LIONS BAY MINING CORP.

Condensed Interim Financial Statements
For the three months ended January 31, 2020

(Unaudited - Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Lions Bay Mining Corp. (the "Company") have been prepared by and are the responsibility of management. These condensed interim financial statements for the three months ended January 31, 2020 have not been reviewed or audited by the Company's independent auditors.

Lions Bay Mining Corp.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)

As at		January 31, 2020 (unaudited)		October 31, 2019 (audited)
ASSETS				
CURRENT ASSETS				
Cash	$	210,320	$	228,980
GST receivable		1,037		2,284
		211,357		231,264
Mineral property interests (note 5)		75,000		75,000
TOTAL ASSETS	**$**	**286,357**	**$**	**306,264**
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts payable	$	38,606	$	37,820
Accrued liabilities		17,750		18,332
Due to related parties (note 6)		73,500		60,000
TOTAL LIABILITIES		**129,856**		**116,152**
SHAREHOLDERS' EQUITY				
Share capital (note 7)		571,309		571,309
Reserves (note 7)		9,005		10,150
Deficit		(423,813)		(391,347)
TOTAL SHAREHOLDERS' EQUITY		156,501		190,112
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**286,357**	**$**	**306,264**

Going concern *(note 2)*

These condensed interim financial statements were authorized for issue by the Board of Directors on March 11, 2020. They are signed on the Company's behalf by:

/s/ Jeremy Poirier
________________________________,
Director

/s/ William Heenan
________________________________,
Director

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

Lions Bay Mining Corp.
Condensed Interim Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian dollars)

For the three months ended		January 31, 2020		January 31, 2019
EXPENSES				
General and administrative expenses	$	144	$	467
Investor relations		-		370
Management and consulting fees (note 6)		13,500		23,900
Meals and entertainment		3,718		-
Professional fees		11,037		25,538
Transfer agent, regulatory and listing fees		5,210		15,169
		(33,609)		**(65,444)**
OTHER ITEMS				
Foreign exchange loss		(2)		-
		(2)		-
COMPREHENSIVE LOSS	**$**	**(33,611)**	**$**	**(65,444)**
Loss per share, basic and diluted	**$**	(0.00)	**$**	(0.01)
Weighted average number of common shares outstanding – basic and diluted		10,727,428		9,368,696

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

Lions Bay Mining Corp.
Condensed Interim Statements of Shareholders' Equity (Deficit)
(Unaudited - Expressed in Canadian dollars)

	Number of outstanding shares		Share capital		Reserve		Deficit		Total shareholders' equity (deficit)
Balance, October 31, 2018	**5,510,000**	**$**	**75,004**	**$**	**10,305**	**$**	**(161,226)**	**$**	**(75,917)**
Shares issued pursuant to private placement	5,000,000		500,000		-		-		500,000
Share issuance costs	-		(18,170)		5,570		-		(12,600)
Comprehensive loss	-		-		-		(65,444)		(65,444)
Balance, January 31, 2019	**10,510,000**	**$**	**556,834**	**$**	**15,875**	**$**	**(226,670)**	**$**	**346,039**
Exercise of stock options	251,248		11,975		(5,725)		-		6,250
Shares cancelled	(58,820)		-		-		-		-
Exercise of warrants	25,000		2,500		-		-		2,500
Comprehensive loss	-		-		-		(164,677)		(164,677)
Balance, October 31, 2019	**10,727,428**	**$**	**571,309**	**$**	**10,150**	**$**	**(391,347)**	**$**	**190,112**
Forfeited stock options	-		-		(1,145)		1,145		-
Comprehensive loss	-		-		-		(33,611)		(33,611)
Balance, January 31, 2020	**10,727,428**	**$**	**571,309**	**$**	**9,005**	**$**	**(423,813)**	**$**	**156,501**

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

Lions Bay Mining Corp.
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

For the three months ended		January 31, 2020		January 31, 2019
OPERATING ACTIVITIES				
Net loss	$	(33,611)	$	(65,444)
Net changes in non-cash working capital items:				
GST receivable		1,247		(3,926)
Prepaid expenses		-		13,622
Accounts payable and accrued liabilities		204		2,727
Due to related parties		13,500		(63,000)
Cash used in operating activities		**(18,660)**		**(116,021)**
FINANCING ACTIVITIES				
Advances (repayment of advances) from former parent, net		-		(52,060)
Proceeds from issuance of common shares, net		-		487,400
Cash provided by financing activities		**-**		**435,340**
Change in cash		(18,660)		319,319
Cash, beginning		228,980		15,649
Cash, ending	**$**	**210,320**	**$**	**334,968**

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

1. NATURE OF OPERATIONS

Lions Bay Mining Corp. (the “Company”) was a wholly owned subsidiary of Bearing Lithium Corp. (“Bearing”) and was incorporated on April 25, 2018, pursuant to the provisions of the Business Corporations Act of BC. The Company is a mineral exploration company. The Company’s shares trade on the Canadian Securities Exchange (the “CSE”) under the symbol “LBM”. The registered and records office is located at Suite 2600, 1066 West Hastings Street, Vancouver, British Columbia, V6E 3X1.

On July 19, 2018, the Board of Directors of Bearing approved a statutory arrangement (the “Arrangement”) where it distributed the shares of the Company to the shareholders of Bearing on the basis of 0.049921 of the Company’s shares for 1 common share of Bearing. The arrangement resulted in participating shareholders of Bearing holding, immediately following completion of the arrangement, 50% of the outstanding common shares in proportion to their holdings of common shares of Bearing and Bearing holding the remaining 50%. In accordance with the terms of the Arrangement, each holder of Bearing’s options and warrants is entitled to receive a replacement option and warrant, each replacement option or warrant entitles the holder to acquire 0.049921 common share of the Company. At the time of the Arrangement, Bearing had a total of 185,228 outstanding warrants and 3,835,000 outstanding options. As a result of the Arrangement, the Company issued 5,510,000 shares, 191,446 stock options and 9,246 warrants. As at October 31, 2019, Bearing held nil% of the outstanding common shares.

Prior to the distribution, Bearing transferred, to the Company, its interest in (the “Fish Lake Project”) located in Fish Lake Valley, central-western Nevada as well as the Bearing’s interest in 4 additional mineral properties located in the Yukon, Canada (note 5).

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed interim financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including International Accounting Standards (“IAS”) 34 – Interim Financial Reporting. The accounting policies followed in these condensed interim financial statements are consistent with those of the previous financial year.

These condensed interim financial statements were approved and authorized by the Board of Directors on March 11, 2020.

(b) Basis of preparation

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for the cash flow information.

(c) Going concern of operation

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. The Company’s ability to continue as a going concern and realize the carrying value of its assets is dependent on its ability to raise capital through equity and debt financing, the outcome of which cannot be predicted at this time. These matters indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These condensed interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION (continued)

(d) Functional and presentation currency

These condensed interim financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

With the exception of the recently adopted accounting policy (note 4), these condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited annual financial statement for the fiscal year ended October 31, 2019.

4. RECENT ACCOUNTING PRONOUNCEMENTS

Changes in significant accounting policies and adoption of a new accounting standard

The Company adopted the requirements of IFRS 16 effective November 1, 2019. This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract based on whether the customer controls the asset. Control is considered to exist if the customer has the right to obtain substantially all the economic benefits from the use of an identified asset and the right to direct the use of that asset. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets.

Upon adoption, the Company has elected to apply the available exemptions as permitted by IFRS 16 to recognize a lease expense on a straight-line basis for short-term leases (lease term of 12 months or less) and low value assets. The Company has also elected to apply the practical expedient whereby leases whose term ends within 12 months of the date of initial application would be accounted for in the same way as short-term leases.

Upon the adoption of IFRS 16, the Company was not required to recognize any right-of-use assets and lease liabilities, as the Company had no leases outstanding.

For any new contracts entered on or after November 1, 2019, the Company considers whether a contract is or contains a lease. A lease is defined as "a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration". To apply this definition, the Company assesses whether the contract meets three key evaluations, which are whether:

i. The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
ii. The Company has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
iii. The Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct "how and for what purpose" the asset is used throughout the period of use.

(Unaudited - Expressed in Canadian dollars)

4. RECENT ACCOUNTING PRONOUNCEMENTS (continued)

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the statement of financial position. The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease, if that rate is readily available. If the interest rate implicit in the lease is not readily available, the Company discounts using the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included under non-current assets and lease liabilities have been included under current and non-current liabilities.

5. MINERAL PROPERTY INTERESTS

On July 19, 2018, immediately prior to the closing of the Arrangement, the Company and Bearing entered into an Asset Purchase Agreement pursuant to which the Company acquired Bearing's interest in the Fish Lake Project located in Nevada, USA and Bearing's interests in the HY and Jay, VM and VBA properties located in the Yukon, Canada (collectively, the "North America Assets").

		Fish Lake Valley		Yukon		Total
Balance, October 31, 2018	**$**	**75,000**	**$**	**4**	**$**	**75,004**
Impairment		-		(4)		(4)
Balance, October 31, 2019 and January 31, 2020	**$**	**75,000**	**$**	**-**	**$**	**75,000**

Fish Lake Valley property

On September 27, 2017, and as amended on May 2, 2018, September 21, 2018 and February 3, 2020, Bearing entered into an Option Agreement with American Battery Metals Corp. ("American Battery Metals") whereby American Battery Metals has the option to acquire a 50% interest in the Fish Lake Project (the "Option Agreement"). Bearing transferred its interest in the Fish Lake Project and the Option Agreement to the Company under the Asset Purchase Agreement.

(Unaudited - Expressed in Canadian dollars)

5. MINERAL PROPERTY INTERESTS (continued)

Fish Lake Valley property (continued)

Pursuant to the Option Agreement, in order to exercise its option, American Battery Metals was required to:

- make a cash payment in the initial amount of $20,000 (received by Bearing);
- issue 20,000 common shares (received by Bearing); and
- issue an additional 3,000,000 common shares to the Company on or before September 25, 2020.

American Battery Metals must incur an aggregate of $1,500,000 in exploration expenditures on the Fish Lake Project as follows:

- $60,000 on or before September 25, 2018 (incurred);
- $440,000 on or before June 30, 2020; and
- $1,000,000 on or before September 25, 2020.

If American Battery Metals exercises the Option, the Company and American Battery Metals will form a joint venture on terms to be negotiated by the parties.

Yukon

On December 23, 2016, Bearing entered into an agreement with Golden Predator Mining Corp. ("Golden"), pursuant to which Golden has agreed to purchase all the Company's interest in certain mineral claims in the Yukon Territory. As partial consideration for the purchase agreement, Golden will pay an aggregate fee of $275,000, payable over 48 months from the execution date of the purchase agreement plus additional compensation.

On April 2, 2019, the Company terminated the property purchase agreement entered into with Golden. During the year ended October 31, 2019, the Company impaired the Yukon claims and wrote off related costs of $4.

6. RELATED PARTY TRANSACTIONS

The Company and Bearing, its former parent company, entered into the Arrangement (note 1). The Arrangement provides for the transfer from Bearing of mineral property interests (note 5) to the Company, a wholly-owned subsidiary, and the immediate distribution of a controlling interest in the common shares of the Company to the shareholders of Bearing as at July 19, 2018. The shareholders of Bearing, at the completion of the Arrangement, continued to collectively own the interest in Bearing's assets, albeit through an altered corporate structure. During the year ended October 31, 2019, Bearing's ownership decreased to nil%.

Key management compensation

Key management consists of the Officers and Directors who are responsible for planning, directing and controlling the activities of the Company. The following expenses were incurred to the Company's key management:

For the three months ended		January 31, 2020		January 31, 2019
Management and consulting fees	$	13,500	$	13,500
	$	13,500	$	13,500

As at January 31, 2020, the Company was indebted to the related parties for a total of $73,500 (October 31, 2019 - $60,000). The amount is non-interest bearing and has no terms of repayments.

7. SHARE CAPITAL

(a) Authorized common shares

Unlimited number of common shares without par value authorized for issue.

(b) Issued

There were no shares issuances during the three months ended January 31, 2020.

Share capital activity for the year ended October 31, 2019:

(i) On November 21, 2018, the Company issued 5,000,000 units for proceeds of $500,000. Each unit consists of one common share and one warrant exercisable for a period of two years at an exercise price of $0.10 per share. The Company paid cash commissions of $12,210, other share issuance costs of $390 and issued 122,100 brokers' warrants with a fair value of $5,570. The brokers' warrants are exercisable for a period of two years at an exercise price of $0.10 per share. The brokers' warrants were valued using the following Black-Scholes Option Pricing Model assumptions: risk free rate of 2.23%, estimated annualized volatility of 75.55%, expected life of 2 years, exercise price of $0.10, expected dividend yield of 0% and share price of $0.105.

(ii) During the year ended October 31, 2019, 250,000 stock options were exercised for an exercise price of $0.025 for proceeds of $6,250. Pursuant to the exercise, the Company reclassified $5,725 from reserves to share capital.

(iii) During the year ended October 31, 2019, 25,000 common share purchase warrants were exercised for an exercise price of $0.10 for proceeds of $2,500.

(iv) Pursuant to the Arrangement (note 1), the Company issued 191,446 stock options ("Bearing Options") which would be exercised concurrently with the exercise of the related Bearing stock option from under which the entitlement was granted. During the year ended October 31, 2019, 25,000 Bearing Options were exercised which triggered 1,248 common shares of the Company to be issued.

(v) During the year ended October 31, 2019, pursuant to the Arrangement (note 1), the Company cancelled and returned to treasury 58,820 common shares, which related to the cancellation of Bearing shares from under which the original Company shares were issued. Following completion of a merger between Li3 Energy Inc. ("Li3") and Bearing on September 28, 2017 the Li3 shareholders had two years to exchange their shares. As of September 28, 2019, any former shareholders of Li3 who did not exchange their shares, ceased to have any entitlement to common shares of Bearing and the related common shares of the Company.

(Unaudited - Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

(c) Stock options

The Company has a stock option plan (the "Plan") that permits the grant of share purchase options up to 10% of the issued and outstanding common shares of the Company to directors, officers, key employees and consultants. Terms and pricing of options are determined at the date of grant in accordance with the Plan. Stock option transactions and the number of stock options outstanding are summarized below:

	Number	Weighted Average Exercise Price ($)
Balance, October 31, 2018	**641,446**	**0.026**
Exercised	(251,248)	0.025
Expired	(26,708)	0.028
Cancelled	(4,992)	0.035
Balance, October 31, 2019	**358,498**	**0.028**
Forfeited	(79,952)	0.030
Balance, January 31, 2020	**278,546**	**0.026**

Date of Expiry	Exercise Price ($)	Number of Options Issued and Exercisable
October 6, 2021	0.0399	41,184
October 24, 2021	0.0130	29,953
December 2, 2021	0.0250	6,240
January 5, 2022	0.0310	6,240
January 6, 2022	0.0290	11,232
May 4, 2022	0.0190	26,209
May 25, 2022	0.0414	7,488
July 5, 2023	0.0250	150,000
Balance, January 31, 2020		**278,546**

As of January 31, 2020, the weighted average remaining life for outstanding options was 2.72 years.

(d) Common share purchase warrants

Common share purchase warrants transactions and the number of common share purchase warrants outstanding are summarized below:

	Number	Weighted Average Exercise Price ($)
Balance, October 31, 2018	**9,246**	**0.04**
Issued	5,000,000	0.10
Exercised	(25,000)	0.10
Expired	(9,246)	0.04
Balance, October 31, 2019 and January 31, 2020	**4,975,000**	**0.10**

Expiry Date	Exercise Price ($)	Number of Warrants Issued and Exercisable
November 21, 2020	0.10	4,975,000
Balance, January 31, 2020		**4,975,000**

During the three months ended January 31, 2020, common share purchase warrants granted were valued using the residual value method and had a fair value of $nil (2019 - $nil).

(Unaudited - Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

(e) Brokers' warrants

Brokers' warrants transactions and the number of brokers' warrants outstanding are summarized below:

	Number	Weighted Average Exercise Price ($)
Balance, October 31, 2018	**-**	**-**
Issued	122,100	0.10
Balance, October 31, 2019 and January 31, 2020	**122,100**	**0.10**

Expiry Date	Exercise Price ($)	Number of Warrants Issued and Exercisable
November 21, 2020	0.10	122,100
Balance, January 31, 2020		**122,100**

(f) Reserves

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

8. FINANCIAL INSTRUMENTS

Fair value

As at January 31, 2020, the Company's financial instruments consist of cash, accounts payable, accrued liabilities and due to related parties. The fair values of these financial instruments approximate their carrying values because of their current nature.

IFRS 13, *Fair Value Measurement*, establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e. quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable market data.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The functional and reporting currency of the Company is the Canadian dollar. The Company is not exposed to significant foreign exchange risk.

8. FINANCIAL INSTRUMENTS (continued)

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. The does not have significant exposure to credit risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at January 31, 2020, the Company is not exposed to significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date.

As of January 31, 2020, the Company had cash of $210,320, accounts payable of $38,606, accrued liabilities of $17,750 and due to related parties of $73,500. The Company's accounts payable and accrued liabilities are due within 90 days. Amounts due to related party are due on demand. The Company addresses its liquidity through debt and equity financing obtained through the sale of common shares and the exercise of warrants and options. There is no assurance that it will be able to do so in the future. Liquidity risk is assessed as high.

9. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. As at January 31, 2020, the Company does not have any externally imposed capital requirements. The Company defines its capital as share capital and reserves. The Company has financed its capital requirements primarily through share issuances, option grants, warrant issuances and obtaining loans. The Company manages the capital structure and adjusts it considering changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Company may issue common shares or obtain new loans.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. The Company will need to raise additional funds since its current cash position is not sufficient to cover its anticipated operating budget for the next twelve months. Given sentiment and capital market conditions in the mining sector, there exists a material uncertainty as to the Company's ability to raise additional funds on favorable terms in order to continue as a going concern.