ALLANTE RESOURCES LTD.

FINANCIAL STATEMENTS

July 31, 2020

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Allante Resources Ltd.

Opinion

We have audited the accompanying financial statements of Allante Resources Ltd. (the "Company"), which comprise the statements of financial position as at July 31, 2020 and 2019, and the statements of loss and comprehensive loss, changes in shareholders' deficiency, and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the financial statements, which indicates that the Company has incurred significant losses to date and has a working capital deficiency. As stated in Note 2, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Guy Thomas.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada | Chartered Professional Accountants

August 21, 2020

ALLANTE RESOURCES LTD.
STATEMENTS OF FINANCIAL POSITION
As at

	Note		July 31, 2020		July 31, 2019
ASSETS					
Current assets					
Cash		$	60	$	276
TOTAL ASSETS		$	60	$	276
LIABILITIES					
Accounts payable and accrued liabilities	4, 8	$	426,647	$	373,474
SHAREHOLDERS' DEFICIENCY					
Share capital	5		1,150,701		1,150,701
Share-based payments reserve			109,725		109,725
Deficit			(1,687,013)		(1,633,624)
TOTAL SHAREHOLDERS' DEFICIENCY			(426,587)		(373,198)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY		$	60	$	276

Continuance of operations (Note 2)
Proposed transaction (Note 9)

On behalf of the Board:

"Joe DeVries" Director *"Ron Hughes"* Director

See accompanying notes to the financial statements

ALLANTE RESOURCES LTD.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED JULY 31

	Note	2020	2019
EXPENSES			
Office and miscellaneous	8	$ 34,076	$ 36,684
Professional fees		8,372	13,178
Transfer agent and filing fees		10,941	13,842
Travel		-	1,514
LOSS AND COMPREHENSIVE LOSS		$ (53,389)	$ (65,218)
Basic and diluted loss per share		$ (0.02)	$ (0.02)
Weighted average number of common shares outstanding	3	3,167,267	3,167,267

See accompanying notes to the financial statements

ALLANTE RESOURCES LTD.
STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY

	Share capital				
	Number of shares	Amount	Share-based payments reserve	Deficit	Total
Balance at July 31, 2018	4,000,600	$ 1,150,701	$ 109,725	$ (1,568,406)	$ (307,980)
Loss for the year	-	-	-	(65,218)	(65,218)
Balance at July 31, 2019	**4,000,600**	**$ 1,150,701**	**$ 109,725**	**$ (1,633,624)**	**$ (373,198)**
Loss for the year	-	-	-	(53,389)	(53,389)
Balance at July 31, 2020	**4,000,600**	**$ 1,150,701**	**$ 109,725**	**$ (1,687,013)**	$ (426,587)

See accompanying notes to the financial statements

ALLANTE RESOURCES LTD.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JULY 31

	2020	2019
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss for the year	$ (53,389)	$ (65,218)
Net change in non-cash working capital accounts:		
Increase in accounts payable and accrued liabilities	53,173	65,427
Net cash provided by (used in) operating activities	(216)	239
Increase (decrease) in cash during the year	(216)	239
Cash, beginning of year	276	37
Cash, end of year	$ 60	$ 276

There were no significant non-cash transactions during the years ended July 31, 2020 and 2019.

1. NATURE OF OPERATIONS

Allante Resources Ltd. ("Company") was incorporated under the Business Corporations Act (British Columbia) on June 16, 2006 and was classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. On March 7, 2007, the Company's shares began trading on the TSX-V, and on February 3, 2010, the Company's shares were moved to the NEX board where they trade under the symbol ALL.H.

The head office, the principal address, and the registered and records office of the Company are located at 303-595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

2. CONTINUANCE OF OPERATIONS

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses, which would be a "Qualifying Transaction". Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval.

The Company has incurred significant losses to date. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning they will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. At July 31, 2020, the Company had a working capital deficiency and a deficit. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

The Company plans to complete a Qualifying Transaction and raise capital through the issuance of common shares. The outcome of completing any Qualifying Transaction cannot be determined.

On June 7, 2019, the Company entered into a binding letter agreement ("Agreement") with World Copper Ltd. (formerly Wealth Copper Ltd., "World Copper") to combine their respective business. On February 28, 2020, the Company entered into a share exchange agreement with World Copper (Note 9).

In March 2020, the World Health Organization declared the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", a global pandemic which has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in the future.

3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

These financial statements were authorized for issuance on August 21, 2020 by the directors of the Company.

Basis of preparation

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 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.

Areas requiring a significant degree of estimation and judgment relate to the determination of deferred tax assets. Actual results may differ from those estimates and judgments.

Loss per share

The Company computes the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on loss per common share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive.

Basic loss per common share is calculated using the weighted average number of shares outstanding during the period. The 833,333 shares held in escrow as of July 31, 2020 have been excluded from the weighted average number of shares because they are contingently returnable.

Income taxes

<u>Current income tax:</u>

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

Income taxes *(continued)*

Deferred income tax:

Deferred income tax is provided based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Financial Instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL.

For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Cash is classified as FVTPL and accounts payable and accrued liabilities is classified as amortized cost.

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed profit or loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

IFRS 9 Financial Instruments *(continued)*

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

New accounting standards, interpretations and amendments adopted

The Company has adopted IFRS 16 Leases from August 1, 2019. The effect of initially applying this standard did not have an impact on the Company's financial statements.

New accounting standards, interpretations and amendments not yet effective

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a material impact on the Company's financial statements.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	July 31, 2020	July 31, 2019
Accounts payable (Note 8)	$ 399,107	$ 360,594
Accrued liabilities	27,540	12,880
	$ 426,647	$ 373,474

5. SHARE CAPITAL

Authorized – Unlimited common shares without par value, special rights or restrictions attached.

As of July 31, 2020, and July 31, 2019, the Company has 833,333 of the issued shares held in escrow. These escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities.

If the Company does not complete a Qualifying Transaction, the escrowed shares will not be released from escrow and if the Company is de-listed, the shares will be cancelled.

6. WARRANTS AND OPTIONS

Stock options

The Company adopted a stock option plan ("Plan") whereby it can grant options to directors, officers, employees, and technical consultants of the Company. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Company prior to completion of a Qualifying Transaction. Vesting will be determined by the board of directors.

There were no stock options granted during the years ended July 31, 2020 and 2019 and no stock options outstanding during the years then ended.

Warrants

At July 31, 2020 and 2019, there were no warrants outstanding.

7. FINANCIAL RISK MANAGEMENT

The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

Interest rate risk

The Company is not currently exposed to significant interest rate risk.

7. FINANCIAL RISK MANAGEMENT (continued)

Currency risk

The Company is not currently exposed to significant foreign currency risk.

Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' deficiency as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or return capital to its shareholders. The Company is not exposed to externally imposed capital requirements. There have been no changes to the Company's management of capital for the years presented.

Classification of financial instruments

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount, due to their short-term nature.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's only financial asset is cash with a fair value measured at Level 1 hierarchy.

The carrying value of accounts payable and accrued liabilities approximates the fair values because of the short-term nature of these instruments.

8. RELATED PARTY TRANSACTIONS

During the year ended July 31, 2020, the Company accrued $31,500 (2019 - $31,500) for rent, office and other administration costs recorded in office and miscellaneous with a company controlled by the President of the Company. Included in accounts payable and accrued liabilities at July 31, 2020 was $301,615 (July 31, 2019 - $265,298) owing to this Company and $5,093 (July 31, 2019 - $5,093) owing to the President.

9. PROPOSED TRANSACTION

On February 28, 2020, the Company entered into a Share Exchange Agreement, as amended on April 30, 2020 (the "Agreement") with World Copper, and the shareholders of World Copper, pursuant to which the Company will acquire all of the issued and outstanding common shares in the capital of World Copper.

The transaction will take place by way of a share exchange and, upon closing, the Company will issue common shares to the shareholders of World Copper, in exchange for World Copper shares on a one-to-one basis. The transaction will result in the reverse take-over of the Company and is the Company's "qualifying transaction" under applicable TSX-V policies. A concurrent financing is being undertaken of at least $5,000,000.

9. PROPOSED TRANSACTION (continued)

World Copper has an interest in the Escalones copper-gold porphyry project located in the Santiago Metropolitan Region, in Central Chile, (i) a portion of which is covered by exploitation concessions that are the subject of an option agreement between an indirect, wholly-owned subsidiary of World Copper, and a third-party vendor for a 100% interest in and to the concessions and (ii) a portion of which is covered by exploration concessions, owned by the subsidiary. Minerals produced from the Escalones project are subject to net smelter returns royalties.

In addition, World Copper (through its wholly-owned Chilean subsidiary) holds an option for the acquisition of a 100% interest in mineral exploration concessions that comprise the Cristal copper porphyry project located in northern Chile. Provided that World Copper exercises the option, then World Copper and a previous holder of the Cristal option will enter into joint venture agreement, whereby World Copper will hold an initial 70% interest in the Cristal Property. Minerals produced from the Cristal Property are subject to net smelter returns royalties.

The transaction has not yet closed and is subject to the acceptance of the TSX-V and the provisions of the Agreement.

10. INCOME TAXES

The reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2020	2019
Loss for the year before income taxes	$ (53,389)	$ (65,218)
Expected income tax (recovery)	$ (14,000)	$ (18,000)
Change in statutory rate and other	-	1,000
Change in unrecognized deductible temporary differences	14,000	17,000
Total income tax recovery	$ -	$ -

The nature of the tax effects of the temporary differences and tax loss carry forwards giving rise to the deferred tax assets are as summarized below:

	2020	2019
Deferred income tax assets:		
Property and equipment	$ 28,000	$ 28,000
Non-capital loss carry-forwards	363,000	349,000
Net capital losses	37,000	37,000
Unrecognized tax assets	$ 428,000	$ 414,000

10. INCOME TAXES (continued)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

	2020	**Expiry Date Range**	**2019**	**Expiry Date Range**
Temporary Differences:				
Property and equipment	104,000	No expiry date	104,000	No expiry date
Allowable capital losses	137,000	No expiry date	137,000	No expiry date
Non-capital losses available for future period	1,343,000	2026 to 2040	1,292,000	2026 to 2039