

WHITE METAL RESOURCES CORP.
Condensed Consolidated Interim Financial Statements
Second Quarter ended October 31, 2019

(Expressed in Canadian Dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements of the Company for the period ending October 31, 2019 have been prepared by management and have not been subject to review by the Company's auditors.

WHITE METAL RESOURCES CORP.

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

	October 31, 2019	April 30, 2019
	\$	\$
Assets		
Current assets		
Cash	514,309	62,272
Cash – restricted (Note 3)	81,038	288,864
Amounts receivable	15,752	7,798
Prepaid expenses	8,404	2,324
Marketable securities (Note 4)	24,003	19,885
Refundable security deposits (Note 9)	26,950	26,150
	670,456	407,293
Exploration and evaluation assets (Note 5)	963,751	258,413
	1,634,207	665,706
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities	55,864	51,484
Deferred premium on flow-through shares (Note 6(a)(xi))	9,350	45,303
	65,214	96,787
Equity		
Share capital (Note 6)	3,199,218	2,061,758
Reserves	772,995	694,074
Deficit	(2,403,220)	(2,186,913)
	1,568,993	568,919
	1,634,207	665,706

See accompanying notes to the condensed consolidated interim financial statements

Nature and continuance of operations (Note 1)
Subsequent Event (Note 6(c))

Approved by the Board of Directors and authorized for issue on December 2, 2019.

"Michael Stares"

Michael Stares, Director

"Elliot Strashin"

Elliot Strashin, Director

WHITE METAL RESOURCES CORP.

Condensed Consolidated Interim Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended Oct. 31, 2019	Three Months Ended Oct. 31, 2018	Six Months Ended Oct. 31, 2019	Six Months Ended Oct. 31, 2018
	\$	\$	\$	\$
Operating costs and expenses				
Advertising and promotion	2,360	12,496	6,080	29,997
Bank charges and interest	496	285	796	550
Consulting	350	12,000	82,837	20,000
General exploration	74	1,427	74	1,427
Insurance	2,615	2,576	5,176	5,442
Legal and accounting	21,062	14,967	58,900	18,592
Share-based payments	-	-	70,611	-
Salaries and benefits	2,355	2,054	13,580	3,736
Office and miscellaneous	3,054	3,285	8,884	6,413
Trust and filing fees	4,695	5,867	9,238	6,752
Loss before other items	(37,061)	(54,957)	(256,176)	(92,909)
Other items:				
Loss on disposition of exploration and evaluation assets (Note 5(b))	-	(12,885)	-	(90,116)
Write-down of exploration and evaluation assets	(202)	-	(202)	-
Premium on flow-through shares (Note 6(a)(xi))	17,553	9,137	35,953	23,084
Unrealized loss on marketable securities	4,631	-	4,118	-
Net loss for the period	(15,079)	(58,705)	(216,307)	(159,941)
Other comprehensive loss				
Unrealized loss on marketable securities	-	(18,934)	-	(28,295)
Comprehensive loss for the period	(15,079)	(77,639)	(216,307)	(188,236)
Weighted average number of common shares outstanding	72,639,640	41,306,999	66,349,804	40,617,738
Basic and diluted loss per share	\$0.00	\$0.00	\$0.00	\$0.00

See accompanying notes to the condensed consolidated interim financial statements

WHITE METAL RESOURCES CORP.

Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Six Months Ended Oct. 31, 2019	Six Months Ended Oct. 31, 2018
	\$	\$
Cash provided by (used for):		
Operating activities		
Net loss for the period	(216,307)	(159,941)
Items not involving the use of cash:		
Flow-through shares premium	(35,953)	(23,084)
Share-based payments	70,611	-
Loss on disposition of exploration and evaluation assets	-	90,116
Write-down of exploration and evaluation assets	202	-
Unrealized loss on marketable securities	(4,118)	-
Changes in non-cash operating capital:		
Amounts receivable	(7,954)	(5,168)
Prepaid expenses	(6,080)	(3,259)
Accounts payable and accrued liabilities	10,380	14,733
	(189,219)	(86,603)
Investing activities		
Exploration and evaluation expenditures	(345,540)	(279,522)
Recoveries on sale or option of exploration and evaluation assets	100,000	-
Grants received for exploration and evaluation expenditures	-	-
Refundable security deposits	(800)	(200)
Proceeds on disposition of exploration and evaluation assets	-	50,000
	(246,340)	(229,722)
Financing activities		
Cash from shares issued	700,000	319,660
Share issue costs	(20,230)	(8,440)
	679,770	311,220
Increase (decrease) in cash for the period	244,211	(5,105)
Cash, beginning of the period	351,136	393,013
Cash, end of the period	595,347	387,908
Cash consists of the following:		
Cash	514,309	123,860
Cash - restricted	81,038	264,048
	595,347	387,908
Supplemental information		
Shares issued for exploration and evaluation assets	460,000	27,500
Shares issued to settle accounts payables	6,000	-
Shares received for exploration and evaluation assets	-	56,719

See accompanying notes to the condensed consolidated interim financial statements

WHITE METAL RESOURCES CORP.

Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian Dollars)

	Number of shares	Share capital \$	Reserves \$	Accumulated other comprehensive income (loss) \$	Deficit \$	Total Equity \$
April 30, 2018	39,855,240	1,516,980	700,032	(9,037)	(1,247,521)	960,454
Issued for cash:						
Private Placement	1,340,000	201,000	-	-	-	201,000
Share issue costs – cash	-	(8,440)	-	-	-	(8,440)
Deferred premium on flow-through shares (Note 6(a)(xi))	-	(20,100)	-	-	-	(20,100)
Issued upon exercise of warrants	824,400	124,618	(5,958)	-	-	118,660
Issued in connection with property option agreements	250,000	27,500	-	-	-	27,500
Unrealized loss on available-for-sale investment	-	-	-	(28,295)	-	(28,295)
Net loss for the period	-	-	-	-	(159,941)	(159,941)
October 31, 2018	42,269,640	1,841,558	694,074	(37,332)	(1,407,462)	1,090,838
 April 30, 2019	 47,319,640	 2,061,758	 694,074	 -	 (2,186,913)	 568,919
Issued for cash:						
Private placements	14,000,000	691,690	8,310	-	-	700,000
Share issue costs – cash	-	(20,230)	-	-	-	(20,230)
Issued in connection with property option agreements	11,500,000	460,000	-	-	-	460,000
Issued for debt settlement	120,000	6,000	-	-	-	6,000
Share-based payments			70,611			70,611
Net loss for the period	-	-	-	-	(216,307)	(216,307)
October 31, 2019	72,939,640	3,199,218	772,995	-	(2,403,220)	1,568,993

See accompanying notes to the condensed consolidated interim financial statements

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company is incorporated in British Columbia, Canada and has been primarily involved in the acquisition and exploration of mineral properties in the Province of Ontario, Canada. The address of its corporate office and principal place of business is 684 Squier Street, Thunder Bay, Ontario, Canada, P7B 4A8.

At the date of these financial statements, the Company has not been able to identify a known body of commercial grade ore on any of its properties. The ability of the Company to recover the costs it has incurred to date on these properties is dependent upon the Company being able to identify a commercial ore body, to finance its exploration and development costs and to resolve any environmental, regulatory, or other constraints which may hinder the successful development of the property. Although the Company is unaware of any defects in its title to its mineral properties, no guarantee can be made that none exist.

These financial statements have been prepared on the basis of a going concern, which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as going concern as described in the following paragraph. Accordingly, these financial statements 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.

The Company has a need for financing for working capital, and the exploration and development of its properties. The ability of the Company to continue operations is dependent upon the continued financial support of its shareholders, other investors and lenders, and the successful development of the Company's interests in the mineral properties in which it holds interests. The Company has not determined whether any of the properties contain mineral reserves that are economically recoverable. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. Since inception, the Company has incurred cumulative operating losses of \$2,403,220 and expects to incur further losses in the development of its business, and at October 31, 2019 has no source of operating revenue. These financial statements include no adjustments which might become necessary if the Company cannot meet its obligations and continue on a going-concern basis.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The accounting policies followed in these condensed interim financial statements are the same as those applied in the audited annual consolidated financial statements of the Company for the year ended April 30, 2019.

The policies applied in these interim condensed financial statements are based on IFRS issued and outstanding as of December 2, 2019, the date the Audit Committee approved the statements. Any subsequent change to IFRS after this date could result in changes to the financial statements for the year ended April 30, 2020.

The condensed interim financial statements do not contain all disclosures required under IFRS and should be read in conjunction with the audited annual financial statements and the notes thereto for White Metal Resources for the year ended April 30, 2019.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of preparation

These financial statements have been prepared on the historical cost basis. The presentation and functional currency of the Company is the Canadian dollar (“\$”). These financial statements include the accounts of the Company and its wholly-owned subsidiary 1191557 Ontario Corp., as well as its 95%-owned subsidiary, Aloe Investments Two Hundred and Thirty Seven (Proprietary) Limited and its 95%-owned subsidiary, Aloe Investments Two Hundred and Thirty Eight (Proprietary) Limited.

All transactions and balances between the Company and its subsidiaries are eliminated on consolidation. Amounts reported in the financial statements of the subsidiary have been adjusted where necessary to ensure consistency with the accounting principles adopted by the Company.

c) Significant accounting judgments, estimates and assumptions

The preparation of the Company’s 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 and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies:

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in these financial statements:

- The determination that the Company will continue as a going concern for the next year; and
- The determination that there have been no events or changes in circumstances that indicate that the carrying amounts of exploration and evaluation assets may not be recoverable.

3. RESTRICTION ON THE USE OF CASH

During the year ended April 30, 2019, the Company issued common shares that were designated as being flow-through shares. One of the conditions of issuing flow-through shares is that the Company is required to retain the gross cash proceeds for the exclusive purpose of incurring qualified Canadian exploration expenditures, and not for other purposes.

	October 31, 2019	April 30, 2019
Restricted cash, beginning of year	\$ 288,864	\$ 301,065
Gross proceeds received upon issuance of flow-through shares	-	381,000
Qualified exploration expenditures incurred with these funds	(207,826)	(393,201)
Restricted cash, end of period	\$ 81,038	\$ 288,864
Consists of:		
Cash restricted for qualified exploration expenditures	\$ 66,038	\$ 273,864
GIC held for credit card collateral	15,000	15,000
	\$ 81,038	\$ 288,864

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

4. MARKETABLE SECURITIES

	October 31, 2019		April 30, 2019	
	Number of Shares	Market Value \$	Number of Shares	Market Value \$
Benton Resources Inc.	25,000	1,250	25,000	1,250
Minfocus Exploration Corp.	61,428	2,457	61,428	2,764
Ardiden Limited	5,592,949	20,296	5,592,949	15,871
Balance, end of year		24,003		19,885

All marketable securities are classified as FVTPL.

During the year ended April 30, 2019, Minfocus Exploration Corp. ("Minfocus") completed a share consolidation transaction whereby 7 old Minfocus common share were exchanged for 1 new Minfocus common share. The Company held 430,000 shares of Minfocus prior to the consolidation, and now holds 61,428 shares. The shares are valued at the October 31, 2019 closing price of \$0.04 (April 30, 2019 - \$0.045).

During the year ended April 30, 2018, the Company received 2,592,949 shares of Ardiden Limited (ASX: ADV) related to the disposition of the Pickle Lake project more fully described in note 5(b) below. During the year ended April 30, 2019, the Company received an additional 3 million shares of Ardiden related to their election to acquire the Pickle Lake properties 100% from the Company. The shares were valued at the October 31, 2019 closing market price of \$0.004 AUD per share (April 30, 2019 - \$0.003) translated at the October 31, 2019 exchange rate of \$0.9072 CAD (April 30, 2019 - \$0.9459 CAD).

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

For the six month period ended October 31, 2019

		Shebandowan (a)	DorWit (d)	Okohongo (e)	Other (f)	Total
April 30, 2019 - Acquisition Costs	\$	-	-	-	133,649	133,649
Additions		-	379,247	196,542	11,990	587,999
Write-downs		-	-	-	-	-
Recoveries/Earn-Ins		-	(100,000)	-	-	(100,000)
<i>Subtotal</i>	\$	-	279,247	196,542	11,990	487,779
Oct. 31, 2019- Acquisition Costs	\$	-	279,247	196,542	145,639	621,428
April 30, 2019 - Exploration and Evaluation Expenditures	\$	-	-	-	124,764	124,764
Assaying		202	-	-	22,233	22,435
Prospecting		-	-	-	101,345	101,345
Geology		-	-	-	30,521	30,521
Geophysics		-	-	-	43,333	43,333
Linecutting		-	-	-	-	-
Trenching		-	-	-	10,143	10,143
Drilling		-	3,209	-	-	3,209
Environmental		-	4,204	2,521	-	6,725
Miscellaneous		-	-	-	50	50
Write-downs		(202)	-	-	-	(202)
Disposals		-	-	-	-	-
<i>Subtotal</i>	\$	-	7,413	2,521	207,625	217,559
Oct. 31, 2019 - Exploration and Evaluation Expenditures	\$	-	7,413	2,521	332,389	342,323
Oct. 31, 2019 - Total	\$	-	286,660	199,063	478,028	963,751

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

For the year ended April 30, 2019

	Shebandowan (a)	Pickle Lake (b)	Gunners Cove (c)	Other (f)	Total
April 30, 2018 - Acquisition Costs	\$ 28,836	-	23,560	8,384	60,780
Additions	50	-	48,289	125,265	173,604
Write-downs	(28,886)	-	(9,168)	-	(38,054)
Grants	-	-	(62,681)	-	(62,681)
<i>Subtotal</i>	\$ (28,836)	-	(23,560)	125,265	72,869
April 30, 2019- Acquisition Costs	\$ -	-	-	133,649	133,649
April 30, 2018 - Exploration and Evaluation Expenditures	\$ 139,444	162,033	112,607	46,396	460,480
Assaying	986	-	10,395	2,558	13,939
Prospecting	2,176	-	61,647	8,818	72,641
Geology	4,196	-	40,067	40,186	84,449
Geophysics	4,165	-	5,049	20,878	30,092
Linecutting	-	-	-	5,928	5,928
Trenching	75	-	106,632	-	106,707
Drilling	79,445	-	-	-	79,445
Miscellaneous	-	-	-	-	-
Write-downs	(230,487)	-	(336,397)	-	(566,884)
Disposals	-	(162,033)	-	-	(162,033)
<i>Subtotal</i>	\$ (139,444)	(162,033)	(112,607)	78,368	(335,716)
April 30, 2019 - Exploration and Evaluation Expenditures	\$ -	-	-	124,764	124,764
April 30, 2019 - Total	\$ -	-	-	258,413	258,413

a) Shebandowan Base Metal-Gold Property, Ontario

The Shebandowan Property ("Shebandowan") consists of the Company's 100% owned Vanguard Base Metal Project ("Vanguard"), the contiguous claim group, west of the Vanguard, known as the Iris Lake Gold Property, and the contiguous claim group to the south known as the Shebandowan Gold Project.

Vanguard consists of 99 boundary and single cell mining claims totalling 2,107 hectares located in the Burchell Lake, Greenwater Lake, and Kashabowie Lake areas in the Thunder Bay Mining District, northwestern Ontario, approximately 100 kilometres west of Thunder Bay, Ontario.

In December 2016, the Company executed an Option Agreement with Benton Resources Inc. ("Benton", a company related by common director Michael Stares ("Stares")) to acquire the Shebandowan Gold Project, which consists of 125 boundary and single cell mining claims totalling 2,661 hectares, and which adjoins the Vanguard and Iris Lake projects claims in the Burchell Lake, Greenwater Lake and Kashabowie Lake areas. The Company will have the option to earn a 100% interest in the Shebandowan Gold Project under the following terms:

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

- Paying Benton \$15,000 cash and issuing 200,000 shares of the Company upon approval by the TSX Venture Exchange (paid and issued);
- Benton will retain a 2% Net Smelter Return (“NSR”) royalty on the Shebandowan property with the Company having the option to buy-back 1% for \$1 million;
- The Company agrees to keep all claims in good standing and should the Company elect to drop any claims contained within the option agreement, it will ensure that all claims have at least six months of assessment credits recorded; and,
- Payment to Benton of \$500,000 in cash, common shares or a combination of cash and shares at the Company’s election upon completion of a National Instrument 43-101 (“NI 43-101”) compliant mineral resource estimation on any claims subject to the Option Agreement.

At April 30, 2019 the Company recognized a probable impairment of the Shebandowan Gold Project, based on a lack of recent exploration work, by writing off all related deferred costs.

b) Pickle Lake Gold Properties, Ontario

The Pickle Lake gold properties consist of four claims packages in the Pickle Lake area, Ontario:

- Dorothy-Dobie Lake Property
- Kasagiminnis Lake Property
- South Limb Property
- Pickle Lake West Property

During the year ended April 30, 2018, the Company announced that it signed a Letter of Intent (“LOI”) with Ardiden Limited. (“Ardiden”), a public company the shares of which trade on the Australian Securities Exchange (ASX: ADV). The LOI allowed Ardiden to acquire a 100% interest in all of the Company’s Pickle Lake projects, inclusive of assuming the obligations of all existing underlying option agreements on these properties (collectively the “Project”). During the year ended April 30, 2019, after completion of a 12-month due diligence period, Ardiden acquired a 100% interest in the Project after making the required aggregate cash payments of \$140,000 and has issued 5,592,949 Ardiden shares as follows (all funds are in Canadian dollars):

- A non-refundable deposit of \$70,000 (received) and 1,592,949 Ardiden shares (received) within five business days of executing the LOI;
- After six months of a 12-month due diligence period, Ardiden was required to make an additional payment of \$20,000 (received) and to issue an additional 1,000,000 Ardiden shares (received) to retain the exclusive due diligence right for the remaining six months; and
- Should Ardiden elect to acquire the Project, Ardiden shall pay the Company a further \$50,000 (received) and issue a further 3,000,000 (received) Ardiden common shares.

The Company will maintain the right to purchase the existing 1% NSR held by Murchison Minerals Ltd. on the Murchison joint venture claims on the Dorothy-Dobie and Kasagiminnis properties, pursuant to which 0.5% can be purchased for \$1,000,000 and the second 0.5% can be purchased for \$1,500,000. The original vendor of the Kasagiminnis property will retain a 2% NSR of which 1% can be purchased by Ardiden Limited for \$1,000,000 along with a Right of First Refusal (“ROFR”) on the remaining 1%. With respect to the newly acquired claims located within the Dorothy-Dobie claim group, the “Kukkee Option” (see press release dated July 4, 2016), the vendor retains a 2% NSR of which 1% can be purchased by Ardiden for \$1,000,000 with Ardiden retaining a ROFR on the remaining 1% NSR from the original vendor. In addition, the Company will hold a 1% NSR on this same Kukkee Option claim group. The Company will retain a 2% NSR on the 100%-owned West Pickle and South Limb properties of which 1% can be purchased by Ardiden for \$1,000,000. Ardiden will have a ROFR on the remaining 1% NSR.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

During the year ended April 30, 2019, the Company recorded a loss of \$90,116 on the disposition of the property, representative of its residual carrying value net of all sales proceeds received.

c) Gunners Cove Gold-Base Metal Property, Newfoundland

During the year ended April 30, 2018, the Company signed a Letter of Intent (“LOI”) to earn 100% of the Gunners Cove Gold-Base Metals Property located approximately 20 kilometres north of St. Anthony, Newfoundland and Labrador and consisting of 467 claim units (16,100 ha). Under the terms of the LOI, the Company has the right to acquire a 100% interest from the vendor over a three-year period under the following terms:

- Total cash payments of \$55,000:
 - Signing \$5,000 (paid)
 - 1st Anniversary \$10,000 (paid)
 - 2nd Anniversary \$20,000
 - 3rd Anniversary \$20,000
- Total payment of 1,000,000 common shares:
 - Signing 250,000 (issued)
 - 1st Anniversary 250,000 (issued)
 - 2nd Anniversary 250,000
 - 3rd Anniversary 250,000

During the year ended April 30, 2019, the Company received an exploration grant from the Government of Newfoundland in the amount of \$62,681 related to work carried out on the project during the year. The grant was recorded as a reduction of the deferred exploration and evaluation expenditures associated with the project in the current year.

During the year ended April 30, 2019, the Company recognized a probable impairment of the property, based on a lack of recent exploration work, by writing off all remaining deferred costs. The property was returned to the vendor during the six month period ended October 31, 2019.

d) DorWit Copper-Silver Property, Namibia

During the period ended October 31, 2019, the Company incorporated a wholly-owned Namibian subsidiary, Aloe Investments Two Hundred and Thirty Seven (Proprietary) Limited (“Aloe 237”) and executed a binding letter of intent to acquire a 100% interest in the DorWit Copper-Silver Property (the “DorWit LOI”) located approximately 150 km from Windhoek, Namibia from Altan Minerals and Investments CC (“Altan”), a private Namibian company. The DorWit Copper-Silver Property comprises three Exclusive Prospecting Licenses (“EPL”) formally known as EPLs 7028, 7029 and 7030, encompassing approximately 78,865 hectares.

Pursuant to the DorWit LOI, White Metal committed to the following:

- Pay Altan \$75,000 USD upon closing (paid);
- Issue 7 million common shares of the Company to Altan upon closing (issued); and
- Issue a sufficient number of shares of Aloe 237 to provide Altan a 5% equity interest in Aloe 237, leaving the Company with a 95% interest in Aloe 237 (completed).

EPLs 7028, 7029 and 7030 have no associated royalties. Closing of the DorWit LOI was subject to TSX Venture Exchange approval which was received during the current period.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

During the period ended October 31, 2019, the Company and RZJ Capital Management (“RZJ”) signed a binding letter of agreement (“LOA”) pursuant to which RZJ has the right to purchase 70% of the common shares of Aloe 237. The terms of the LOA are as follows:

- RZJ will pay the Company a non-refundable \$100,000 deposit and shall have a three month exclusive due diligence period from signing of the LOA (received);
- Upon completion of due diligence, RZJ will pay the Company a total payment of \$500,000 consisting of one-half of the payment being made in cash and the remaining one-half in common shares;
- Upon completion of payments above, RZJ and the Company will establish a Joint Technical Committee which will give equal vote with respect to exploration work and related expenditures on the Property (White Metal will be the Operator);
- RZJ must spend a total of \$500,000 in approved mineral exploration expenditures on the property (between the three licenses) by the first anniversary of the settlement date;
- RZJ must have spent a total of \$1,000,000 in approved mineral exploration expenditures to maintain their option by the second anniversary of the settlement date;
- RZJ must have spent a total of \$2,000,000 in approved mineral exploration expenditures, at which time RZJ will have earned a 50% interest in Aloe 237 and in turn the property by the third anniversary of the settlement date. At this stage, RZJ will have the right to assume the role of operator;
- RZJ must have spent a total of \$5,000,000 in approved mineral exploration expenditures, at which time RZJ will have earned a 70% interest in Aloe 237 and in turn the property by the fourth anniversary of the settlement date;
- Once a feasibility report has been completed, RZJ will be granted a 90-day Call Option to acquire the remaining 25% to 26.3% interest in the Property (the interest will depend on the actions of the Local Namibian Partner - see below), the price to be determined by an independent valuation based on the Feasibility report and the prevailing market capitalization at the time; and
- If the Call Option is not exercised, the companies will enter into a Joint Venture Agreement with a 70%/25%/5% funding split or a 73.7%/26.3% funding split, depending on the actions of the Local Namibian Partner (see below).

The Local Namibian Partner is carried for exploration expenditures until an independent Pre-Feasibility report is completed and approved by the exchange. At such time, the Local Namibian Partner must decide whether to contribute to future expenditures and maintain their interest or convert their interest to a 5% NPI. This NPI may be purchased by the remaining partners at any time for USD\$1M.

e) Okohongo Copper-Silver Property, Namibia

During the period ended October 31, 2019, the Company incorporated a wholly-owned Namibian subsidiary, Aloe Investments Two Hundred and Thirty Eight (Proprietary) Limited (“Aloe 238”) and executed a binding letter of intent to acquire a 100% interest in the Okohongo Copper-Silver Property (the “Okohongo LOI”) located in the northwest part of Namibia from Taranis Resources and Investments CC (“Taranis”), a private Namibian company. The Okohongo Copper-Silver Property comprises one EPL formally known as EPL 7071, encompassing approximately 19,805 hectares.

Pursuant to the Okohongo LOI, White Metal committed to the following:

- Pay Taranis \$12,500 USD upon closing (paid);
- Issue 4.5 million common shares of the Company to Taranis upon closing (issued); and
- Issue a sufficient number of shares of Aloe 238 to provide Taranis a 5% equity interest in Aloe 238, leaving the Company with a 95% interest in Aloe 238 (completed).

EPL 7071 has no associated royalties. Closing of the Okohongo LOI was subject to TSX Venture Exchange approval which was received during the current period.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

f) Other Properties

The Company also retains certain other early-stage mineral property interests and significant transactions involving them are noted here:

Far Lake Copper-Silver Property, Ontario

During the year ended April 30, 2018, the Company acquired by staking a 100% interest in the Far Lake Copper-Silver Property located approximately 80 kilometres northwest of Thunder Bay, Ontario. The property consists of 84 single cell mining claims totalling 1,785 hectares.

Little Joanna Gold Property, Newfoundland

During the year ended April 30, 2019, the Company entered into an option agreement for a 100% interest in the Little Joanna Gold Property, located approximately 25km northeast of the town of Glenwood in central Newfoundland. The property consists of 280 claim units (253 of which were staked by the Company and added to the option) covering 6,979 hectares. Pursuant to the terms of the option agreement, the Company is required to make cash payments totaling \$170,000 and issue 1,800,000 common shares to the vendors of the property as follows:

- \$15,000 and 300,000 common shares upon receipt of regulatory approval; (paid and issued)
- \$25,000 and 300,000 common shares on or before the first anniversary;
- \$30,000 and 300,000 common shares on or before the second anniversary;
- \$40,000 and 400,000 common shares on or before the third anniversary; and
- \$60,000 and 500,000 common shares on or before the fourth anniversary.

The vendors will retain a 2% NSR, of which the Company will have the right to purchase half (1%) at any time for \$1,000,000 and will have the ROFR on the remaining 1%. The option agreement is subject to an advance royalty payment of \$7,000 per year, payable in cash or shares, after year five of the option agreement. The option agreement received regulatory approval in the current year.

Williams Gold Property, Newfoundland

During the year ended April 30, 2019, the Company entered into an option agreement for a 100% interest in the Williams Gold Property, located approximately 40 km southwest of the town of Glenwood in central Newfoundland. The property consists of 8 claim units covering 199 hectares. Pursuant to the terms of the option agreement, the Company is required to make cash payments totaling \$170,000 and to issue 1,800,000 common shares to the vendors of the property as follows:

- \$15,000 and 300,000 common shares upon receipt of regulatory approval; (paid and issued)
- \$25,000 and 300,000 common shares on or before the first anniversary;
- \$30,000 and 300,000 common shares on or before the second anniversary;
- \$40,000 and 400,000 common shares on or before the third anniversary; and
- \$60,000 and 500,000 common shares on or before the fourth anniversary.

The vendors will retain a 2% NSR, of which the Company will have the right to purchase half (1%) at any time for \$1,000,000 and will have the ROFR on the remaining 1%. The option agreement is subject to an advance royalty payment of \$7,000 per year, payable in cash or shares, after year five of the option agreement. The option agreement received regulatory approval in the current year.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

Williams West Gold Property, Newfoundland

During the year ended April 30, 2019, the Company staked 50 claim units totaling 1,247 hectares located proximate to the Williams Gold project (described above). The Company owns a 100% interest in these claim units.

Startrek Gold-Antimony Property, Newfoundland

During the year ended April 30, 2019, the Company executed an option agreement with Sokoman Minerals Corp. (“Sokoman”) to acquire a 100% interest in the Startrek gold project located east of Benton in central Newfoundland. The property consists of 260 claim units (220 of which were staked by the Company) covering 6,479 hectares. Pursuant to the terms of the option agreement, the Company is required to issue 2,000,000 common shares to Sokoman as follows:

- upon regulatory approval, 500,000 common shares of the Company; (received and issued)
- 500,000 common shares on or before December 18, 2019;
- 500,000 common shares on or before December 18, 2020; and;
- 500,000 common shares on or before December 18, 2021.

The property is subject to a 2% NSR in favour of the original owner, of which the Company will have the right to purchase half (1%) at any time for \$1,000,000, and a 1% NSR in favour of Sokoman, of which the Company will have the right to purchase half (0.5%) at any time for \$500,000.

Seagull/Disraeli Cu-Ni-PGE Property, Ontario

The Seagull/Disraeli property was owned 40% by Canadian International Pharma Corp. (formerly Black Panther Mining Corp.), with the Company and Rainy Mountain Royalty Corp. (“Rainy Mountain”) each owning 30% interests (the three owners consolidated to be, collectively, the “Companies”). The Seagull/Disraeli Property consists of 133 single cell mining claims totalling 2,808 hectares in the Anders Lake and Leckie Lake areas.

During the year ended April 30, 2019, the Company signed an agreement to acquire a 100% interest in the Seagull/Disraeli property from its partners. Pursuant to the purchase agreements, the Company completed the acquisition by issuing:

- 200,000 common shares to Canadian International Pharma Corp., and
- 150,000 common shares to Rainy Mountain Royalty Corp.

White Metal will also have the right to purchase, for cash, certain of the outstanding NSR interests on the property, as follows:

- 0.4% of the NSR controlled by Canadian International Pharma Corp. for \$600,000;
- 0.3% of the NSR controlled by Rainy Mountain Royalty Corp. for \$450,000; and
- 1.4% of the aggregate 2.4% NSR held by a prior owner of the property for \$2,000,000.

6. SHARE CAPITAL

- a) The authorized share capital of the Company consists of an unlimited number of common shares.

Details of the Company’s share capital transactions during the period ended October 31, 2019 and year ended April 30, 2019 are as follows:

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL *(continued)*

- (i) On May 9, 2017, the Company closed the second tranche of a non-brokered private placement, issuing 800,000 flow-through units at a price of \$0.05 per flow-through unit for gross proceeds of \$40,000. Each flow-through unit consists of one flow-through common share of the Company and one-half of one common share purchase warrant, with each warrant exercisable at \$0.15 per warrant share for 24 months from closing, with the Company able to accelerate the exercise period of the warrants if the Company's shares trade at or above \$0.25 for 10 consecutive trading days. In conjunction with the closing of this second tranche, the Company paid net cash commissions of \$2,787 and issued 56,000 finders' warrants valued at \$1,611, with each warrant exercisable at \$0.15 per warrant share for a period of 24 months from closing.
- (ii) On October 6, 2017, the Company issued 250,000 common shares valued at \$0.035 per share to the vendor of the Gunners Cove property as outlined in note 5(c).
- (iii) On November 1, 2017, the Company closed a non-brokered private placement, issuing 2,800,000 flow-through units at a price of \$0.05 per flow-through unit for gross proceeds of \$140,000. Each flow-through unit consists of one flow-through common share of the Company and one common share purchase warrant entitling the holder thereof to acquire an additional common share of the Company at \$0.10 for a period of 24 months from the date of issuance.
- (iv) On December 28, 2017, the Company closed a non-brokered private placement issuing 1,001,667 flow-through units at a price of \$0.15 per flow-through unit. Each flow-through unit consists of one flow-through common share of the Company and one-half of one common share purchase warrant, with each whole warrant entitling the holder thereof to acquire an additional common share of the Company at \$0.25 for a period of 24 months from the date of issuance. In conjunction with closing this private placement, the Company paid a total of \$10,937 in cash finders' fees to certain finders in accordance with the policies of the TSX Venture Exchange. All securities issued in the private placement were subject to a four-month hold period.
- (v) On January 8, 2018, the Company issued 112,500 common shares upon the exercise of 112,500 common share purchase warrants with an exercise price of \$0.15.
- (vi) During July 2018, the Company issued a total of 631,900 common shares upon the exercise of 631,900 common share purchase warrants at an average exercise price of \$0.142 for proceeds of \$89,785.
- (vii) During August 2018, the Company issued a total of 192,500 common shares upon the exercise of warrants at an exercise price of \$0.15 for gross proceeds of \$28,875.
- (viii) During September 2018, the Company completed a non-brokered private placement financing and issued 1,340,000 flow-through units at a price of \$0.15 per unit for gross proceeds of \$201,000. Each flow-through unit consists of one flow-through common share and one-half common share purchase warrant, each whole warrant entitling the holder thereof to purchase an additional common share of the Company at an exercise price of \$0.25 until September 21, 2020. The Company paid cash commissions and expenses totaling \$8,440 pursuant to the financing.
- (ix) On October 3, 2018, the Company issued 250,000 common shares valued at \$0.11 per share to the vendor of the Gunners Cove property as outlined in note 5(c) pursuant to the first anniversary of the option agreement.
- (x) On November 16, 2018, the Company issued a total of 600,000 common shares valued at \$0.07 per share pursuant to option agreements on the Little Joanna and Williams gold projects outlined in note 5(f).
- (xi) On December 31, 2018, the Company completed a non-brokered private placement financing and issued 3,600,000 flow-through units at a price of \$0.05 per unit for gross proceeds of \$180,000. Each flow-through unit consists of one flow-through common share and one common share purchase warrant, each warrant entitling the

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL *(continued)*

holder thereof to purchase an additional common share of the Company at an exercise price of \$0.15 until December 31, 2020. The Company paid cash commissions and expenses totaling \$6,550 pursuant to the financing.

The deferred premium on the issuance of the flow-through shares issued during the period ended October 31, 2019 described above, was \$nil (April 30, 2019 - \$56,100). The cash proceeds of the placements in excess of the fair value of the Company's shares issued is treated as a liability in accordance with IFRS. This liability is reversed into earnings as the Company incurs flow-through eligible exploration and evaluation expenditures. \$35,953 in flow-through share premiums was recognized as income during the period ended October 31, 2019 (October 31, 2018 – \$23,084) resulting in a remaining deferred premium balance of \$9,305 (April 30, 2019 - \$45,303).

- (xii) On January 10, 2019, the Company issued 500,000 common shares valued at \$0.05 per share pursuant the Startrek property option agreement detailed in note 5(f) above.
- (xiii) On March 20, 2019, the Company issued 350,000 common shares valued at \$0.045 per share pursuant to the acquisition of a 100% interest in Seagull/Disraeli property detailed in note 5(f) above.
- (xiv) On June 17, 2019, the Company issued 7 million common shares valued at \$0.04 per share pursuant to the acquisition of the DorWit Copper-Silver Property in Namibia detailed in note 5(d). In addition, the Company issued 4.5 million common shares valued at \$0.04 per share pursuant to the acquisition of the Okohongo Copper-Silver Property in Namibia detailed in note 5(e).
- (xv) On June 17, 2019, the Company issued 14 million common shares pursuant to the closing of two private placements for gross proceeds totaling \$700,000. The placements consisted of \$0.05 units, with each unit containing a common share of the Company and a common share purchase warrant, each warrant entitling the holder thereto to acquire an additional common share of the Company for \$0.10 until June 2021. The Company paid cash commissions and expenses totaling \$19,700 and issued 294,000 broker warrants in connection with the placements under the same conditions as the warrants issued above.
- (xvi) On July 2, 2019, the Company issued 120,000 shares valued at \$0.05 per share and issued 120,000 warrants at an exercise price of \$0.10 per share until July 2021 pursuant to a shares-for-debt settlement that was filed and accepted by the TSX Venture Exchange during the period.

b) Share-based payments and share purchase options

The Company applies the fair value method of accounting for share-based payments using the Black Scholes valuation model.

For options granted on June 20, 2019, the fair value of each vested option is \$0.04154 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 172%, a risk-free interest rate of 1.34% and an expected life of approximately 5 years.

For options granted on February 8, 2018, the fair value of each vested option is \$0.08386 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 100%, a risk-free interest rate of 2.14% and an expected life of approximately 5 years.

For options granted on August 29, 2017, the fair value of each vested option is \$0.03308 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 189%, a risk-free interest rate of 0.88% and an expected life of approximately 5 years.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL (continued)

The continuity of share purchase options is as follows:

	Number of Options	Weighted Average Exercise Price
		\$
Outstanding, April 30, 2018	3,140,000	0.10
Expired/Cancelled	(160,000)	0.10
Outstanding, April 30, 2019	2,980,000	0.10
Granted	1,700,000	0.10
Expired/Cancelled	(1,085,000)	0.10
Outstanding, October 31, 2019	3,595,000	0.10

(1) At October 31, 2019, the weighted-average remaining contractual life of stock options outstanding is 2.77 years (April 30, 2019 – 2.14 years)

As at October 31, 2019, the following options were outstanding:

Number of Options	Exercise Price	Expiry Date
	\$	
275,000	0.10	April 12, 2021
1,445,000	0.10	August 29, 2022
175,000	0.10	February 8, 2023
1,700,000	0.10	June 20, 2024
3,595,000		

c) Share purchase warrants

The continuity of share purchase warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
Outstanding, April 30, 2018	13,995,829	0.14
Issued to investors in private placement	4,270,000	0.17
Exercised during the year	(824,400)	0.14
Expired during the year	(9,514,597)	0.15
Outstanding, April 30, 2019	7,926,832	0.15
Issued to investors in private placement	14,000,000	0.10
Issued to brokers in private placement	294,000	0.10
Issued in shares-for-debt settlement	120,000	0.10
Expired during the period	(456,000)	0.15
Outstanding, October 31, 2019	21,884,832	0.12

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL (continued)

As at October 31, 2019, the following warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
	\$	
2,700,000	0.10	November 1, 2019
500,832	0.25	December 28, 2019
670,000	0.25	September 21, 2020
3,600,000	0.15	December 31, 2020
14,294,000	0.10	June 17, 2021
120,000	0.10	July 2, 2021
21,884,832		

294,000 brokers' warrants were issued on June 17, 2019 pursuant to the closing of two private placements. The recorded fair value of each warrant is \$0.02827 and was estimated on the issuance date with the following assumptions: dividend yield of 0%, expected volatility of 183%, a risk-free interest rate of 1.41% and an expected life of approximately 2 years using the Black Scholes valuation model. \$8,310 was recorded as share issue costs pursuant to this issuance.

Subsequent to October 31, 2019, 2,700,000 warrants with an exercise price of \$0.10 expired unexercised.

7. RELATED PARTY TRANSACTIONS

Key management personnel compensation:

	October 31, 2019	October 31, 2018
	\$	\$
Salaries and benefits	49,655	29,525
Share –based payments	13,499	-
Accounting, consulting, property contracting services, equipment rentals and office rent	20,950	83,538
Total key management personnel compensation	84,104	113,063

All transactions with related parties have occurred in the normal course of operations and management represents that they have occurred on a basis consistent with those involving unrelated parties, and accordingly that they are measured at fair value. Details of the balances in the table above are more fully described below.

During the period ended October 31, 2019, Michael Stares, interim President of the Company, earned \$49,655 in salary and statutory benefits (October 31, 2018 – \$29,525) for exploration property management and administrative services and \$700 for equipment rentals. At October 31, 2019 the Company owed Michael Stares \$307 (October 31, 2018 - \$2,503) for expense reimbursements.

During the period ended October 31, 2019, Benton Resources Inc. ("Benton"), a company Michael Stares is a director and former employee of, billed \$6,000 (October 31, 2018 - \$10,550) to the Company for office rent. At October 31, 2019, the Company owed Benton \$2,260 (October 31, 2018 - \$1,130) inclusive of HST.

During the period ended October 31, 2019, Jean-Pierre Colin, the former President and CEO and a current director, billed the Company \$2,250 (October 31, 2018 - \$20,000) for monthly consulting fees related to his duties which ended in the current period.

WHITE METAL RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

Six months ended October 31, 2019

(Unaudited - Expressed in Canadian Dollars)

7. RELATED PARTY TRANSACTIONS *(continued)*

During the period ended October 31, 2019, Dr. Scott Jobin-Bevans, VP Exploration for the Company and a director, billed the Company \$12,000 (October 31, 2018 - \$12,000) for monthly consulting fees related to his duties at a rate of \$2,000 per month. In addition, during the period ended October 31, 2019, the Company was billed \$5,229 excluding HST by Caracle

Creek International Consulting Inc. ("Caracle Creek"), a company that Dr. Jobin-Bevans is President/CEO of, for property technical consulting services.

During the period ended October 31, 2019, Stares Prospecting Ltd., a company controlled by Company director Alex Stares, billed \$61,683 (October 31, 2018 - \$40,988) to the Company for property contracting services, equipment rentals and expense reimbursements. At October 31, 2019, the Company owed Stares Prospecting Ltd. \$6,095 (October 31, 2018 - \$nil) inclusive of HST.

Refer also to note 5(a).

8. CAPITAL MANAGEMENT

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash and cash equivalents to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally-imposed capital requirements except to maintain sufficient cash and deposit balances to meet exploration commitments entered into pursuant to flow-through share purchase agreements.

9. REFUNDABLE SECURITY DEPOSITS

Refundable security deposits of \$26,950 (April 30, 2019 - \$26,150) represents security deposits paid to the Government of Newfoundland and Labrador in connection with mineral property claims located in the Province of Newfoundland. These refundable security deposits are refundable to the Company upon submission by the Company of a report covering the first year work requirements, which meets the requirements of the Government of Newfoundland and Labrador.