

**GREEN RIVER GOLD CORP.**  
**Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020 & 2019**  
*(Unaudited - Prepared by Management)*

*NOTICE OF NO AUDITOR REVIEW*

*The accompanying unaudited interim financial statements have been prepared by management.*

*The Company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditors.*

**GREEN RIVER GOLD CORP.**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2020**  
*(Expressed in Canadian dollars)*

	<i>December 31</i> 2020	<i>September 30</i> 2020
<b>ASSETS</b>		
Current		
Cash	\$ 25,963	\$ 2,990
Trade and other receivables <i>(Note 4)</i>	35,662	31,786
Equipment inventory <i>(Note 5)</i>	518,616	522,505
Retail inventory <i>(Note 6)</i>	51,606	54,107
Reclamation bonds <i>(Note 7)</i>	17,000	17,000
Prepaid expenses	65,880	90,910
Due from related parties <i>(Note 8)</i>	167,239	342,869
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	881,966	1,062,167
Fixed assets <i>(Note 9)</i>	79,583	37,275
Exploration and evaluation assets <i>(Note 10)</i>	624,599	527,104
Right of use asset - leased building <i>(Note 11)</i>	55,135	62,027
	<hr/>	<hr/>
	\$ 1,641,283	\$ 1,688,573
<b>LIABILITIES</b>		
Current		
Trade and other payables <i>(Note 12)</i>	\$ 174,848	\$ 263,750
Loans payable <i>(Note 13)</i>	149,617	156,079
Loans payable to related parties <i>(Note 14)</i>	15,832	9,832
Current portion of long term debt <i>(Note 15)</i>	3,964	3,964
Current portion of lease liability <i>(Note 11)</i>	28,558	28,558
	<hr/>	<hr/>
	372,819	462,183
Long term debt <i>(Note 15)</i>	11,891	12,856
Obligation under lease liability <i>(Note 11)</i>	27,539	34,050
Convertible debentures <i>(Note 16)</i>	99,426	95,802
	<hr/>	<hr/>
	511,675	604,891
<b>EQUITY</b>		
Capital stock <i>(Note 17)</i>	2,149,478	2,066,954
Reserve for warrants <i>(Note 18)</i>	812,891	734,492
Equity portion of convertible debentures <i>(Note 16)</i>	28,374	28,374
Accumulated deficit	(1,861,135)	(1,746,138)
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	1,129,608	1,083,682
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	\$ 1,641,283	\$ 1,688,573

Going Concern *(Note 1)*

**APPROVED ON BEHALF OF THE BOARD OF DIRECTORS ON MARCH 29, 2021**

"Perry Little" (signed)

\_\_\_\_\_  
Director

"Shawn Stockdale" (signed)

\_\_\_\_\_  
Director

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

**GREEN RIVER GOLD CORP.****Consolidated Statement of Loss and Comprehensive Loss****For the Three Month Period Ended December 31, 2020***(Expressed in Canadian dollars)*

	<i>December 31</i> 2020	<i>September 30</i> 2020
<b>Revenues</b>		
Retail and equipment sales <i>(Notes 5 and 6)</i>	\$ 23,168	\$ 3,722
Cost of goods sold	15,317	2,432
Gross profit	7,851	1,290
Placer claim rental	1,200	-
	<u>9,051</u>	<u>1,290</u>
<b>Expenses</b>		
Accounting fees	1,366	1,250
Accretion on convertible debentures	3,624	4,327
Accretion on lease liability	989	-
Advertising and promotion	18,224	463
Audit fees	8,000	8,000
Bad debts	11	-
Consulting fees	5,000	-
Contract labour <i>(Note 19)</i>	20,765	8,851
Depreciation on owned assets	2,117	1,629
Depreciation on right of use asset - leased building <i>(Note 11)</i>	6,892	-
Insurance	568	591
Interest and bank charges	9,117	4,860
Legal fees	1,429	6,638
Management fees	30,000	-
Office, general and administration	4,780	6,230
Postage, courier and freight	1,795	-
Regulatory, filing and transfer fees	4,113	2,744
Rent	-	1,235
Repairs and maintenance	4,405	530
Telecommunications	652	296
Travel	201	-
	<u>124,048</u>	<u>47,644</u>
<b>NET LOSS AND COMPREHENSIVE LOSS</b>	<b>\$ (114,997)</b>	<b>\$ (46,354)</b>
<b>Net loss and comprehensive loss per share</b>		
- basic and diluted	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
<b>Weighted average number of common shares</b>		
- basic and diluted (000's)	<u>45,832</u>	<u>24,945</u>

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

**GREEN RIVER GOLD CORP.****Statement of Changes in Equity****For the Three Month Period Ended December 31, 2020***(Expressed in Canadian dollars)*

	Number of shares	Share Capital	Reserves Warrants	Equity Portion of Convertible Debentures	Accumulated deficit	Total
Balance at October 1, 2019	23,454,749	\$ 1,401,132	\$ 255,553	\$ 28,374	\$ (1,350,149)	\$ 334,910
Shares issued (Note 17)	20,733,000	779,940	478,939	-	-	1,258,879
Share issuance costs	-	(114,118)	-	-	-	(114,118)
Net loss for the year	-	-	-	-	(395,989)	(395,989)
<b>Balance at September 30, 2020</b>	<b>44,187,749</b>	<b>\$ 2,066,954</b>	<b>\$ 734,492</b>	<b>\$ 28,374</b>	<b>\$ (1,746,138)</b>	<b>\$ 1,083,682</b>
Balance at October 1, 2020	44,187,749	\$ 2,066,954	\$ 734,492	\$ 28,374	\$ (1,746,138)	\$ 1,083,682
Shares issued (Note 17)	2,907,000	103,021	78,399	-	-	181,420
Share issuance costs	-	(20,497)	-	-	-	(20,497)
Net loss for the year	-	-	-	-	(114,997)	(114,997)
<b>Balance at December 31, 2020</b>	<b>47,094,749</b>	<b>\$ 2,149,478</b>	<b>\$ 812,891</b>	<b>\$ 28,374</b>	<b>\$ (1,861,135)</b>	<b>\$ 1,129,608</b>

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

**GREEN RIVER GOLD CORP.**  
**Consolidated Statement of Cash Flows**  
**For the Three Month Period Ended December 31, 2020**  
*(Expressed in Canadian dollars)*

	<i>December 31</i> 2020	<i>December 31</i> 2019
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (114,997)	\$ (46,354)
Items not affecting cash:		
Depreciation expense	9,009	1,629
Accretion expense	4,613	4,327
Expenses paid by related parties	-	-
Contract labour and rent provided by related parties	-	-
Equipment inventory sold to related parties	-	-
	<u>(101,375)</u>	<u>(40,398)</u>
Changes in non-cash working capital ( <i>Note 21</i> )	<u>(61,357)</u>	<u>(25,212)</u>
Cash flow used by operating activities	<u>(162,732)</u>	<u>(65,610)</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from loans payable	(6,462)	25,909
Proceeds on loans from related parties	6,000	(27,007)
Proceeds on issuance of common shares ( <i>Note 17</i> )	181,420	104,300
Share issuance costs	(20,497)	(8,233)
Proceeds on issuance of convertible debentures	-	-
Convertible debenture issuance costs	-	-
Repayment of long term debt	(965)	(895)
Payments made on lease	(7,500)	-
	<u>151,996</u>	<u>94,074</u>
Cash flow from financing activities	<u>151,996</u>	<u>94,074</u>
<b>INVESTING ACTIVITIES</b>		
Repayment of loans to related parties	307,481	-
Advances to related parties	(131,851)	-
Additions to exploration and evaluation assets	(97,495)	(28,407)
Purchase of fixed assets	(44,426)	-
Exploration assets provided by related parties	-	-
	<u>33,709</u>	<u>(28,407)</u>
Cash flow from (used by) investing activities	<u>33,709</u>	<u>(28,407)</u>
<b>INCREASE IN CASH FLOW</b>	<b>22,973</b>	<b>57</b>
Cash - beginning of year	<u>2,990</u>	<u>1,381</u>
<b>CASH - END OF YEAR</b>	<b>\$ 25,963</b>	<b>\$ 1,438</b>

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

**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Green River Gold Corp. (the "Company") was incorporated on June 5, 2006 under the Canada Business Corporations Act as Minerva Minerals Limited. On June 25, 2013 the Company received approval to change its name from Minerva Minerals Limited to Greywacke Exploration Ltd. On August 25, 2017, the Company's shareholders approved a name change to Green River Gold Corp. The Company began trading under the new name and ticker symbol CCR on September 8, 2017. The Company's head office is now located at Suite 115, 6220 Fulton Road, Edmonton, AB T6A 3T4. The shares of the Company are listed on the Canadian Stock Exchange ("the CSE"), and commenced trading on August 13, 2007. The Company is in the business of location, acquisition, exploration and development of mineral properties including alluvial gold properties. The Company also provides services to the placer mining industry, selling equipment and supplies, renting placer mining claims and equipment, and providing permitting and consulting services.

**Going Concern**

The Company's ability to continue to operate and to meet its obligations as they come due is dependent upon its ability to obtain additional financing as necessary and to successfully locate and develop alluvial gold properties or related opportunities with economic potential. The ultimate outcomes of these matters cannot presently be determined because they are contingent on future events.

As at December 31, 2020, the Company had working capital of \$509,147 (September 30, 2020 – working capital of \$599,984), had not yet achieved profitable operations, had accumulated losses of \$1,861,135 (September 30, 2020 \$1,746,138) and may incur further short-term losses in the development of its business, all of which create material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

There can be no assurance that the Company will be successful in acquiring properties that will result in profitable mining operations or that the Company's other business ventures will be profitable. The Company's continued existence is dependent upon its ability to locate suitable properties containing economically recoverable reserves, the achievement of profitable operations from other business ventures and the ability of the Company to raise alternative financing, if necessary.

These audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

**2. BASIS OF PRESENTATION**

**a) Statement of compliance**

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the three month periods ended December 30, 2020 and 2019, using the significant accounting policies outlined in Note 3.

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

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**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

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**2. BASIS OF PRESENTATION (continued)**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and any future years affected.

These unaudited interim financial statements were authorized by the Board of Directors of the Company on April 8, 2021.

**b) Basis of presentation**

These unaudited interim financial statements have been prepared on the historical cost basis and are prepared in Canadian dollars, which is the Company's functional currency.

**c) New standards adopted**

**IFRS 16 - Leases**

In January 2016, the IASB issued a new standard on leases, IFRS 16 – Leases will require lessees to recognize assets and liabilities for most leases under a single accounting model for which all leases will be accounted for, with certain exemptions.

For the year ended September 30, 2020, the Company adopted IFRS 16. Until July 15, 2020, the Company's only lease was a short term month to month lease for office space. The Company moved in to a new retail and office location with a longer lease on July 15, 2020 and implemented the IFRS for accounting for that new lease.

The Company generates revenue by renting placer mining claims and mining equipment. Those claims are short term in nature, typically five months or less, and are not being accounted for using IFRS 16 because of the short term duration of the leases.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of consolidation**

The financial statements of the Corporation's subsidiary are prepared for the same reporting years as the parent in accordance with the Corporation's accounting policies. The Company formed a limited partnership agreement with a common director under the name of Green River Gold Trading LP, whereby the partnership carries on the business of acquiring raw gold from placer miners and selling such raw gold to refineries and other customers. All intercompany balances and transactions have been eliminated. The financial statements include the accounts of the Corporation and its subsidiary.

**(b) Cash**

Cash in the statement of financial position comprise cash held at Canadian Chartered banks.

**(c) Exploration and evaluation assets**

All exploration and evaluation expenditures including the costs of acquiring mining claims are initially capitalized until exploration has been completed and the results have been evaluated. The costs are accumulated in cost centres by mining property pending determination of technical feasibility and commercial viability. The technical feasibility and commercial viability of a property is considered to be determined when proved or probable reserves are determined to exist. If proved and/or probable reserves are found, the exploration costs and the acquisition costs of the associated claims are transferred to property and equipment.

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# GREEN RIVER GOLD CORP.

## Notes to Consolidated Financial Statements

For the Three Months Ended December 31, 2020

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Any impairment recognized during a period is charged as additional depreciation expense.

Exploration and evaluation assets are assessed for impairment at each reporting period as well as when they are transferred to property and equipment, and also if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The recoverable amount is calculated using the greater of its value in use and its fair value less costs to sell. These are defined below.

Value in use is determined as the net present value of the estimated present value of the future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. Value in use is determined by applying assumptions specific to the Company's continued use and can only take into account approved future development costs.

Estimates of future cash flows used in the evaluation of impairment of assets are made using management's forecast of commodity prices and expected production volumes. The latter takes into account mineral recovery results and includes expectations about proved and probable reserves.

Fair value less cost to sell is determined as the amount that would be obtained from the sale of an asset in an arm's length transaction between knowledgeable and willing parties. Factors considered in this determination include but are not limited to Company specific Board authorizing financial transactions, recent transactions regarding industry peers, and other publicly available information.

Impairment losses recognized in prior years are assessed at each reporting date if facts and circumstances indicate that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depletion and depreciation, if no impairment loss had been recognized.

On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated resources as the depletion base.

#### **(d) Leases**

At inception of a contract, the Corporation assesses whether a contract is, or contains a lease. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Corporation assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset;
- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset;

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# GREEN RIVER GOLD CORP.

## Notes to Consolidated Financial Statements

For the Three Months Ended December 31, 2020

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

- the Corporation has the right to direct the use of the asset. The Corporation has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is predetermined, the Corporation has the right to direct the use of the asset if either:
  - the Corporation has the right to operate the asset; or
  - the Corporation designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after October 1, 2019. See Note 11 for the impact of adopting the standard.

#### **(e) Taxes**

Tax expense recognized in net loss comprises the sum of deferred tax and current tax. Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognized deferred income tax assets are reassessed each reporting period and are recognized to the extent it has become probable that the future taxable profits will be available to allow the asset to be recovered.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on income tax rates and income tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred income tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amount of its assets and liabilities. Deferred income tax assets and liabilities are presented as non-current.

#### **(f) Share capital and warrants**

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares and warrants are classified as equity instruments. For compound financial instruments, the residual value method is used with the value of the warrants being calculated first using the Black-Scholes option-pricing model and the residual being allocated to share capital.

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**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Share based payments**

Options and warrants granted are accounted for using the fair value method. Under this method, the fair value of stock options and warrants granted are measured at estimated fair value at the grant date and recognized over the vesting period. Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus on options granted or fair value recorded in warrants is transferred to share capital.

The Company uses the Black-Scholes option-pricing model to determine the fair value of these incentives taking into consideration terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. If applicable, in situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment.

**(h) Loss per share**

Basic per share amounts are calculated using the weighted average number of shares outstanding during the period. Diluted per share amounts are calculated by dividing the net loss attributable to ordinary shares by the weighted average number of ordinary shares assuming that any proceeds received on exercise of options or warrants would be used to purchase common shares at the average market price during the period. The weighted average number of shares outstanding is then adjusted by the net change. Fully diluted loss per share is not reported when the effect would be anti-dilutive.

**(i) Financial instruments**

**Recognition and initial measurement**

Financial instruments are initially measured at fair value, net of transaction costs. On initial recognition, financial assets are classified in the following measurement categories: amortized cost, FVTPL, or fair value through other comprehensive income ("FVOCI"). The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified in the following measurement categories: fair value through profit or loss, or amortized cost.

**Classification and subsequent measurement**

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing the financial assets, in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

Classification	Subsequent Measurement
<b>Financial Assets:</b>	
Amortized cost	Amortized cost, using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

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**GREEN RIVER GOLD CORP.**

**Notes to Consolidated Financial Statements**

**For the Three Months Ended December 31, 2020**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

<b>Classification</b>	<b>Subsequent Measurement</b>
FVTPL	Net gains and losses, including interest or dividend income are recognized in profit or loss.
FVOCI	Interest income is calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in Other Comprehensive Income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit and loss.

**Financial Liabilities:**

Amortized cost	Amortized cost, using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
FVTPL	Net gains and losses, including interest or dividend income are recognized in profit or loss. These financial liabilities are held for trading, derivatives or designated as derivative on initial measurement.

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Modifications to financial liabilities measured at amortized cost occur when the cash flows are modified without resulting in derecognition. The carrying value of the liability is adjusted to the present value of the modified cash flows, discounted at the financial liability's original effective interest rate, with a resulting gain or loss recognized in other comprehensive income.

**(j) Impairment**

**Financial assets impairment**

The Company recognizes an allowance for expected credit losses (ECL's) on financial assets based on a 12-month ECL or lifetime ECL. ECL's are probability-weighted estimates of credit losses, which are measured at the present value of the difference between the cash flow due to the Company and the cash flow that the Company expects to receive. ECL's are discounted at the effective interest rate of the financial assets.

Financial assets considered to have low credit risk have an impairment provision recognized during the period limited to 12-month ECL's. When credit risk has increased significantly subsequent to initial measurement, the allowance is based on the lifetime ECL.

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**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Non-financial assets impairment**

The Company reviews its tangible and intangible assets for indications of impairment at the end of each reporting period or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For non-financial assets such as property and equipment, intangible assets and goodwill, the recoverable amount is the higher of an asset's or cash-generating units (CGUs) value in use or its fair value less costs of disposal. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. To assess value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset.

To determine fair value less costs of disposal, an appropriate valuation model is used. The results of these valuation techniques are corroborated with arm's length transactions of comparable companies. When impairment has occurred, the cumulative loss is recognized in the consolidated statement of comprehensive loss.

Impairment losses, other than goodwill impairment losses, may be reversed in subsequent periods, if the tests yield results greater than the carrying amount at the end of the period. Impairment losses may only be reversed to the extent they bring the carrying value up to the original cost, net of any amortization that would have been reported had no impairment been recognized in prior periods.

**(k) Significant accounting judgements and estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and use judgement regarding the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the period. By their nature, estimates are subject to measurement uncertainty. Accordingly, actual results may differ from the estimated amounts as future confirming events occur. Significant estimates and judgements made by management in the preparation of these financial statements are as follows:

**Exploration or Development**

The Company is required to apply judgement when designating a project as exploration or evaluation or development, including assessments of geological and technical characteristics and other factors related to each project.

**Exploration and Evaluation Projects**

The accounting for exploration and evaluation projects requires management to make judgements as to whether exploratory projects have discovered economically recoverable quantities of gold or other minerals, which requires the quantity and realizable value of such minerals to be estimated. Previous estimates are sometimes revised as new information becomes available. Where it is determined that an exploratory project did not discover economically recoverable gold or other minerals, the impairment is charged as additional depreciation.

If gold or other minerals are encountered, but further appraisal activity is required, the exploratory costs remain capitalized as long as sufficient progress is being made in assessing whether the recovery of gold or other minerals is economically viable.

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**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The concept of “sufficient progress” is a judgemental area, and it is possible to have exploratory costs remain capitalized for several years while additional exploratory activities are carried out or the Company seeks government, regulatory or partner approval for development plans. E&E assets are subject to ongoing technical, commercial and management review to confirm the continued intent to establish the technical feasibility and commercial viability of the discovery. When management is making this assessment, changes to project economics, expected quantities of gold and other minerals, expected production techniques, drilling results, estimated capital expenditures and production costs, results of other operations in the region and access to infrastructure and potential infrastructure expansions are important factors. Where it is determined that an exploratory project is not economically viable, the costs are written off as E&E expense.

**Decommissioning Obligations**

Estimates of asset retirement costs are based on assumptions regarding the methods, timing, economic environment and regulatory standards that are expected to exist at the time assets are retired. Management adjusts estimated amounts periodically as assumptions are updated to incorporate new information. Actual payments to settle the obligations may differ materially from amounts estimated.

**Share-Based Payments**

The Company estimates the grant date value of stock options and warrants awarded using the Black-Scholes model. The inputs used to determine the estimated value of the options and warrants are based on assumptions regarding share price volatility, the expected life of the options, expected forfeiture rates and future interest rates. By their nature, these inputs are subject to measurement uncertainty and require management to exercise judgement in determining which assumptions are the most appropriate.

**Income Taxes**

Accounting for income taxes is a complex process requiring management to interpret frequently changing laws and regulations and make judgements and estimates related to the application of tax law, the timing of temporary difference reversals and the likelihood of realizing deferred tax assets. All tax filings are subject to subsequent government audits and potential reassessment. These interpretations and judgements, and changes related to them, impact current and deferred tax provisions, the carrying value of deferred income tax assets and liabilities and could have a material impact on earnings

**(I) Revenue Recognition**

Revenue is recognized from contracts with customers, when and as performance obligations are satisfied by the transfer of control of the goods and services to the customer, which may be at a point in time or over time. Revenue is measured based on the consideration the Company expects to be entitled to in exchange for providing goods and services, excluding discounts, duty and taxes collected from customers that are reimbursed to government authorities. Non-cash consideration is included in the amount of revenue recognized and measured at fair value. Costs incurred directly to obtain or fulfil a contract are capitalized and included in gross revenue over the life of the contract. Contract modifications are accounted for prospectively or as a cumulative catch-up adjustment, depending on the nature of the change.

Retail sales of mining equipment and supplies are recorded at the time that the product is picked up at the store and payment is received. Rental revenue for mining claims and mining equipment is recognized for each period when the payment becomes due under the rental contract.

*(continues)*

**GREEN RIVER GOLD CORP.**

**Notes to Consolidated Financial Statements**

**For the Three Months Ended December 31, 2020**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***

**(m) Inventory**

Cost of equipment inventory is determined using specific identification for major equipment.

Retail store inventory consists of finished goods and is measured at the lower of cost and net realizable value. Cost is determined using the weighted average cost. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and any related selling costs.

When circumstances that previously caused inventory to be written down below cost no longer exist or when there is clear evidence of an increase in selling prices, the amount of the write down previously recorded is reversed. Provisions are made for obsolete, unusable and/or unsaleable inventory.

**(n) Fixed assets**

Fixed assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Exploration Equipment	5 years	straight-line method
Automotive equipment	5 years	straight-line method
Signage	10 years	straight-line method
Leasehold improvements	2 years	straight-line method

Fixed assets acquired during the year but not placed into use are not amortized until they are placed into use.

*(continues)*

**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(o) Segmented information**

The Company operates two lines of business, the retail division and mining division.

The Retail division is the business associated with the rented retail space in Quesnel BC, which was acquired in August 2019. The Company opened the retail store in September 2019 and moved to a new larger location in July 2020. The Retail division now sells larger mining equipment, including refurbished used mining equipment and new equipment manufactured by a related Company at the same location. The Retail division also sells large and small equipment on consignment.

The Mining division is the business associated with exploration of over 8,900 hectares of mineral rights and 2,400 hectares of placer rights situated in the vicinity of Barkerville in the Caribou Mining District of British Columbia. These claims were all staked or purchased beginning in August 2019. The Mining division also rents placer miner claims to third party placer miners and collects cash rent during the mining season.

Segment loss is measured as net loss before consideration of income taxes. The Company does not identify or allocate working capital by reportable segment. In addition, there are no inter-segment revenues.

	Retail	Mining	General Corporate Expenses	Total December 31 2020
Revenue	\$ 23,168	\$ 1,200	\$ nil	\$ 24,368
Interest expense	\$ 4,253	\$ 4,253	\$ nil	\$ 8,506
Net loss	\$ 20,074	\$ 3,053	\$ 91,870	\$ 114,997
Fixed assets	\$ 71,984	\$ 7,599	\$ nil	\$ 79,583
Exploration and evaluation assets	\$ nil	\$ 624,599	\$ nil	\$ 527,104

**4. TRADE AND OTHER RECEIVABLES**

The Company's trade and other receivables arise from goods and services tax ("GST") due from the Canadian government and from customers for claims and equipment rentals.

	<b>December 31 2020</b>	September 30 2020
Less than 3 months	<b>\$ 3,876</b>	\$ 31,786
Greater than 3 months	<b>31,786</b>	-
	<b><u>\$ 35,662</u></b>	<u>\$ 31,786</u>

At December 31, 2020, the Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables.

**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

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**5. EQUIPMENT INVENTORY**

Equipment inventory consists of gold mining and related equipment that is held for resale.

Equipment sales during the three months ended December 31, 2020 totaled \$3,905 with the related cost of sales being \$3,889. There were no equipment sales in the three month period ended December 31, 2019.

**6. RETAIL STORE INVENTORY**

The retail store inventory consists of gold mining supplies and smaller gold mining equipment. The retail operation began in September 2019. Sales during the three month period ended December 31, 2020 totaled \$23,168 (2019 - \$3,722) with the related cost of sales being \$15,317 (2019 - \$2,432).

**7. RECLAMATION BONDS**

The Company is required to post reclamation bonds with the Minister of Finance for B.C. before a permitted placer mining claim commences activity. The Company has two bonds outstanding at present for a total of \$17,000. The related claims are being operated in compliance with all aspects of the B.C. Mining Act and the reclamation bonds will be refunded when mining operations cease and the property is satisfactorily reclaimed.

**8. DUE FROM RELATED PARTIES**

	<b>December 31 2021</b>	September 30 2020
Due from 1960146 Alberta Ltd.	<b>\$ 167,239</b>	\$ 342,869

Amounts due from 1960146 Alberta Ltd. are secured by certain fixed assets and inventory belonging to those companies. The loans are due on demand. Perry Little and Shawn Stockdale are mutual directors of Green River Gold Corp., 1070923 B.C. Ltd. and 1960146 Alberta Ltd.

**9. FIXED ASSETS**

December 31, 2020	Cost	Accumulated amortization	Net book value
Exploration Equipment	\$ 8,142	\$ 543	\$ 7,599
Automotive equipment	32,580	8,145	24,435
Leasehold improvements	44,426	-	44,426
Signage	3,259	136	3,123
	<b>\$ 88,407</b>	<b>\$ 8,824</b>	<b>\$ 79,583</b>

*(continues)*



**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

**9. FIXED ASSETS (continued)**

September 30, 2020	Cost	Accumulated amortization	Net book value
Exploration Equipment	\$ 8,142	\$ 136	\$ 8,006
Automotive equipment	32,580	6,516	26,064
Signage	3,259	54	3,205
	<u>\$ 43,981</u>	<u>\$ 6,706</u>	<u>\$ 37,275</u>

**10. EXPLORATION AND EVALUATION ASSETS**

The Company acquires, explores and develops mineral and placer claims in the Province of British Columbia. The Company began to acquire claims in August, 2019 and has been active in seeking and making acquisitions during the past fiscal year. The Company has acquired placer claims and is engaged in renting its placer claims to placer miners. The Company is also exploring its Fontaine mineral claims.

	Fontaine Mineral	Fontaine Placer	Other Placer	Total Claims
Cost balance at September 30, 2018	\$ -	\$ -	\$ -	\$ -
Acquisitions during the year ended September 30, 2019	133,468	127,420	-	260,888
Costs capitalized in the year ended September 30, 2019	9,500	-	-	9,500
Cost balance at September 30, 2019	<u>142,968</u>	<u>127,420</u>	<u>-</u>	<u>270,388</u>
Acquisitions during the year ended September 30, 2020	1,261	10,000	135,367	146,628
Costs capitalized in the year ended September 30, 2020	101,409	2,000	6,679	110,088
Cost balance at September 30, 2020	<u>102,670</u>	<u>12,000</u>	<u>142,046</u>	<u>256,716</u>
Acquisitions during the year ended December 31, 2020	-	-	75,000	75,000
Costs capitalized in the year ended December 31, 2020	22,495	-	-	22,495
Cost balance at December 31, 2020	<u>\$ 268,133</u>	<u>\$ 139,420</u>	<u>\$ 217,046</u>	<u>\$ 624,599</u>

On August 23, 2019, the Company announced that it had completed the acquisition of over 8,200 hectares of mineral rights and 640 hectares of placer rights situated 12 kilometres southwest of Barkerville in the Cariboo Mining District of British Columbia. The claims, known as the Fontaine claims were acquired from an unrelated third party.

The total purchase price, including staking costs, was \$260,888. The Company paid for the properties with a combination of \$119,049 in cash and 2,000,000 units of the Company at a price of \$0.06 per unit (Note 18)

During the remainder of the 2019 fiscal year, the Company spent an additional \$9,500 on planning and early stage exploration on the properties.

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**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

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**10. EXPLORATION AND EVALUATION ASSETS (continued)**

On March 3, 2020 the Company issued 320,000 units at a price of \$0.06 per unit in payment for placer mining claims on the Little Swift River and Sovereign Creek (Note 18)

The Little Swift River purchase consists of 15 contiguous claim cells totalling 292.27 hectares located 7 kilometres from the Company's Fontaine project. One claim was permitted subsequent to the acquisition and it was rented out for a portion of the 2020 placer mining season.

The Sovereign Project consists of 2 contiguous claims totalling 38.96 hectares located 3 kilometres from the Fontaine Placer Gold Project. Permits have been submitted to test the property with 9 test pits and 4 auger drill sites to determine the gold values in the 13 predetermined target areas identified.

On March 23, 2020, the Company staked an additional 603.75 hectares of placer claims contiguous to the existing claims on the Little Swift River for a total cost of \$4,090.

On March 24, 2020, the Company added to its Fontaine Placer Gold property with the acquisition of an additional 38.97 hectares of claims for \$10,000 cash.

During the year, the Company acquired the placer rights to 135.87 hectares along the Willow River. The claims are located approximately 12 km by road from the town of Wells, BC. The Company issued 330,000 units at a price of \$0.06 to acquire the placer rights (Note 18).

On April 29, 2020, the Company staked an additional 175.34 hectares of claims on the Swift River for a total cost of \$877.

On May 20, 2020, the Company announced that it has staked an additional 720.6 hectares of mineral rights expanding the 100% owned Fontaine Lode Gold Project to 8,920 hectares for a total cost of \$1,261.

On May 27, 2020 the Company acquired 19.51 hectares of permitted placer mining claims on the Swift River for \$8,000 cash and 500,000 units of the Company. The units were issued at a price of \$0.06 (Note 18)

On July 28, 2020 the Company acquired an additional 73.96 hectares of placer mining claims on the Swift River. One claim was rented out for one month during the Summer of 2020. The claims were purchased in exchange for 300,000 units of the Company and \$10,000 cash payable by June 1, 2021. The units were issued at a price of \$0.06 (Note 18)

On August 27, 2020 the Company announced that it has acquired an additional 177.97 hectares of placer mining claims on the Swift River. The claims were acquired for \$25,400 in cash. There is a mining permit in place and the claims are contiguous to the 73.96 hectares of placer mining claims that were acquired on June 11, 2020.

During the year ended September 30, 2020, the Company spent an additional \$110,088 on planning and exploration activities. Of this amount \$108,088 was paid to a related Company, 1070923 BC for contracted labour.

On November 4, 2020, the Company acquired an additional 194.66 hectares of placer claims on Sovereign Creek and the Quesnel River for \$75,000.

During the three months ended December 31, 2020, the Company spent an additional \$22,495 for contracted labour for planning and exploration activities related to its Fontaine mineral claims. This amount was paid to a related company, 1070923 B.C. Ltd.

**GREEN RIVER GOLD CORP.****Notes to Consolidated Financial Statements****For the Three Months Ended December 31, 2020**

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**11. RIGHT OF USE ASSET AND LEASE LIABILITY**

The Company leases its office and retail space from a related party, 1070923 B.C. Ltd. The lease agreement was entered into on July 15, 2020 when 1070923 B.C. Ltd. and Green River Gold Corp. both moved into new premises at 3650 Highway 97 North in Quesnel, BC. The lease payments are \$2,500 per month plus GST and the lease term is from July 15, 2020 to December 31, 2022. The lease has been accounted for in accordance with IFRS-16 with the recognition of a Right of Use Asset on the balance sheet as well as a corresponding Lease Liability. The weighted average incremental borrowing rate used in the calculation of the Lease Liability is 6.54%.

A summary of lease related transactions for the period ended December 31, 2020 is as follows:

Amount capitalized as Right of Use Asset	<b>\$ 67,771</b>
Less: Depreciation	<b>(12,636)</b>
Right of Use Asset as at December 31, 2020	<b><u>\$ 55,135</u></b>
Original amount recognized as Lease liability	<b>67,771</b>
Accretion recorded on Lease liability	<b>2,076</b>
Payments made on the Lease	<b>(13,750)</b>
	<b><u>\$ 56,097</u></b>

**12. TRADE AND OTHER PAYABLES**

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and amounts payable for operating and financing activities. The usual credit period taken for trade purchases is between 30 to 90 days.

The following is an aged analysis of the trade and other payables:

	<b>December 31 2020</b>	September 30 2020
Less than 3 months	<b>\$ 116,712</b>	\$ 209,982
Greater than 3 months	<b>58,136</b>	53,768
Total trade and other payables	<b><u>\$ 174,848</u></b>	<b><u>\$ 263,750</u></b>

**GREEN RIVER GOLD CORP.****Notes to Consolidated Financial Statements****For the Three Months Ended December 31, 2020****13. LOANS PAYABLE**

During the year ended September 30, 2019, the Company arranged four short term loans from private individuals who are shareholders of the Company. Additional loans from private individuals who are shareholders of the Company were obtained during the year ended September 30, 2020. All of the previous loans not paid off by December 31, 2020 were granted extensions with all other terms of the loans remaining unchanged.

	<b>December 31 2020</b>	September 30 2020
Short term loan at 8% annualized interest rate. The loan matured on April 30, 2021 and was secured by specific equipment inventory.	<b>\$ 15,000</b>	\$ 15,000
Short term loans at 6% annualized interest rate. The loan matured on April 30, 2021 and is unsecured.	<b>19,500</b>	24,500
Short term loan at 6% annualized interest rate. The loan matured on April 30, 2021 and was secured by specific equipment inventory.	<b>10,000</b>	10,000
Short term loan at 8% annualized interest rate. The loan matured on April 1, 2021 and was unsecured.	<b>10,000</b>	10,000
Short term loan at 10% annualized interest rate. The loan matured on April 30, 2021 and was secured by specific inventory.	<b>6,000</b>	6,000
Short term loan at 1% per month until October 29, 2020, increasing to 2% per month after October 29, 2020. The loan matured on March 31, 2021 and was unsecured.	<b>50,000</b>	50,000
Short term loan at 6% annualized interest rate. The loan matured on October 31, 2020 and was unsecured.	<b>-</b>	5,000
Short term loan at 6% annualized interest rate. The loan matured on April 30, 2021 and was unsecured.	<b>9,000</b>	9,000
Short term loan at 6% annualized interest rate. The loan matured on April 30, 2021 and was unsecured.	<b>20,000</b>	20,000
Accrued interest to September 30.	<b>10,117</b>	6,579
	<b><u>\$ 149,617</u></b>	<b><u>\$ 156,079</u></b>

All of the short term loans are repayable at maturity and all of these loans mature prior to September 30, 2021.

**14. LOANS PAYABLE TO RELATED PARTIES**

	<b>December 31 2021</b>	September 30 2020
Loans payable to Directors and Officers	<b><u>\$ 15,832</u></b>	<b><u>\$ 9,832</u></b>

During the past several fiscal periods, Directors and Officers of the Company have advanced funds to and paid expenses on behalf of the Company. These short term advances are non-interest bearing and are unsecured. They have no specific terms of repayment.

**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

**15. LONG TERM DEBT**

	<b>December 31</b>	September 30
	<b>2021</b>	2020
RBC Finance loan bearing interest at 6.99% per annum, repayable in monthly blended payments of \$418. The loan matures on July 31, 2024 and is secured by a vehicle which has a carrying value of \$26,064.	<b>\$ 15,855</b>	\$ 16,820
Amounts payable within one year	<b>(2,999)</b>	(3,964)
	<b>\$ 12,856</b>	\$ 12,856

The required payments over the next four fiscal years are as follows:

2021	\$ 2,999
2022	4,250
2023	4,557
2024	4,049
	<u>15,855</u>
	<b>\$ 15,855</b>

**16. CONVERTIBLE DEBENTURES**

In the fourth quarter of 2019, the Company issued unsecured convertible debentures with a face value of \$127,000 to unrelated third parties by means of a non-brokered private placement. The debentures have a three year term, carry an 8% interest rate, and are convertible into shares of Green River Gold Corp. at a price of \$0.10 per share any time prior to maturity. Interest is paid quarterly with 2% paid at the end of each calendar quarter. The debentures were issued in two tranches with \$86,000 issued on July 4, 2019 and \$41,000 issued on August 12, 2019 and each tranche is repayable in full three years from its issuance date.

Total issuance costs for the two tranches were \$16,593 for net proceeds of \$110,407. Based on a discount rate of 20%, \$28,374 of the net proceeds were allocated to Equity Portion of Convertible Debentures and the remaining \$82,033 was allocated to the debt portion of the Convertible Debentures.

Accretion expense of \$3,624 has been recorded for the three months ended December 31, 2020 (2019 - \$4,327) and will continue until maturity unless the debentures are converted to shares prior to maturity.

**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

**17. SHARE CAPITAL**

(a) Authorized share capital:

Unlimited Common voting shares with no par value

(b) Issued capital stock were as follows:

	<b>December 31, 2020</b>		<b>September 30, 2020</b>	
	<b>Shares</b>	<b>Amount</b>	<b>Shares</b>	<b>Amount</b>
Shares outstanding at the beginning of the year	<b>44,187,749</b>	<b>\$ 2,066,954</b>	23,454,749	\$ 1,401,132
Issued, net of issuance costs	<b>2,907,000</b>	<b>82,525</b>	20,733,000	665,822
Shares outstanding at the end of the year	<b>47,094,749</b>	<b>\$ 2,149,479</b>	44,187,749	\$ 2,066,954

On November 22, 2018, the Company closed the second and final tranche of a unit offering, issuing 2,557,000 units at a price of \$0.06 per unit for gross proceeds of \$153,420. After the related share issuance costs of \$10,987 the net proceeds were \$142,433. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant will be exercisable to acquire one Common Share at a price of \$0.10 for a period of 12 months following the closing of the offering. These warrants expired on September 26, 2019. The value of the warrants issued was calculated as \$29,767 using the Black-Scholes option-pricing model as described more fully in Note 18 below.

On August 16, 2019, the Company issued 2,000,000 units at a price of \$0.06 per unit in partial payment for the Fontaine claims, described in Note 8 to these financial statements. The closing price of the shares on August 16, 2019 was \$0.055. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant will be exercisable to acquire one Common Share at a price of \$0.15 for a period of 24 months following the closing of the offering. The value of the warrants issued was calculated as \$31,839 using the Black-Scholes option-pricing model as described more fully in Note 18 below. Based on the closing price of \$0.0555 when the 2,000,000 units were issued, 110,000 was added to share capital. The total non-cash consideration paid towards the purchase price was \$141,839.

In November and December of 2019, the Company issued 1,490,000 flow-through Common Shares at a deemed price of \$0.07 per share. The gross proceeds raised were \$104,300. After the related share issuance costs of \$8,233 the net proceeds raised were \$96,067.

On March 3, 2020 the Company issued 320,000 units at a price of \$0.06 per unit in payment for placer mining claims on the Little Swift River and Sovereign Creek. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant is exercisable to acquire one Common Share at a price of \$0.10 for a period of 24 months following the closing of the offering. The value of the warrants were calculated as \$4,552 using the Black-Scholes pricing model as described more fully in Note 18 below. The remaining \$11,148 was added to share capital.

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## GREEN RIVER GOLD CORP.

### Notes to Consolidated Financial Statements

For the Three Months Ended December 31, 2020

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#### 17. SHARE CAPITAL *(continued)*

On May 27, 2020 the Company issued 330,000 units at a price of \$0.06 to acquire placer rights on Willow River. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.10 for a period of 24 months following the issuance date. Each full warrant is exercisable to acquire one Common Share at a price of \$0.10 for a period of 24 months following the closing of the offering. The value of the warrants was calculated at \$5,930 using the Black-Scholes pricing model as described more fully in Note 18 below. The remaining \$13,870 was added to share capital.

On May 27, 2020, the Company issued 500,000 units at a price of \$0.06 to acquire placer rights on the Swift River. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.10 for a period of 24 months following the issuance date. The value of the warrants was calculated at \$8,985 using the Black-Scholes pricing model as described more fully in Note 18. The remaining \$21,015 was added to share capital.

On July 28, 2020, the Company issued 300,000 units at at price of \$0.06 to acquire placer rights on the Swift River. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.10 for a period of 24 months following the issuance date. The value of the warrants was calculated at \$7,169 using the Black-Scholes pricing model as described more fully in Note 18. The remaining \$15,700 was added to share capital.

Between April 23, 2020 and September 30, 2020, the Company issued 17,793,000 units, at a price of \$0.06 per unit in several tranches in conjunction with a financing which had been announced on January 23, 2020 and expanded on July 31, 2020. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.10 for a period of 24 months following the date of issuance. The value of the warrants was calculated at \$452,303 using the Black-Scholes pricing model as described more fully in Note 18 below and the remaining \$615,277 was added to share capital. The related share issuance costs were \$105,885.

Between October 8 and November 18, 2020, the Company issued 2,207,000 units at a price of \$0.06 in several tranches to complete the expanded unit offering announced July 31, 2020. The value of the warrants was calculated at \$45,160 using the Black-Scholes pricing model as described more fully in Note 18 below and the remaining \$72,299 was added to share capital. The related share issuance costs were \$14,961.

On December 8, 2020, the Company announced a unit financing for up to \$500,000. The units are priced at \$0.07 and each unit consists of one Common Share of the Company and one full Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.11 for a period of 36 months following the date of issuance.

On December 30, 2020, the Company closed the first tranche of the new financing, issuing 700,000 units at \$0.07 for gross proceeds of \$49,000. The value of the warrants was calculated at \$33,239 using the Black-Scholes formula as described more fully in Note 18 below and the remaining \$10,225 was added to share capital. The related share issuance costs were \$5,536.

#### (c) Stock options:

During the 2007 year, a stock option plan was approved by the directors and shareholders of the Company. The plan provides that the aggregate number of shares reserved for issuance is to be 10% of the total number of issued and outstanding common shares of the Company from time to time. These options vest immediately when issued, unless otherwise stated.

As at December 31, 2020 the Company had 4,709,475 September 30, 2020 – 4,418,475) options available for issuance under the plan. As mentioned below, no options have been issued.

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**GREEN RIVER GOLD CORP.****Notes to Consolidated Financial Statements****For the Three Months Ended December 31, 2020****17. SHARE CAPITAL (continued)**

Despite the availability of options for issuance, no stock options have been issued since current management took over in May 2017. As a result, there were no stock options issued and outstanding as of December 31, 2020 or September 30, 2020.

**18. RESERVE FOR WARRANTS**

Reserve for warrants is comprised of the following:

	December 30, 2020		September 30, 2020	
	Warrants	Exercise Price	Warrants	Exercise Price
Outstanding at beginning of period	10,621,500	\$ 10.00	2,278,500	\$ 0.12
Granted - expiry date Mar 3, 2022	-	-	160,000	0.10
Granted - expiry date Apr-Sep 2022	-	0.10	9,461,500	0.10
Granted - expiry date Oct-Nov 2022	1,103,500	0.10	-	-
Granted - expiry date Dec 30, 2022	700,000	0.11	-	-
Expired	-	-	(1,278,500)	0.10
Outstanding at end of period	<b>12,425,000</b>	<b>\$ 8.56</b>	<b>10,621,500</b>	<b>\$ 0.10</b>

On September 26, 2018 the Company issued 1,576,000 common share purchase warrants as part of a financing. Each warrant entitled the holder to purchase one common share of the Company at a price of \$0.10 for a period of 12 months and vested immediately. In accordance with the Company's accounting policy regarding unit bifurcation, the Company calculated the unit fair value of these warrants at \$54,088. Assumptions used in the Black-Scholes option pricing model were as follows: dividend yield 0%, expected volatility of 190.50%, and a risk-free interest rate of 2.19%. These warrants expired on September 26, 2019.

On November 22, 2018 the Company issued 1,278,500 common share purchase warrants as part of a financing. Each warrant entitled the holder to purchase one common share of the Company at a price of \$0.10 for a period of 12 months and vested immediately. In accordance with the Company's accounting policy regarding unit bifurcation, the Corporation calculated the unit fair value of these warrants at \$29,767. Assumptions used in the Black-Scholes option pricing model were as follows: dividend yield 0%, expected volatility of 170.00%, and a risk-free interest rate of 1.58%. These warrants expired subsequent to the end of the fiscal year on November 22, 2019.

On August 16, 2019, the Company issued 2,000,000 units at a deemed price of \$0.06 per unit in partial payment for the Fontaine claims described in Note 7 to these financial statements. Each warrant will be exercisable to acquire one common share at a price of \$0.15 for a period of 24 months following the closing of the offering. In accordance with the Company's accounting policy regarding unit bifurcation, the Corporation calculated the unit fair value of these warrants at \$31,839. Assumptions used in the Black-Scholes option pricing model were as follows: dividend yield 0%, expected volatility of 141.58%, and a risk-free interest rate of 1.34%.

On March 3, 2020, the Company issued 160,000 warrants and 320,000 common shares as payment for placer mining claims on the Little Swift River and Sovereign Creek. Each warrant will be exercisable to acquire one-half common share at a price of \$0.10 for a period of 24 months from the date of issue. In accordance with the Company's policy regarding unit bifurcation, the Company calculated the unit value of these warrants at \$4,552. Assumptions used in the Black-Scholes option pricing model were as follows: dividend yield 0%, expected volatility of 165.69%, and a risk-free interest rate of 1.17%.

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## GREEN RIVER GOLD CORP.

### Notes to Consolidated Financial Statements

For the Three Months Ended December 31, 2020

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#### 18 RESERVE FOR WARRANTS *(continued)*

On May 27, 2020 the Company issued 330,000 units at a deemed value of \$0.06 to acquire placer rights on Willow River. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.10 for a period of 24 months following the issuance date. Each full warrant is exercisable to acquire one Common Share at a price of \$0.10 for a period of 24 months following the closing of the offering. The value of the warrants was calculated at \$5,930 using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility of 158.34% and risk-free interest rate of 0.33%.

On May 27, 2020, the Company issued 500,000 units at a deemed price of \$0.06 to acquire placer rights on the Swift River. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.10 for a period of 24 months following the issuance date. The value of the warrants was calculated at \$8,985 using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility of 145.01% and risk-free interest rate of 0.30%.

On July 28, 2020, the Company issued 300,000 units at a deemed price of \$0.08 to acquire placer rights on the Swift River. Each unit consists of one Common share of the Company and one half of one Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.10 for a period of 24 months following the issuance date. The value of the warrants was calculated at \$ 7,169 using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility of 147.01% and risk-free interest rate of 0.28%.

Between April 23, 2020 and September 30, 2020, the Company issued 17,793,000 units in several tranches in conjunction with a financing. Each unit consists of one Common Share of the Company and one half of one Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.10 for a period of 24 months following the date of issuance. The value of the warrants was calculated at \$452,303 using the Black-Schole option pricing model with the following assumptions: dividend yield 0%, expected volatility of 145% to 165% and risk-free interest rate of 0.25 to 1.65%.

Between October 8 and November 18, 2020, the Company issued 2,207,000 units at a price of \$0.06 in several tranches to complete the expanded unit offering announced July 31, 2020. The value of the warrants was calculated at \$45,160 using the Black-Scholes pricing model as described more fully in Note 18 below and the remaining \$72,299 was added to share capital. The related share issuance costs were \$14,961.

On December 8, 2020, the Company announced a unit financing for up to \$500,000. The units are priced at \$0.07 and each unit consists of one Common Share of the Company and one full Common Share purchase warrant. Each full warrant is exercisable to purchase one Common Share of the Company at a price of \$0.11 for a period of 36 months following the date of issuance.

On December 30, 2020, the Company closed the first tranche of the new financing, issuing 700,000 units at \$0.07 for gross proceeds of \$49,000. The value of the warrants was calculated at \$33,239 using the Black-Scholes formula as described more fully in Note 18 below and the remaining \$10,225 was added to share capital. The related share issuance costs were \$5,536.

## **GREEN RIVER GOLD CORP.**

### **Notes to Consolidated Financial Statements**

#### **For the Three Months Ended December 31, 2020**

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#### **19. RELATED PARTY TRANSACTIONS**

On December 31, 2020, the Company owes \$15,832 to Directors and Officers of the Company. The short-term advances are non-interest bearing and are unsecured. They have no specific terms of repayment.

On December 31, 2020, the Company is owed \$nil (2019 - \$nil) by 1960146 Alberta Ltd. These short-term advances to 1960146 Alberta Ltd. are non-interest bearing and are secured by certain fixed assets and inventory of the two related companies. Perry Little and Shawn Stockdale are mutual Directors and Officers of 1960146 Alberta Ltd., 1070923 B.C. Ltd. and Green River Gold Corp.

The Company paid \$43,260 to 1070923 B.C. Ltd. for contract labour provided by 1070923 B.C. Ltd. employees during the three months ended December 31, 2020. The services provided consisted of mining consulting and research and report preparation as well as administration and retail management. Of this amount, \$22,495 was capitalized as Exploration and Evaluation assets, while the remainder of \$20,765 is included as Contract Labour on the Statement of Loss.

The Company paid \$7,500 plus GST for rent to sublet a portion of the new building on Highway 97 North in Quesnel, B.C. for the three month period ended December 31, 2020. The Company has entered into an agreement with 1070923 B.C. Ltd. to sublet that space for \$2,500 per month plus GST until December 31, 2022.

On October 1, 2020, for the first time since current management took over in May 2017, management contracts were entered into with the Company's Chief Executive Officer and Chief Financial Officer. The Chief Executive Office will be paid \$7,000 per month and the Chief Financial Officer will be paid \$3,000 per month for providing management services.

#### **20. CAPITAL MANAGEMENT**

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration and development of mineral properties or other investments. The board of directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its shareholders' equity. To enable the Company to carry out any planned exploration or other investment and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and other investments and seek to acquire an interest in additional properties and other investments if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended September 30, 2020. The Company is not subject to externally imposed capital requirements.

The Company considers its capital to be equity, which is comprised of share capital, reserve accounts, Equity Portion of Convertible Debentures and accumulated deficit, which as at December 31, 2020 totaled \$1,129,608 (September 30, 2020 - \$1,083,682).

The Company's objective when managing capital is to obtain adequate levels of funding to support its exploration and other investment activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the identification and development of mineral deposits and other investments.

The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

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**GREEN RIVER GOLD CORP.**  
**Notes to Consolidated Financial Statements**  
**For the Three Months Ended December 31, 2020**

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**20. CAPITAL MANAGEMENT (continued)**

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company invests all capital that is surplus to its immediate operational needs in short-term, liquid and highly rated financial instruments, such as cash, and short-term guarantee deposits, all held with a major Canadian financial institution.

**21. CHANGES IN NON-CASH WORKING CAPITAL**

	<b>December 31</b>	September 30
	<b>2020</b>	2020
Trade and other receivables	\$ (3,876)	\$ 1,676
Retail inventory	2,501	(17,648)
Equipment inventory	3,889	-
Trade and other payables	(88,901)	9,660
Prepaid expenses	25,030	(18,900)
	<b>\$ (61,357)</b>	<b>\$ (25,212)</b>

**22. FINANCIAL INSTRUMENTS**

The company is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the company's risk exposure and concentration as of September 30, 2021.

Credit risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations.

The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions.

Interest rate risk

The Company's borrowings are at fixed interest rates and therefore the Company is exposed to potential interest rate risk. If market interest rates fluctuate, the fair value of the borrowings will fluctuate.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2020, the Company had current assets of \$881,966 (September 30, 2020 - \$1,062,167) and current liabilities of \$462,183 (September 30, 2020 - \$372,189). The Company's financial liabilities and receivables are all subject to normal trade terms. The Company had current working capital of \$554,184 as of December 31, 2020 (September 30, 2020 - \$509,147).

**GREEN RIVER GOLD CORP.****Notes to Consolidated Financial Statements****For the Three Months Ended December 31, 2020**

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**23. COMMITMENTS AND CONTRACTUAL OBLIGATIONS**

The Company's retail and office location in Quesnel, BC is rented from 1070923 B.C. Ltd., a related party, for \$2,500 per month plus GST until December 31, 2022.

The required lease payments over the term of the lease are as follows:

Fiscal Year	Lease Payments
2021	\$22,500
2022	30,000
2023	<u>7,500</u>
	<u>\$60,000</u>

Trade and accounts payable, loans payable, and loans payable to related parties are due within one year. Long term debt, obligations under capital lease, and convertible debentures are payable as disclosed in Note 15, 11, and 16 respectively.

The Company is required to meet certain spending commitments to keep its placer and mineral claims in good standing. Due to the outbreak of COVID-19, the Government of BC has protected all mineral titles until December 31, 2021. Mineral titles that might otherwise expire due to the spending commitments not being met are not at risk until December 31, 2021 as a result. The Company's planned expenditures in the next twelve months will be sufficient to move all of our properties forward beyond December 31, 2021.

The minimum required annual exploration and development expenditures to keep the properties in good standing over the next five years are as follows:

	Mineral Claims	Placer Claims	Total
2022	\$ 44,690	\$ 27,689	\$ 72,379
2023	85,676	27,689	113,365
2024	89,380	40,547	129,927
2025	130,466	40,547	171,013
2026	134,069	40,547	174,616
2026	180,299	43,264	223,563
	<u>\$ 664,580</u>	<u>\$ 220,283</u>	<u>\$ 884,863</u>

Exploration and development work done by miners renting our placer claims will count toward the obligation on the placer claims.

**GREEN RIVER GOLD CORP.****Notes to Consolidated Financial Statements****For the Three Months Ended December 31, 2020****24. INCOME TAXES**

The provision for income taxes varies from the amount that would be computed by applying the expected tax rate to income (loss) before income taxes. The principle reasons for differences between such "expected" income tax expense and the amount actually recorded are as follows:

	<b>December 31 2020</b>	September 30 2020
Net Income (Loss)	<b>\$ (114,997)</b>	\$ (395,989)
Statutory rate	<b>25.88 %</b>	25.88 %
Expected tax provision	<b>(102,462)</b>	(102,462)
Permanent differences	-	633
Share issuance costs	-	(32,450)
Change in unrecognized deferred income tax assets	-	81,597
Change in tax rate	-	-
Rate differential	-	8,561
True up to tax returns	-	44,121
Tax provision	<b>\$ (102,462)</b>	\$ -

The Canadian statutory income tax rate of 25.88% is comprised of the federal income tax rate at approximately 15.00% and the provincial income tax rate of approximately 10.88%. The deferred combined statutory tax rate is expected to be 25.00% for 2022 and subsequent years.

Deferred tax assets (liabilities) have been recognized as follows:

Fixed assets	<b>\$ (4,436)</b>	\$ (4,436)
Exploration and evaluation expenditures	<b>(3,160)</b>	(3,160)
Right of use asset	<b>(15,507)</b>	(15,507)
Convertible debentures	<b>(7,800)</b>	(7,800)
Non-capital losses	<b>30,903</b>	30,903
Total	<b>\$ -</b>	\$ -

Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

Share issuance and financing costs	<b>\$ 27,813</b>	\$ 27,813
Lease liability	<b>15,652</b>	15,652
Exploration and evaluation expenditures	-	-
Non-capital losses	<b>388,548</b>	388,548
Total	<b>\$ 432,013</b>	\$ 432,013

The Company has non-capital losses for income tax purposes in Canada of approximately \$1,677,804 (September 30, 2020 - \$1,677,804) which are available to be applied against future years' taxable income over the next 6 to 20 years.

**GREEN RIVER GOLD CORP.**

**Notes to Consolidated Financial Statements**

**For the Three Months Ended December 31, 2020**

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**25. EVENTS AFTER THE REPORTING PERIOD**

Between February 26, 2021 and April 9 2021, the Company issued 3,100,000 units of a financing that was announced on December 8, 2020 for gross proceeds of \$217,000. Each unit is priced at \$0.07 per unit and consists of one common share of the Company and one full common share purchase warrant . Each full warrant is exercisable at a price of \$0.11 for three years from the time of closing.

On January 14, 2021, the Company applied to the Alberta Securities Commission for a Management Cease Trade Order in order to secure additional time to file its annual audited financial statements, annual management's discussion and analysis, and certification of annual filings for the year ended September 30, 2020. On February 2, 2021, it was announced that the application had been granted. The Company's annual filings and any other periodic disclosure must be filed on or before March 29, 2021. Subsequently, a further extension was granted to April 9, 2021. The Management cease trade order applies to the Company's Chief Executive Officer and Chief Financial Officer.

In press releases dated February 4, 2021 and February 9, 2021, the Company announced the acquisition of over 1,200 contiguous hectares of mineral claims, "the Kymar silver property", located 28 kilometers west of Invermere, BC. the claims cover multiple past producing silver properties and historical showings.

In a press release dated March 11, 2021, the Company announced its resignation as the General Partner and its participation as a Limited Partner of the Green River Gold Trading Limited Partnership (the LP). Thus, the Company no longer controls the LP. Prior to the December 31, 2020 the Company incurred \$30,910 of expenditures on behalf of the LP. Subsequent to year end, \$30,000 of the amounts due from the LP was settled for 3,000 limited partnership units of the LP. The directors of the new General Partner are Perry Little and Shawn Stockdale who are the CEO and CFO of Green River Gold Corp. respectively.