARTERLY RESULTS

The following are the results for the below noted quarters:

	Q2 2020	Q1 2020	Q4 2019	Q3 2019
General administrative expenses	1,587	24,182	76,492	25,346
Acquisition costs	—	—	—	65,000
Project expenditures	15,940	56,563	50,116	—
Net loss	84,708	168,072	211,591	131,646
Loss per share	0.00	0.00	0.00	0.00

	Q2 2019	Q1 2019	Q4 2018	Q3 2018
General administrative expenses	57	151	(5,249)	23,346
Acquisition costs	—	—	—	95,000
Project expenditures	—	—	(82,346)	—
Net loss	5,040	4,943	85,105	107,730
Loss per share	0.00	0.00	0.00	0.00

The Company is in the exploration stage and therefore has no regular cash inflows. As at June 30, 2020, the Company had a working capital of $114,184 (December 31, 2019 – a working capital of $336,198).

The pace of development of its properties will determine how quickly the Company expends its working capital and how long it will take before the Company requires additional working capital. The ability of the Company to access new working capital through additional financings could be adversely affected by many factors including a downturn in mineral prices, a general economic downturn, poor results from exploration programs on its properties and a variety of other factors.

FINANCIAL INSTRUMENTS

The Corporation's financial instruments consist of cash, receivables, loan receivable, accounts payable and accrued liabilities and loan payable.

(a) Risk management and hedging activities

In the normal course of operations the Company is exposed to various financial risks. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The company does not meaningfully participate in the use of financial instruments to control these risks. The company has no designated hedging transactions. The financial risks and management's risk management objectives and policies are as follows:

(i) Currency risk

The company does not hold any assets or liabilities denominated in a foreign currency.

(ii) Price risk

The company is exposed to price risk with respect to commodity prices. As the company is not a producing entity, this risk does not currently affect earnings, however, the risk could affect the completion of future equity transactions. The company monitors commodity prices of precious metals and the stock market to determine the timing, nature and extent of equity transactions.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the entity. The company is exposed to credit risk on cash, trade receivables and other receivables. Cash is held with an established Canadian financial institution and the company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

(iv) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at June 30, 2020, the Company had a working capital deficiency in the amount of $114,184.

(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's promissory note agreement fixes interest at 5% per annum and accordingly is not subject to cash flow interest rate risk due to changes in the market rate of interest. Changes in future interest rates could however affect the carrying value of the debt and result in a non-cash adjustment to earnings.

(b) Fair values, carrying amounts and changes in fair value

The fair values of the Company's financial instruments approximate their carrying value due to their short-term nature. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy in Canadian generally accepted accounting principles.

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level two includes inputs that are observable other than quoted prices included in level one.
- Level three includes inputs that are not based on observable market data.

At June 30, 2020 and December 31, 2019, the Company's financial instruments were classified as Level 1 except for investments which was classified as Level 2.

(c) Collateral

The carrying value of financial assets the Company has pledged as collateral as at June 30, 2020 and December 31, 2019 is $Nil.

RISK FACTORS

The business of the Company is subject to a number of risks and uncertainties that may impact the business of the Company. A summary of the risk factors that may affect the Company is set forth below.

COMPETITION FOR MINERAL DEPOSITS

The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Company competes with a number of other entities and individuals in the exploration of search for and the acquisition of attractive mineral properties. As a result of this competition, much of which is with entities with greater financial resources than the Company, the Company may not be able to obtain funding for its exploration projects, obtain and maintain the necessary resources to carry out such exploration or acquire attractive properties in the future on terms it considers acceptable. The Company competes with other resource companies, many of whom have greater financial resources and/or more advanced properties that are better able to attract equity investment and other capital.

RESOURCE EXPLORATION AND DEVELOPMENT INVOLVES A HIGH DEGREE OF RISK

Resource exploration and development is a speculative business and involves a high degree of risk. There is no known body of commercial ore on any of the properties of the Company. There is no certainty that any expenditure made by the Company in the exploration of any of its properties or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company.

LAG TIME BETWEEN DISCOVERY AND PRODUCTION OF MINERAL RESOURCES

The Company is unable to predict the amount of time which may elapse between the date when any new mineral resource may be discovered and the date when production, if any, will commence from any such discovery.

INFRASTRUCTURE REQUIREMENTS

Exploration and development of mineral properties depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial conditions and results of operations.

TITLE TO THE COMPANY'S PROPERTIES OR INTEREST MAY BE DISPUTED

Title to and the area of resource concessions may be disputed. There is no guarantee of title to any of the Company's properties. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

SURFACE ACCESS RIGHTS

The Company does not have surface access rights to all of its mineral properties and will be required to obtain all necessary permits prior to carrying out any exploration activities on certain of its properties. According, the Company may be unable to access certain of its properties and related mineral exploration claims to carry out its proposed exploration activities.

ABORIGINAL LAND CLAIMS AND ABORIGINAL RIGHTS

The mineral properties of the Company may in the future be the subject of aboriginal peoples' land claims or aboriginal rights claims. The legal basis of an aboriginal land claim and aboriginal rights is a matter of considerable legal complexity and the impact of the assertion of such a claim, or the possible effect of a settlement of such claim upon the Company cannot be predicted with any degree of certainty at this time.

ADDITIONAL FUNDS FOR FUTURE EXPLORATION AND DEVELOPMENT, DILUTION

As a mineral exploration company, the Company does not generate cash flow from its activities and it must rely primarily on issuances of its securities or the borrowing of funds to finance its operations. The exploration and development of its properties will require substantial funds beyond those it has and there is no assurance that such additional funds will be available to the Company on commercially reasonable terms or in sufficient amounts to allow the Company to continue to pursue its objectives. The inability of the Company to raise further funds whether through additional equity issuances or by other means, could result in delays or the indefinite postponement of planned exploration and/or development activities or, in certain circumstances, the loss of some or all of its property interests or cessation of all mineral exploration and/or development activities.

RISKS ASSOCIATED WITH THE COMPANY'S ACTIVITIES MAY NOT BE INSURABLE

The Company's business is subject to a number of risks and hazards and no assurance can be given that insurance will cover the risks to which the Company's activities will be subject or will be available at all or at commercially reasonable premiums.

THE COMPANY HAS NO HISTORY OF OPERATIONS, EARNINGS OR DIVIDENDS

The Company was incorporated on December 5, 2008 and has no history of earnings or of a return on investment, and there is no assurance that it will generate earnings, operate profitably or provide a return on investment in the future. The Company has no plans to pay dividends.

STATUTORY AND REGULATORY COMPLIANCE IS COMPLEX AND MAY RESULT IN DELAY OR CURTAILMENT OF THE COMPANY'S OPERATIONS

The current and future operations of the Company and any parties which may carry out exploration, development and mining activities on properties in which the Company holds an interest will be governed by laws and regulations governing mineral concession acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities often experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. The Company will apply for all necessary permits for the exploration work it intends to conduct, however such permits are, as a practical matter, subject to the discretion of government authorities and there can be no assurance that the Company will be successful in obtaining or maintaining such permits.

THE COMPANY DEPENDS ON KEY MANAGEMENT AND EMPLOYEES

Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel.

SHORTAGE OF SUPPLIES

The Company may be adversely affected by shortages of critical supplies or equipment required to operate the business of the Company. Any shortage of critical supplies or equipment will affect the timeliness of the development of the Company and its business.

ESTIMATES OF MINERAL RESOURCES

There are numerous uncertainties inherent in estimating ore reserves and mineral resources. The accuracy of any reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Fluctuations in precious or base metal prices, results of drilling or metallurgical testing, subsequent to the date of any estimate may require revision of such estimate. In addition, there can be no assurance that precious or base metal recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

ENVIRONMENTAL FACTORS

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The Company's operations are subject to environmental regulations promulgated by various government agencies from time to time. Violation of existing or future environmental rules may result in various fines and penalties.

CONFLICT OF INTEREST

Certain directors and officers of the Company were also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing, and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

RELATED PARTY TRANSACTIONS

The loan receivable as at June 30, 2020 of $559,320 (December 31, 2019 - $428,233) is due from a company under common management, and is non-interest bearing, unsecured and repayable on demand.

The Company's Chairman and CEO was owed $220,000 at June 30, 2020 (December 31, 2019 - $220,000). This liability is non-interest bearing, unsecured and repayable on demand.

During the six months ended June 30, 2020, the Company's CEO and CFO was paid $Nil and $30,000, respectively in compensation (six months ended June 30, 2019 - $NIL and $NIL, respectively).

FUTURE CHANGES in ACCOUNTING POLICIES

New 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.

The Conceptual Framework for Financial Reporting (revised in 2018) has been updated to expand on the existing Conceptual Framework by focusing on the elements of financial statements, recognition and derecognition, measurement, and presentation and disclosure. The standard is effective for annual periods beginning on or after January 1, 2020. These new standards and changes did not have any material impact on the Company's financial statements.

Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors has been updated. The definition of "material" is being clarified for purpose of improving consistency and application of the concept where applicable. The standard is effective for annual periods beginning on or after January 1, 2020. This new standard and changes did not have any material impact on the Company's financial statements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

As the Company has had no significant revenue from operations since inception (December 5, 2008), the following is a breakdown of the material costs incurred by the Company:

	Three months Ended June 30, 2020	Three months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Project Costs	$ 15,940	$ —	$ 72,503	$ —
General and Administrative Expenses	$ 1,587	$ 57	$ 25,769	$ 208

DISCLOSURE OF OUTSTANDING SHARE DATA

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, 2018	**52,275,001**	**844,301**
Share issuance - private placement	16,718,216	925,025
Warrant allocation	—	(158,569)
Share issue costs	—	(30,000)
Flow-through premium	—	(212,007)
Balance, December 31, 2019 and June 30, 2020	**68,993,217**	**$ 1,368,750**

On September 10, 2019, a director of the Company subscribed for 1,562,500 units at a price of 0.08 per unit for proceeds of $125,000. Each unit was comprised of one common share and one half of a warrant, with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On September 10, 2019, the Company closed a private placement, issuing 14,285,716 flow-through units for proceeds of $750,000. Each unit was comprised of one flow-through common share and one half warrant with each warrant exercisable at $0.18 per share until September 10, 2022. In August 2020, the terms of these warrants were changed to an expiration date of December 31, 2022.

On December 31, 2019, the Company closed a private placement, issuing 870,000 flow-through units for proceeds of $50,025. Each unit was comprised of one flow-through common share and one half warrant with each warrant exercisable at $0.18 per share until December 31, 2022.

OTHER REQUIREMENTS:

Additional information relating to the Company is available on SEDAR at www.sedar.com.

APPROVAL

Management is responsible for all information contained in this report. The unaudited condensed interim financial statements for the three and six months ended June 30, 2020 have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the financial statements for the three and six months ended June 30, 2020 in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Board of Directors has approved the audited consolidated financial statements on the recommendation of the Audit Committee.

Bruce Reid
President & CEO

October 28, 2020

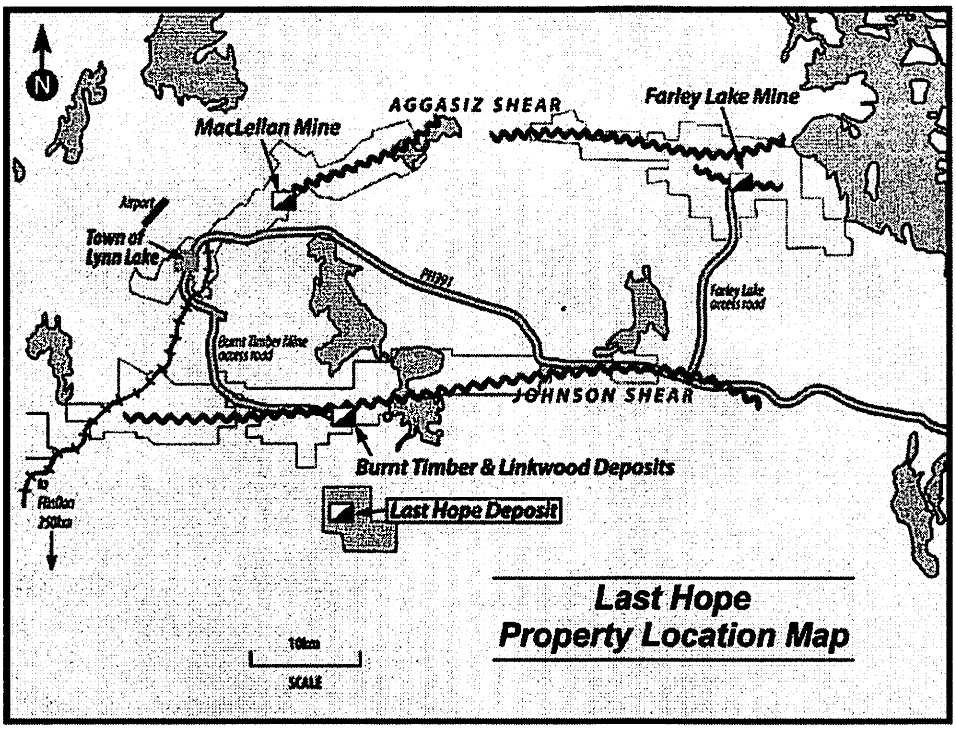
APPENDIX A: MINERAL PROJECTS

FORM 2A

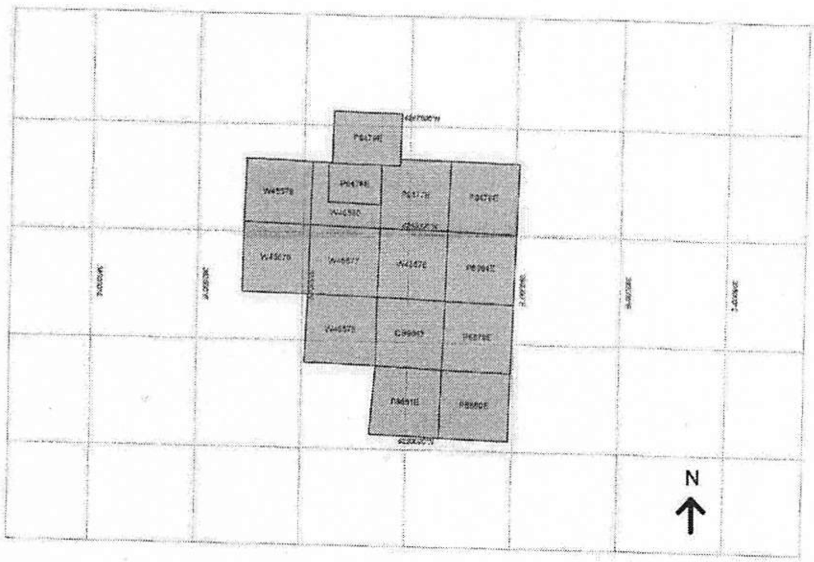
Appendix A: Mineral Projects

Property Description and Location

The Last Hope Property is located approximately 23 km south-east of the town of Lynn Lake in northern Manitoba, Canada. The Property is approximately centred at latitude 387,000 E and longitude 6,283,000 N and is located approximately 810 km northwest of Manitoba's capital and largest city, Winnipeg. The Last Hope Property is adjacent to Alamos Gold's Burnt Timber Property.

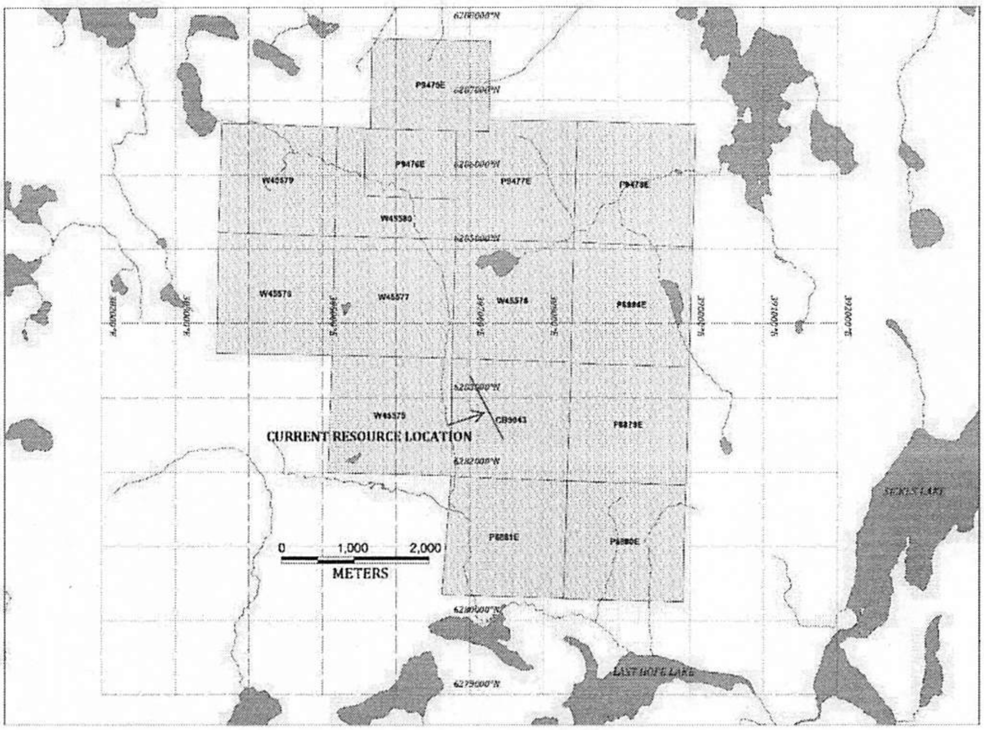


The Last Hope Property consists of 15 non surveyed claims covering an area of 3,513 ha as per the following figure and table. Claims are crown grants and include surface access. All claims have been located by physical staking as per The Mines and Minerals Act of Manitoba. Assessment work, in the amount of $12.50/ha for each of the second to the 10th years, and $25.00/ha for the 11th year and for each year thereafter, is required to be completed annually on claim licenses.



Last Hope Property Claims						
Name	**Number**	**Type**	**Area (ha)**	**Granted**	**Expires**	**Annual Amount Due**
Last Hope 14	P9479E	Claim	195	28/06/1988	27/08/2024	$4,875
Last Hope 1	P8881E	Claim	256	27/01/1986	28/03/2029	$6,400
Last Hope 4	W45575	Claim	256	19/07/1982	17/09/2024	$6,400
Last Hope 2	P8880E	Claim	256	27/01/1986	28/03/2026	$6,400
Last Hope 10	P6994E	Claim	256	21/12/1987	19/02/2025	$6,400
Last Hope 8	W45579	Claim	256	16/07/1982	09/14/2024	$6,400
Last Hope 5	W45576	Claim	256	16/07/1982	14/09/2024	$6,400
	CB9043	Claim	259	13/03/1978	12/05/2040	$6,475
Last Hope 12	P9477E	Claim	256	28/06/1988	27/08/2024	$6,400
Last Hope 11	P9478E	Claim	256	28/06/1988	27/08/2024	$6,400
Last Hope 6	W45577	Claim	256	16/07/1982	14/09/2030	$6,400
Last Hope 9	W45580	Claim	112	16/07/1982	14/09/2024	$2,800
Last Hope 13	P9476E	Claim	131	28/06/1988	27/08/2024	$3,275
Last Hope 3	P8879E	Claim	256	27/01/1986	28/03/2026	$6,400
Last Hope 7	W45578	Claim	256	16/07/1982	14/09/2030	$6,400
Total		**15 Claims**	**3,513**			**$87,825**

LAST HOPE CLAIMS



The location of all the known mineralized zones and mineral resources are shown in the map above.

The Company has the option to earn a 100% interest in the claims comprising the property held by Peter C. Dunlop. The option was signed on September 5, 2017 and amended on November 4, 2019. In order to acquire 100% interest in the Last Hope Property, the Company agreed to pay Mr. Dunlop $65,000 and 1.5 million shares upon the Execution Date of the Option Agreement (Sept. 5, 2017) and on the first anniversary of the Execution Date. A further $65,000 was to be paid on the second and third anniversary of the Execution Date, and $100,000 on the fourth anniversary. $3,000,000 must be paid on the fifth anniversary of the Execution Date. The Company agreed to incur exploration expenditures of $250,000 per year in the four years following the Execution Date, to an aggregate of $1,000,000, with exploration expenditures in any year exceeding $250,000 to be applied to the following years. The Company is up to date on all option payments, and has satisfied fully the exploration expense requirements, i.e. $1,000,000 has already been spent.

The option to acquire a 100% interest in the property is subject to a 2% royalty. The Company has the right, any time prior to the commencement of commercial production, to acquire up to half (1%) of the net smelter return royalty upon payment to Mr. Dunlop of $500,000 for each 0.5% of the royalty purchased.

There is no known environmental liability existing on the Last Hope property.

The permits were applied for and were obtained on August 26, 2020 for drilling and other exploration activities for all the 15 claims.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Last Hope Property is located approximately 23 km southeast of the mining town of Lynn Lake and is accessed by an all-weather gravel road, the Burnt Timber Mine road, to the mine site and subsequently an 8 km winter road from the Burnt Timber mine to the Property. Highways 6 and 391 connect Lynn Lake to Winnipeg and the Trans Canada Highway. Lynn Lake is also connected by railway which extends south to the Pas, Manitoba, and from there, to the rest of Canada. Lynn Lake Airport (YYL) has a 5,000 ft. paved runway that can land commercial jet aircraft. It is serviced by Bearskin Airlines which offer a seasonal scheduled air service into Lynn Lake, and Perimeter Airlines and Lynn Lake Air Service who provide charter air services.

Lynn Lake (population of 800) has a hospital, hotel and general store, and was founded to service Sherritt Gordon's nickel discovery in 1950.

Lynn Lake has an annual average temperature of -3°C. The average summer temperature is 22°C with an average winter temperature of -20°C. Annual precipitation averages approximately 530 mm. The vegetation in the Lynn Lake area is typical of northern Manitoba. Most of the area is covered by northern boreal forest, consisting chiefly of jack pine, black spruce and balsam with a few stands of birch and poplar. The Property has patches of northern boreal forest and relief that is low lying, consisting of scattered marsh or moss-covered swampy areas. Historically, drilling has been conducted year-round with warm weather drilling assisted by helicopter.

Water is abundant in nearby lakes and rivers. Hydroelectric power is available in the town of Lynn Lake. Manitoba has a long history of mining with world class mining centres in Flin Flon and Thompson Manitoba.

Mining personnel are available from the town of Lynn Lake which is approximately 23 km away from the property. All the 15 claims are crown grants and include surface access.

The vegetation in the Lynn Lake area is typical of northern Manitoba. Most of the area is covered by northern boreal forest, consisting chiefly of jack pine, black spruce and balsam with a few stands of birch and poplar. The Property has patches of northern boreal forest and relief that is low lying, consisting of scattered marsh or moss-covered swampy areas.

The Last Hope property is fairly remote and has sufficient round for potential tailings, storage, waste disposal, heap leach pad areas and processing plant sites if required.

The property is typically flat and has an elevation of approximately 355 AMSL.

History

Gold was first discovered at Last Hope in 1937. The following table outlines historical work done on the property:

Historical Exploration on the Last Hope Property		
Year	**Company**	**Exploration**
1937	R. Madole	Last Hope area staked.
1939	Sheritt Gordon Mines Ltd.	59 hole drill program totalling 3,129 m.
1978	W.B Dunlop Limited NPL	Last Hope area re-staked.
1986	Balcor Resources Corp.	Calculated a resource on the property that predates NI 43-101. Identified two shallow plunging ore shoots within a steep, tabular quartz vein averaging 1.5 m in width.
1986	Balcor Resources Corp.	Calculated a historic mineral resource on the property that predates NI 43-101. Identified two shallow plunging ore shoots within a steep, tabular quartz vein averaging 1.5 m in width.
2012	Carlisle Goldfields	27 hole DD program totalling 2012. Based on this, and 204 historic drill holes, a NI 43-101 compliant resource estimate was prepared in September 2017 (at a 2.0 g/t cut-off: Indicated: 201,000 tonnes @ 5.75 g/t for 37,000 ozs, Inferred: 1,067,000 tonnes @ 5.29 g/t for 182,000 ozs.
2017-2020	2552883 Ontario Inc.	68 line km of IP survey

There has never been any gold production on the property.

In August 2020, the shareholders of 55 North and 2552883 Ontario Inc. voted to amalgamate under the name of 55 North, whereby 55 North effectively acquired the Last Hope Gold project.

Geologic Setting

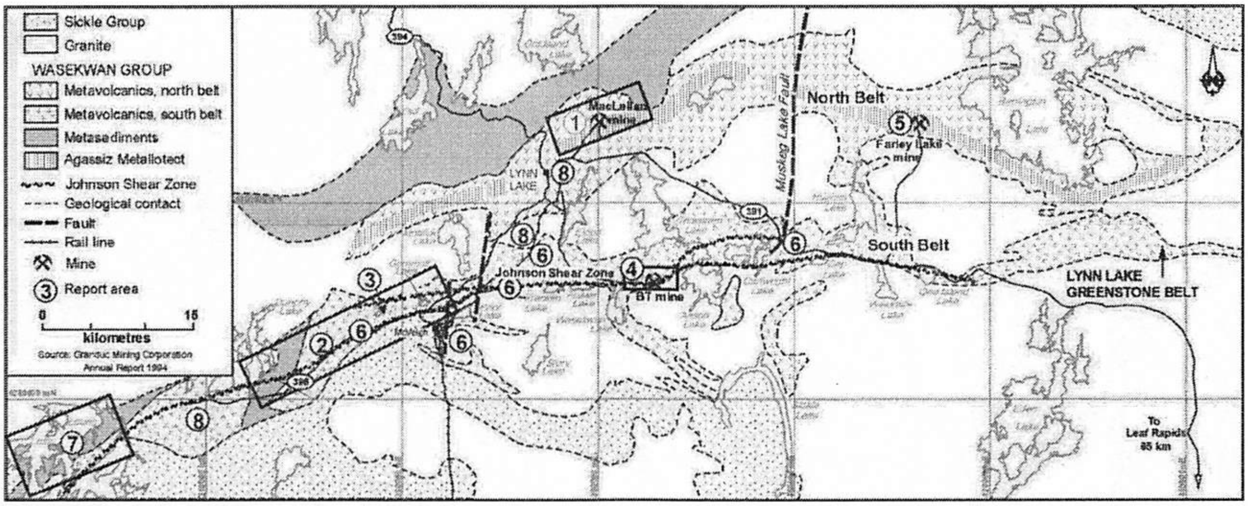
Regional Geology

The Last Hope Property is located within the Churchill Structural Province of the Canadian Shield, lying within the southern portion of the Lynn Lake Greenstone Belt (see figure below). It consists of tholeiitic to calc-alkaline mafic volcanic and volcaniclastic rocks with minor rhyolite and dacite (Jones, et. al. 2005).

The Lynn Lake Greenstone Belt, comprised of the North and older South Belts, is part of a larger litho-structural unit which extends in a north-easterly direction from the La Ronge Greenstone Belt in Saskatchewan. The rocks in the South Belt consist of lens-shaped volcanic and sedimentary units which have been interpreted as representing overlapping edifices with flanking aprons of volcaniclastic rocks (Gilbert et al. 1980). This linear feature has been termed the 'Johnson Trend'. The former Burnt Timber open pit deposit (Au) is contained within this trend.

Structurally, the most significant feature in the South Belt is the east-west trending Johnson Shear Zone ("JSZ"), a wide zone of intense brittle-ductile deformation, characterized by faulting, shearing, mylonization and associated silica and carbonate alteration and sporadic gold mineralization. The JSZ is host to at least 26 gold prospects and showings over a 44 km strike length.

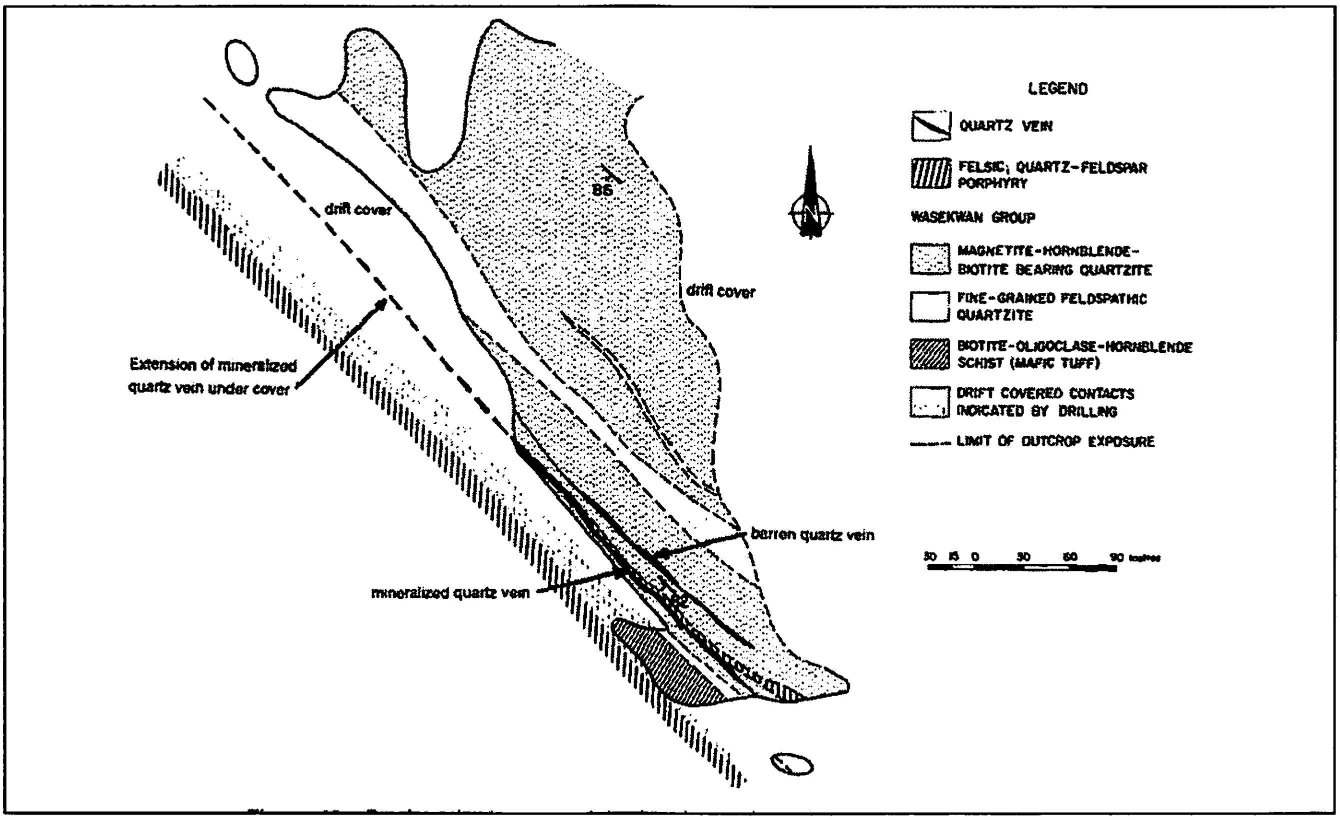
The North Belt is a north-facing homocline and consists of rhyolite, overlain by andesite and basalt, sedimentary rocks and an upper basaltic unit. The upper basalts include high alumina and subordinate high magnesia tholeiites. Both the MacLellan deposit (Au, Ag) and the Farley Lake deposit (Au) are located within this belt occurring in a metallotect termed the 'Rainbow Trend'.



Property Geology

The Last Hope Property is underlain by a west-northwest-striking layered succession. From south to north, this succession is comprised of quartz-feldspar porphyry, mafic tuff, quartzite, mudstone, magnetite-bearing quartzite and feldspathic quartzite (see figure below). The deposit consists of two shallow plunging ore shoots within a steep, tabular quartz vein that averages 1.5 m in width.

Two parallel quartz veins cut the quartzite, the South Vein and the Mandole Vein, both hosting gold bearing sulphide mineralization while the North Vein is barren.



Exploration Information

The Issuer, 55 North, has not conducted any exploration work on the property.

Mineralization

The Mandole Vein outcrops for approximately 225 m and strikes northwest, dips 80 degrees southwest and fills a fracture in thinly bedded impure quartzite. The wall rocks around the veins are altered for approximately 2.5 cm. The north boundary of the vein is a felsite dyke and is schistose at the contact. The south boundary is a hornblende schist and cherty feldspathic quartzite. Minor amounts of chlorite are present.

The Mandole Vein is 0.3 to 1.2 m wide and can be divided into two units:

- A southern white massive quartz unit; and
- A northern grey aphanitic, siliceous unit with disseminated grains and stringers of pyrite and trace chalcopyrite.

The average sulphide content of the south vein is 5% (local variation up to 15%). Mineralization appeared to be localized on a major fault. The best gold values were found in the highly altered, quartz-pyrite rich footwall.

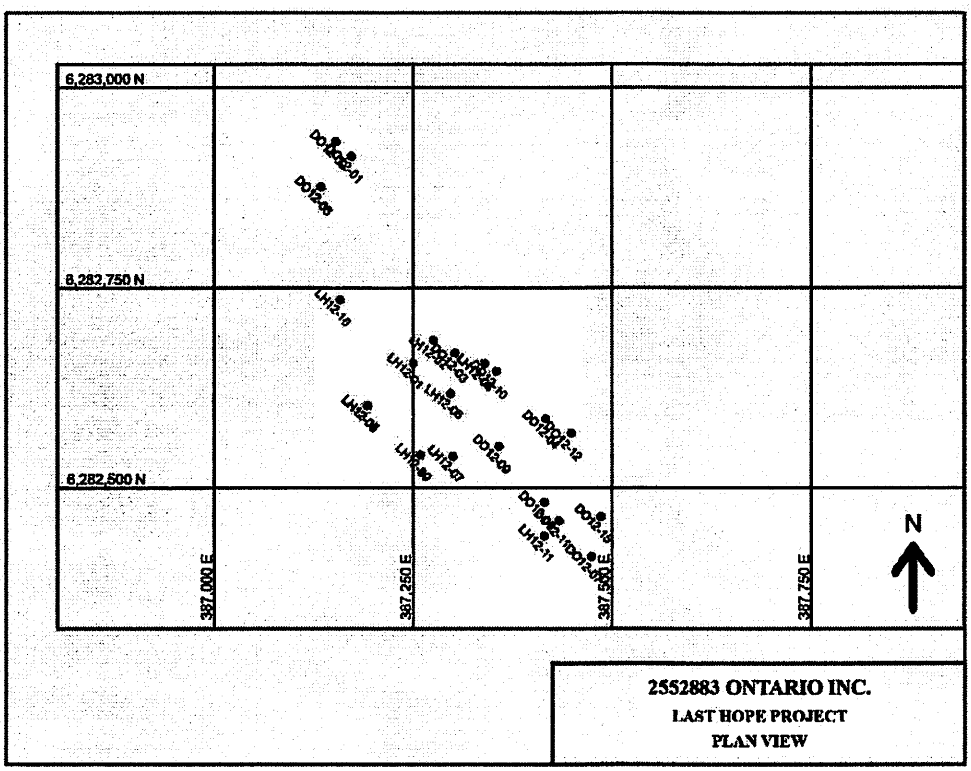
The Last Hope Deposit can be classified as a mesothermal lode gold deposit in a Proterozoic setting. Mesothermal lode gold deposits typically occur in metamorphosed, supracrustal rocks, most commonly in tholeiitic basalts and komatiites but also in felsic volcanic rocks. Discrete veins occur in deformation zones in greenschist metamorphic domains where brittle or brittle-ductile fracturing is dominant. Veins are emplaced in cross-cutting or layer-parallel shear zones, extensional zones and more rarely in saddle reefs (Klien and Day, 1994). Gold is associated with disseminated sulphide minerals. Gold-bearing sulphide minerals are controlled by minor fractures, and occur in irregular patches in quartz, in the wall rock adjacent to the vein, or as disseminations or replacements in zones of highly altered and deformed rocks. Ore bodies tend to be tabular or rod-shaped formed by persistent or discontinuous veins and irregular bodies of gold bearing quartz. Quartz veins are typically surrounded by haloes of silicification and carbonate minerals.

Drilling

The last drilling conducted on the property was conducted by Carlisle Goldfields in 2012. It consisted of 27 diamond drill holes totalling 7,486.24m. Drillhole orientation and collar location are outlined in the following table and figure.

2011 Drill Program Azimuth Data – Last Hope deposit						
DDH No.	Easting	Northing	Elevation (m)	Dip (°)	Azimuth (°)	Length (m)
DO12-01	387,168	6,282,913	1,120	-64	46	167.6
DO12-02	387,149	6,282,931	1,120	-53	45	152.4
DO12-03	387,301	6,282,664	1,117	-71	48	325.5
DO12-04	387,416	6,282,581	1,120	-57	47	179.8
DO12-05	387,130	6,282,874	1,115	-63	45	279.8
DO12-06	387,411	6,282,480	1,113	-63	45	319.4
DO12-07	387,470	6,282,412	1,109	-60	45	350.0
DO12-08	387,130	6,282,874	1,115	-72	47	371.9
DO12-09	387,354	6,282,550	1,121	-65	45	327.1
DO12-10	387,350	6,282,643	1,121	-68	43	225.6
DO12-11	387,430	6,282,457	1,112	-70	47	410.2
DO12-12	387,444	6,282,566	1,118	-58	44	160.9
DO12-13	387,501	6,282,281	1,103	-61	40	447.4
DO12-14	387,171	6,283,074	1,119	-63	231	203.6
DO12-15	387,482	6,282,463	1,113	-66	51	285.9
LH12-01	387,245	6,282,654	1,120	-65	47	195.1
LH12-02	387,273	6,282,679	1,113	-45	47	162.9

2011 DRILL PROGRAM AZIMUTH DATA – LAST HOPE DEPOSIT						
DDH No.	Easting	Northing	Elevation (m)	Dip (°)	Azimuth (°)	Length (m)
LH12-03	387,333	6,282,652	1,126	-45	47	122.8
LH12-04	387,333	6,282,652	1,126	-64	45	160.8
LH12-05	387,188	6,282,601	1,113	-65	47	320.0
LH12-06	387,293	6,282,616	1,124	-62	47	212.0
LH12-07	387,296	6,282,538	1,119	-55	47	315.0
LH12-08	387,188	6,282,601	1,113	-72	47	430.0
LH12-09	387,255	6,282,540	1,115	-62	47	350.0
LH12-10	387,255	6,282,540	1,115	-68	47	385.0
LH12-12	387,054	6,282,763	1,119	-73	47	410.0
LH12-16	387,154	6,282,733	1,119	-64	47	215.0
Total						7,486.24



The following shows significant intersections from this program:

2012 Drill Program Significant Intersections				
Hole-ID	From (m)	To (m)	Length (m)*	Au (g/t)
DO12-01	83	91	8	2.8
Including	88	91	3	6.0
DO12-02	95.2	102.0	6.8	5.1
Including	98	101	3	9.8
DO12-03	289.8	298.0	8.2	2.1
DO12-05	207	221	14	3.3
Including	208	213	5	7.2
DO12-06	279.0	283.6	4.6	2.8
DO12-10	193	199	6	4.9
DO12-11	357.0	363.5	6.5	8.1
Including	362.0	363.5	1.5	26.8

* True widths are not known

Sampling and Analysis

Recent sampling consisted of the diamond drilling outlined in the section above.

Recovery of drill core was very high as the competency of the drilled rock was good.

No factors were identified that could have resulted in sample biases.

Sampling was undertaken on the whole length of the drill core. Assays were taken on lengths varying from 0.3m to 1m.

The minimum and upper detection limits for Au are 5-1000 ppb under this protocol, and 0.2-50 ppb for Ag. Above the upper detection limit, a gravimetric method is used for determination on high concentrations.

Quality Control Measures and Data Verification

Quality Control

Certified reference materials, blanks, and standards were used to ascertain quality of assayed results. Certified reference materials and standards largely fell within +/- two standard deviations from the mean. The blanks inserted to monitor contamination all came back within the detection limit of 0.03 g/t Au.

Data Verification

During the preparation of the 2017 resource estimate, Au assays from the 2012 drilling program were validated by the author of the September 2017 Technical Report, P&E against original laboratory certificates of analysis from TSL Laboratories of Saskatoon, Saskatchewan. 97.4% of the Au assays from 2012 drilling have been verified by P&E with electronically issued original certificates from TSL Laboratories. Some minor errors were discovered and corrected in the database. The verification of historical Au Assays and 66 Au Assays from 2012 was not performed during the course of this study due to laboratory certificates not being available to P&E.

Security of Samples

In addition to data verification undertaken as described in the section titled: "Data Verification" above, P&E validated the database by checking for duplicate entries, interval, length or distance values less than or equal to zero, out-of-sequence intervals, intervals or distances greater than the reported drill hole length, inappropriate collar locations, and missing interval and coordinate fields. No significant errors were discovered in the drill hole database. All drill hole survey and assay values are expressed in metric units, while grid coordinates are in the NAD 83 UTM system, zone 14.

Mineral Resources and Mineral Reserves

The Mineral Resource Estimate was derived from applying an Au cut-off grade to the block model and reporting the resulting tonnes and grade for potentially mineable areas. The following calculation demonstrates the rationale supporting the Au cut-off grade that determines underground potentially economic portions of the constrained mineralization.

Mineral Resource Estimate for Last Hope Property at 2.0 g/t Au cut-off (1-4)

Classification	Tonnes	Au g/t	Au oz
Indicated	201,000	5.75	37,000
Inferred	1,067,000	5.29	182,000

(1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(2) The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(3) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.

(4) *The Mineral Resource Estimate is based on 219 drill holes of which 15 holes were drilled in 2012 and 204 holes were historical diamond drill holes. The core from this historical drilling remains intact at the Property and was partially re-assayed in 2012.*

Calculation of Underground Au cut-off (C$)

Au Price:	US$1,225/oz (approx. 2 year trailing average price at Aug 31/17)
$US/$CDN Exchange Rate:	0.75
Au Recovery:	95%
Mining Cost:	$80/tonne mined
Process Cost (1,000tpd):	$15/tonne milled
General & Administration:	$5/tonne milled

Therefore, the Au cut-off grade for the underground resource estimate is calculated as follows:

Operating costs per ore tonne = ($80+$15+ $5) = $100/tonne

[($100)/[($1,225/oz/31.1035/0.75 x 95% Recovery)] = 2.00 g/t.

Indicated Mineral Resource category was justified for blocks interpolated by pass one which was using at least four composites from a minimum of two drill holes within a spacing of 25m on strike, 20m down dip and 10m across dip. Inferred resources were categorized by passes 2 to 4 on all remaining grade populated blocks.

No Mineral Reserve Estimate exists.

Mining Operations

No mining operations exist on the property.

Exploration and Development

55 North is proposing the following exploration program (C$) for fall 2020/winter 2021:

Drilling:	15,000 m, at $260/m (all in costs)	$3,900,000
Assaying:	11,250 samples at $25/sample	$281,250
Total before Contingency		$4,181,250

Contingency	10%	$418,125
TOTAL		$4,599,375