CROWN MINING CORP

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2020 & 2019

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim consolidated financial statements of Crown Mining Corp. (the "Company") are the responsibility of the management and Board of Directors of the Company.

The unaudited interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the unaudited interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

“Stephen Dunn” (signed)
Chief Executive Officer

“Rich Morrow” (signed)
Chief Financial Officer

NOTICE TO READER
The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim consolidated statements for the three and nine months ended September 30, 2020 and 2019 have not been reviewed by the Company's auditors.

CROWN MINING CORP.

Unaudited Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

As at,	***September 30, 2020*** **$**	*December 31, 2019* $
ASSETS		
Current		
Cash (Note 5)	**287,939**	2,423
Trade and other receivables (Note 6)	**10,014**	4,028
Prepaid expenses	**-**	750
Total assets	**297,953**	7,201
LIABILITIES		
Current		
Trade and other payables (Notes 7 and 9)	**65,106**	52,868
	65,106	52,868
CEBA loan (Note 8)	**40,000**	-
Total liabilities	**105,106**	52,868
EQUITY		
Share capital (Note 11 (a))	**12,643,242**	12,229,404
Reserve for warrants (Note 12)	**154,000**	333,000
Reserve for share based payments (Note 13)	**3,011,786**	2,683,786
Accumulated deficit	**(15,616,181)**	(15,291,857)
Total equity (deficit)	**192,847**	(45,667)
Total liabilities and equity (deficit)	**297,953**	7,201

Nature of Operations and Going Concern (Note 1)
Commitments and Contingencies (Notes 9 and 14)
Subsequent Events (Notes 11(b) and 16)

Approved on behalf of the Board of Directors on October 22, 2020:

"Stephen Dunn" (signed)
Director

"James Fairbairn" (signed)
Director

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

CROWN MINING CORP.
Unaudited Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Three Months		Nine Months	
	2020	2019	**2020**	2019
For the periods ended September 30,	**$**	**$**	$	**$**
Professional fees	**7,275**	6,000	**11,717**	24,120
Management and consulting fees (Note 10)	**15,000**	15,000	**45,000**	45,000
Share based payments (Note 11 (c) and 13)	**73,000**	2,000	**73,000**	25,000
Office, general and administration	**2,243**	2,959	**18,433**	24,998
Promotion and travel	**48,024**	1,926	**49,126**	28,968
Exploration and evaluation expenditures (Note 9)	**88,509**	105,723	**127,048**	155,249
Net loss and comprehensive loss	**234,051**	133,608	**324,324**	303,335
Loss per share - basic and diluted	**0.00**	0.00	**0.01**	0.01
Weighted average number of common shares - basic and diluted (000's)	**55,551**	44,430	**49,611**	42,740

CROWN MINING CORP.

Unaudited Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

	Share Capital		Reserves				
	Number of shares	Amount	Warrants	Share based payments	Accumulated deficit	Accumulated other comprehensive income	Total
Balance at December 31, 2018	40,229,627	$ 11,982,484	$ 474,000	$ 2,453,786	$ (14,945,739)	$ -	$ (35,469)
Private placements, net of issue costs	4,200,000	310,920	-	-	-	-	310,920
Warrants issued on private placement to subscribers	-	(64,000)	64,000	-	-	-	-
Share based payments	-	-	-	25,000	-	-	25,000
Reserve transferred on expiry of warrants	-	-	(205,000)	205,000	-	-	-
Net loss for the year	-	-	-	-	(346,118)	-	(346,118)
Balance at December 31, 2019	**44,429,627**	**$ 12,229,404**	**$ 333,000**	**$ 2,683,786**	**$ (15,291,857)**	**$ -**	**$ (45,667)**
Private placements, net of issue costs	**13,100,000**	**489,838**	**-**	**-**	**-**	**-**	**489,838**
Warrants issued on private placement to subscribers	**-**	**(66,000)**	**66,000**	**-**	**-**	**-**	**-**
Warrants issued on private placement to finders	**-**	**(10,000)**	**10,000**	**-**	**-**	**-**	**-**
Share based payments	**-**	**-**	**-**	**73,000**	**-**	**-**	**73,000**
Reserve transferred on expiry of warrants	**-**	**-**	**(255,000)**	**255,000**	**-**	**-**	**-**
Net loss for the period	**-**	**-**	**-**	**-**	**(324,324)**	**-**	**(324,324)**
Balance at September 30, 2020	**57,529,627**	**$ 12,643,242**	**$ 154,000**	**$ 3,011,786**	**$ (15,616,181)**	**$ -**	**$ 192,847**

Balance at December 31, 2018	40,229,627	$ 11,982,484	$ 474,000	$ 2,453,786	$ (14,945,739)	$ -	$ (35,469)
Private placements, net of issue costs	4,200,000	310,920	-	-	-	-	310,920
Warrants issued on private placement to subscribers	-	(64,000)	64,000	-	-	-	-
Share based payments	-	-	-	25,000	-	-	25,000
Reserve transferred on expiry of warrants	-	-	(156,000)	156,000	-	-	-
Net loss for the period	-	-	-	-	(303,335)	-	(303,335)
Balance at September 30, 2019	44,429,627	$ 12,229,404	$ 382,000	$ 2,634,786	$ (15,249,074)	$ -	$ (2,884)

CROWN MINING CORP.
Unaudited Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

Nine month periods ended September 30,	2020 $	2019 $
Operating activities		
Net loss for the period	**(324,324)**	(303,335)
Adjustments to reconcile net loss to net cash used in operating activities:		
Share based payments	**73,000**	25,000
Change in non-cash working capital		
Trade and other receivables	**(5,986)**	(2,975)
Prepaid expenses	**750**	1,483
Trade and other payables	**12,238**	(15,836)
Cash used in operating activities	**(244,322)**	(295,663)
Financing activities		
Issuance of share capital, net of costs	**489,838**	310,920
Proceeds from CEBA loan	**40,000**	-
Cash provided from financing activities	**529,838**	310,920
Increase in cash	**285,516**	15,257
Cash, beginning of period	**2,423**	12,360
Cash, end of period	**287,939**	27,617

Supplementary Information

Interest paid	-	-
Income tax paid	-	-
Finders warrants issued	**10,000**	-

1. NATURE OF OPERATIONS AND GOING CONCERN

Crown Mining Corp. ("Crown" or the "Company") is a public company amalgamated under the laws of Canada on August 30, 2010. The Company's head office is located at 330 Zeller Dr., Kitchener, ON, N2A 0B5. The Company is an exploration stage company and currently has interests in exploration properties in Ontario, Canada and, through wholly owned subsidiaries, has interests in exploration properties in Nevada and California, USA. Substantially all of the Company's efforts are devoted to financing, exploring and evaluating these properties. There has been no determination whether the Company's interests in mineral properties contain mineral reserves which are economically recoverable.

As at September 30, 2020, the Company had working capital of $232,847 (December 31, 2019 – deficiency of $45,667), had not yet achieved profitable operations, had accumulated deficit of $15,616,181 (December 31, 2019 - $15,291,857) and expects to incur further losses in the development of its business. These conditions indicate the existence of a material uncertainty that cast significant doubt as to whether the Company can continue as a going concern.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, and the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis, all of which are uncertain. Failure to achieve the above could have a significant impact on the Company's ability to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and evaluation activities, and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, non-compliance with regulatory requirements or aboriginal land claims.

During the nine month period ended September 30, 2020, there was a global outbreak of a novel coronavirus identified as "COVID-19". On March 11, 2020, the World Health Organization declared a global pandemic. In order to combat the spread of COVID-19 governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any 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 and its operations in future periods.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance and presentation

These unaudited interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") as at October 22, 2020. These unaudited interim consolidated financial statements were authorized by the Board of Directors of the Company on October 22, 2020.

The notes herein include only significant transactions and events occurring since the Company's last fiscal year end and are not fully inclusive of all matters required to be disclosed in the annual audited consolidated financial statements. Accordingly, these unaudited interim consolidated financial statements should be read in conjunction with our most recent annual audited consolidated financial statements for the year ended December 31, 2019.

2.2 Future accounting policies and standards adopted

Standards adopted
At January 1, 2020, the Company adopted the following standards/amendments:

- Amendments to IFRS 3, Business Combinations ("IFRS 3") (assist in determining whether a transaction should be accounted for as a business combination or an asset acquisition. It amends the definition of a business to include an input and a substantive process that together significantly contribute to the ability to create goods and services provided to customers, generating investment and other income, and it excludes returns in the form of lower costs and other economic benefits. This amendment did not have a material impact on the Company's unaudited interim consolidated financial statements.
- Amendments to IFRS 9, *Financial Instruments* ("IFRS 9") and IFRS 7, *Financial Instruments: Disclosures* ("IFRS 7") will affect entities that apply the hedge accounting requirements to hedging relationships directly affected by the interest rate benchmark reform. The amendments modify specific hedge accounting requirements, so that entities would apply those hedge accounting requirements assuming that the interest rate benchmark is not altered as a result of the interest rate benchmark reform. If a hedging relationship no longer meets the requirements for hedge accounting for reasons other than those specified by the amended Standards, then discontinuation of hedge accounting is still required. This amendment did not have a material impact on the Company's unaudited interim consolidated financial statements.

2.3 Use of management estimates, judgments and measurement uncertainty

The preparation of these unaudited interim consolidated financial statements using accounting policies consistent with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the unaudited interim consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the unaudited interim consolidated financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to valuation of deferred income tax amounts and the calculation of share-based payments and warrants. Significant estimates and judgments made by management in the preparation of these unaudited interim consolidated financial statements are outlined below:

2. BASIS OF PREPARATION (continued)

2.3 Use of management estimates, judgments and measurement uncertainty (continued)

Going concern assumption

Going concern presentation of the unaudited interim consolidated financial statements assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

Income taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Decommissioning provisions

These are made based on the estimated settlement amounts. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed quarterly and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions on a quarterly basis. Actual rehabilitation costs will ultimately depend on actual future settlement amount for the rehabilitation costs which will reflect the market condition at the time that the rehabilitation costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for.

Valuation of share based payments and warrants

The Black-Scholes option pricing model is used to determine the fair value for share based payments and warrants and utilizes subjective assumptions such as expected price volatility and expected life of the option or warrant. Discrepancies in these input assumptions can significantly affect the fair value estimate.

Functional currency

The Company's management is required to make judgments as to the currency of the primary economic environment in which an entity operates to determine the functional currency of the entity. The Company has determined that the functional currency of the parent company and its Canadian and US subsidiaries is the Canadian dollar.

3. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of mineral properties. The board of directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include all components of shareholders' equity. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the nine month period ended September 30, 2020 and the year ended December 31, 2019.

The Company considers its capital to be equity, which is comprised of share capital, reserve for warrants and share based payments and accumulated deficit, which as at September 30, 2020 totaled $192,847 (December 31, 2019 – deficiency of $45,667).

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

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

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

4. FINANCIAL RISK FACTORS

Credit Risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. The Company's current policy is to invest excess cash in interest bearing deposits issued by its banking institutions.

The Company's maximum exposure to credit risk as at September 30, 2020 is the carrying value of cash, and trade and other receivables. The majority of the Company's cash is held in Canadian chartered banks.

Market Risk

Foreign Currency Risk
The Company's exploration and evaluation activities are substantially denominated in Canadian dollars and, to a lesser degree, in United States dollars. The Company's funds are predominantly kept in Canadian dollars, with a major Canadian financial institution.

(Expressed in Canadian dollars)

4. FINANCIAL RISK FACTORS (continued)

Market Risk (continued)

Equity Price Risk
Market risk arises from the possibility that changes in market prices will affect the value of the financial instruments of the Company. The Company has no exposure to fair value fluctuations. The Company's financial instruments (cash, trade and other receivables, and trade and other payables) are not subject to equity price risk.

Fair Value

Cash, and trade and other receivables are measured at amortized cost which approximates fair value due to their short-term nature. Trade and other payables and CEBA Loan are measured at amortized cost which also approximates fair value due to their short-term nature.

The fair value hierarchy has the following levels:
- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level two includes inputs that are observable other than quoted prices included in level one.
- Level three includes inputs that are not based on observable market data.

As at September 30, 2020 and December 31, 2019, the Company does not have any financial assets measured at fair value and that require classification within the fair value hierarchy.

Liquidity Risk

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2020, the Company had current assets of $297,953 (December 31, 2019 - $7,201) and current liabilities of $65,106 (December 31, 2019 - $52,868). The Company’s trade and other payables and receivables are subject to normal trade terms. As at September 30, 2020, the Company had working capital of $232,847 (December 31, 2019 - deficiency of $45,667).

Interest Rate Risk

The Company is not exposed to interest rate risk due to the short-term nature of its financial instruments.

5. CASH

The balance at September 30, 2020 consists of cash on deposit with Canadian banks in general interest-bearing accounts totaling $287,939 (December 31, 2019 - $2,423).

6. TRADE AND OTHER RECEIVABLES

The Company’s trade and other receivables arise from harmonized sales tax (“HST”) due from the Canadian government. The HST receivable is not past due as at September 30, 2020.

	As at,	
	September 30, 2020	December 31, 2019
HST receivable	**$ 10,014**	$ 4,028
Total trade and other receivables	**$ 10,014**	$ 4,028

(Expressed in Canadian dollars)

6. TRADE AND OTHER RECEIVABLES (continued)

At September 30, 2020, the Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables. The credit risk on the receivables has been further discussed in Note 4. The Company holds no collateral for any receivable amounts outstanding as at September 30, 2020.

7. TRADE AND OTHER PAYABLES

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

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

	As at,	
	September 30, 2020	December 31, 2019
Less than or equal to 90 days	**$ 19,156**	$ 20,823
Over 90 days	**45,950**	32,045
Total trade and other payables	**$ 65,106**	$ 52,868

8. CEBA LOAN

On July 22, 2020, the Company received a $40,000 Canada Emergency Business Account loan ("CEBA Loan") from the government of Canada. The CEBA Loan is interest free and becomes due on December 31, 2022. Up to 25 percent of the CEBA Loan is forgivable if the balance of the CEBA Loan is repaid on or before December 31, 2022.

9. EXPLORATION AND EVALUATION EXPENDITURES

The evaluation and exploration expenses for the Company are segregated as follows:

	Nine month period ended September 30,	
	2020	2019
Black Warrior	**$ -**	$ -
Moonlight-Superior	**124,837**	153,038
Timore	**1,195**	1,195
Warren Whiteside	**1,016**	1,016
Exploration and evaluation expenditures	**$ 127,048**	$ 155,249

Black Warrior
On May 20, 2008, the Company acquired a 100% interest in 2 patented claims near Silver Peak in Esmeralda County, Nevada for US$25,000.

Moonlight-Superior
Effective June 28, 2013, the Company purchased a 100% interest in the Superior Project, subject to an underlying production royalty, which included 132 unpatented mining claims and a lease on 36 patented claims in Plumas County, California for $50,000. The conditions of the lease include an annual lease payment of US$20,000 per year and an annual work obligation of US$25,000. The Company has a right to purchase the leased patented claims, and if purchased, the leased patented claims will be subject to an annual royalty payment schedule.

(Expressed in Canadian dollars)

9. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Moonlight-Superior (continued)

During the year ended December 31, 2015, the Company restaked the area in a more efficient way resulting in title to 47 unpatented claims. During the year ended December 31, 2016, the Company staked 57 additional claims. In addition, during the year ended December 31, 2018, the Company staked an additional 6 claims adjacent to the Superior Mine and an additional 35 new federal mining claims adjacent to the Engels Mine.

On February 26, 2016, the Company entered into an agreement with Canyon Copper Corp ("Canyon") to acquire a 100% interest in the Moonlight Property (the "Agreement"), subject to an underlying production royalty. Under the terms of the Agreement Crown acquired a 100% interest in the Moonlight Property for consideration of $375,000 and 2,750,000 common shares of the Company as follows:

- Cash Payments: $5,000 due on signing (paid), $20,000 due on or before June 1, 2016 (paid); and $350,000 (Paid in February 2018) due on or before March 4, 2019.
- Common Share Issuances: 2,000,000 common shares on or before 5 days after TSXV approval, which was received on March 4, 2016 (issued with a fair market value of $140,000), 750,000 common shares on or before 5 days after 1st anniversary of TSXV approval if the final payment has not yet been paid (issued with a fair market value of $60,000).

In addition, the advanced royalty holders, being Lester Storey and Metamin Enterprises Inc., (the "Advanced Royalty Holders") have approved the following: (i) elimination of the advanced royalty payments, (ii) an increase in each of the Advance Royalty Holder's net smelter returns from 1.0% to 1.25%, in exchange for the issuance of 300,000 common shares of the Company to each of the Advance Royalty Holders (issued with a fair market value of $42,000).

During the nine month period ended September 30, 2020, the Company elected to not renew 75 unpatented claims and now holds a total of 282 unpatented claims and a lease on 36 patented claims.

Timore
The Company owns a 100% interest in patented claims covering 1 property near Timmins, Ontario and 1 property near Red Lake, Ontario.

Warren Whiteside
The Company owns a 100% interest in 14 patented mining claims in Whiteside Township in Ontario.

10. RELATED PARTY DISCLOSURES

Certain corporate entities and consultants that are related to the Company's officers and directors provide consulting and other services to Crown. All transactions were conducted in the normal course of operations and are measured as follows:

As at,	**September 30, 2020**	December 31, 2019
Amount included in trade and other payables, due to directors and/or officers	**$ 50,000**	$ 38,000

(Expressed in Canadian dollars)

10. RELATED PARTY DISCLOSURES (continued)

Amounts due to directors and officers are non-interest bearing and have no set terms of repayment.

Transactions during the nine month period ended September 30,		2020		2019
Balances:				
Short-term benefits	**$**	**45,000**	$	45,000
Share based compensation		**48,600**		16,400
Total compensation paid to key management	**$**	**93,600**	$	61,400

During the nine month period ended September, 2020, certain officers, directors or companies controlled by them participated in the Company's private placements as described in Note 11 (a) and subscribed for 2,700,000 (year ended December 31, 2019 - 1,375,000) units, for total gross proceeds to the Company of $67,500 (year ended December 31, 2019 - $94,500).

11. SHARE CAPITAL

(a) Common Shares

Crown's authorized share capital consists of an unlimited number of common shares and with no par value.

The issued and outstanding common shares are as follows:

	Number of Shares		Stated Value
Balance, December 31, 2018	40,229,627	$	11,982,484
Private placements	4,200,000		316,000
Cash share issue costs	-		(5,080)
Value assigned to warrants issued on private placement - subscriber	-		(64,000)
Balance, December 31, 2019	**44,429,627**	**$**	**12,229,404**
Private placements	**13,100,000**		**502,500**
Cash share issue costs	**-**		**(14,662)**
Value assigned to warrants issued on private placement - subscriber	**-**		**(64,000)**
Value assigned to warrants issued on private placement - broker	**-**		**(10,000)**
Balance, September 30, 2020	**57,529,627**	**$**	**12,643,242**

Private Placements – 2020

On July 27, 2020, the Company completed a private placement of 7,000,000 units at a price of $0.05 per unit for proceeds of $350,000. Each unit consisted of one common share and one common share purchase warrant, each warrant entitling the holder to purchase one common share for $0.10 for two years from the date of closing.

As part of the private placement, the Company issued 500,000 finders' units to the finders, with each finder unit entitling the holder to purchase one unit at a price of $0.05 per unit, exercisable until July 27, 2022. Each unit consists of one common share and one warrant. Each whole warrant will entitle the holder to purchase one common share for $0.10 at any time until July 27, 2022.

(Expressed in Canadian dollars)

11. SHARE CAPITAL (continued)

(a) Common Shares (continued)

Private Placements – 2020 **(continued)**

The grant date fair value of the warrants issued to subscribers and finder units and warrants issued to finders were $62,000 and $16,000, respectively, was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	0.3%
Expected volatility	66%
Expected life of warrants	2 years
Expected dividend yield	Nil
Share price value on grant date	$0.04

On April 27, 2020, the Company completed a private placement of 6,100,000 units at a price of $0.025 per unit for proceeds of $152,500. Each unit consisted of one common share and one common share purchase warrant, each warrant entitling the holder to purchase one common share for $0.05 for three years from the date of closing.

The grant date fair value of the warrants of $24,000 was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	0.3%
Expected volatility	63%
Expected life of warrants	3 years
Expected dividend yield	Nil
Share price value on grant date	$0.02

Private Placements – 2019

On January 18, 2019, the Company completed a private placement of 1,600,000 units at a price of $0.10 per unit for proceeds of $160,000. Each unit consisted of one common share and one common share purchase warrant, each warrant entitling the holder to purchase one common share for $0.16 for two years from the date of closing.

The grant date fair value of the warrants of $29,000 was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	1.9%
Expected volatility	73%
Expected life of warrants	2 years
Expected dividend yield	Nil
Share price value on grant date	$0.08

On June 17, 2019, the Company completed a private placement of 2,600,000 units at a price of $0.06 per unit for proceeds of $156,000. Each unit consisted of one common share and one common share purchase warrant, each warrant entitling the holder to purchase one common share for $0.10 for three years from the date of closing.

(Expressed in Canadian dollars)

11. SHARE CAPITAL (continued)

(a) Common Shares (continued)

Private Placements – 2019 **(continued)**

The grant date fair value of the warrants of $35,000 was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	1.4%
Expected volatility	73%
Expected life of warrants	3 years
Expected dividend yield	Nil
Share price value on grant date	$0.05

(b) Warrants

The outstanding warrants at September 30, 2020 are comprised as follows:

Date of Expiry	Type	No. of Warrants	Weighted Average Exercise Price $
October 10, 2020	Warrants – Private Placement	1,000,000[1]	0.20
January 18, 2021	Warrants – Private Placement	1,600,000	0.16
June 17, 2022	Warrants – Private Placement	2,600,000	0.10
July 27, 2022	Warrants – Private Placement	7,000,000	0.10
July 27, 2022	Warrants – Finder Unit	500,000	0.05
July 27, 2022	Warrants – Finder Warrant[2]	500,000	0.10
April 27, 2023	Warrants – Private Placement	6,100,000	0.05
Total		**19,300,000**	**0.09**

[1] Subsequent to September 30, 2020, these warrants expired unexercised.
[2] This finder warrant will be issued only on exercise of the Finder Unit on a basis of 1 warrant for every unit exercised.

The weighted average remaining life of the outstanding warrants at September 30, 2020 is 1.82 years (December 31, 2019 – 1.32 years).

Continuity of the warrants to purchase common shares for the nine month period ended September 30, 2020 and the year ended December 31, 2019 is as follows:

As at,	**September 30, 2020**		December 31, 2019	
	Weighted Average Exercise Price ($)	**No. of Warrants**	Weighted Average Exercise Price ($)	No. of Warrants
Outstanding at beginning of year/period	**0.17**	**10,347,200**	0.18	15,812,866
Transactions during the year/period:				
Issued on private placements	**0.08**	**14,100,000**	0.12	4,200,000
Expired	**0.20**	**(5,147,200)**	0.17	(9,665,666)
Outstanding and exercisable at end of year/period	**0.09**	**19,300,000**	0.17	10,347,200

(Expressed in Canadian dollars)

11. SHARE CAPITAL (continued)

(c) Options

Crown has a 10% rolling stock option plan pursuant to which options to purchase common shares may be granted to certain officers, directors, employees and consultants. As at September 30, 2020, the Company had 307,962 (December 31, 2019 - 122,962) options remaining available for issuance under the plan.

Continuity of the unexercised options to purchase common shares is as follows:

As at,	**September 30, 2020**		December 31, 2019	
	Weighted Average Exercise Price ($)	**No. of Options**	Weighted Average Exercise Price ($)	No. of Options
Outstanding at beginning of year/period	**0.13**	**4,320,000**	0.13	3,820,000
Transactions during the year/period:				
Granted	**0.10**	**1,800,000**	0.10	1,150,000
Expired	**0.10**	**(675,000)**	0.10	(650,000)
Outstanding at end of year/period	**0.12**	**5,445,000**	0.13	4,320,000
Exercisable at end of year/period	**0.12**	**5,445,000**	0.13	4,320,000

The following table provides additional information about outstanding stock options at September 30, 2020:

Range of Exercise Prices ($)	**No. of Options Outstanding and Exercisable**	**Weighted Average Exercise Price ($)**	**Weighted Average Remaining Life (Years)**
0.10 – 0.12	**4,375,000**	**0.10**	**1.85**
0.15	**240,000**	**0.15**	**0.18**
0.20	**830,000**	**0.20**	**0.35**
0.10 – 0.20	**5,545,000**	**0.12**	**1.55**

The following table summarizes the assumptions used in the Black-Scholes valuation model for determining the fair value for the stock options granted during the nine month period ended September 30, 2020:

		Aug-11-20	Total
Number of options granted		1,800,000	1,800,000
Risk-free interest rate		0.28%	
Expected life years		3.0	
Expected volatility		74%	
Exercise price	**$**	0.10	
Market price	**$**	0.09	
Vesting		Immediately	
Expected dividends		-	
Fair value of options granted as share based payments	**$**	73,000	$ 73,000
Vesting of fair value of share based payments	**$**	73,000	$ 73,000

(Expressed in Canadian dollars)

11. SHARE CAPITAL (continued)

(c) Options (continued)

The following table summarizes the assumptions used in the Black-Scholes valuation model for determining the fair value for the stock options granted during the year ended December 31, 2019:

		Jun-17-19	**Sep-5-19**	Total
Number of options granted		950,000	200,000	1,150,000
Risk-free interest rate		1.36%	1.38%	
Expected life years		3.0	3.0	
Expected volatility		74%	75%	
Exercise price	$	0.10	0.10	
Market price	$	0.065	0.04	
Vesting		Immediately	Immediately	
Expected dividends		-	-	
Fair value of options granted as share based payments	$	23,000	2,000	$ 25,000
Vesting of fair value of share based payments	$	23,000	2,000	$ 25,000

The weighted average grant-date fair value of options granted as compensation during the nine month period ended September 30, 2020 was $0.04 (year ended December 31, 2019 – $0.02) per option issued.

12. RESERVE FOR WARRANTS

Reserve for warrants is comprised of the following:

	September 30, 2020	December 31, 2019
Balance, beginning of the period/year	**$ 333,000**	$ 474,000
Warrants issued on private placements - subscriber	**66,000**	64,000
Warrants issued on private placements - finder	**10,000**	-
Reserves transferred on expiry of warrants	**(255,000)**	(205,000)
Balance, end of period/year	**$ 154,000**	$ 333,000

13. RESERVE FOR SHARE BASED PAYMENTS

Reserve for share based payments is comprised of the following:

	September 30, 2020	December 31, 2019
Balance, beginning of the period/year	**$ 2,683,786**	$ 2,453,786
Share based payments granted	**73,000**	25,000
Reserves transferred on expiry of warrants	**255,000**	205,000
Balance, end of period/year	**$ 3,011,786**	$ 2,683,786

(Expressed in Canadian dollars)

14. COMMITMENTS AND CONTINGENCIES

The Company's activities are subject to environmental regulation (including regular environmental impact assessments and permitting) in each of the jurisdictions in which its mineral properties are located. Such regulations cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour relations and worker safety. The Company may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees.

The Company has not determined and is not aware whether any provision for such costs is required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take.

15. SEGMENTED INFORMATION

Operating Segments

At September 30, 2020 and December 31, 2019, the Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada and the United States.

An operating segment is defined as a component of the Company:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are reviewed regularly by the entity's chief operating decision maker; and
- for which discrete financial information is available.

Geographic Information

The Company currently has one reportable segment as at September 30, 2020 and December 31, 2019, being the exploration and evaluation of mineral properties in Canada and the United States.

The following is a detailed breakdown of the Company's assets by geographical location:

Identifiable assets as at,	**September 30, 2020**	December 31, 2019
Canada	**$ 297,953**	$ 7,201
United States	**-**	-
	$ 297,953	$ 7,201

16. SUBSEQUENT EVENT

Subsequent to September 30, 2020, the Company announced a proposed brokered private placement to issue up to 30,000,000 units at a price of $0.05 per unit for proceeds of up to $1,500,000. Each unit would consist of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase one additional common share for $0.10 for three years from the date of closing.