TSX: **NCP** | OTCQB: NCPCF

NICKEL CREEK PLATINUM CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended March 31, 2020
(Unaudited)
(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of Nickel Creek Platinum Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

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

Nickel Creek Platinum Corp.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars) (Unaudited)

	Note	March 31, 2020	December 31, 2019
ASSETS			
Current Assets			
Cash and cash equivalents	4	**$ 450,206**	$ 1,015,506
Amounts receivable	5	**19,412**	24,590
Prepaid expenses		**124,604**	93,052
		594,222	1,133,148
Non-Current Assets			
Equipment, net	6	**214,576**	228,125
Right-of-use assets, net	7	**264,270**	154,467
Exploration and evaluation assets	8	**26,537,445**	26,466,465
		27,016,291	26,849,057
TOTAL ASSETS		**$ 27,610,513**	$ 27,982,205
LIABILITIES			
Current Liabilities			
Accounts payable and other liabilities	9	**$ 259,730**	$ 237,869
Flow-through share premium liability	9	**-**	12,020
Lease obligations	10	**184,808**	137,358
		444,538	387,247
Non-Current Liabilities			
Lease obligations	10	**79,091**	20,070
Reclamation provision		**617,000**	597,000
		1,140,629	1,004,317
SHAREHOLDERS' EQUITY			
Share capital	11	**133,225,837**	133,225,837
Equity reserves		**15,966,040**	15,841,692
Deficit		**(122,721,993)**	(122,089,641)
		26,469,884	26,977,888
TOTAL LIABILITIES AND EQUITY		**$ 27,610,513**	$ 27,982,205

Going Concern (Note 1)

Commitments and Contingencies (Note 16)

Subsequent Events (Note 17)

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

Nickel Creek Platinum Corp.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars, except share amounts) (Unaudited)

		Three Months Ended March 31,	
	Note	**2020**	**2019**
OPERATING EXPENSES			
Consulting and professional fees		**$ 43,107**	$ 89,578
Depreciation	6,7	**76,664**	75,662
Foreign exchange (gain) loss		**(2,663)**	1,287
Insurance		**11,771**	16,728
Office, regulatory and other		**14,950**	75,017
Investor relations and business development		**7,286**	17,561
Salaries, wages and severance	12	**296,650**	575,402
Share-based compensation	11	**116,195**	148,534
General and administrative expenses		**563,960**	999,769
Exploration and evaluation expenses	13	**80,957**	164,829
Loss before non-operating items		**(644,917)**	(1,164,598)
OTHER INCOME (EXPENSE)			
Flow-through share premium		**12,020**	-
Interest expense on right-of-use assets		**(2,453)**	(7,766)
Interest income		**2,998**	10,605
NET LOSS AND COMPREHENSIVE LOSS		**$ (632,352)**	$ (1,161,759)
NET LOSS PER COMMON SHARE, BASIC AND DILUTED		**$ (0.00)**	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		**271,447,188**	236,569,139

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

Nickel Creek Platinum Corp.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars) (Unaudited)

	Note	Three Months Ended March 31, 2020	2019
OPERATING ACTIVITIES			
Net loss for the period		$ **(632,352)**	$ (1,161,759)
Add (deduct) items not affecting cash			
Depreciation	6,7	**88,379**	90,410
Flow-through share premium		**(12,020)**	-
Share-based compensation		**124,348**	148,723
Unrealized foreign exchange (gain) loss		**(2,219)**	572
		(433,864)	(922,054)
Changes in non-cash working capital balances	15	**(25,494)**	(29,257)
Cash used in operating activities		**(459,358)**	(951,311)
INVESTING ACTIVITIES			
Exploration and evaluation expenditures		**(29,999)**	(102,032)
Cash used in investing activities		**(29,999)**	(102,032)
FINANCING ACTIVITIES			
Principal elements of lease payments		**(78,162)**	(71,063)
Cash used in financing activities		**(78,162)**	(71,063)
Effect of foreign exchange rate changes on cash and cash equivalents		**2,219**	(572)
Decrease in cash and cash equivalents, net		**(565,300)**	(1,124,978)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD		**1,015,506**	2,794,435
CASH AND CASH EQUIVALENTS, END OF THE PERIOD		$ **450,206**	$ 1,669,457

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

Nickel Creek Platinum Corp.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the three months ended March 31, 2020 and 2019

(Expressed in Canadian dollars, except share amounts) (Unaudited)

	Number of Common Shares		Share Capital		Equity Reserves		Deficit		Total Shareholders' Equity
At January 1, 2019	**236,569,139**	**$**	**131,858,463**	**$**	**15,202,799**	**$**	**(118,752,893)**	**$**	**28,308,369**
Share-based compensation (Note 11(b))	-		-		148,723		-		148,723
Net loss for the period	-		-		-		(1,161,759)		(1,161,759)
At March 31, 2019	**236,569,139**	**$**	**131,858,463**	**$**	**15,351,522**	**$**	**(119,914,652)**	**$**	**27,295,333**
At January 1, 2020	**271,447,188**	**$**	**133,225,837**	**$**	**15,841,692**	**$**	**(122,089,641)**	**$**	**26,977,888**
Share-based compensation (Note 11(b))	-		-		124,348		-		124,348
Net loss for the period	-		-		-		(632,352)		(632,352)
At March 31, 2020	**271,447,188**	**$**	**133,225,837**	**$**	**15,966,040**	**$**	**(122,721,993)**	**$**	**26,469,884**

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

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Nickel Creek Platinum Corp., ("**Nickel Creek Platinum**" or the "**Company**") is a public company incorporated in British Columbia, and is listed on the Toronto Stock Exchange trading under the symbol **NCP**, and on the OTCQB under the symbol **NCPCF**. On January 8, 2018, the Company changed its name to Nickel Creek Platinum Corp. from Wellgreen Platinum Ltd. The Company's registered and head office is at 1700 – 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 2X8.

The Company's principal business activity is the exploration, evaluation and development of nickel and platinum group metals ("PGM") mineral properties in North America. The Company's flagship asset is its 100%-owned nickel-copper-PGM project, located in the Yukon Territory, Canada ("Nickel Shäw Project"). The Company initiated a preliminary economic assessment ("PEA") in June 2018 and anticipated its completion during the fall of 2018. On September 25, 2018, the Company announced that, using the information developed in the Phase II Metallurgical Program, the Company estimated that the Nickel Shäw Project's 2017 stated mineral resource tonnage would be reduced by approximately 10% using a nickel price of US$8.25 per pound. The Company also announced it would not be completing the PEA until the emergence of improved financial market conditions and stronger commodity prices, and not until nickel prices settle in the range of at least US$9.00 to US$11.00 per pound. The Company continues to maintain environmental baseline activities, consider optimization alternatives and seek other opportunities. Based on these facts and circumstances, the Company determined that the carrying value of the Nickel Shäw Project exceeded its recoverable amount and the Company recognized, as of September 30, 2018, an impairment charge of $29.0 million to reduce exploration and evaluation assets to their estimated recoverable amounts.

These unaudited condensed consolidated interim financial statements ("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 a going concern.

The Company's continuing operations are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to continue the exploration and development of its mineral property interests and to obtain and maintain the permits necessary to mine and process, and future profitable production from, or proceeds from the disposition of, its mineral property interests.

The Company has a history of losses with no operating revenue, an accumulated deficit at March 31, 2020 of $122.7 million (December 31, 2019 – $122.1 million), and working capital at March 31, 2020 of $0.1 million (December 31, 2019 – $0.7 million). The Company will need to seek additional financing to meet its exploration and development objectives.

The Company will continue to require additional sources of financing to fund ongoing operating costs and exploration and development of its mineral properties. Although the Company recently completed the first tranche of the two tranche non-brokered private placement (see Note 17(a)), the Company will continue to seek additional funds to fund its ongoing operations, and there can be no assurance that the Company will be able to obtain additional financing. If the Company is unable to obtain adequate additional financing, the Company will need to further curtail its activities until additional funds can be raised. It is reasonably possible that certain events could adversely affect management's estimates of recoverable amounts and require an impairment provision to the carrying value of exploration properties and related assets. Management regularly reviews the carrying value of the Company's property and, where necessary, exploration and evaluation mineral properties are written-down to their estimated recoverable amount or written off.

Due to operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing to fund ongoing planned operating costs and planned activities at its Nickel Shäw Project.

These factors may lend significant doubt as to the Company's ability to continue as a going concern and accordingly, the ultimate use of accounting principles applicable to a going concern.

In early March 2020, there was a global outbreak of novel coronavirus ("COVID-19") that has resulted in changes in global supply and demand of certain mineral and energy products. These changes, including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot be determined, but they could have a prospective material impact to the Company's project exploration activities, cash flows and liquidity.

Management believes that the Company will be able to continue as a going concern for the foreseeable future and realize its assets and discharge its liabilities and commitments in the normal course of business. These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary should the going concern assumption be inappropriate, and those adjustments could be material.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These Interim Financial Statements have been prepared in accordance with IFRS issued and effective for the three months ended March 31, 2020, as issued by the IASB and IFRS Interpretations Committee, applicable to the preparation of unaudited interim consolidated financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting ("IAS 34"). These Interim Financial Statements should be read in conjunction with the audited annual consolidated financial statements of the Company for the years ended December 31, 2019 and 2018, which were prepared in accordance with IFRS and are publicly available at www.sedar.com.

These Interim Financial Statements were reviewed and approved by the Audit Committee on May 5, 2020.

(b) Measurement Basis

These Interim Financial Statements are prepared under the historical cost convention. All amounts are presented in the Company's functional currency, which is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the significant judgements, estimates and assumptions used in the preparation of these Interim Financial Statements are those applied in Note 4 of the Company's audited annual consolidated financial statements for the years ended December 31, 2019 and 2018, and have been consistently applied throughout all periods presented as if these policies had always been in effect, except for the adoption of the new accounting standards effective January 1, 2020 (see Note 3(a)).

The preparation of the Interim Financial Statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from such estimates.

(a) New accounting standards adopted effective January 1, 2020

There are no new IFRS standards, interpretations and amendments effective during the three months ended March 31, 2020, which are of potential significance to the Company.

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

(b) Future changes in accounting standards, which are not yet effective at March 31, 2020

There have been no recent IFRS accounting pronouncements with respect to new standards, interpretations and amendments during the three months ended March 31, 2020, as compared to the recent accounting pronouncements described under Note 3 in the Company's annual audited consolidated financial statements for the years ended December 31, 2019 and 2018, which are of potential significance to the Company.

4. CASH AND CASH EQUIVALENTS

The cash and cash equivalents balance of $450,206 at March 31, 2020 (December 31, 2019 - $1,015,506) includes $66,565 of cash and cash equivalents denominated in US dollars (December 31, 2019 – $16,516).

5. AMOUNTS RECEIVABLE

Amounts receivable consists of goods and services tax receivable of $19,412 at March 31, 2020 (December 31, 2019 - $24,590).

6. EQUIPMENT

	Computer Equipment & Software	Exploration Equipment	Shelter	Leasehold Improvements	**Total**
Cost					
At December 31, 2019 and March 31, 2020	**$ 182,369**	**$ 129,762**	**$ 590,790**	**$ 40,595**	**$ 943,516**
Accumulated depreciation					
At December 31, 2019	(182,369)	(71,627)	(423,055)	(38,340)	(715,391)
Depreciation for the period	-	(2,907)	(8,387)	(2,255)	(13,549)
At March 31, 2020	**$ (182,369)**	**$ (74,534)**	**$ (431,442)**	**$ (40,595)**	**$ (728,940)**
Net carrying value					
At December 31, 2019	$ -	$ 58,135	$ 167,735	$ 2,255	$ 228,125
At March 31, 2020	**$ -**	**$ 55,228**	**$ 159,348**	**$ -**	**$ 214,576**

7. RIGHT-OF-USE ASSETS

Cost	Office Leases	Surface Leases	**Total**
At December 31, 2019	$ 425,668	$ 27,698	$ 453,366
Additions for the period	184,633	-	184,633
At March 31, 2020	**$ 610,301**	**$ 27,698**	**$ 637,999**

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

Accumulated depreciation		Office Leases	Surface Leases	**Total**
At December 31, 2019		(297,635)	(1,264)	(298,899)
Depreciation for the period		(74,409)	(421)	(74,830)
At March 31, 2020	**$**	**(372,044) $**	**(1,685) $**	**(373,729)**

Net carrying value		Office Leases	Surface Leases	**Total**
At December 31, 2019	$	128,033 $	26,434 $	154,467
At March 31, 2020	**$**	**238,257 $**	**26,013 $**	**264,270**

The Company's office lease expires in 2021 with no renewal options, and the surface leases reflect leases at Nickel Shäw Project with expiry dates ranging from 2022 to 2034.

8. EXPLORATION AND EVALUATION ASSETS

		Nickel Shäw Project
At December 31, 2018	$	25,844,098
Environmental, permitting and other		356,934
Geophysics and sampling program		209,926
Project mineral claims fees		55,507
Expenditures for the year 2019		622,367
At December 31, 2019	**$**	**26,466,465**
Environmental, permitting and other		70,990
Expenditures for the period 2020		70,990
At March 31, 2020	**$**	**26,537,455**

9. ACCOUNTS PAYABLE AND OTHER LIABILITIES

		March 31, 2020		**December 31, 2019**
Trade payable and accrued liabilities	$	191,083	$	178,186
Other liabilities		68,647		59,683
	$	**259,730**	**$**	**237,869**

Trade payable and accrued liabilities consist of amounts outstanding for trade and other purchases related to exploration and operating activities, and are normally due on 30 to 90 day terms. Other liabilities consist primarily of employee related accrued liabilities.

At March 31, 2020, the Company expended the entire "flow-through" private placement ("FT Placement") proceeds amount of $182,000 raised in August 2019 on qualifying eligible expenditures; hence, the

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

unamortized balance of the flow-through liability balance amounts to $nil at March 31, 2020 (December 31, 2019 - $12,020). As per Company policy, $12,020 was recorded as other income in the consolidated statements of loss and comprehensive loss and represents the pro-rata amount spent on qualifying eligible expenditures during the three-month period ended March 31, 2020. See Note 16(b) for additional information.

10. LEASE OBLIGATIONS

The Company's leases are for office space and surface leases at Nickel Shäw Project. The following are the undiscounted and discounted lease obligations at a discount rate of 7.5% at March 31, 2020 and December 31, 2019:

Undiscounted	**March 31, 2020**	**December 31, 2019**
Current	$ 195,804	$ 141,152
Non-current	101,573	34,425
	$ 297,377	**$ 175,577**

Discounted	**March 31, 2020**	**December 31, 2019**
Current	$ 184,808	$ 137,358
Non-current	79,091	20,070
	$ 263,899	**$ 157,428**

11. SHARE CAPITAL

(a) Authorized Share Capital

The Company is authorized to issue an unlimited number of common voting shares without par value.

The Company is authorized to issue an unlimited number of preferred shares which are without par value, non-voting, and issuable in series with rights and terms of each series to be fixed by the Board of Directors. No preferred shares have been issued and none are outstanding.

(b) SHARE-BASED COMPENSATION AND WARRANTS

Share-based Compensation

For the three months ended March 31, 2020, share-based compensation related to stock options ("Options"), stock appreciation rights ("SARs) and deferred share units ("DSUs") totalled $124,348 (March 31, 2019 - $148,723). Of this amount, $116,195 was charged to general and administrative expenses (March 31, 2019 - $148,534) and $8,153 (March 31, 2019- $189) was recorded to exploration and evaluation expenses.

(i) Stock Options

The following table summarizes the Options transactions from January 1, 2020 through March 31, 2020:

	Number of Options	**Weighted Average Exercise Price**
At December 31, 2019 and March 31, 2020	**15,845,700**	**$ 0.13**

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

The following is a summary of the assumptions used in the Black-Scholes value model for Options granted during the three months ended March 31, 2020:

	Three Months Ended March 31,	
	2020	**2019**
Risk-free interest rate	n/a	1.6%
Expected price volatility	n/a	75%
Expected life (years)	n/a	3.5
Annual dividends	n/a	0%
Estimated forfeiture rate	n/a	5%

The following table summarizes the Options outstanding at March 31, 2020:

		March 31, 2020	
Expiry Date	**Exercise Price**	**Outstanding**	**Exercisable**
May 7, 2023	0.26	5,281,900	1,760,633
March 25, 2024	0.065	10,563,800	7,042,533
		15,845,700	**8,803,166**

At March 31, 2020, the weighted-average remaining useful life of the outstanding Options was 3.7 years (December 31, 2019 – 3.9 years).

(ii) Stock Appreciation Rights

The following table summarizes the SARs transactions from January 1, 2020 through March 31, 2020:

	Number of SARs		**Weighted Average Exercise Price**
At December 31, 2019	6,421,475	$	0.35
Expired/Forfeited	(305,000)		0.61
At March 31, 2020	**6,116,475**	**$**	**0.33**

The following table summarizes the SARs outstanding at March 31, 2020:

		March 31, 2020	
Expiry Date	**Exercise Price**	**Outstanding**	**Exercisable**
June 29, 2021	0.40	1,395,000	1,395,000
August 22, 2021	0.47	200,000	200,000
March 28, 2022	0.32	3,552,850	3,552,850
August 15, 2022	0.28	968,625	645,750
		6,116,475	**5,793,600**

At March 31, 2020, the weighted-average remaining useful life of the outstanding SARs was 1.9 years (December 31, 2019 – 2.0 years).

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

(iii) Deferred Share Units

There were no DSUs issued during the three-month period ended March 31, 2020 (March 31, 2019 – DSU fees of $26,188). At March 31, 2020, there were 1,743,702 DSUs outstanding and redeemable (December 31, 2019 – 1,743,702).

Subject to the terms and conditions of the Share-Based Compensation Plan, each DSU is redeemable for one common share of the Company. At the sole discretion of the Company, DSU redemption may be settled by cash payment.

(iv) Warrants

There were no warrant transactions during the three-month period ended March 31, 2020.

At March 31, 2020, there were 122,275,844 (December 31, 2019 – 122,275,844) warrants outstanding, with a weighted-average exercise price of $0.23 (December 31, 2019 - $0.23) and a weighted-average remaining life of 2.2 years (December 31, 2019 – 2.4 years), as follows:

Expiry Date	Exercise Price	March 31, 2020 Outstanding
March 24, 2021	0.27	14,000,000
April 8, 2021	0.27	1,500,000
April 27, 2021	0.27	42,107,464
May 3, 2021	0.27	12,892,536
August 4, 2022	0.35	10,708,194
August 8, 2022	0.35	6,189,601
July 12, 2024	0.08	23,139,092
August 6, 2024	0.08	3,170,732
August 29, 2024	0.08	8,568,225
		122,275,844

12. RELATED PARTY TRANSACTIONS & KEY MANAGEMENT COMPENSATION

The Company has identified its directors and current and former senior officers as its key management personnel, and the compensation costs for key management personnel were recorded at their exchange amounts as agreed by transacting parties.

At March 31, 2020, amounts due to related parties totalled $17,804 (December 31, 2019 – $8,320) related to director fees and business expense reimbursements. The amounts due to related parties are non-interest bearing and are due upon demand.

The compensation paid or payable to key management for services rendered is shown below:

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

		Three Months Ended March 31,		
		2020		2019
Fees to directors	$	6,625	$	-
Salaries, wages and severance		213,940		493,796
Share-based compensation		105,169		141,230
	$	**325,734**	**$**	**635,026**

13. EXPLORATION AND EVALUATION EXPENSES

		Three Months Ended March 31,		
		2020		2019
Consulting, professional fees and other	$	4,547	$	28,285
Depreciation		11,715		14,748
Salaries, wages and severance		56,542		121,607
Share-based compensation		8,153		189
	$	**80,957**	**$**	**164,829**

Expenses which contribute directly to the development of the Nickel Shäw Project such as permitting and environmental costs and holding costs to maintain claims are being capitalized to the Nickel Shäw Project.

14. FAIR VALUE MEASUREMENTS

IFRS defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an arm's length transaction between market participants at the measurement date. When appropriate, the Company adjusts the valuation models to incorporate a measure of credit risk.

The estimated fair values of cash and cash equivalents, accounts receivable, accounts payable and other liabilities, and due to related parties, which are all measured at amortized cost, approximate their respective carrying values due to the short-term maturity of these financial instruments. These instruments are categorized as level 2 in the fair value hierarchy.

15. SUPPLEMENTAL CASH INFORMATION

		Three Months Ended March 31,		
		2020		2019
Changes in non-cash working capital balances				
Decrease in amounts receivable	$	5,178	$	27,648
(Increase) decrease in prepaid expenses		(31,552)		24,982
Increase (decrease) in accounts payable and accrued liabilities		880		(81,887)
	$	**(25,494)**	**$**	**(29,257)**

(Expressed in Canadian dollars, unless otherwise indicated) (Unaudited)

16. COMMITMENTS AND CONTINGENCIES

(a) Exploration Cooperation Agreement

The Company entered into an Exploration Cooperation Agreement (“ECA”) in August 2012 with the Kluane First Nation in the Yukon to support Nickel Creek Platinum’s exploration program and environmental studies associated with the development of the Nickel Shäw Project.

(b) Flow-through Financings

Historically, the Company has entered into flow-through private placements (“FT Placements”) to fund exploration activities, with the most recent FT Placement being in August 2019. Canadian tax rules require the Company to spend flow-through funds on “Canadian exploration expenses” (as defined in the Income Tax Act (Canada)) by the end of the calendar year following the year in which they were raised. The Company indemnified the subscribers of flow-through shares from any tax consequences should the Company, notwithstanding its plans, fail to meet its commitments under the flow-through subscription agreements. At March 31, 2020, the Company has expended the entire August 2019 FT Placement proceeds amount of $182,000 on Canadian exploration expenses and fulfilled its flow-through spending obligation to spend the $182,000 by the end of the 2020 calendar year.

The Company may be subject to interest on flow-through proceeds (“Part XII.6 tax”) renounced under the look-back rules in respect of prior years, and penalties, in accordance with regulations in the Income Tax Act (Canada), if it is determined that flow-through proceeds were not properly or timely spent on Canadian exploration expenses. The Part XII.6 tax is expensed as incurred, as an operating expense.

(c) Office Lease and Other

The Company has entered into short-term office agreements and contracts for corporate head office equipment, along with commitments under the ECA with the KFN.

The Company’s activities are subject to various provincial and federal laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment, and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to continue to make in the future, filings and expenditures to comply with such laws and regulations.

The following is a summary of the Company’s contractual obligations and commitments at March 31, 2020:

Year		Amount
< 1 year	$	22,024
1- 3 years		-
> 3 years		-
	$	**22,024**

(d) Contingencies

The Company accrues for liabilities when it is probable and the amount can be reasonably estimated.

The Company is reviewing a potential financial liability for the reclamation of land related to mining conducted near the Wellgreen deposit in the 1970’s, prior to the Company’s acquisition of the property. The financial effect and timing of any reclamation work is indeterminable at this time. Once an assessment is completed and should a contractual agreement be entered into, a portion of the financial cost for reclamation may be incurred by the Company. As such, no provision has been recognized.

The Company may be involved in legal proceedings from time to time arising in the ordinary course of its business. Based on the Company's knowledge and assessment of events at March 31, 2020, the Company does not believe that the outcome of any of the matters not recorded in the consolidated financial statements, individually or in aggregate, would have a material adverse effect.

17. SUBSEQUENT EVENTS

(a) Private Placement

On March 26, 2020, the Company publicly announced its intention to complete a private placement, in two tranches, of up to approximately 44.0 million units of the Company ("Units") at a price of $0.05 per Unit and up to 27.3 million "flow-through units" (the "FT Units") at a price of $0.055 per FT Unit, for aggregate gross proceeds to the Company of up to approximately $3.7 million (collectively the "Private Placement").

Each Unit consists of one common share in the capital of the Company (each, a "Common Share") and one common share purchase warrant (each, a "Warrant"), with each Warrant exercisable into one common share (each, a "Warrant Share") at an exercise price of $0.10 for a period of five (5) years from the date of issuance, subject to adjustment upon certain customary events. Each FT Unit, if any, will consist of one FT Common Share and one common share purchase warrant (each, a "FT Warrant"), with each FT Warrant exercisable into one FT Warrant Share at an exercise price of $0.10 for a period of five (5) years from the date of issuance, subject to adjustment upon certain customary events.

The Private Placement will be completed in two tranches: a first tranche ("Tranche 1") of 13,436,635 Units for aggregate gross proceeds of approximately $672,000 that closed on April 7, 2020; and a second tranche ("Tranche 2") of 30,563,365 Units for aggregate gross proceeds of approximately $1.5 million and up to 27,272,727 FT Units for aggregate gross proceeds of up to approximately $1.5 million, and that is expected to close on or before June 5, 2020. In order to comply with the rules of the TSX, the Company is required to obtain approval for Tranche 2 of the Private Placement from holders of a majority of the Common Shares present in person or by proxy at the Annual General and Special Meeting to be held on June 2, 2020, excluding Common Shares held by insiders participating in the Private Placement.

The Company's major shareholder Electrum Strategic Opportunities Fund L.P. acquired the full 13.4 million Units under Tranche 1.

All Units issued under the Private Placement are subject to a statutory four-month hold period.

(b) COVID-19

During the months of March 2020 and April 2020, significant measures have been implemented in Canada and the rest of the world in response to the increased impact from COVID-19. The Company continues to operate the business at this time and to date, COVID-19 has not had a significant impact on our operations. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the future impact of COVID-19 on our business operations cannot be reasonably estimated at this time and we anticipate this could have an adverse impact on our project exploration plans, financial position, cash flows and results of operations during 2020 and beyond.