



ORFORD MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three and Nine Months Ended September 30, 2019 and 2018

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 consolidated financial statements of Orford Mining Corporation have been prepared by and are the responsibility of the Corporation's management. The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established by CPA Canada for a review of interim financial statements by an entity's auditor.

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Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars)
(Unaudited)

As at	September 30, 2019	December 31, 2018
Assets		
Current assets		
Cash and cash equivalents	\$ 2,016,720	\$ 762,564
Amounts receivable	343,670	282,133
Prepaid expenses	13,365	1,858
Tax credits receivable	45,943	45,943
	2,419,698	1,092,498
Non-current assets		
Property, plant and equipment (note 3)	248,114	263,392
Mineral property interests (note 4)	11,507,744	8,400,183
Total assets	\$ 14,175,556	\$ 9,756,073
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,454,076	\$ 1,004,717
Lease	20,658	-
	1,474,734	1,004,717
Non-current liabilities		
Other liability	427,833	244,144
Lease	24,516	-
Asset retirement obligation	500,002	498,486
Deferred tax liability	1,540,103	1,030,069
Total liabilities	3,967,188	2,777,416
Equity		
Share capital (note 5)	24,748,932	21,475,941
Contributed surplus & reserves	4,385,250	4,069,380
Deficit	(18,925,814)	(18,566,664)
Total equity	10,208,368	6,978,657
Total equity and liabilities	\$ 14,175,556	\$ 9,756,073

Going concern (note 1)

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

Signed on behalf of the Board of Directors:

/s/ Mark Selby

Mark Selby, Chair

/s/ Lawrence Smith

Lawrence Smith, Audit Committee Chair

Interim Consolidated Statements of Comprehensive Earnings (Loss)

(Expressed in Canadian dollars)
(Unaudited)

For the periods ended September 30,	Three months ended		Nine months ended	
	2019	2018	2019	2018
Expenses				
Exploration and evaluation (note 4)	\$ -	\$ 28,080	\$ -	\$ 604,039
Share-based payments	48,860	54,213	142,412	174,832
Professional fees	15,270	79,026	32,087	106,271
Management services	52,256	74,957	192,671	279,793
Public company expenses	2,345	19,667	30,593	52,017
Investor relations	71,259	35,785	173,619	104,163
Office and general	106,912	105,136	287,338	222,250
Operating loss	(296,902)	(396,864)	(858,720)	(1,543,365)
Finance and other income (expense)	8,592	(299,327)	(14,856)	(293,082)
Loss before income tax	(288,310)	(696,191)	(873,576)	(1,836,447)
Deferred tax expense (recovery)	(473,000)	(101,815)	(519,942)	93,019
Net earnings (loss) and comprehensive earnings (loss)	\$ 184,690	\$ (594,376)	\$ (353,634)	\$ (1,929,466)
Basic and diluted earnings (loss) per share	\$ 0.00	\$ (0.01)	\$ (0.00)	\$ (0.04)
Basic and diluted weighted average number of common shares outstanding	94,768,040	55,339,601	81,418,601	50,256,317

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

Interim Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)
(Unaudited)

For the periods ended September 30,	Three months ended		Nine months ended	
	2019	2018	2019	2018
OPERATING ACTIVITIES				
Net earnings (loss)	\$ 184,690	\$ (594,376)	\$ (353,634)	\$ (1,929,466)
Accretion - asset retirement obligation	-	744	1,516	2,229
Accretion - lease	1,779	-	5,704	-
Share-based payments	48,860	54,213	142,412	174,832
Loss on revaluation of marketable securities	-	280,908	-	280,908
Shares issued for consulting services	-	28,080	45,000	28,080
Deferred tax expense (recovery)	(473,000)	(101,815)	(519,942)	93,019
Changes in non-cash working capital				
Amounts receivable	16,196	(113,151)	(61,537)	(191,155)
Prepaid expenses	40,450	282,904	(11,507)	280,142
Accounts payable and accrued liabilities	(152,716)	142,180	6,223	180,109
	(333,741)	(20,313)	(745,765)	(1,081,302)
INVESTING ACTIVITIES				
Expenditures on mineral property interests	(1,816,771)	(2,132,836)	(2,460,198)	(3,552,591)
Expenditures on property, plant and equipment	(8,002)	(48,521)	(14,434)	(48,521)
Proceeds on sale of marketable securities	-	92,975	-	92,975
Cash acquired on acquisition of subsidiary	-	644,323	-	644,323
	(1,824,773)	(1,444,059)	(2,474,632)	(2,863,814)
FINANCING ACTIVITIES				
Share capital, net of issuance costs	2,210,047	1,092,206	4,490,047	1,415,116
Finance lease payments	(5,165)	-	(15,494)	-
	2,204,882	1,092,206	4,474,553	1,415,116
Change in cash and cash equivalents	46,368	(372,166)	1,254,156	(2,530,000)
Cash and cash equivalents, beginning of period	1,970,352	1,192,834	762,564	3,350,668
Cash and cash equivalents, end of period	2,016,720	820,668	2,016,720	820,668
Components of cash and cash equivalents				
Cash	\$ 453,855	\$ 755,386	\$ 453,855	\$ 755,386
Cash equivalents	1,562,865	65,282	1,562,865	65,282
	\$ 2,016,720	\$ 820,668	\$ 2,016,720	\$ 820,668
Interest received	\$ 12,693	\$ 3,180	\$ 15,775	\$ 14,734

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

Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)
(Unaudited)

	Share Capital		Contributed		Deficit	Total
	Number	Amount	Surplus	\$		
Balance as at January 1, 2019, as reported	61,214,208	\$ 21,475,941	\$ 4,069,380	\$ (18,566,664)	\$ 6,978,657	
IFRS 16 adjustment	-	-	-	(5,516)	(5,516)	
Balance as at January 1, 2019, as adjusted	61,214,208	21,475,941	4,069,380	(18,572,180)	6,973,141	
Private placement - May 2019	14,764,706	1,463,632	-	-	1,463,632	
Private placement - July 2019	18,641,710	1,764,359	48,392	-	1,812,751	
Shares issued for consulting services	354,546	45,000	-	-	45,000	
Share-based payments	-	-	267,478	-	267,478	
Net loss and comprehensive loss for the period	-	-	-	(353,634)	(353,634)	
Balance as at September 30, 2019	94,975,170	\$ 24,748,932	\$ 4,385,250	\$ (18,925,814)	\$ 10,208,368	

	Share Capital		Contributed		Deficit	Total
	Number	Amount	Surplus	\$		
Balance as at January 1, 2018	46,148,650	\$ 18,325,715	\$ 3,406,694	\$ (15,910,225)	\$ 5,822,184	
Common shares issued, net	6,627,309	1,448,163	62,029	-	1,510,192	
Shares issued for consulting services	434,615	169,500	-	-	169,500	
Share based payments	-	-	326,844	-	326,844	
Acquisition of Condor	5,034,697	1,202,656	58,800	-	1,261,456	
Net loss and comprehensive loss for the period	-	-	-	(1,929,466)	(1,929,466)	
Balance as at September 30, 2018	58,245,271	\$ 21,146,034	\$ 3,854,367	\$ (17,839,691)	\$ 7,160,710	

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

**Notes to the Unaudited Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2019 and 2018
(Expressed in Canadian dollars)**

1. NATURE OF OPERATIONS AND GOING CONCERN

Orford Mining Corporation (“**Orford**”) is incorporated under the Business Corporations Act (Ontario) and its registered office is located at 141 Adelaide Street West, Suite 1608 in Toronto, Ontario, Canada. Orford’s common shares are listed on the TSX Venture Exchange under the ticker symbol “ORM”.

The consolidated financial statements of the Corporation comprise the accounts of Orford and its wholly-owned subsidiary, Condor Precious Metals Inc. (“**Condor**”). Collectively, these entities are referred to as the (“**Corporation**”).

The Corporation is a mineral resource company primarily focused on the acquisition, exploration and evaluation of base and precious metal assets. The business of mining and exploring for minerals involves a high degree of risk, and there can be no assurance that planned exploration and evaluation programs will result in profitable mining operations. The recoverability of amounts shown for mineral property interests is dependent upon several factors including, but not limited to, the discovery of economically recoverable reserves, confirmation of the Corporation’s interest in the underlying mineral claims, obtaining the necessary development permits, and the ability of the Corporation to obtain necessary financing to complete further exploration and evaluation or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write-downs of the carrying values of mineral property interests and property, plant and equipment.

The accompanying unaudited interim consolidated financial statements have been prepared using International Financial Reporting Standards (“**IFRS**”) applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

The Corporation had positive working capital of \$944,964 and an accumulated deficit of \$18,925,814 as at September 30, 2019 and incurred a loss of \$353,634 for the nine months ended September 30, 2019. Working capital included cash and cash equivalents of \$2,016,720. These circumstances indicate the existence of material uncertainties that cast significant doubt upon the Corporation’s ability to continue as a going concern and accordingly, the appropriateness of the use of IFRS applicable to a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

The Corporation’s ability to continue future operations and fund its operations is dependent on management’s ability to secure additional financing in the future, which may be completed in a number of ways including, but not limited to, the issuance of equity instruments, expenditure reductions, or a combination of strategic partnerships, joint venture arrangements, royalty financing and other capital market alternatives. If management is unable to obtain new funding, the Corporation may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these consolidated financial statements.

2. BASIS OF PRESENTATION AND ADOPTION OF NEW ACCOUNTING PRINCIPLES

Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The unaudited condensed interim consolidated financial statements should be read in conjunction with the Corporation’s audited annual financial statements for the year ended December 31, 2018.

The unaudited condensed interim consolidated financial statements were authorized for publication by the Board of Directors on November 21, 2019.

Basis of preparation

The accounting policies followed in these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Corporation’s audited annual consolidated financial statements for the year ended December 31, 2018, except as described below.

New accounting standard adopted in 2019

Overview

On January 1, 2019, the Corporation adopted IFRS 16, *Leases*. This new standard replaced IAS 17, *Leases*, and related interpretations. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees: leases of “low-value” assets; and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. IFRS 16 also requires more extensive disclosures than under IAS 17.

New accounting policy

The revised accounting policy for leases is as follows:

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease by determining whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A right-of-use asset and lease liability is recognized at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, including periods covered by an option to extend the lease if the Corporation is reasonably certain to exercise that option. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments remaining to be paid at the commencement date. The lease payments are discounted using the implicit interest rate in the lease. Variable lease payments

that do not depend on an index or rate are not included in the measurement of the lease liability. If the rate cannot be readily determined, the Corporation's incremental rate of borrowing is used. The lease liability is subsequently measured at amortized cost using the effective interest method whereby the balance is increased by interest expense and decreased by lease payments. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, or if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option.

The Corporation presents right-of-use assets within property, plant and equipment and lease liabilities separately in the interim consolidated statement of financial position.

The Corporation has elected not to recognize right-of-use assets and lease liabilities for leases that have a lease term of twelve months or less and leases of low-value assets. The Corporation recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Adoption

On January 1, 2019, the Corporation adopted IFRS 16 using the simplified transition approach, which means it applied the standard from January 1, 2019. The impacts of adoption on January 1, 2019 was as follows:

- Increased property, plant and equipment by \$49,448;
- Increased lease liabilities by \$54,964; and
- Increased deficit by \$5,516.

Comparative figures were not restated. Right-of-use assets for property leases were measured on the transition date as if the new standard had been applied since the respective leases' commencement date but using the Corporation's incremental borrowing rate on January 1, 2019 of 15%. All other right-of-use assets were measured at the amount of the lease liability on adoption.

The following table provides a reconciliation between operating lease commitments as at December 31, 2018 applying IAS 17 and the lease liabilities recognized as at January 1, 2019, applying IFRS 16:

Operating lease commitments as per IAS 17 as at December 31, 2018	\$ 70,582
Adjustment to discount using the Corporation's incremental borrowing rate	(15,618)
Lease liability as at January 1, 2019	\$ 54,964

3. PROPERTY, PLANT AND EQUIPMENT

	Camp and Field Costs
Balance as at January 1, 2019	\$ 263,392
Right-of-use asset	49,448
Additions	14,434
Depreciation expense capitalized to mineral properties interest	(79,160)
Balance as at September 30, 2019	\$ 248,114

As at September 30, 2019	
Cost	\$ 1,073,729
Accumulated depreciation	(825,615)
Net book value	\$ 248,114

4. MINERAL PROPERTY INTERESTS AND EXPLORATION AND EVALUATION EXPENDITURES

The following table summarizes capitalized costs in respect of properties which have filed an NI 43-101 compliant technical report:

	West Raglan	Qiqavik	Total
Balance as at January 1, 2019	\$ 3,947,146	\$ 4,453,037	\$ 8,400,183
Environment, community & permitting	-	27,632	27,632
Exploration	-	2,806,704	2,806,704
Property acquisition & maintenance	-	69,000	69,000
Share-based payments	-	125,065	125,065
Depreciation	-	79,160	79,160
Balance as at September 30, 2019	\$ 3,947,146	\$ 7,560,598	\$ 11,507,744

The following table summarizes expenses in respect of the Carolina properties for which no NI 43-101 compliant technical report has been filed:

For the nine months ended September 30,	Three months		Nine months	
	2019	2018	2019	2018
Exploration	\$ -	\$ -	\$ -	\$ 330,792
Property acquisition & maintenance	-	28,080	-	273,247
Exploration and evaluation expenses	\$ -	\$ 28,080	\$ -	\$ 604,039

In January 2019, the Corporation elected not to maintain the earn-in options on the Carolina properties.

5. SHARE CAPITAL

Authorized

Unlimited number of common shares with no par value, voting.

Issued and outstanding

On May 17, 2019, the Corporation closed a non-brokered private placement of: (i) 11,764,706 flow-through shares at an issue price of \$0.17 per share, for gross proceeds of \$2,000,000, and (ii) 3,000,000 hard dollar common shares at an issue price of \$0.10 per share with Alamos Gold Inc. ("**Alamos**"), for gross proceeds of \$300,000. Total gross proceeds were \$2,300,000. The financing included a flow-through share premium liability of \$816,368 and an issue cost of \$20,000.

On July 5, 2019, the Corporation closed a non-brokered private placement of: (i) 5,457,692 flow-through shares at an issue price of \$0.13 per share, for gross proceeds of \$709,500, (ii) 3,505,645 flow-through shares at an issue price of \$0.17 per share, for gross proceeds of \$595,960 and (iii) 9,678,373 hard dollar units shares at an issue price of \$0.10 per share for gross proceeds of \$967,837. The hard dollar units are comprised of one common share of the Corporation and one-half common share purchase warrant. A total of 4,839,186 warrants were issued. Each warrant is exercisable at a price of \$0.20 per common share for a period of 24 months following the closing date, subject to acceleration in the event that the volume weighted average trading price of the common shares is equal to or greater than \$0.60 for a period of more than 20 consecutive trading days following the date that is four months and one day following the closing date. The total aggregate gross proceeds of the July financings totalled \$2,273,297. The warrants were valued at \$0.01 per warrant for an aggregate value of \$48,392 using the residual method. The financing included a flow-through share premium liability of \$397,296 and an issue cost of \$63,250. Royal Nickel Corporation ("**RNC**") subscribed for 2,191,090 of the hard dollar units for gross proceeds of \$219,109. Alamos also subscribed for 2,837,283 of the hard dollar units for gross proceeds of \$283,728. On closing, RNC held 23.7% and Alamos held 18.5% of the Corporation's issued and outstanding common shares, respectively.

6. SEGMENTED INFORMATION

The Corporation operates in one reportable business segment which is the exploration and evaluation of mineral properties.