



ORFORD MINING CORPORATION
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

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 (the "Corporation") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Corporation's auditors.

Orford Mining Corporation

Condensed Interim Consolidated Statements of Financial Position (Expressed in Canadian Dollars) (Unaudited)

	As at September 30, 2020	As at December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	\$ 543,216	\$ 1,042,228
Amounts receivable	45,260	283,106
Prepaid expenses	17,502	6,746
Tax credits receivable	45,943	45,943
	651,921	1,378,023
Non-current assets		
Property, plant and equipment (note 3)	154,090	227,767
Mineral property interest (note 4)	8,434,168	7,869,265
Total assets	\$ 9,240,179	\$ 9,475,055
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	\$ 1,041,489	\$ 941,217
Subscription receipts (note 6(iii))	219,600	-
Lease liability	12,942	20,658
	1,274,031	961,875
Non-current liabilities		
Other liability	240,477	329,239
Lease liability	17,356	21,003
Asset retirement obligation (note 5)	500,000	500,000
Deferred tax liability	898,901	898,901
Total liabilities	2,930,765	2,711,018
Equity		
Share capital	24,743,237	24,743,237
Contributed surplus and reserves	4,584,924	4,451,064
Deficit	(23,018,747)	(22,430,264)
Total equity	6,309,414	6,764,037
Total liabilities and equity	\$ 9,240,179	\$ 9,475,055

Going concern (note 1)
Subsequent event (note 12)

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

Orford Mining Corporation

Condensed Interim Consolidated Statements of Comprehensive Loss (Expressed in Canadian Dollars) (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Expenses				
Share-based payments	\$ 17,717	\$ 48,860	\$ 78,532	\$ 142,412
Professional fees	68,251	15,270	111,971	32,087
Management services	17,998	52,256	139,395	192,671
Public company expenses	4,685	2,345	16,855	30,593
Investor relations	25,507	71,259	84,557	173,619
Salaries and wages	76,673	71,245	199,552	213,846
Office and general	15,545	35,667	59,534	73,492
Operating loss	(226,376)	(296,902)	(690,396)	(858,720)
Finance and other expense	(1,319)	8,592	(4,852)	(14,856)
Consulting income	18,002	-	18,002	-
Loss before income tax	(209,693)	(288,310)	(677,246)	(873,576)
Deferred tax recovery	24,468	473,000	88,763	519,942
Net and comprehensive loss	\$ (185,225)	\$ 184,690	\$ (588,483)	\$ (353,634)
Basic and diluted loss per share	\$ (0.00)	\$ 0.00	\$ (0.01)	\$ (0.00)
Basic and diluted weighted average number of common shares outstanding	95,178,682	94,768,040	95,178,682	81,418,601

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

Orford Mining Corporation

Condensed Interim Consolidated Statements of Cash Flows (Expressed in Canadian Dollars) (Unaudited)

	Nine Months Ended September 30,	
	2020	2019
OPERATING ACTIVITIES		
Net loss	\$ (588,483)	\$ (353,634)
Accretion - asset retirement obligation	-	1,516
Accretion - lease	4,131	5,704
Share-based payments	78,532	142,412
Shares issued for consulting services	-	45,000
Deferred tax recovery	(88,763)	(519,942)
Changes in non-cash working capital items:		
Amounts receivable	237,846	(61,537)
Prepaid expenses	(10,756)	(11,507)
Accounts payable and accrued liabilities	100,272	6,223
	(267,221)	(745,765)
INVESTING ACTIVITIES		
Expenditure on mineral property interests	(435,897)	(2,460,198)
Expenditure on property, plant and equipment	-	(14,434)
	(435,897)	(2,474,632)
FINANCING ACTIVITIES		
Share capital, net of issuance costs	-	4,490,047
Proceeds from subscription receipts	219,600	-
Principal portion of lease payments	(15,494)	(15,494)
	204,106	4,474,553
Change in cash and cash equivalents	(499,012)	1,254,156
Cash and cash equivalents, beginning of period	1,042,228	762,564
Cash and cash equivalents, end of period	\$ 543,216	\$ 2,016,720
Components of cash and cash equivalents		
Cash	\$ 54,918	\$ 453,855
Cash equivalents	488,298	1,562,865
	\$ 543,216	\$ 2,016,720
Interest received	\$ 5,022	\$ 15,775

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Orford Mining Corporation

Condensed Interim Consolidated Statements of Changes in Equity (Expressed in Canadian Dollars) (Unaudited)

	Share Capital		Contributed	Deficit	Total
	Number	Amount	Surplus		
Balance, January 1, 2019	61,214,208	\$ 21,475,941	\$ 4,069,380	\$ (18,566,664)	\$ 6,978,657
IFRS 16 adjustment	-	-	-	(5,516)	(5,516)
Balance, January 1, 2019	61,214,208	21,475,941	4,069,380	(18,572,180)	6,973,141
Private placements (note 6(i))	33,406,416	3,227,991	48,392	-	3,276,383
Shares issued for consulting services	354,546	45,000	-	-	45,000
Share-based compensation	-	-	267,478	-	267,478
Net and comprehensive loss for the period	-	-	-	(353,634)	(353,634)
Balance, September 30, 2019	94,975,170	\$ 24,748,932	\$ 4,385,250	\$ (18,925,814)	\$ 10,208,368
Balance, January 1, 2020	95,178,682	\$ 24,743,237	\$ 4,451,064	\$ (22,430,264)	\$ 6,764,037
Share-based compensation	-	-	133,860	-	133,860
Net and comprehensive loss for the period	-	-	-	(588,483)	(588,483)
Balance, September 30, 2020	95,178,682	\$ 24,743,237	\$ 4,584,924	\$ (23,018,747)	\$ 6,309,414

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

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2020 and 2019

(Expressed in Canadian Dollars Except As Otherwise Indicated) (Unaudited)

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 2 St. Clair Avenue West, 18th Floor 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 working capital deficiency of \$622,110 and an accumulated deficit of \$23,018,747 as at September 30, 2020 and incurred a loss of \$588,483 for the nine months ended September 30, 2020. Working capital deficiency included cash and cash equivalents of \$543,216. 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.

Commencing in March 2020, the outbreak of the novel strain of coronavirus known as "COVID19" has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation and its operating subsidiaries in future periods. Specifically in Quebec, Canada, the area the Corporation operates, most of the province was closed to mineral exploration until May 4, 2020, and currently only the Nunavik region where the Qiqavik and West Raglan projects are situated remain closed to mineral exploration.

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2020 and 2019

(Expressed in Canadian Dollars Except As Otherwise Indicated) (Unaudited)

2. Basis of Presentation

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, 2019.

The unaudited condensed interim consolidated interim financial statements were authorized for publication by the Board of Directors on November 25, 2020.

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, 2019.

Accounting standards effective for future periods

There are no IFRS or IFRIC interpretations that are not yet in effect that are currently expected to have a material impact on the Corporation.

3. Property, Plant and Equipment

	Camp and Field Costs	Equipment Right of use	Total
Balance as at January 1, 2019	\$ 263,392	\$ -	\$ 263,392
IFRS 16 transition adjustment	-	49,448	49,448
Additions	14,434	-	14,434
Depreciation expense capitalized to mineral property interests	(85,034)	(14,473)	(99,507)
Balance as at December 31, 2019	192,792	34,975	227,767
Depreciation expense capitalized to mineral property interests	(62,823)	(10,854)	(73,677)
Balance as at September 30, 2020	\$ 129,969	\$ 24,121	\$ 154,090
As at December 31, 2019			
Cost	\$ 1,001,366	\$ 72,363	\$ 1,073,729
Accumulated depreciation	(808,574)	(37,388)	(845,962)
Net book value	\$ 192,792	\$ 34,975	\$ 227,767
Balance as at September 30, 2020			
Cost	\$ 1,001,366	\$ 72,363	\$ 1,073,729
Accumulated depreciation	(871,397)	(48,242)	(919,639)
Net book value	\$ 129,969	\$ 24,121	\$ 154,090

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2020 and 2019

(Expressed in Canadian Dollars Except As Otherwise Indicated) (Unaudited)

4. Mineral Property Interest and Exploration and Evaluation Expenditure

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

	West Raglan	Qiqavik	Joutel Properties	Total
Balance as at January 1, 2019	\$ 3,947,146	\$ 4,453,037	\$ -	\$ 8,400,183
Environment, community and permitting	-	37,211	-	37,211
Exploration	-	3,096,353	-	3,096,353
Property acquisition and maintenance	-	75,240	-	75,240
Share-based payments	-	107,917	-	107,917
Depreciation	-	99,507	-	99,507
Impairment loss	(3,947,146)	-	-	(3,947,146)
Balance as at December 31, 2019	-	7,869,265	-	7,869,265
Environment, community and permitting	-	18,834	-	18,834
Exploration	-	217,600	55,228	272,828
Property acquisition and maintenance	-	153,462	1,325	154,787
Share-based payments	-	55,329	-	55,329
Depreciation	-	73,677	-	73,677
Quebec refundable tax credits	-	(10,552)	-	(10,552)
Balance as at September 30, 2020	\$ -	\$ 8,377,615	\$ 56,553	\$ 8,434,168

5. Asset Retirement Obligation

The asset retirement obligation represents the legal and contractual obligation associated with the eventual closure and reclamation of the Corporation's exploration camp at the West Raglan and Qiqavik projects. The obligation consists of costs associated with reclamation, environmental monitoring, and the removal of tangible assets. As at September 30, 2020, the carrying value of the asset retirement obligation represents the net present value of the estimated undiscounted cash flows required to settle the environmental obligations, which total \$500,000 (December 31, 2019 - \$500,000), using an average discount rate of 0.6% (December 31, 2019 - 0.6%). The settlement of these obligations are estimated to occur in 2022.

Balance as at January 1, 2019	\$ 498,486
Accretion expense	1,514
Balance as at December 31, 2019 and June 30, 2020	500,000

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2020 and 2019

(Expressed in Canadian Dollars Except As Otherwise Indicated) (Unaudited)

6. Share Capital

Authorized

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

Issued and outstanding

As at September 30, 2020, 95,178,682 common shares were issued and outstanding.

(i) 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 aggregate 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. On closing, Alamos held 14,764,706 common shares of the Corporation, or 19.3% of its issued and outstanding common shares. The financing included a the flow-through share premium liability of \$816,368 and an issue cost of \$20,000.

(ii) 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. Karora Resources Inc (formerly Royal Nickel Corporation) ("Karora") 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, Karora held 23.7% and Alamos held 18.5% of the Corporation's issued and outstanding common shares, respectively.

(iii) During the nine months ended September 30, 2020, the Company received \$219,600 of subscription receipts related to the private placement that closed on October 16, 2020 (note 12).

7. Warrants

The following tables reflects the continuity of warrants for the six months ended September 30, 2020 and 2019:

	Number of Warrants	Weighted average exercise price
Balance, December 31, 2018	9,085,028	\$ 0.68
Issued (note 6(a)(ii))	4,839,186	0.20
Balance, September 30, 2019	13,924,214	\$ 0.51
Balance, December 31, 2019	13,924,214	\$ 0.51
Expired	(9,085,028)	0.68
Balance as at September 30, 2020	4,839,186	\$ 0.20

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2020 and 2019

(Expressed in Canadian Dollars Except As Otherwise Indicated) (Unaudited)

7. Warrants (Continued)

Warrants outstanding as at September 30, 2020 are as follows:

Exercise Price Range	Number of Warrants	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price
\$0.20 - \$0.49	4,839,186	0.76	\$ 0.20

8. Stock options

At the time of grant or thereafter, the Board of Directors may determine when a share option will vest and become exercisable and may determine that the share option shall be exercisable in instalments on such terms as to vesting or otherwise as the Board of Directors deems advisable subject to the rules of the TSX Venture Exchange, if any. Unless otherwise determined by the Board of Directors, share options will vest and become exercisable, as to one third of the share options granted, on each of the date of the grant, the first and second anniversaries of the date of grant, provided that the participant is an eligible employee, eligible director, consultant or other participant at the time of vesting. Under the plan, the expiry date of share options may not exceed ten years from the date of grant.

The following tables reflect the continuity of share options for the nine months ended September 30, 2020 and 2019:

	Number of Options	Weighted average exercise price
Balance, December 31, 2018	6,385,968	\$ 0.32
Options granted	200,000	0.11
Options expired	(761,609)	0.50
Balance, September 30, 2019	5,824,359	\$ 0.29
Balance, December 31, 2019	6,024,359	\$ 0.29
Options granted	2,915,000	0.06
Options forfeited / cancelled	(547,737)	0.24
Balance, September 30, 2020	8,391,622	\$ 0.21

Exercise Price Range	Options Outstanding			Options Exercisable		
	Number of Options	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price (\$)	Number of Options	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price (\$)
\$0.07 - \$0.29	5,534,998	8.86	0.12	2,821,668	8.67	0.13
\$0.30 - \$0.43	2,675,000	7.13	0.39	2,675,000	7.13	0.39
\$0.44 - \$0.47	181,624	0.27	0.47	181,624	0.27	0.47
	8,391,622	8.30	0.21	5,678,292	7.82	0.27

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2020 and 2019

(Expressed in Canadian Dollars Except As Otherwise Indicated) (Unaudited)

8. Stock options (Continued)

During the nine months ended June 30, 2020, a total of 2,915,000 stock options (nine months ended September 30, 2019 - 200,000 stock options) were granted to officer, directors, employees and consultants on March 23, 2020 and September 8, 2020 (nine months ended September 30, 2019 - granted on April 15, 2019) at a fair value of \$0.04 and \$0.17, respectively (nine months ended September 30, 2019 - fair value of \$0.09). This was calculated using the Black-Scholes option pricing model, using the following assumptions:

	September 8, 2020	March 23, 2020	April 13, 2019
Number of options	250,000	2,665,000	200,000
Share price	\$ 0.19	\$ 0.05	\$ 0.11
Exercise price	\$ 0.19	\$ 0.05	\$ 0.11
Risk-free interest rate	0.57 %	0.69 %	1.60 %
Expected life	5.50 years	5.50	4.90 years
Expected volatility	120 %	114 %	110 %
Expected dividends	nil	nil	nil

9. Related party transactions

During the three and nine months ended September 30, 2020 and 2019, the Corporation had the following related party transactions with Karora an entity which had significant influence over Orford until July 31, 2020 when Karora diluted its ownership in Orford:

Three Months ended September 30,	Exploration and Evaluation Expenses		Management Services	
	2020	2019	2020	2019
Karora	\$ 16,400	\$ 146,853	\$ -	\$ 48,568

Nine Months ended September 30,	Exploration and Evaluation Expenses		Management Services	
	2020	2019	2020	2019
Karora	\$ 108,480	\$ 243,271	\$ 105,543	\$ 210,622

As at September 30, 2020, \$66,774 was payable to Karora ((December 31, 2019 - \$69,095) and this amount was included in accounts payable and accrued liabilities.

The following table reflects the remuneration of key management, which consists of the Corporation's directors and executive officers:

	Three Months Ended		Nine Months Ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
Management salaries and benefits	\$ 83,077	\$ 53,846	\$ 195,577	\$ 153,846
Directors' fees	-	27,000	-	60,000
Share-based payments - Management	19,659	18,978	34,958	53,886
Share-based payments - Directors	15,483	49,690	63,825	144,776
	\$ 118,219	\$ 149,514	\$ 294,360	\$ 412,508

An employment agreement between the executive team and the Corporation contain a termination without cause provision. Assuming that all members of the executive team had been terminated without cause on September 30, 2020, the total amounts payable to the executive team in respect of severance would have totaled \$337,500.

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2020 and 2019

(Expressed in Canadian Dollars Except As Otherwise Indicated) (Unaudited)

10. Commitments and contingencies

The Corporation entered into flow-through financing agreements with subscribers in 2012 which committed the Corporation to incur Canadian Exploration Expenses (“CEE”) before specific deadlines. The Corporation incurred CEE in excess of its commitments within the specified time period.

Uncertainties exist with respect to the interpretation of tax regulations. The determination of whether expenditures qualify for Canadian exploration expenses requires significant judgment involving complex technical matters. There is a risk that the Corporation’s historical tax returns could be reassessed resulting in reduced flow-through renunciations to subscribers. In this respect, the Corporation recorded a provision for potential indemnities payable to subscribers, additional tax and interest amounting to \$544,496, which is recorded in accounts payable and accrued liabilities.

11. Segmented information

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

12. Subsequent event

On October 16, 2020, the Company closed a non-brokered private placement of: (i) flow-through units at an issue price of \$0.315 per unit, and (ii) hard dollar units at an issue price of \$0.18 per unit. (the “Offering”), for combined gross proceeds of \$5,246,000. A total of 10,253,968 flow-through units were issued and a total of 11,200,000 hard dollar units were issued. Each flow-through unit consisted of one common share and one-half of a common share purchase warrant, each issued on a “flow-through” basis. Each hard dollar unit consisted of one common share and one-half of a common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share of the Company for a period of three years at an exercise price of \$0.26.

Finders received compensation in respect of a portion of the financing consisting of an aggregate of \$119,448 in cash and 672,900 non-transferable finders warrants. Each finder’s warrant entitles the holder to purchase one common share of the Company for a period of two years at an exercise price of \$0.26.

The securities issued under the Offering are subject to a hold period expiring on February 17, 2021.