SASSY RESOURCES CORPORATION

CONDENSED INTERIM FINANCIAL STATEMENTS

NINE MONTH PERIOD ENDED MARCH 31, 2020

(Expressed in Canadian Dollars)

(Unaudited)

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 interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Sassy Resources Corporation

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	March 31, 2020 ($)	June 30, 2019 ($)
ASSETS		
Current assets		
Cash	116,611	1
	116,611	1
Exploration and evaluation assets (Note 5)	2,562,500	-
	2,679,111	1
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current liabilities		
Accounts payable and accrued liabilities (Notes 6 and 7)	188,063	1,500
Shareholders' equity (deficiency)		
Share capital (Note 8)	3,201,401	1
Share subscriptions (Note 10)	20,000	-
Reserves (Note 8)	4,500	-
Deficit	(734,853)	(1,500)
	2,491,048	(1,499)
	2,679,111	1

Nature of Operations and Going Concern (Note 1)
Subsequent Events (Note 12)

On behalf of the Board:

"Richard Savage"
Director

"Robert Stewart"
Director

Sassy Resources Corporation

Condensed Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

(Unaudited)

	Three Month Period Ended March 31, 2020	Nine Month Period Ended March 31, 2020
	($)	**($)**
EXPENSES		
Consulting fees (Note 7)	44,556	81,690
General and administrative	19,511	63,727
Impairment of loan receivable (Note 7)	326,945	326,945
Management fees (Note 7)	50,000	150,000
Professional fees	16,882	76,764
Travel and promotion	18,796	34,227
Loss and comprehensive loss for the period	(476,690)	(733,353)
Basic and diluted loss per share:	(0.06)	(0.24)
Weighted average common shares outstanding:		
Basic	8,346,594	3,032,546
Diluted	8,346,594	3,032,546

See accompanying notes to the condensed interim financial statements

Sassy Resources Corporation

Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian Dollars)
(Unaudited)

	Share capital					
	Number of Shares	**Amount**	**Share Subscriptions**	**Warrant Reserve**	**Deficit**	**Total**
		($)	**($)**	**($)**	**($)**	**($)**
Balance at June 3, 2019	-	-	-	-	-	-
Common share issued on incorporation	1	1	-	-	-	1
Loss for the period	-	-	-	-	(1,500)	(1,500)
Balance at June 30, 2019	1	1	-	-	(1,500)	(1,499)
Asset acquisition from Crystal Lake Mining Corp.	9,999,999	2,500,000	-	-	-	2,500,000
Common shares issued for property option	250,000	62,500	-	-	-	62,500
Common shares issued for cash	6,620,000	655,000	-	-	-	655,000
Share issuance costs	-	(16,100)	-	4,500	-	(11,600)
Share subscriptions received in advance	-	-	20,000	-	-	20,000
Loss for the period	-	-	-	-	(733,353)	(733,353)
Balance at March 31, 2020	16,870,000	3,201,401	20,000	4,500	(734,853)	2,491,048

Sassy Resources Corporation

Condensed Interim Statement of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Nine Month Period Ended March 31, 2020
	($)
CASH PROVIDED BY (USED IN)	
OPERATING ACTIVITIES	
Loss for the period	(733,353)
Changes in non-cash working capital items:	
Accounts payable and accrued liabilities	186,563
	(546,790)
FINANCING ACTIVITIES	
Common shares issued for cash	655,000
Share issuance costs	(11,600)
Share subscriptions received in advance	20,000
	663,400
Change in cash during the period	116,610
Cash - beginning of period	1
Cash - end of period	116,611

Supplemental Cash Flow Information (Note 11)

1. NATURE OF OPERATIONS AND GOING CONCERN

Sassy Resources Corporation (the "Company") was incorporated on June 3, 2019 under the Business Corporations Act (British Columbia). The Company is an exploration stage mining company currently engaged in the identification, acquisition and exploration of precious metal resources in Canada. The Company's registered and records office is located at suite 804 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T7.

On February 18, 2020, the Company received certain exploration and evaluation assets from Crystal Lake Mining Corp. ("CLM") in exchange for common shares. All of the common shares of the Company held by CLM were subsequently distributed to the shareholders of CLM pursuant to a plan of arrangement. As a result, the Company is now a reporting issuer under securities policy.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company has no sources of revenue, ongoing losses and a deficit of $149,823.

The above conditions cast significant doubt on the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations. If for any reason, the Company is unable to continue as a going concern, then this could result in adjustments to the amounts and classifications of assets and liabilities in the Company's financial statements and such adjustments could be material

2. PLAN OF ARRANGEMENT

On February 18, 2020, CLM completed a plan of arrangement (the "Arrangement") pursuant to which CLM transferred certain exploration and evaluation assets in British Columbia and Ontario to the Company in exchange for 9,999,999 common shares of the Company. CLM subsequently distributed the shares to the shareholders of CLM as a return of capital. The transaction is accounted for in accordance with IFRS 2, Share Based Payments as the assets acquired do not constitute a business for accounting purposes.

The Company has allocated the entire purchase price, determined to be $2,500,000, to the Foremore Property located in the Eskay Creek District of British Columbia as it is the primary focus for the Company and its planned exploration expenditures (Note 5).

3. BASIS OF PREPARATION

Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretations committee. They do not include all disclosures required by International Financial Reporting Standards ("IFRS") for annual financial statements, and therefore should be read in conjunction with the Company’s audited financial statements for the year ended June 30, 2019, prepared in accordance with IFRS as issued by the IASB

These condensed interim financial statements were approved by the Board of Directors of the Company on May 26, 2020.

Basis of Presentation

The condensed interim financial statements have been prepared on a historical cost basis, using the accrual basis of accounting, except for cash flow information.

Functional and Presentation Currency

The functional currency of the Company is the Canadian dollar, which is also the presentation currency of the financial statements.

Use of Estimates and Judgements

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates.

These condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

3. BASIS OF PREPARATION (continued)

Income taxes

The calculation of income taxes requires judgment in applying tax laws and regulations, estimating the timing of the reversals of temporary differences, and estimating the reliability of deferred tax assets. These estimates impact current and deferred income tax assets and liabilities, and current and deferred income tax expense (recovery).

Significant judgements that management has made at the end of the reporting period are as follows:

Carrying value and the recoverability of exploration and evaluation assets

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

Going Concern

The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

4. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies as those used in the Company's annual financial statements at June 30, 2019.

Newly Adopted Policy

IFRS 16, Leases

This new standard replaces the existing leasing guidance in IAS 17, Leases.

IFRS 16 distinguishes between leases and service contracts on the basis of whether the customer controls the asset being leased. For those contracts determined to meet the definition of a lease, IFRS 16 requires a lessee to recognize on the balance sheet a lease asset along with the associated lease liability which reflects future lease payments, similar to current finance lease accounting. There are limited exceptions for leases with a term of less than 12 months or leases of assets which have a very low value. As a result of the adoption of IFRS 16, operating leases which were previously only recognized on the statement of earnings will be recognized on the balance sheet.

The purpose of the standard is to provide users of the financial statements with a more accurate picture of a company's leased assets and associated liabilities, while also improving the comparability of companies that lease assets to those that purchase them.

The adoption of this standard did not have a material impact on the Company's financial statements.

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS

Foremore Property, British Columbia

In connection with the Arrangement the Company took assignment of a binding letter of intent ("LOI") dated June 24, 2019, as amended on November 12, 2019, which provides an exclusive option to acquire a 100% ownership interest, subject to certain royalties, in 35 mineral claims located in the Eskay Creek district of British Columbia (the "Foremore Property").

Pursuant to the LOI, the Company must make the following cash and share payments as well as incur minimum exploration expenditures in order to complete the acquisition:

Date	Shares	Cash ($)	Exploration Expenditures ($)
Upon completion of the Arrangement	250,000	-	-
On or before August 13, 2020	250,000	50,000	150,000
On or before August 13, 2021	250,000	66,667	150,000
On or before August 13, 2022	250,000	66,667	300,000
On or before August 13, 2023	250,000	66,667	300,000
On or before August 13, 2024	-	-	300,000
Total	1,250,000	250,000	1,200,000

Nikobat Property, Ontario

In connection with the Arrangement the Company acquired 100% ownership, subject to certain royalties, of 174 non-contiguous mineral claims (the "Nikobat Property") located in the Rainy River district of Ontario.

	Foremore Property ($)	Nikobat Property ($)	Total ($)
Acquisition Costs:			
Balance, June 30, 2019	-	-	-
Cash	-	-	-
Shares	2,562,500	-	2,562,500
Balance, March 31, 2020	2,562,500	-	2,562,500

There were no exploration and evaluation expenditures incurred on the Foremore and Nikobat properties during the nine month period ended March 31, 2020.

(Expressed in Canadian dollars)

6. ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

	March 31, 2020	June 30, 2019
	($)	($)
Trade payables	35,831	-
Related party payables	142,232	-
Accrued liabilities	10,000	1,500
	188,063	1,500

7. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of directors and other members of key management personnel during the nine month periods ended March 31, 2020 and 2019 are as follows:

	March 31, 2020
	($)
Management fees	150,000
Consulting fees	42,000
	192,000

During the nine month period ended March 31, 2020, the Company recorded an impairment of $307,058 a loan owing from a Company that shares directors in common.

As at March 31, 2020, a total of $142,232 (June 30, 2019 - $Nil) was included in accounts payable and accrued liabilities owing to directors and officers of the Company.

8. SHARE CAPITAL

Authorized share capital

The Company's authorized share capital consists of an unlimited number of common shares without par value.

Issued share capital

Nine month period ended March 31, 2020

On October 4, 2019, the Company completed the first tranche of a non-brokered private placement and issued 770,000 shares at $0.25 for gross proceeds of $192,500. The Company paid cash finder's fees of $8,000 and issued 32,000 finder's warrants. Each finder's warrant entitles the holder to acquire an additional common share at a price of $0.25 on or before October 4, 2020.

8. SHARE CAPITAL (continued)

On November 20, 2019, the Company completed the second tranche of the non-brokered private placement and issued 140,000 shares at $0.25 for gross proceeds of $35,000.

On January 3, 2020, the Company completed the third and final tranche of the non-brokered private placement and issued 40,000 shares at $0.25 for gross proceeds of $10,000.

On February 18, 2020, the Company issued 9,999,999 common shares valued at $2,500,000 to CLM in exchange for the Foremore Property, Nicobat Property and other properties located in Ontario. These shares were subsequently distributed to the shareholders of Crystal Lake pursuant to the Plan of Arrangement (Note 2).

On February 18, 2020, the Company issued 250,000 common shares valued at $62,500 in accordance with the Foremore Property acquisition agreement.

On February 18, 2020, the Company converted 5,000,000 special warrants into 5,000,000 common shares and 5,000,000 share purchase warrants which entitle the holder to acquire an additional common share at a price of $0.10 on or before July 17, 2021. The special warrants were previously issued on July 17, 2019 at a price of $0.05 per special warrant for aggregate proceeds of $250,000.

On March 6, 2020, the Company completed a non-brokered private placement and issued 670,000 common shares at $0.25 for gross proceeds of $167,500. The Company paid cash finder's fees of $3,600 and issued 14,400 finder's warrants. Each finder's warrant entitles the holder to acquire an additional common share at a price of $0.25 on or before March 6, 2021.

The Company received $20,000 in subscription proceeds for an equity placement that as completed subsequent to March 31, 2020 (Note 13).

Period from incorporation on June 3, 2019 to June 30, 2019

On June 3, 2019, the Company issued 1 common share at $1 per share pursuant to the incorporation of the Company.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Stock options

The Company has rolling incentive stock option plan (the "Plan"), which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Such options will be exercisable for a variable period from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares.

Options may be exercised no later than 90 days following cessation of the optionee's position with the Company unless otherwise approved by the Board of Directors.

There has been no stock option activity since the inception of the Plan.

Warrants

A continuity schedule of the Company's share purchase is as follows:

	Number of Warrants	Weighted Average Exercise Price
		($)
Balance, June 3, 2019 and June 30, 2019	-	-
Issued	5,046,400	0.10
Balance, March 31, 2020	5,046,400	0.10

The following table summarizes the share purchase warrants outstanding as at March 31, 2020:

Expiry Date	Number of Warrants Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
		($)	(yrs)
October 4, 2020	32,000	0.25	0.51
March 6, 2021	14,400	0.25	0.93
July 17, 2021	5,000,000	0.10	1.30
	5,046,400	0.10	1.29

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Nine month period ended March 31, 2020

On October 4, 2019, the Company issued 32,000 finder's warrants valued at $3,100 and recorded it as a share issuance cost. Each finder's warrant entitles the holder to acquire a common share at a price of $0.10 on or before October 4, 2020.

On February 18, 2020, the Company issued 5,000,000 share purchase warrants pursuant to the conversion of 5,000,000 special warrants. The share purchase warrants were determined to not have any value. Each share purchase warrant entitles the holder to acquire a common share at a price of $0.10 on or before July 17, 2021. The special warrants were previously issued on July 17, 2019 at a price of $0.05 per special warrant for aggregate proceeds of $250,000.

On March 6, 2020, the Company issued 14,400 finder's warrants valued at $1,400 and recorded it as a share issuance cost. Each finder's warrant entitles the holder to acquire a common share at a price of $0.10 on or before March 6, 2021.

The finder's warrants issued during the period were valued using the Black-Scholes option pricing model under the following weighted average assumptions:

	2020
Risk-free interest rate	0.97%
Expected life of options	1.00 yr
Volatility	100%
Expected Dividend yield	Nil
Forfeiture rate	Nil
Weighted average fair value	$0.10

Period from incorporation on June 3, 2019 to June 30, 2019

There was no warrant activity during the period ended June 30, 2019

9. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to risk is on its cash and note receivable. The Company holds its cash in substantial financial institutions to mitigate risk. The risk for notes receivable is high as the note is unsecured. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk..

9. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company prepares general operating budget to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company uses its best efforts to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

The Company's financial liabilities consist of accounts payable and accrued liabilities, all of which are due within twelve months.

The Company's main source of funding has been through the issuance of equity securities for cash. The Company's access to financing in the public markets is always uncertain. The Company is exposed to liquidity risk.

Commodity risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for gold and silver are impacted by world economic events that dictate the levels of supply and demand. The Company had no hedging contracts in place as at or during the period ended March 31, 2020.

Interest rate risk

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

Foreign exchange risk

Foreign currency exchange rate risk is the risk that the fair value of assets and future cash flows will fluctuate as a result of changes in foreign currency exchange rates. However, the Company's functional currency is the Canadian dollar and the Company doesn't have any material assets or operations that are denominated in a foreign currency. Accordingly, the Company is not exposed to any material foreign exchange risk and has not hedged its limited exposure to currency fluctuations

9. FINANCIAL RISK MANAGEMENT (continued)

Classification of financial instruments

The Company classifies its other financial assets and other financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

Financial assets included in the statement of financial position are cash. Financial liabilities included in the statement of financial position include accounts payable and accrued liabilities. The fair value of cash is measured using Level 1 of the fair value hierarchy. The fair value of accounts payable and accrued liabilities approximate the carrying amount due to their short term to maturity. The effect of changes in the Company's credit risk do not have a significant impact on the fair value due to the short term to maturity.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of the components of shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets.

The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during the period ended March 31, 2020.

10. SEGMENTED INFORMATION

The Company operates in one reportable operating segments being the acquisition, exploration and development of mineral resources properties.

The Company operates in one geographic segment located in Canada.

(Expressed in Canadian dollars)

11. SUPPLEMENTAL CASH FLOW INFORMATION

	March 31, 2020
	($)
Non-cash investing and financing activities:	
Issuance of finders warrants as share issuance costs	4,600
Interest paid during the period	-
Income taxes paid during the period	-

12. SUBSEQUENT EVENTS

Subsequent to March 31, 2020, the Company completed a non-brokered private placement (the "Offering") wherein it issued 5,040,000 units at a price of $0.25 per unit for aggregate proceeds of $1,260,000. Each unit is comprised of a common share of the Company and share purchase warrant which entitles the holder to acquire an additional common share at a price of $0.45 for period of 30 months from the closing date.

The Company paid a cash commission of $25,550 in connection with the Offering. In addition, the Company issued 102,200 finder's warrants which entitle the holder to acquire a common share of the Company at $0.25 for a period of 30 months from the date of closing.