



TUDOR GOLD CORP.

(An Exploration Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS

DECEMBER 31, 2020

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

**MANAGEMENT'S COMMENTS ON
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

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 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 interim financial statements of Tudor Gold Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgments based on information currently available.

The Company's independent auditor has not performed a review of these condensed interim financial statements established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

TUDOR GOLD CORP.

(An Exploration Stage Company)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

	December 31, 2020	March 31, 2020
ASSETS		
Current		
Cash	\$ 3,744,232	\$ 6,087,954
Restricted cash (Note 4)	-	57,500
Amounts receivable	1,400,793	311,976
Investment (Note 6)	828,125	140,625
Prepays and deposits	79,478	6,000
	<u>6,052,628</u>	<u>6,604,055</u>
Reclamation deposits (Note 5)	226,600	145,600
Exploration and evaluation assets (Note 5)	51,870,345	25,419,736
Exploration advances (Note 5)	26,395	432,254
Property and equipment (Note 7)	419,537	171,897
Total assets	<u>\$ 58,595,505</u>	<u>\$ 32,773,542</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 9)	\$ 1,669,310	\$ 249,055
Current portion of lease obligations (Note 10)	8,542	20,137
	<u>1,677,852</u>	<u>269,192</u>
Lease obligations (Note 10)	-	3,432
Flow-through share premium liabilities (Note 11)	141,965	96,539
Total liabilities	<u>1,819,817</u>	<u>369,163</u>
Shareholders' equity		
Share capital (Note 8)	66,361,910	40,759,027
Equity reserves (Note 8)	8,705,218	4,059,586
Accumulated other comprehensive income (loss)	671,875	(15,625)
Deficit	(18,963,315)	(12,398,609)
Total shareholders' equity	<u>56,775,688</u>	<u>32,404,379</u>
Total liabilities and shareholders' equity	<u>\$ 58,595,505</u>	<u>\$ 32,773,542</u>

Nature of operations (Note 1)

Basis of presentation (Note 2)

On behalf of the Board:

"Walter Storm"

Director

"Sean Pownall"

Director

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

TUDOR GOLD CORP.

(An Exploration Stage Company)

CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian dollars)

	Three months ended 31-Dec-20	Three months ended 31-Dec-19	Nine months ended 31-Dec-20	Nine months ended 31-Dec-19
EXPENSES				
Accretion of lease	\$ 95	\$ 475	\$ 430	\$ 1,281
Automobile	5,073	3,711	14,117	12,439
Consulting fees (Note 9)	73,946	183,756	289,728	520,461
Depreciation (Note 7)	43,203	12,539	70,043	36,783
Management fees (Note 9)	18,000	18,000	58,000	42,000
Office and miscellaneous	43,706	6,064	83,240	44,664
Professional fees	98,512	44,597	292,590	143,843
Salaries and wages (Note 9)	62,013	55,530	223,059	340,813
Shareholder information and promotion	59,706	71,861	162,647	219,468
Share-based compensation (Note 8 and 9)	-	31,701	5,607,667	446,006
Transfer agent, listing and filing fees	8,616	6,909	58,176	34,432
Travel	50,898	44,568	88,031	57,340
Loss from operations	(463,768)	(479,711)	(6,947,728)	(1,899,530)
Foreign exchange gain (loss)	(9,870)	-	(23,469)	20
Interest expense	-	-	-	(19,465)
Interest income	37,465	5,797	46,303	13,359
Loss on settlement of debts	-	-	-	(198,412)
Recovery of flow-through share premium liabilities (Note 11)	263,649	-	360,188	-
Net loss for the period	\$ (172,524)	\$ (473,914)	\$ (6,564,706)	\$ (2,104,028)
Other comprehensive loss				
Unrealized gain (loss) on investments (Note 6)	(78,125)	(31,250)	687,500	156,250
Comprehensive loss for the period	\$ (250,649)	\$ (505,164)	\$ (5,877,206)	\$ (1,947,778)
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)	\$ (0.04)	\$ (0.02)
Weighted average number of common shares outstanding (basic and diluted)				
	170,313,036	133,178,480	162,837,999	124,565,137

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

TUDOR GOLD CORP.

(An Exploration Stage Company)

CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian dollars)

	<u>Share Capital</u>		Share Subscriptions Received in Advance	Equity Reserves	Accumulated Other Comprehensive Income (Loss)	Deficit	Total
	Number of Shares	Amount					
Balance, March 31, 2019	108,758,261	\$ 25,073,362	\$ -	\$ 2,456,766	\$ (31,250)	\$ (9,026,985)	\$ 18,471,893
Private placements	24,151,164	11,232,135	-	-	-	-	11,232,135
Flow-through share premium		(120,000)	-	-	-	-	(120,000)
Shares for debts	3,293,650	1,123,412	-	-	-	-	1,123,412
Exercise of options	850,000	204,404	-	(89,404)	-	-	115,000
Exercise of warrants	5,098,231	2,171,982	-	(9,377)	-	-	2,162,605
Shares for exploration and evaluation assets	1,075,000	806,250	-	-	-	-	806,250
Share issue costs	-	(666,701)	-	74,492	-	-	(592,209)
Share subscriptions received in advance	-	-	20,000	-	-	-	20,000
Share-based compensation	-	-	-	446,006	-	-	446,006
Fair value adjustment on investment	-	-	-	-	156,250	-	156,250
Loss for the period	-	-	-	-	-	(2,104,028)	(2,104,028)
Balance, December 31, 2019	143,226,306	\$ 39,824,844	\$ 20,000	\$ 2,878,483	\$ 125,000	\$ (11,131,013)	\$ 31,717,314
Balance, March 31, 2020	146,718,806	\$ 40,759,027	\$ -	\$ 4,059,586	\$ (15,625)	\$ (12,398,609)	\$ 32,404,379
Private placements	8,101,323	14,239,098	-	-	-	-	14,239,098
Exercise of options	1,450,000	1,134,565	-	(491,565)	-	-	643,000
Exercise of warrants	13,436,773	8,366,994	-	(532,282)	-	-	7,834,712
Shares for exploration and evaluation assets	1,981,927	2,896,071	-	-	-	-	2,896,071
Share issue costs	-	(1,033,845)	-	61,812	-	-	(972,033)
Share-based compensation	-	-	-	5,607,667	-	-	5,607,667
Fair value adjustment on investment	-	-	-	-	687,500	-	687,500
Loss for the period	-	-	-	-	-	(6,564,706)	(6,564,706)
Balance, December 31, 2020	171,688,829	\$ 66,361,910	\$ -	\$ 8,705,218	\$ 671,875	\$ (18,963,315)	\$ 56,775,688

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

TUDOR GOLD CORP.
(An Exploration Stage Company)
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

Nine months ended December 31,	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (6,564,706)	\$ (2,104,028)
Accretion on lease obligations	430	1,281
Accrued interest expense	-	12,929
Depreciation	70,043	36,783
Share-based compensation	5,607,667	446,006
Loss on settlement of debts	-	198,412
Recovery of flow-through share premium liabilities	(360,188)	-
Changes in non-cash working capital items:		
Amounts receivable	(1,088,817)	(245,488)
Prepays and deposits	(73,478)	(44,268)
Accounts payable and accrued liabilities	76,778	(336,569)
Net cash used in operating activities	<u>(2,332,271)</u>	<u>(2,034,942)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Restricted cash	-	(57,500)
Reclamation deposit	(81,000)	-
Exploration and evaluation assets - option payments	(250,000)	-
Exploration and evaluation assets - exploration expenses	(21,471,307)	(4,505,895)
Exploration Advances	(26,395)	-
Purchase of property and equipment	(317,683)	(27,661)
Net cash used in investing activities	<u>(22,146,385)</u>	<u>(4,591,056)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance lease payments	(15,457)	(15,458)
Proceeds from private placements, net	13,672,679	10,639,926
Proceeds from exercise of options	643,000	115,000
Proceeds from exercise of warrants	7,834,712	2,162,605
Share subscriptions received	-	20,000
Repayment of credit facility	-	(728,962)
Net cash provided by financing activities	<u>22,134,934</u>	<u>12,193,111</u>
Change in cash during the period	(2,343,722)	5,567,113
Cash, beginning of period	<u>6,087,954</u>	<u>265,712</u>
Cash, end of period	\$ 3,744,232	\$ 5,832,825

Supplemental disclosures with respect to cash flows (Note 14)

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

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Tudor Gold Corp. (the “Company”) was incorporated under the Business Corporations Act (Alberta) on January 20, 2010. On April 28, 2016, the Company was continued from the Province of Alberta to the Province of British Columbia. The Company is listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “TUD”. The Company is a junior resource exploration company that is involved in the acquisition and exploration of mineral properties in Canada.

The head office and principal business address of the Company is Suite 205 – 837 West Hastings St., Vancouver, BC, V6C 3N6.

As at December 31, 2020, the Company had working capital of \$4,374,776. The Company has no source of operating cash flows and as such the Company’s ability to continue as a going concern is contingent on its ability to monetize assets or obtain additional financing. There can be no assurance that the Company will be able to obtain adequate financing or that the terms of such financing will be favourable.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company at this time to predict the duration or magnitude of the impact of the pandemic towards the Company’s business or results from its operations.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim financial statements, including comparatives have been prepared in accordance with IAS 34, “Interim Financial Reporting” of the International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). Accordingly, these condensed interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting process. These condensed interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended March 31, 2020.

These condensed interim financial statements were authorized for issue by the Audit Committee and Board of Directors on February 26, 2021.

Basis of Measurement

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments as described in Note 12, which are stated at their fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information. These condensed interim financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial statements have been prepared using accounting policies consistent with those used in the Company's 2020 annual financial statements.

Use of estimates and measurement uncertainties

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the measurements of assets, liabilities, revenues, expenses and certain disclosures reported in these financial statements. Significant estimates made by management include the following:

Valuation of stock options and share purchase warrants

Management uses the Black-Scholes option pricing model to determine the fair value of employee stock options and share purchase warrants issued for goods or services. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options and warrants, future risk-free interest rates and the dividend yield of the Company's common shares.

Income taxes

Provisions for income and other taxes are based on management's interpretation of taxation laws, which may differ from the interpretation by taxation authorities. Such differences may result in eventual tax payments differing from amounts accrued. Reported amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, or deferred income tax assets and liabilities.

Economic recoverability of exploration and evaluation assets

Management has determined that exploration and evaluation costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

4. RESTRICTED CASH

The Company has a term deposit of \$Nil as collateral for its corporate credit card (March 31, 2020 - \$57,500).

5. EXPLORATION AND EVALUATION ASSETS

For the nine months ended December 31, 2020:

	Mackie East	Mackie West	Treaty Creek	Electrum	Other	Total
ACQUISITION						
Balance, March 31, 2020	\$ 1,130,334	\$ 1,080,333	\$ 1,877,400	\$ 2,427,400	\$ 1,510,503	\$ 8,025,970
Share option payments	-	-	-	2,086,000	810,071	2,896,071
Cash option payments	-	-	-	250,000	-	250,000
Other acquisition costs	-	-	-	-	439	439
Balance, December 31, 2020	\$ 1,130,334	\$ 1,080,333	\$ 1,877,400	\$ 4,763,400	\$ 2,321,013	\$ 11,172,480
EXPLORATION						
Balance, March 31, 2020	\$ 53,243	\$ 13,763	\$ 16,144,596	\$ 1,153,818	\$ 28,346	\$ 17,393,766
Additions:						
Accommodation	-	-	733,046	-	-	733,046
Assaying	-	-	1,163,097	-	-	1,163,097
Consulting fees	-	-	385,853	244	31,160	417,257
Drilling	-	-	8,364,281	-	-	8,364,281
Environmental studies	-	-	204,109	-	-	204,109
Field costs	-	-	6,836,855	-	-	6,836,855
Geology	-	-	889,857	-	-	889,857
Travel and helicopter	-	-	5,451,365	897	2,011	5,454,273
Total additions for the period	-	-	24,028,463	1,141	33,171	24,062,775
Cost recoveries	-	-	(705,645)	(53,031)	-	(758,676)
Balance, December 31, 2020	\$ 53,243	\$ 13,763	\$ 39,467,414	\$ 1,101,928	\$ 61,517	\$ 40,697,865
CARRYING VALUE						
March 31, 2020	\$ 1,183,577	\$ 1,094,096	\$ 18,021,996	\$ 3,581,218	\$ 1,538,849	\$ 25,419,736
December 31, 2020	\$ 1,183,577	\$ 1,094,096	\$ 41,344,814	\$ 5,865,328	\$ 2,382,530	\$ 51,870,345

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

For the year ended March 31, 2020:

	Mackie East	Mackie West	Treaty Creek	Electrum	Other	Total
ACQUISITION						
Balance, March 31, 2019	\$ 1,050,000	\$ 1,000,000	\$ 1,877,400	\$ 2,427,400	\$ 872,170	\$ 7,226,970
Share option payments	72,000	72,000	-	-	630,000	774,000
Cash option payments	8,334	8,333	-	-	8,333	25,000
Balance, March 31, 2020	\$ 1,130,334	\$ 1,080,333	\$ 1,877,400	\$ 2,427,400	\$ 1,510,503	\$ 8,025,970
EXPLORATION						
Balance, March 31, 2019	\$ 49,506	\$ 13,519	\$ 11,437,253	\$ 1,107,189	\$ 7,461	\$ 12,614,928
Additions:						
Air transportation	-	-	1,312,030	-	-	1,312,030
Assaying	-	-	245,647	-	-	245,647
Consulting fees	3,737	244	214,405	3,250	16,227	237,863
Drilling	-	-	1,439,297	-	-	1,439,297
Environmental studies	-	-	-	40,743	-	40,743
Field costs	-	-	1,122,628	-	-	1,122,628
First nations consulting	-	-	65,000	-	-	65,000
Geophysics	-	-	28,940	-	-	28,940
Geology	-	-	246,700	2,675	2,500	251,875
Road access	-	-	-	(39)	-	(39)
Travel	-	-	32,696	-	2,158	34,854
Total additions for the year	3,737	244	4,707,343	46,629	20,885	4,778,838
Balance, March 31, 2020	\$ 53,243	\$ 13,763	\$ 16,144,596	\$ 1,153,818	\$ 28,346	\$ 17,393,766
CARRYING VALUE						
March 31, 2019	\$ 1,099,506	\$ 1,013,519	\$ 13,314,653	\$ 3,534,589	\$ 879,631	\$ 19,841,898
March 31, 2020	\$ 1,183,577	\$ 1,094,096	\$ 18,021,996	\$ 3,581,218	\$ 1,538,849	\$ 25,419,736

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)**Mackie East, Mackie West and Doc claims**

On April 6, 2016, the Company completed a definitive acquisition agreement with Tudor Holdings Ltd. involving the issuance of 30,000,000 common shares of the Company at a value of \$0.10 per share (issued in exchange for rights to the Mackie Property located in the Skeena Mining Division of northwestern British Columbia. The 30,000,000 common shares were subject to an escrow agreement, under which the shares will be released over the next three years. The Mackie Property consists of three main claim groups: Mackie East, Mackie West and the Doc claims.

The Mackie East claims are subject to an option agreement, whereby the Company can acquire a 100% interest in the claims by making property payments totaling \$250,000 over the next three years (\$50,000 paid). The Mackie East claims are subject to a 2.5% net smelter return ("NSR") royalty.

The Mackie West claims are not subject to an underlying option agreement and will be wholly owned on completion of the acquisition agreement. There are no NSR royalties in respect of these claims.

The Doc claims were subject to an option agreement, whereby the Company would acquire a 100% interest in the claims by making property payments totaling \$2,000,000 over the next three years. The option agreement was amended in November 2016, such that the \$50,000 cash payment due in November 2016 was replaced by the issuance of 70,000 common shares of the Company to the optionor (issued with a value of \$38,500). The Doc claims are subject to a 2.5% NSR royalty. During the year ended March 31, 2018, the Company recorded a provision for write-down of \$1,113,738 to a carrying value of \$Nil related to the Doc claims.

In September 2018, the Company entered into an agreement (the "Amending Agreement") with the optionor amending certain payment terms of the original option agreement to acquire a 100% interest in the Doc claims. The Amending Agreement provides for the issuance of 150,000 common shares (issued with a value of \$36,000) (Note 8) of the Company in lieu of a cash payment of \$50,000 due on September 15, 2018 as well as an extension of the remaining scheduled payments.

As at March 31, 2019, the Company recorded a provision for write-down of \$47,776 related to the Doc property. During the year ended March 31, 2020, the Company terminated its option agreement on the Doc property.

During the year ended March 31, 2020, the Company entered into an agreement to amend the terms of a purchase and sale agreement dated September 15, 2015 (and assigned to the Company by Tudor Holdings Ltd. under an acquisition agreement dated April 6, 2016) (the "Mill Purchase Agreement").

Under the Mill Purchase Agreement, the vendor agreed to sell a 100% interest in certain mineral claims located in the Skeena Mining Division in the Province of British Columbia (the "Skeena Claims") for an aggregate purchase price of \$250,000. The Company and the vendor entered into an amending agreement, whereby the aggregate consideration required to purchase the Skeena Claims consists of 300,000 common shares (issued with a value of \$216,000), an aggregate sum of \$125,000 (paid) and the transfer by the Company to the vendor of a 100% interest in two mineral claims with the tenure numbers 1039253 and 1040402 owned by the Company.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

Treaty Creek Property

On May 10, 2016, the Company entered into a joint venture agreement, under which it acquired a 60% interest in the Treaty Creek Property located in northwestern British Columbia by acquiring a 31% interest from American Creek Resources Ltd. (“American Creek”), which held a 51% stake, and a 29% interest from Teuton Resources Corp. (“Teuton”), which held a 49% interest. The Company acquired the combined 60% interest by issuing 500,000 common shares to each of American Creek and Teuton with a combined value of \$1,260,000 (issued). As part of the agreement, the Company agreed to complete a minimum of \$1,000,000 in exploration expenditures on the Treaty Creek Property during 2016 (completed). Pursuant to the agreement, the Company holds a 60% interest and each of American Creek and Teuton hold a 20% interest. Both American Creek’s and Teuton’s 20% interests are carried during the exploration period until a production notice is given, at which time they will each be responsible for 20% of the costs under and subject to the terms of the joint venture agreement. The Property is subject to 3% NSR royalties under the terms of the agreement and the Company is designated as operator of the joint venture.

Electrum Property

On May 10, 2016, the Company entered into a joint venture agreement, under which it acquired a 60% interest in the Electrum Property located in northwestern British Columbia from American Creek, by issuing 1,000,000 common shares with a value of \$1,260,000 (issued) and paying \$500,000 (paid). As part of the agreement, the Company also acquired 3,125,000 shares of American Creek by investing \$250,000 pursuant to a private placement, at a price of \$0.08 per American Creek share (Note 6). Under the terms of the agreement, the Company is designated as operator of the joint venture.

The Electrum Property comprises eight claims, of which six claims are subject to a 2% NSR royalty which can be purchased at any time for \$1,000,000.

On June 19, 2018 the Company entered into an option agreement to acquire the remaining 40% interest in the Electrum property from American Creek by making option payments of \$50,000 (paid) on signing of the agreement and \$2,650,000 on or before August 15, 2018. During the year ended March 31, 2019 the Company let the option to acquire the remaining 40% interest lapse.

During the period ended December 31, 2020, the Company completed the purchase of the remaining 40% interest in the Electrum Property from American Creek. The purchase price paid was \$250,000 cash and 1,400,000 of the Company’s common shares, which are subject to a contractual 8 month hold period expiring February 16, 2021.

Eskay North Property

On May 10, 2016, the Company acquired a 100% interest in a single mining claim in the Skeena Mining Division of northwestern British Columbia, known as the Eskay North Property. As consideration for the claim, the Company issued 750,000 common shares over a twelve-month period (issued with a combined value of \$605,000). The Eskay North Property is subject to a 2.5% NSR royalty payable to the vendor.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)**Orion Property**

On June 1, 2016, the Company entered into an option agreement to acquire a 100% interest in the Orion Property located in the Skeena Mining Division of northwestern British Columbia by making option payments totaling \$700,000 (\$200,000 paid) and the issuance of 700,000 common shares over a five-year period (300,000 common shares issued with a value of \$375,000). The Property is subject to a 2.5% NSR royalty. During the year ended March 31, 2019, the Company wrote off its investment in the property totaling \$556,711.

In August 2018, the Company reached an agreement with Teuton to replace the original option agreement on the Orion property in which certain payment terms have been amended. Pursuant to the amended payment terms, in order to maintain its option, the Company issued 216,667 common shares valued at \$49,833 on September 28, 2018 (Note 8) and agreed to the following payment schedule:

- \$50,000 and issue 50,000 common shares on or before June 1, 2019; this was further amended on July 10, 2019, whereby the Company issued 175,000 common shares with a value of \$126,000
- \$50,000 and issue 50,000 common shares on or before June 1, 2020; \$50,000 was settled with 75,301 common shares issued on June 15, 2020 with a value of \$112,198, and per agreement the 50,000 common shares were issued on June 1, 2020
- \$450,000 and issue 250,000 common shares on or before June 1, 2021

Fairweather, Delta and High North Property Option Agreements

On May 24, 2016, the Company entered into agreements with Tudor Holdings Ltd. to assume option agreements on three properties in the Skeena Mining Division of northwestern British Columbia. The Company was granted the right to acquire a 100% interest in the three properties pursuant to the terms of assignment and assumption agreements. The properties are known as the Fairweather Property, the Delta Property, and the High North Property.

During the year ended March 31, 2018, the Company recorded provision charges to fully impair the Fairweather, Delta and High North properties.

In August 2018, the Company reached an agreement with Teuton to replace the original option agreement on the Fairweather property, the Delta property and the High North property in which certain payment terms have been amended. The amended payment terms are as follows:

- Fairweather property: in order to maintain the option, the Company issued 216,667 common shares valued at \$49,833 on September 28, 2018 (Note 8); and in order to maintain the option, agreed to the following payment schedule:
 - \$60,000 and issue 50,000 common shares on or before December 15, 2018 (not paid - amended below)
 - \$70,000 and issue 50,000 common shares on or before December 15, 2019 (settled during the period ended December 31, 2020)
 - \$120,000 and issue 250,000 common shares on or before December 15, 2020 (paid and settled subsequent to the period ended December 31, 2020)

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)**Fairweather, Delta and High North Property Option Agreements (continued)**

- Delta property: the Company issued 333,333 common shares valued at \$76,667 on September 28, 2018 (Note 8); and in order to maintain the option, agreed to the following payment schedule:
 - \$100,000 on March 1, 2019 (not paid - amended below)
 - \$600,000 on March 1, 2020 (amended below)
- High North property: the Company issued 333,333 common shares valued at \$76,667 on September 28, 2018 (Note 8); and in order to maintain the option, agreed to the following payment schedule:
 - \$100,000 on March 1, 2019 (not paid – amended below)
 - \$600,000 on March 1, 2020 (amended below)

During the year ended March 31, 2020, the Company reached an agreement with Teuton to amend the revised option agreements on the Fairweather property, the Delta property, the High North property and the Orion property, in which certain payment provisions have been amended. Under the terms of the Amending Agreements to exercise the Options, the Company has agreed to pay an aggregate sum of \$1,890,000 until 2022 and issue an aggregate of 1,375,000 common shares. The following common shares were issued as part of the amended agreement:

- Orion Property: 175,000 shares were issued with a value of \$126,000 to settle payments originally due on or before June 1, 2019; all other provisions of the Orion Agreement shall remain unchanged. Discussed above under Orion Property disclosure.
- Fairweather Property: 200,000 shares were issued with a value of \$144,000 to settle payments originally due on or before December 15, 2018; all other provisions of the Fairweather Agreement shall remain unchanged:
 - \$70,000 originally due on or before December 15, 2019 had been settled with 105,422 shares issued on June 15, 2020 with a value of \$157,079; and 50,000 shares originally due on or before December 15, 2019 had been issued on June 1, 2020.
 - \$120,000 originally due on or before December 15, 2020 had been paid subsequent to the period ending December 31, 2020; and 250,000 shares originally due on or before December 15, 2020 had been issued with a value of \$747,500 subsequent to the period ending December 31, 2020.
- Delta Property: 200,000 shares were issued with a value of \$144,000 to settle payment originally due on March 1, 2019. Furthermore, the remaining \$600,000 was amended as follows:
 - \$100,000 to be paid on or before March 1, 2020; settled with 150,602 shares issued on June 15, 2020 with a value of \$224,397.
 - \$200,000 to be paid on or before March 1, 2021; paid subsequent to the period ending December 31, 2020.
 - \$300,000 to be paid on or before March 1, 2022

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)**Fairweather, Delta and High North Property Option Agreements (continued)**

- High North Property: 200,000 shares were issued with a value of \$144,000 to settle payment originally due on March 1, 2019. Furthermore, the remaining \$600,000 was amended as follows:
 - \$100,000 to be paid on or before March 1, 2020; settled with 150,602 shares issued on June 15, 2020 with a value of \$224,397.
 - \$200,000 to be paid on or before March 1, 2021; paid subsequent to the period ending December 31, 2020.
 - \$300,000 to be paid on or before March 1, 2022

Reclamation Bonds

During the nine months ended December 31, 2020, the Company paid \$81,000 to the Minister of Finance relating to Treaty Creek reclamation program. This payment makes a total of \$226,600 posted with the ministry. Furthermore, these bonds are recoverable, subject to the Company meeting the B.C. Ministry of Energy and Mines reclamation requirements.

Exploration Advances

As at December 31, 2020, the Company had \$26,395 (March 31, 2020 - \$432,254) of exploration advances for future work on the properties.

6. INVESTMENTS

Pursuant to the Company's joint venture agreement with American Creek related to the Electrum Property, the Company acquired 3,125,000 shares of American Creek by investing \$250,000 at a price of \$0.08 per American Creek share (Note 5).

	December 31, 2020		March 31, 2020	
	Cost	Fair Value	Cost	Fair Value
American Creek:				
3,125,000 common shares	\$ 250,000	\$ 828,125	\$ 250,000	\$ 140,625
	\$ 250,000	\$ 828,125	\$ 250,000	\$ 140,625

During the period ended December 31, 2020, the Company recognized a gain of \$687,500 as a fair value adjustment to the investment. This amount has been recorded under accumulated other comprehensive income.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

7. PROPERTY AND EQUIPMENT

	Building	Land	Equipment	Vehicle	Website	Total
COSTS						
Balance, March 31, 2019	\$ 38,750	\$ 33,750	\$ 112,071	\$ 14,000	\$ 59,965	\$ 258,536
Additions (Dispositions)	-	-	26,916	-	1,012	27,928
Balance, March 31, 2020	38,750	33,750	138,987	14,000	60,977	286,464
Additions (Dispositions)	-	-	317,683	-	-	317,683
Balance, December 31, 2020	\$ 38,750	\$ 33,750	\$ 456,670	\$ 14,000	\$ 60,977	\$ 604,147
ACCUMULATED DEPRECIATION						
Balance, March 31, 2019	\$ 4,812	\$ -	\$ 36,629	\$ 3,828	\$ 18,878	\$ 64,147
Depreciation	1,938	-	31,614	1,750	15,118	50,420
Balance, March 31, 2020	6,750	-	68,243	5,578	33,996	114,567
Depreciation	1,453	-	55,844	1,313	11,433	70,043
Balance, December 31, 2020	\$ 8,203	\$ -	\$ 124,087	\$ 6,891	\$ 45,429	\$ 184,610
NET BOOK VALUE						
March 31, 2020	\$ 32,000	\$ 33,750	\$ 70,744	\$ 8,422	\$ 26,981	\$ 171,897
December 31, 2020	\$ 30,547	\$ 33,750	\$ 332,583	\$ 7,109	\$ 15,548	\$ 419,537

8. SHAREHOLDERS' EQUITY**Authorized share capital**

Unlimited common shares, without par value.

Unlimited preferred shares issuable in series.

Share issuances*During the year ended March 31, 2020, the Company:*

- a) Issued 3,214,285 common shares of the Company at a value of \$1,125,000 resulting in a loss on settlement of \$225,000 in consideration for the settlement of a total of \$900,000 in accrued liabilities to certain creditors.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

8. SHAREHOLDERS' EQUITY (continued)**Share issuances (continued)**

- b) Closed a non-brokered private placement, consisting of 5,625,000 flow-through units at a price of \$0.32 per unit, for gross proceeds of \$1,800,000 (Note 11) and 1,673,784 non-flow-through units at a price of \$0.30 per unit for gross proceeds of \$502,135. Each flow-through unit consists of one common share and one-half of one transferable common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.50 per share for a period of one year from the closing. Each non-flow-through unit consists of one common share and one transferable common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.50 per share for a period of one year from the closing. In connection with the offering, the Company paid a cash finder's fee of \$132,800 and issued 222,500 non-transferable finders' warrants. The fair value of the finders' warrants was estimated to be \$39,134 using the Black-Scholes option pricing model with the following assumptions: term of 2 years; expected volatility of 77.11%; risk-free rate of 1.41%; and expected dividends of Nil. Each finders' warrant entitles the holder to purchase one common share at a price of \$0.32 for a period of two years from closing.
- c) Issued 79,365 common shares with a value of \$25,000 for consulting services provided.
- d) Closed a non-brokered private placement consisting of 6,666,666 units at a price of \$0.45 per unit, for gross proceeds of \$3,000,000. Each unit consisted of one common share and one-half of one transferable common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at an exercise price of \$0.55 expiring on July 18, 2020.
- e) Issued 1,075,000 shares with a value of \$774,000 pursuant to mineral property option agreement amendments (Note 5).
- f) Closed a non-brokered private placement consisting of 6,000,000 flow-through common shares at a price of \$0.50 per share for gross proceeds of \$3,000,000 (Note 11). In connection with the private placement, the Company paid certain finders a total cash finder's fee of \$190,000 and issued an aggregate of 240,000 non-transferrable finders' warrants. Each finder's warrant entitles the holder to acquire one common share at a price of \$0.50 per share for expiring December 5, 2021. The fair value of the finders' warrants was estimated to be \$51,513 using the Black-Scholes option pricing model with the following assumptions: term of 2 years; expected volatility of 53.45%; risk-free rate of 1.68%; and expected dividends of Nil.
- g) Closed a non-brokered private placement consisting of 4,185,714 flow-through common shares at a price of \$0.70 per share for gross proceeds of \$2,930,000 (Note 11). In connection with the private placement, the Company paid certain finders a total cash finder's fee of \$29,300.

During the year ended March 31, 2020, the Company issued 1,000,000 shares pursuant to the exercise of stock options at exercise prices ranging from \$0.10 to \$0.40 per share for gross proceeds of \$130,000. The Company reallocated the fair value of these stock options previously recorded in the amount of \$103,421 from equity reserves to share capital.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

8. SHAREHOLDERS' EQUITY (continued)**Share issuances (continued)**

During the year ended March 31, 2020, the Company issued 8,440,731 shares pursuant to the exercise of warrants at exercise prices ranging from \$0.40 to \$0.65 per share for gross proceeds of \$3,503,605. The Company reallocated the fair value of these warrants previously recorded in the amount of \$224,906 from equity reserves to share capital.

During the period ended December 31, 2020, the Company:

- a) Issued 100,000 shares with a value of \$92,000 relating to Orion and Fairweather property, pursuant to mineral property option agreement amendments (Note 5).
- b) Issued 1,400,000 shares with a value of \$2,086,000 relating to Electrum property, pursuant to mineral property option agreement (Note 5).
- c) Issued 481,927 shares with a value of \$718,071 relating to Orion, Fairweather, Delta, and High North property, pursuant to mineral property option agreement amendments (Note 5).
- d) Closed a non-brokered private placement consisting of 6,652,700 flow-through common shares at a price of \$1.40 per share for gross proceeds of \$9,313,780. The Company recognized \$Nil flow-through liability from this issuance. In connection with the private placement, the Company paid certain finders a total cash finder's fee of \$186,276.
- e) Closed a non-brokered private placement consisting of 1,448,623 flow-through common shares at a price of \$3.40 per share for gross proceeds of \$4,925,318 (Note 11). In connection with the private placement, the Company paid certain finders a total cash finder's fee of \$295,519 and issued an aggregate of 57,945 non-transferrable finders' warrants. Each finder's warrant entitles the holder to acquire one common share at a price of \$3.40 per share until November 30, 2021. The fair value of the finders' warrants was estimated to be \$61,812 using the Black-Scholes option pricing model with the following assumptions: term of 1 year; expected volatility of 111.85%; risk-free rate of 0.24%; and expected dividends of Nil.

During the period ended December 31, 2020, the Company issued 1,450,000 shares pursuant to the exercise of stock options at exercise prices ranging from \$0.10 to \$0.67 per share for gross proceeds of \$643,000. The Company reallocated previously recorded fair value in the amount of \$491,565 from equity reserves to share capital.

During the period ended December 31, 2020, the Company issued 13,436,773 shares pursuant to the exercise of warrants at exercise prices ranging from \$0.32 to \$1.00 per share for gross proceeds of \$7,834,712. The Company reallocated previously recorded fair value in the amount of \$532,282 from equity reserves to share capital.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

8. SHAREHOLDERS' EQUITY (continued)

Stock options

The Company adopted an incentive stock option plan (the "Option Plan") which allows the Company's Board of Directors, at its discretion and in accordance with TSX-V requirements, to grant non-transferable options to purchase common shares to its directors, officers, employees and technical consultants to the Company. The number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable for a period of up to ten years from the date of grant and vesting terms will be determined at the time of grant by the Board of Directors.

On April 22, 2019, the Company granted 300,000 stock options with an exercise price of \$0.40 per share expiring April 22, 2024. The fair value of the stock options was estimated to be \$68,775 using the Black-Scholes option pricing model with the following assumptions: term of 5 years; expected volatility of 85.08%; risk-free rate of 1.64%; and expected dividends of Nil.

On June 18, 2019, the Company granted 150,000 stock options with an exercise price of \$0.38 per share expiring June 18, 2024, with 37,500 options vesting immediately, 37,500 options vesting every three months. The fair value of the stock options was estimated to be \$39,600 using the Black-Scholes option pricing model with the following assumptions: term of 5 years; expected volatility of 87.64%; risk-free rate of 1.33%; and expected dividends of Nil.

On August 2, 2019, the Company granted 700,000 stock options with an exercise price of \$0.67 per share expiring August 2, 2024. The fair value of the stock options was estimated to be \$324,010 using the Black-Scholes option pricing model with the following assumptions: term of 5 years; expected volatility of 88.98%; risk-free rate of 1.35%; and expected dividends of Nil.

On January 10, 2020, the Company granted 4,500,000 stock options at an exercise price of \$0.66 expiring on January 10, 2025, with 562,500 options vesting every three months (subsequently accelerated to vest by June 29, 2020). The fair value of the stock options was estimated to be \$2,199,081 using the Black-Scholes option pricing model with the following assumptions: term of 5 years; expected volatility of 90.66%; risk-free rate of 1.60%; and expected dividends of Nil.

On March 12, 2020, the Company granted 100,000 stock options at an exercise price of \$0.50 expiring on March 12, 2023, with 25,000 options vesting immediately, 25,000 options vesting every three months (subsequently accelerated to vest by June 29, 2020). The fair value of the stock options was estimated to be \$20,394 using the Black-Scholes option pricing model with the following assumptions: term of 5 years; expected volatility of 86.89%; risk-free rate of 0.49%; and expected dividends of Nil.

On June 15, 2020, the Company granted 350,000 stock options at an exercise price of \$1.14 expiring on June 15, 2025. The fair value of the stock options was estimated to be \$302,716 using the Black-Scholes option pricing model with the following assumptions: term of 5 years; expected volatility of 93.36%; risk-free rate of 0.36%; and expected dividends of Nil.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

8. SHAREHOLDERS' EQUITY (continued)**Stock options (continued)**

On August 21, 2020, the Company granted 2,000,000 stock options at an exercise price of \$2.82 expiring on August 21, 2024. The fair value of the stock options was estimated to be \$3,700,900 using the Black-Scholes option pricing model with the following assumptions: term of 4 years; expected volatility of 94.26%; risk-free rate of 0.30%; and expected dividends of Nil.

Changes in stock options for the nine months ended December 31, 2020 and the year ended March 31, 2020 are as follows:

	December 31, 2020		March 31, 2020	
	Number of stock options	Exercise price	Number of stock options	Exercise price
Outstanding, beginning	14,200,000	\$ 0.47	9,750,000	\$ 0.34
Granted	2,350,000	\$ 2.57	5,750,000	\$ 0.64
Exercised	(1,450,000)	\$ 0.44	(1,000,000)	\$ 0.13
Expired/Cancelled	(250,000)	\$ 2.82	(300,000)	\$ 0.30
Outstanding, ending	14,850,000	\$ 0.77	14,200,000	\$ 0.47
Exercisable, ending	14,850,000	\$ 0.77	9,387,500	\$ 0.39

Stock options outstanding as at December 31, 2020 are as follows:

Grant Date	Number of stock options	Exercise Price	Expiry Date
April 19, 2016	1,100,000	\$0.10	April 19, 2026
October 2, 2017	600,000	\$1.00	March 15, 2022
March 15, 2018	1,200,000	\$0.55	March 15, 2022
March 12, 2020	100,000	\$0.50	March 12, 2023
March 20, 2019	4,950,000	\$0.30	March 20, 2024 ⁽¹⁾
August 2, 2019	500,000	\$0.67	August 2, 2024
August 21, 2020	1,750,000	\$2.82	August 21, 2024
January 10, 2020	4,300,000	\$0.66	January 10, 2025
June 15, 2020	350,000	\$1.14	June 15, 2025

14,850,000

(1) 50,000 exercised subsequent to December 31, 2020

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

8. SHAREHOLDERS' EQUITY (continued)**Warrants**

Changes in share purchase warrants for the nine months ended December 31, 2020 and the year ended March 31, 2020 are as follows:

	December 31, 2020		March 31, 2020	
	Number of warrants	Exercise price	Number of warrants	Exercise price
Outstanding, beginning	14,346,648	\$ 0.59	22,070,264	\$ 0.48
Issued	57,945	\$ 3.40	8,282,117	\$ 0.52
Exercised	(13,436,773)	\$ 0.58	(8,440,731)	\$ 0.42
Expired	(10,000)	\$ 1.00	(7,565,002)	\$ 0.41
Outstanding, ending	957,820	\$ 0.78	14,346,648	\$ 0.59

Share purchase warrants outstanding as at December 31, 2020 are as follows:

Issue Date	Number of warrants	Exercise Price	Expiry Date
April 16, 2018	661,875	\$0.65	April 16, 2021 ⁽¹⁾
December 5, 2019	238,000	\$0.50	December 5, 2021
November 30, 2020	57,945	\$3.40	November 30, 2021
	957,820		

(1) 286,875 exercised subsequent to December 31, 2020

9. RELATED PARTY TRANSACTIONS

As at December 31, 2020, a total of \$856,388 (March 31, 2020 - \$76,110) was owing to officers, directors, former directors and companies controlled by directors of the Company and is included in accounts payable and accrued liabilities.

Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. Key management personnel include the Company's executive officers and Board of Director members.

During the nine months ended December 31, 2020, the Company paid salaries and wages of \$Nil (2019 - \$98,000) to Aris Morfopoulos, the former Chief Financial Officer of the Company.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS (continued)

The Company paid and/or accrued management, accounting and administrative services, which have been recorded as professional fees, of \$109,038 (2019 - \$23,416) to Cross Davis and Company LLP, a firm of which the Chief Financial Officer, Scott Davis is a partner.

The Company paid and/or accrued consulting fees of \$156,400 (2019 - \$117,600) to Ken Konkin, the exploration manager of the Company, for management and supervision of field operations. The Company also paid and/or accrued a total of \$135,657 (2019 - \$46,817) to Ken Konkin for exploration-related expenditures (labour, logistics, third party costs) incurred on behalf of the Company during the period.

The Company paid and/or accrued fees of \$10,235,346 (2019 - \$2,058,467) to More Core Drilling Services Ltd. ("More Core"), a company controlled by Sean Pownall, a director of the Company. These fees have been capitalized under exploration and evaluation assets and recorded as drilling and field cost expenditures.

The Company paid/or accrued consulting fees of \$26,250 (2019 – 26,250) to Ronald Stoeferle, a director of the Company.

During the nine months ended December 31, 2020, the Company accrued salaries and wages of \$90,000 (2019 - \$90,000) to Walter Storm, the Chief Executive Officer of the Company.

During the nine months ended December 31, 2020, the Company paid and/or accrued management fees of \$58,000 (2019 - \$42,000) to Tudor Holdings, a company controlled by an officer and director of the Company.

During the nine months ended December 31, 2020, the Company recognized share-based compensation expense of \$4,002,385 (2019 - \$231,436) for options granted to various officers and directors of the Company.

10. LEASE OBLIGATIONS

On June 16, 2017, the Company entered into a four year finance lease for field equipment. The Company paid \$10,000 plus taxes on signing as its first lease payment and is required to pay \$1,605 per month plus taxes until May 2021. The present value of the total lease obligation was \$85,295 using the financing rate of 3.99%. As at December 31, 2020, \$8,542 (March 31, 2020 - \$20,137) of the lease obligation is due within one year and \$Nil (March 31, 2020 - \$3,432) is due to be repaid over the remaining term of the lease. During the nine months ended December 31, 2020, the Company recorded a total accretion expense of \$430 (2019 - \$1,281) related to this lease obligation.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

11. FLOW-THROUGH SHARE PREMIUM LIABILITY

The following is a continuity schedule of the Company's flow-through share premium liability.

	Issued on June 6, 2019	Issued on December 5, 2019	Issued on December 27, 2019	Issued on July 7, 2020	Issued on November 30, 2020	Total
Balance, Mar 31, 2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Liabilities incurred on flow-through shares	112,500	120,000	83,714	-	-	316,214
Settlement of flow-through share liability	(112,500)	(107,175)	-	-	-	(219,675)
Balance, March 31, 2020	-	12,825	83,714	-	-	96,539
Liabilities incurred on flow-through shares	-	-	-	-	405,614	405,614
Settlement of flow-through share liability	-	(12,825)	(83,714)	-	(263,649)	(360,188)
Balance, December 31, 2020	\$ -	\$ -	\$ -	\$ -	\$ 141,965	\$141,965

On June 6, 2019, the Company raised \$1,800,000 through the issuance of 5,625,000 flow-through common shares at a price of \$0.32 per share. A flow-through liability of \$112,500 was recognized on the issuance date. As of December 31, 2020, the Company has satisfied all its flow-through obligations arising from this financing.

On December 5, 2019, the Company raised \$3,000,000 through the issuance of 6,000,000 flow-through common shares at a price of \$0.50 per share. A flow-through liability of \$120,000 was recognized on the issuance date. As of December 31, 2020, the Company has satisfied all its flow-through obligations arising from this financing.

On December 30, 2019, the Company raised \$2,930,000 through the issuance of 4,185,714 flow-through common shares at a price of \$0.70 per share. A flow-through liability of \$83,714 was recognized on the issuance date. As of December 31, 2020, the Company has satisfied all its flow-through obligations arising from this financing.

On July 7, 2020, the Company raised \$9,313,780 through the issuance of 6,652,700 flow-through common shares at a price of \$1.40 per share. \$Nil flow-through liability was recognized on the issuance date. As of December 31, 2020, the Company has satisfied all its flow-through obligations arising from this financing.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

11. FLOW-THROUGH SHARE PREMIUM LIABILITY (continued)

On November 30, 2020, the Company raised \$4,925,318 through the issuance of 1,448,623 flow-through common shares at a price of \$3.40 per share. A flow-through liability of \$405,614 was recognized on the issuance date. As of December 31, 2020, \$1,716,410 remains to be spent on qualifying expenditures.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at December 31, 2020, the Company's financial instruments are comprised of cash, amounts receivable, investment, reclamation deposits, accounts payable and accrued liabilities and lease obligations. The fair values of these financial instruments approximate their carrying values due to their short-term maturity. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

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 (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs that are not based on observable market data (unobservable inputs).

As at December 31, 2020, the fair value of cash and investments (Note 6) held by the Company was based on level 1 of the fair value hierarchy. The fair value of the Company's lease obligations approximate the carrying values as the contractual interest rates are comparable to current market interest rates.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash that is invested in asset backed commercial paper.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at December 31, 2020, the Company had cash of \$3,744,232 to settle current liabilities of \$1,677,852. All of the Company's current financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Market risk (continued)

Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company's current exposure to interest rate risk is limited to its cash and cash equivalents yielding interest income at varying rates. The Company's interest obligations on its credit facility, loan payable and certain accounts payable balances, are fixed. The Company's current exposure to interest rate risk is insignificant.

Foreign currency risk

Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has no assets or liabilities and has nominal expenses denominated in a foreign currency, so it is not exposed to any significant foreign currency risk.

Equity price risk

Equity price risk arises from market fluctuations in equity prices that could adversely affect the Company's operations. The Company's current exposure to equity price risk is limited to declines in the values and volumes including those of its own shares, which could impede its ability to raise additional funds when required.

13. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at December 31, 2020, the Company's shareholders' equity was \$56,775,688. The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses. Additional funds may be required to finance the Company's future business opportunities.

The Company is not subject to any externally imposed capital requirements. There were no changes to the Company's approach to capital management during the nine months ended December 31, 2020.

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

14. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

During the nine months ended December 31, 2020

The Company issued 581,927 common shares pursuant to an agreement with Teuton to amend the revised option agreements on the Fairweather property, the Delta property, the High North property and the Orion property valued at \$810,071 (Note 5).

The Company issued 1,400,000 common shares pursuant to an agreement with American Creek relating to the Electrum property valued at \$2,086,000 (Note 5).

The Company included \$1,507,039 in exploration and evaluation assets which relates to accounts payable and accrued liabilities.

During the nine months ended December 31, 2019

The Company issued a total of 3,293,650 common shares valued at \$1,123,412 to settle debts in the amount of \$925,000 resulting in a loss of \$198,412.

The Company issued 1,375,000 common shares pursuant to an agreement with Teuton to amend the revised option agreements on the Fairweather property, the Delta property, the High North property and the Orion property valued (Note 5).