



ORFORD MINING CORPORATION
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2021
(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)

	As at September 30, 2021	As at December 31, 2020
Assets		
Current assets		
Cash and cash equivalents (note 3)	\$ 2,450,957	\$ 4,596,523
Amounts receivable	526,217	70,766
Prepaid expenses	64,019	27,000
Tax credits receivable	35,391	35,391
	3,076,584	4,729,680
Non-current assets		
Property, plant and equipment (note 4)	84,903	129,531
Mineral property interest (note 5)	11,887,301	8,544,276
Total assets	\$ 15,048,788	\$ 13,403,487
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities (note 11)	\$ 938,811	\$ 479,650
Advances received for exploration expenditure (note 5)	132,097	-
Lease liability	13,030	17,925
	1,083,938	497,575
Non-current liabilities		
Other liability	61,390	1,449,389
Lease liability	-	8,295
Asset retirement obligation (note 6)	500,000	500,000
Deferred tax liability	1,635,659	1,635,659
Total liabilities	3,280,987	4,090,918
Equity		
Share capital	30,461,960	28,336,983
Contributed surplus and reserves	5,044,420	4,772,768
Deficit	(23,738,579)	(23,797,182)
Total equity	11,767,801	9,312,569
Total liabilities and equity	\$ 15,048,788	\$ 13,403,487

Going concern (note 1)

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, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Expenses				
Exploration and evaluation (note 10)	\$ 31,002	\$ -	\$ 338,448	\$ -
Share-based payments	64,153	17,717	272,836	78,532
Professional fees	17,215	68,251	85,697	111,971
Management services	17,822	17,998	64,617	139,395
Public company expenses	5,752	4,685	22,926	16,855
Investor relations	124,255	25,507	210,484	84,557
Salaries and wages	132,528	76,673	320,573	199,552
Office and general	41,025	15,545	99,371	59,534
Operating loss	(433,752)	(226,376)	(1,414,952)	(690,396)
Finance and other income (expense)	1,817	(1,319)	(1,335)	(4,852)
Consulting income	46,148	18,002	48,392	18,002
Loss before income tax	(385,787)	(209,693)	(1,367,895)	(677,246)
Deferred tax recovery	1,119,579	24,468	1,426,498	88,763
Net and comprehensive income (loss)	\$ 733,792	\$ (185,225)	\$ 58,603	\$ (588,483)
Basic income (loss) per share	\$ 0.01	\$ (0.00)	\$ 0.00	\$ (0.01)
Diluted income (loss) per share	\$ 0.01	\$ (0.00)	\$ 0.00	\$ (0.01)
Weighted average number of common shares outstanding - Basic	123,527,440	95,178,682	119,119,510	95,178,682
Weighted average number of common shares outstanding - Diluted	126,345,184	95,178,682	121,189,386	95,178,682

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)

	Nine Months Ended September 30,	
	2021	2020
OPERATING ACTIVITIES		
Net income (loss)	\$ 58,603	\$ (588,483)
Accretion - lease	2,304	4,131
Share-based payments	272,836	78,532
Deferred tax recovery	(1,426,498)	(88,763)
Changes in non-cash working capital items:		
Amounts receivable	(455,451)	237,846
Prepaid expenses	(37,019)	(10,756)
Accounts payable and accrued liabilities	459,161	100,272
Advances received for exploration expenditure	132,097	-
	(993,967)	(267,221)
INVESTING ACTIVITIES		
Expenditure on mineral property interests	(3,261,964)	(435,897)
Expenditure on property, plant and equipment	(29,922)	-
	(3,291,886)	(435,897)
FINANCING ACTIVITIES		
Share capital, net of issuance costs	1,822,053	-
Proceeds from the exercise of stock options	50,000	-
Proceed from the exercise of warrants	283,728	-
Proceeds from subscription receipts	-	219,600
Principal portion of lease payments	(15,494)	(15,494)
	2,140,287	204,106
Change in cash and cash equivalents	(2,145,566)	(499,012)
Cash and cash equivalents, beginning of period	4,596,523	1,042,228
Cash and cash equivalents, end of period	\$ 2,450,957	\$ 543,216
Interest received	\$ 3,019	\$ 5,022

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 Changes in Equity (Expressed in Canadian Dollars, except per share data)

	Share Capital		Contributed	Deficit	Total
	Number	Amount	Surplus		
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
Balance, January 1, 2021	116,774,316	\$ 28,336,983	\$ 4,772,768	\$ (23,797,182)	\$ 9,312,569
Private placement, net (note 7(iii))	9,354,246	1,773,214	48,840	-	1,822,054
Flow-through premium (note 7(iii))	-	(38,500)	-	-	(38,500)
Shares issued for the exercise of stock options	479,999	92,349	(42,349)	-	50,000
Shares issued for the exercise of warrants	1,418,641	297,914	(14,186)	-	283,728
Share-based compensation	-	-	279,347	-	279,347
Net and comprehensive income for the period	-	-	-	58,603	58,603
Balance, September 30, 2021	128,027,202	\$ 30,461,960	\$ 5,044,420	\$ (23,738,579)	\$ 11,767,801

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, 2021

(Expressed in Canadian Dollars Except As Otherwise Indicated)

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 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 of \$1,992,646 and an accumulated deficit of \$23,738,579 as at September 30, 2021 and realized net income of \$58,603 for the nine months then ended. Working capital included cash and cash equivalents of \$2,450,957. 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. Specifically in Quebec, Canada, the area where the Corporation operates, most of the province was closed to mineral exploration until May 4, 2020, and the Nunavik region where the Qiqavik and West Raglan projects are situated remained closed until August 17, 2020.

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars Except As Otherwise Indicated)

2. Basis of Presentation and Accounting Policies

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, 2020.

The unaudited condensed interim consolidated interim financial statements were authorized for publication by the Board of Directors on November 26, 2021.

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, 2020.

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. Cash and cash equivalents

Components of cash and cash equivalents are as follows:

	As at September 30, 2021	As at December 31, 2020
Cash	\$ 53,625	\$ 63,454
Cash equivalents	2,112,391	4,533,069
Cash held for Wyloo Metals Pty Ltd (note 5)	284,941	-
	\$ 2,450,957	\$ 4,596,523

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended September 30, 2021
(Expressed in Canadian Dollars Except As Otherwise Indicated)

4. Property, Plant and Equipment

	Camp and Field Costs	Equipment Right of use	Total
Balance as at January 1, 2020	\$ 192,792	\$ 34,975	\$ 227,767
Depreciation expense capitalized to mineral property interests	(83,763)	(14,473)	(98,236)
Balance as at December 31, 2020	109,029	20,502	129,531
Additions	29,922	-	29,922
Depreciation expense capitalized to mineral property interests	(63,696)	(10,854)	(74,550)
Balance as at September 30, 2021	\$ 75,255	\$ 9,648	\$ 84,903
As at December 31, 2020			
Cost	\$ 1,001,366	\$ 72,363	\$ 1,073,729
Accumulated depreciation	(892,337)	(51,861)	(944,198)
Net book value	\$ 109,029	\$ 20,502	\$ 129,531
Balance as at September 30, 2021			
Cost	\$ 1,031,288	\$ 72,363	\$ 1,103,651
Accumulated depreciation	(956,033)	(62,715)	(1,018,748)
Net book value	\$ 75,255	\$ 9,648	\$ 84,903

5. 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:

	Qiqavik
Balance as at January 1, 2020	\$ 7,869,265
Environment, community and permitting	24,234
Exploration	322,330
Property acquisition and maintenance	161,362
Share-based payments	68,849
Depreciation	98,236
Impairment loss	-
Balance as at December 31, 2020	8,544,276
Environment, community and permitting	8,800
Exploration	3,103,375
Property acquisition and maintenance	149,789
Share-based payments	6,511
Depreciation	74,550
Balance as at September 30, 2021	\$11,887,301

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars Except As Otherwise Indicated)

5. Mineral Property Interest and Exploration and Evaluation Expenditure (continued)

On January 19, 2021, the Corporation reached a definitive agreement with Wyloo Metals Pty Ltd (Wyloo Metals) for a \$25 million earn-in and joint venture over Orford's 100% owned West Raglan property (the Property) in Nunavik, Quebec. The negotiated terms allow Wyloo Metals to earn up to 80% of the Property for total expenditures of \$25 million over 7 years, as follows:

- On or before the 4th anniversary Wyloo Metals may elect to incur aggregate expenditures of \$6 million to earn a 51% undivided interest in the Property and form a joint venture (JV). This includes minimum committed expenditures of \$1 million during the 1st year of the agreement;
- On or before the 5th anniversary Wyloo Metals may elect to incur aggregate expenditures of \$11 million to earn a 70% undivided interest in the JV;
- On or before the 6th anniversary Wyloo Metals may elect to incur aggregate expenditures of \$17 million to earn a 75% undivided interest in the JV;
- On or before the 7th anniversary Wyloo Metals may elect to incur aggregate expenditures of \$25 million make a \$1.5 million cash payment to Orford, and complete a feasibility study to earn an 80% undivided interest in the JV; and
- Upon completion of the earn-in period Orford may pro-rata contribute (20%) to maintain its interest in the JV or dilute down to a 2% net smelter return royalty (NSR).

In connection with this agreement, Orford will act as operator and Wyloo Metals has agreed to advance funds to Orford to incur approved expenditures on the Property. As at September 30, 2021, the Company held \$284,941 of cash (note 3) and recorded a liability to Wyloo Metals of \$132,097.

6. 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, 2021, 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, 2020 - \$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 December 31, 2020 and September 30, 2021	500,000
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Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements
Three and Nine Months Ended September 30, 2021
(Expressed in Canadian Dollars Except As Otherwise Indicated)

7. Share Capital

Authorized

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

Issued and outstanding

As at September 30, 2021, 128,027,202 common shares were issued and outstanding.

(i) On August 12, 2021, the Corporation closed a non-brokered private placement of: (i) 700,000 flow-through units at an issue price of \$0.27 per unit, and (ii) 8,654,246 hard dollar units at an issue price of \$0.20 per unit for aggregate gross proceeds of \$1,919,849. 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 Corporation for a period of three years at an exercise price of \$0.31.

Finders received compensation in respect of a portion of the financing consisting of an aggregate of \$72,000 in cash and 330,000 non-transferable finder's warrants. Each finder's warrant entitles the holder to purchase one common share of the Corporation for a period of two years at an exercise price of \$0.31. The warrants and finders' warrants had an aggregate value of \$48,840 using the residual method. The financing included a flow-through share premium liability of \$38,500.

8. Warrants

The following tables reflect the continuity of warrants for the nine months ended September 30, 2021 and 2020:

	Number of Warrants	Weighted average exercise price
Balance, December 31, 2019	13,924,214	\$ 0.51
Expired	(9,085,028)	0.68
Balance, September 30, 2020	4,839,186	\$ 0.20
Balance, December 31, 2020	16,239,070	\$ 0.24
Issued (note 7(i))	5,007,124	0.31
Exercised	(1,418,641)	0.20
Expired	(3,420,545)	0.20
Balance as at September 30, 2021	16,407,008	\$ 0.28

Warrants outstanding as at September 30, 2021 are as follows:

Exercise Price Range	Number of Warrants	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price
\$0.20 - \$0.29	11,399,884	1.98	\$ 0.26
\$0.30 - \$0.39	5,007,124	2.87	0.31
	16,407,008	2.25	\$ 0.28

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars Except As Otherwise Indicated)

9. 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, 2021 and 2020:

	Number of Options	Weighted average exercise price
Balance, December 31, 2019	6,024,359	\$ 0.29
Options granted	2,915,000	0.06
Options cancelled	(547,737)	0.24
Balance, September 30, 2020	8,391,622	\$ 0.21
Balance, December 31, 2020	8,249,956	\$ 0.21
Options granted	2,925,000	0.16
Options exercised	(479,999)	0.10
Options expired	(181,624)	0.47
Options cancelled	(738,333)	0.25
Balance, September 30, 2021	9,775,000	\$ 0.20

Stock options outstanding as at September 30, 2021 are as follows:

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 (\$)
\$0.01 - \$0.10	2,175,000	8.44	0.06	586,670	8.38	0.06
\$0.11 - \$0.20	5,175,000	8.64	0.17	3,141,665	8.03	0.17
\$0.31 - \$0.40	2,425,000	6.13	0.39	2,425,000	6.13	0.39
	9,775,000	7.97	0.20	6,153,335	7.32	0.25

During the nine months ended September 30, 2021, 2,925,000 stock options (nine months ended September 30, 2020 - 2,915,000 options) were granted to directors on April 27, 2021, May 27, 2021 and June 22, 2021 (nine months ended September 30, 2020 - granted on March 23, 2020 and September 8, 2020) at fair values of \$0.15, \$0.14 and \$0.20, respectively (nine months ended September 30, 2020 - \$0.04 and \$0.17, respectively). These were calculated using the Black-Scholes option pricing model, using the following assumptions:

Orford Mining Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended September 30, 2021

(Expressed in Canadian Dollars Except As Otherwise Indicated)

9. Stock options (continued)

	March 23, 2020	September 8, 2020	April 27, 2021	May 27, 2021	June 22, 2021
Number of options	2,665,000	250,000	2,625,000	100,000	200,000
Share price	\$ 0.05	\$ 0.19	\$ 0.155	\$ 0.14	\$ 0.20
Exercise price	\$ 0.05	\$ 0.19	\$ 0.155	\$ 0.14	\$ 0.20
Risk-free interest rate	0.69 %	0.57 %	1.56 %	1.49 %	1.40 %
Expected life years	5.50 years	5.50	10.00	10.00	10.00
Expected volatility	114 %	120 %	147 %	147 %	147 %
Expected dividends	nil	nil	nil	nil	nil

10. Exploration and evaluation

Nine Months Ended September 30, 2021	Joutel		Total
	West Raglan	Properties	
Environment, community and permitting	\$ 600	\$ 1,324	\$ 1,924
Exploration	5,553	330,213	335,766
Property acquisition and maintenance	-	1,019	1,019
	\$ 6,153	\$ 332,556	\$ 338,709

Three Months Ended September 30, 2021	Joutel		Total
	West Raglan	Properties	
Exploration	\$ -	\$ 31,263	\$ 31,263

11. Related party transactions

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, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Management salaries and benefits	\$ 150,039	\$ 83,077	\$ 393,539	\$ 195,577
Management services	3,135	-	9,405	-
Share-based payments - Management	20,386	19,659	85,186	34,958
Share-based payments - Directors	29,197	15,483	125,892	63,825
	\$ 202,757	\$ 118,219	\$ 614,022	\$ 294,360

An employment agreement between the executive team and the Corporation contains a termination without cause provision. Assuming that all members of the executive team had been terminated without cause on September 30, 2021, 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, 2021

(Expressed in Canadian Dollars Except As Otherwise Indicated)

11. Related party transactions (continued)

During the three and nine months ended September 30, 2021 and 2020, 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,	<u>Exploration and Evaluation Expenses</u>		<u>Management Services</u>	
	2021	2020	2021	2020
Karora	\$ -	\$ 16,400	\$ -	\$ -

Nine Months Ended September 30,	<u>Exploration and Evaluation Expenses</u>		<u>Management Services</u>	
	2021	2020	2021	2020
Karora	\$ -	\$ 108,480	\$ -	\$ 105,543

As at September 30, 2021, \$nil was payable to Karora (December 31, 2020 - \$69,095) and this amount was included in accounts payable and accrued liabilities.

As at September 30, 2021, Alamos Gold Inc. is the holder of 29,438,335 common shares representing a 23% of the Corporation's outstanding shares.

12. Segmented information

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