



**SILVER PREDATOR CORP.**

**(An Exploration Stage Enterprise)**

**Interim Condensed Consolidated Financial Statements**

**For the Three and Nine Months Ended September 30, 2020 and 2019**

## **Notice of Non-review of Interim Condensed Consolidated Financial Statements**

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The attached interim condensed consolidated financial statements as of and for the three and nine months ended September 30, 2020 and 2019 have been prepared by and are the responsibility of Silver Predator Corp.'s ("SPD") management and have been approved by the Audit Committee of SPD. SPD's independent auditor has not performed a review of these interim condensed consolidated financial statements.

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**Silver Predator Corp.**  
Interim Condensed Consolidated Statements of Financial Position

	September 30, 2020 (Unaudited)	December 31, 2019 (Audited)
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 12,111	\$ 268,010
Receivables, prepaid expenses, and deposits	<u>21,957</u>	<u>12,441</u>
	34,068	280,451
Reclamation bonds	84,257	82,040
Mineral properties (Note 3)	<u>1,587,293</u>	<u>1,483,155</u>
	<u>\$ 1,705,618</u>	<u>\$ 1,845,646</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liability (Note 4)	<u>\$ 238,220</u>	<u>\$ 291,524</u>
	238,220	291,524
<b>Shareholders' equity (Note 6)</b>		
Share capital	32,529,936	32,529,936
Reserves	2,808,641	2,808,641
Accumulated other comprehensive income	3,001,071	2,963,151
Deficit	<u>(36,872,250)</u>	<u>(36,747,606)</u>
	<u>1,467,398</u>	<u>1,554,122</u>
	<u>\$ 1,705,618</u>	<u>\$ 1,845,646</u>

The interim condensed consolidated financial statements were approved by the Audit Committee on October 29, 2020 and signed on their behalf by:

"Patricia M. Tilton"

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

**Silver Predator Corp.**Interim Condensed Consolidated Statements of Loss and Comprehensive Loss  
(Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2020	2019	2020	2019
<b>Expenses</b>				
Professional and consulting fees	\$ 20,460	\$ 31,321	\$ 106,529	\$ 99,875
General and administrative	11,040	17,744	38,976	49,903
Stock-based compensation (Note 6)	—	—	—	58,418
Net loss from operating activities	<u>(31,500)</u>	<u>(49,065)</u>	<u>(145,505)</u>	<u>(208,196)</u>
<b>Other income (expense)</b>				
Foreign exchange gain (loss)	(707)	1,551	(603)	(6,481)
Interest and other income	<u>1</u>	<u>98</u>	<u>57</u>	<u>291</u>
Total other income (expense)	<u>(706)</u>	<u>1,649</u>	<u>(546)</u>	<u>(6,190)</u>
<b>Loss before income tax</b>	<u>(32,206)</u>	<u>(47,416)</u>	<u>(146,051)</u>	<u>(214,386)</u>
Income tax recovery	<u>21,407</u>	<u>—</u>	<u>21,407</u>	<u>—</u>
<b>Net loss</b>	<u>\$ (10,799)</u>	<u>\$ (47,416)</u>	<u>\$ (124,644)</u>	<u>\$ (214,386)</u>
<b>Other comprehensive income (loss)</b>				
Change in fair value of equity investment at fair value through other comprehensive income ("FVOCI"), net of income tax	—	(4,960)	—	(9,290)
Item that may be reclassified subsequently to net income (loss):				
Change in cumulative translation adjustment	<u>(32,320)</u>	<u>16,814</u>	<u>37,920</u>	<u>(45,126)</u>
<b>Other comprehensive income (loss)</b>	<u>\$ (32,320)</u>	<u>\$ 11,854</u>	<u>\$ 37,920</u>	<u>\$ (54,416)</u>
<b>Total comprehensive loss</b>	<u>\$ (43,119)</u>	<u>\$ (35,562)</u>	<u>\$ (86,724)</u>	<u>\$ (268,802)</u>
<b>Basic and diluted loss per common share</b>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>
<b>Weighted average number of common shares outstanding (Note 6)</b>	<u>28,609,838</u>	<u>28,609,838</u>	<u>28,609,838</u>	<u>28,609,838</u>

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

**Silver Predator Corp.**  
Interim Condensed Consolidated Statements of Cash Flows  
(Unaudited)

	Nine Months Ended September 30	
	2020	2019
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (124,644)	\$ (214,386)
Items not affecting cash:		
Foreign exchange loss	2,520	4,759
Stock-based compensation	—	58,418
	<u>(122,124)</u>	<u>(151,209)</u>
Changes in non-cash working capital items:		
Increase in receivables, prepaid expenses, and deposits	(9,516)	(62,186)
Increase in amounts due to related parties	68,464	28,367
Decrease in accounts payable and accrued liability	(127,093)	(35,637)
	<u>(190,269)</u>	<u>(220,665)</u>
<b>INVESTING ACTIVITIES</b>		
Proceeds from sale of marketable securities	—	1,910
Exploration and evaluation costs capitalized (Note 3)	(65,025)	(29,910)
	<u>(65,025)</u>	<u>(28,000)</u>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<u>(605)</u>	<u>(5,363)</u>
<b>Change in cash</b>	(255,899)	(254,028)
<b>Cash, beginning of year</b>	<u>268,010</u>	<u>523,152</u>
<b>Cash, end of period</b>	<u>\$ 12,111</u>	<u>\$ 269,124</u>

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

**Silver Predator Corp.**Interim Condensed Consolidated Statements of Changes in Equity  
(Unaudited)

	<u>Share capital</u>		Reserves	Accumulated other comprehensive income	Deficit	Total
	Number	Amount				
<b>Balance, January 1, 2019</b>	<b>28,609,838</b>	<b>\$ 32,529,936</b>	<b>\$ 2,750,223</b>	<b>\$ 3,047,606</b>	<b>\$ (36,370,488)</b>	<b>\$ 1,957,277</b>
Stock-based compensation	—	—	58,418	—	—	58,418
Cumulative translation adjustment	—	—	—	(45,126)	—	(45,126)
Change in the fair value of equity investment at FVOCI, net of tax	—	—	—	(9,290)	—	(9,290)
Net loss for the period	—	—	—	—	(214,386)	(214,386)
<b>Balance, September 30, 2019</b>	<b>28,609,838</b>	<b>\$ 32,529,936</b>	<b>\$ 2,808,641</b>	<b>\$ 2,993,190</b>	<b>\$ (36,584,874)</b>	<b>\$ 1,746,893</b>
<b>Balance, January 1, 2020</b>	<b>28,609,838</b>	<b>\$ 32,529,936</b>	<b>\$ 2,808,641</b>	<b>\$ 2,963,151</b>	<b>\$ (36,747,606)</b>	<b>\$ 1,554,122</b>
Cumulative translation adjustment	—	—	—	37,920	—	37,920
Net loss for the period	—	—	—	—	(124,644)	(124,644)
<b>Balance, September 30, 2020</b>	<b>28,609,838</b>	<b>\$ 32,529,936</b>	<b>\$ 2,808,641</b>	<b>\$ 3,001,071</b>	<b>\$ (36,872,250)</b>	<b>\$ 1,467,398</b>

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

## Silver Predator Corp.

### Notes to the Interim Condensed Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019

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#### 1. NATURE OF OPERATIONS AND GOING CONCERN

SPD was incorporated under the laws of the Province of British Columbia on May 16, 2006. SPD owns the Copper King copper-silver project ("Copper King") in the Coeur d'Alene Silver District of northern Idaho, U.S., the Taylor silver-gold project ("Taylor") in Nevada, U.S., and other early stage exploration properties in the U.S. As of September 30, 2020, SPD is 64.11% owned by Till Capital Corp. ("Till Capital"). SPD's head office is located at 13403 N. Government Way, Suite 212, Hayden, ID 83835, U.S.

These unaudited interim condensed consolidated financial statements have been prepared assuming SPD will continue on a going-concern basis, which assumes that SPD will be able to continue in operation for at least the next twelve months and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. For the three and nine months ended September 30, 2020, SPD reported a net loss of \$10,799 and \$124,644, respectively, and cash used in operating activities of \$190,269. As of September 30, 2020, SPD had a negative working capital balance of \$204,152 and an accumulated deficit of \$36,872,250. SPD has no source of operating cash flows and as such SPD's ability to continue as a going concern is contingent on its ability to monetize assets or obtain additional financing.

The ability of SPD to monetize assets or obtain additional financing is materially uncertain, casting significant doubt upon SPD's ability to continue as a going concern. These consolidated financial statements do not reflect adjustments to the carrying values of assets and liabilities, the reported expenses, or the balance sheet classifications that would be necessary if SPD were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

#### 2. BASIS OF PRESENTATION AND MEASUREMENT

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and interpretations of the IFRS Interpretations Committee applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. These unaudited interim condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2019, which were prepared in accordance with IFRS.

These unaudited interim condensed consolidated financial statements have been prepared on an historical cost basis except for certain financial instruments and stock-based awards, which have been measured at fair value. SPD's presentation currency is Canadian dollars. Reference herein to \$ is to Canadian dollars. Reference herein to US\$ is to United States dollars.

These unaudited interim condensed consolidated financial statements were approved by the Audit Committee for issuance on October 29, 2020.

##### **Basis of consolidation**

These unaudited interim condensed consolidated financial statements include the accounts of SPD and its subsidiaries.

Subsidiaries are entities that SPD controls, either directly or indirectly. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Control over an investee exists when SPD has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. That control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a company's share capital. All intra-group balances and transactions, including unrealized profits and losses arising from intra-group transactions, have been eliminated.

Where necessary, adjustments are made to the results of the subsidiaries to bring their accounting policies in line with those used by SPD.

## Silver Predator Corp.

Notes to the Interim Condensed Consolidated Financial Statements  
For the three and nine months ended September 30, 2020 and 2019

SPD's significant subsidiaries are as follows:

Name of Subsidiary	Place of Incorporation	Proportion of Ownership Interest	Principal Activity
Silver Predator US Holding Corp.	Nevada, USA	100%	U.S. Holding Company
Nevada Royalty Corp.	Nevada, USA	100%	Mineral exploration

These unaudited interim condensed consolidated financial statements follow the same significant accounting policies set forth in Note 3 of the annual audited consolidated financial statements for the year ended December 31, 2019.

### 3. MINERAL PROPERTIES

The following table presents a list of SPD's mineral properties:

	Treasure Hill	Taylor	Cordero	Copper King	Cornucopia	Total
<b>Balance, December 31, 2018</b>	<b>\$ 202,241</b>	<b>\$ —</b>	<b>\$ 101,889</b>	<b>\$ 1,117,040</b>	<b>\$ 70,839</b>	<b>\$ 1,492,009</b>
Additions / Exploration costs (net)	—	34,171	12,226	11,043	6,589	64,029
Currency translation adjustment	(9,695)	(724)	(5,143)	(53,785)	(3,536)	(72,883)
<b>Balance, December 31, 2019</b>	<b>\$ 192,546</b>	<b>\$ 33,447</b>	<b>\$ 108,972</b>	<b>\$ 1,074,298</b>	<b>\$ 73,892</b>	<b>\$ 1,483,155</b>
Additions / Exploration costs (net)	—	34,647	12,479	11,171	6,727	65,024
Currency translation adjustment	5,203	388	2,759	28,867	1,897	39,114
<b>Balance, June 30, 2020</b>	<b>\$ 197,749</b>	<b>\$ 68,482</b>	<b>\$ 124,210</b>	<b>\$ 1,114,336</b>	<b>\$ 82,516</b>	<b>\$ 1,587,293</b>

#### Treasure Hill

The Treasure Hill property is located west of Ely in White Pine County, Nevada, U.S. and consists of certain patented and unpatented claims. Treasure Hill is subject to existing net smelter royalties ("NSR") of between 2% and 3% and a 1.5% net profits interest.

#### Taylor

The Taylor property is located in White Pine County, Nevada, U.S. That property hosts a silver mineral resource reported in accordance with Canadian National Instrument 43-101.

#### Copper King, Idaho

Copper King is located in the Silver Valley of Northern Idaho, U.S. and consists of certain unpatented mining claims that are subject to an existing 1% NSR to Golden Predator US Holding Corp., a wholly-owned subsidiary of Till Capital.

### 4. ACCOUNTS PAYABLE AND ACCRUED LIABILITY

Accounts payable and accrued liability comprise the following:

	September 30, 2020	December 31, 2019
Accounts payable	\$ 179,862	\$ 234,701
Accrued liability	58,358	56,823
	<b>\$ 238,220</b>	<b>\$ 291,524</b>

## **Silver Predator Corp.**

### Notes to the Interim Condensed Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019

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#### **5. RELATED PARTY TRANSACTIONS**

##### **Key management compensation**

During the three and nine months ended September 30, 2020, SPD incurred expenses of \$3,996 and \$12,187, respectively, (three and nine months ended September 30, 2019 - \$3,972 and \$11,963, respectively) to its Chief Executive Officer as compensation for services received. During the three and nine months ended September 30, 2020, SPD had stock-based compensation to directors and officers as compensation for services received of \$nil (three and nine months ended September 30, 2019 - \$nil and \$52,640, respectively).

##### **Other**

Amounts paid to related parties were incurred in the normal course of business. SPD is party to service agreements with a subsidiary of Till Capital whereby SPD receives accounting and corporate communications services on a cost-plus recovery basis. During the three and nine months ended September 30, 2020, SPD was charged \$19,982 and \$60,935, respectively, (three and nine months ended September 30, 2019 - \$19,979 and \$59,783, respectively) for those services. At September 30, 2020, the amount due to related parties totaled \$118,171 (December 31, 2019 - \$49,707) and is included in accounts payable.

#### **6. SHARE CAPITAL AND RESERVES**

##### **Authorized and issued share capital**

An unlimited number of common shares without par value are authorized. At September 30, 2020 and December 31, 2019, SPD had 28,609,838 shares issued and outstanding.

##### **Stock options**

SPD has a Stock Option Plan to provide a performance incentive to directors, officers, employees, and consultants. The maximum number of shares issuable under the Stock Option Plan may not exceed 10% of the shares outstanding. The exercise period of the options may not exceed five years from the date of grant. The vesting period and the exercise price of options granted is determined by SPD's Board of Directors, and the exercise price cannot be less than the market price of SPD's shares on the date of grant.

During the three and nine months ended September 30, 2020, SPD recognized stock-based compensation expense of \$nil (three and nine months ended September 30, 2019 - \$nil and \$58,418, respectively).

At September 30, 2020, SPD had 2,125,000 stock options outstanding with an exercise price of \$0.10 that expire May 15, 2022.

#### **7. SEGMENT INFORMATION**

SPD operates in a single segment, which is the exploration and development of resource properties.

#### **8. FINANCIAL INSTRUMENTS**

Financial instruments include any contract that gives rise to a financial asset to one party and a financial liability or equity instrument to another party. At September 30, 2020, SPD's carrying values of cash and cash equivalents, accounts receivable, and accounts payable approximate their fair values due to their short term to maturity.

#### **9. FINANCIAL AND CAPITAL RISKS MANAGEMENT**

There have been no changes to the financial and capital risks management since December 31, 2019. Details of financial and capital risks management can be found in Note 13 and Note 14 of the audited consolidated financial statements for the year ended December 31, 2019.