OROGEN
ROYALTIES INC.

(Formerly Evrim Resources Corp.)

Condensed Interim Consolidated Financial Statements

For the nine months ended
September 30, 2020 and 2019

NOTICE TO READER

NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by, and are the responsibility of, the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements.

Orogen Royalties Inc.
(Formerly Evrim Resources Corp.)

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OROGEN ROYALTIES INC.
(Formerly Evrim Resources Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note		***September 30, 2020***		December 31, 2019
Assets					
Current assets					
Cash and cash equivalents	*6,17*	**$**	**6,360,444**	$	3,546,972
Short term investments	*6,17*		**6,058,805**		6,058,805
Marketable securities	*7*		**72,911**		43,000
Amounts receivable	*8*		**400,769**		346,551
Prepaid expenses and deposits			**32,328**		9,124
			12,925,257		10,004,452
Non-current assets					
Prepaid rent deposit	*13a*		**18,359**		30,560
Equipment	*9*		**476,158**		237,841
Reclamation bond	*10*		**208,520**		173,334
		$	**13,628,294**	$	10,446,187
Liabilities and Shareholders' Equity					
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	*11,17*	**$**	**501,162**	$	189,908
Current lease liabilities	*9*		**162,370**		58,331
Joint venture partner deposits	*10,17*		**613,033**		91,358
			1,276,565		339,597
Non-current liabilities					
Long term operating liabilities	*9*		**192,442**		123,181
Provision for environmental rehabilitation	*12*		**5,306**		5,306
			1,474,313		468,084
Shareholders' Equity					
Issued capital	*14*		**70,974,955**		27,517,214
Contributed surplus			**3,418,701**		913,625
Accumulated deficit			**(62,239,675)**		(18,452,736)
			12,153,981		9,978,103
		$	**13,628,294**	$	10,446,187

Approved and authorized for issue by the Board on November 30, 2020.

Paul van Eeden
Director

David A. Caulfield
Director

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

OROGEN ROYALTIES INC.
(Formerly Evrim Resources Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
Nine Months Ended September 30,
(Expressed in Canadian Dollars)

			Three months ended Sept 30,				Nine months ended Sept 30,	
Mineral Property Operations	*Note*		**2020**		2019		**2020**	2019
Revenue								
Option proceeds		**$**	**102,053**	$	96,000	**$**	**102,053**	$ 363,403
Project management fees			**2,356**		72,591		**2,972**	177,739
			104,409		168,591		**105,025**	541,142
Expenses								
Acquisition expenditures			**57,975**		43,882		**64,383**	134,763
Exploration expenditures	*10*		**664,634**		1,157,903		**764,727**	3,158,981
Government grant on exploration			**-**		(34,540)		**(4,044)**	(58,540)
Exploration reimbursements			**75,013**		(903,557)		**68,851**	(2,281,848)
Mineral exploration tax credit			**-**		(16,449)		**-**	(16,449)
Write-off of mineral acquisition costs			**1,498,781**		-		**1,498,781**	-
Fair value adjustment	*4*		**40,160,964**		-		**40,160,964**	-
			42,457,367		247,239		**42,553,661**	936,907
Loss from mineral property operations			**(42,352,958)**		(78,648)		**(42,448,636)**	(395,765)
Other operations								
Interest and other revenue			**48,076**		86,842		**88,000**	161,166
Gain/(loss) on investments			**32,993**		(72,000)		**13,493**	(112,000)
			81,069		14,842		**101,493**	49,166
Expenses								
Accounting and legal			**118,271**		7,509		**136,091**	97,024
Depreciation			**61,161**		33,021		**86,773**	93,205
Foreign exchange (gain)/loss			**(54,066)**		113,624		**(5,764)**	57,859
General and administrative			**106,795**		57,543		**199,631**	139,946
Investor services			**56,810**		5,317		**72,623**	37,164
Management and professional fees			**85,580**		42,500		**128,080**	123,063
Marketing services			**40,317**		7,152		**61,654**	33,476
Salaries and support services			**627,650**		318,015		**943,504**	912,439
Share-based compensation	*14*		**114,284**		126,931		**152,840**	242,574
Travel			**3,558**		22,916		**19,523**	95,000
			1,160,360		734,528		**1,794,955**	1,831,750
Loss from other operations			**(1,079,291)**		(719,686)		**(1,693,462)**	(1,782,584)
Net loss and comprehensive loss for the period		**$**	**(43,432,249)**	$	(798,334)	**$**	**(44,142,098)**	$ (2,178,349)
Basic and diluted gain/(loss) per share		**$**	**(0.29)**	$	(0.01)	**$**	**(0.34)**	$ (0.03)
Weighted average number of common shares outstanding			**149,298,071**		84,572,498		**128,492,368**	84,754,317

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

OROGEN ROYALTIES INC.
(Formerly Evrim Resources Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
Nine Months Ended September 30,
(Expressed in Canadian Dollars)

	Note		2020		2019
Cash flows used in operating activities					
Net loss		**$**	**(44,142,098)**	$	(2,178,349)
Add (deduct) items not involving cash:					
(Gain)/loss on investments			**(13,493)**		112,000
Depreciation			**86,773**		93,205
Unrealized foreign exchange (gain)/ loss			**(228,887)**		27,311
Shares issued for mineral property interest			**-**		18,750
Shares received as options proceeds			**-**		(96,000)
Fair value adjustment	*4*		**40,160,964**		-
Write-off of mineral acquisition costs			**1,498,781**		-
Transaction costs paid by Renaissance Gold			**(472,954)**		-
Share-based compensation	*14*		**152,840**		242,574
			(2,958,074)		(1,780,509)
Net change in non-cash working capital balances related to operations:					
Amounts receivable			**(54,218)**		(126,419)
Prepaid expenses and deposits			**(11,003)**		(8,649)
Lease liabilities			**173,300**		(44,428)
Accounts payable and accrued liabilities			**311,254**		(146,259)
Joint venture partner deposits			**521,675**		(1,375,255)
Net cash flow used in operating activities			**(2,017,066)**		(3,481,519)
Cash flows provided by (used in) investing activities					
Purchase of short-term investments	*7*		**(23,455)**		(1,000,000)
Sale of marketable securities	*7*		**27,963**		-
Reclamation bond	*10*		**(35,186)**		(120,334)
Purchase of equipment	*9*		**(74,976)**		(57,834)
Net cash flow used in investing activities			**(105,654)**		(1,178,168)
Cash flows provided by (used in) financing activities					
Cash acquired from Renaissance Gold acquisition	*4*		**4,699,499**		-
Proceeds from exercise of warrants	*14*		**217,855**		-
Proceeds from exercise of stock options	*14*		**112,319**		58,750
Net cash flow provided by financing activities			**5,029,672**		58,750
Effects of foreign currency translation on cash and cash equivalents			**(93,480)**		(27,176)
Change in cash and cash equivalents			**2,813,472**		(4,628,113)
Cash and cash equivalents, beginning of year			**3,546,972**		7,087,898
Cash and cash equivalents, end of the period		**$**	**6,360,444**	$	2,459,785
Cash and cash equivalents are comprised of:					
Cash		**$**	**2,957,411**	$	736,709
Cash restricted for exploration			**613,033**		223,076
Short-term money market instruments			**2,790,000**		1,500,000
		$	**6,360,444**	$	2,459,785
Supplemental cash flow information:					
Interest received		**$**	**103,568**	$	134,996

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

OROGEN ROYALTIES INC.
(Formerly Evrim Resources Corp.)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
Nine Months Ended September 30, 2020
(Expressed in Canadian Dollars)

		Issued capital				
	Note	**Shares**	**Amount**	**Contributed surplus**	**Accumulated deficit**	**Shareholders' equity**
Balance, December 31, 2018		84,469,317	$ 27,179,476	$ 885,824	$ (15,325,254)	$ 12,740,046
Impact of IFRS 16 adoption		-	-	-	13,998	13,998
Mineral property acquisition		50,000	18,750	-	-	18,750
Exercise of stock options		235,000	91,547	(32,797)	-	58,750
Share-based compensation		-	-	242,574	-	242,574
Loss and comprehensive loss		-	-	-	(2,178,349)	(2,178,349)
Balance, September 30, 2019		84,754,317	$ 27,289,773	$ 1,095,601	$ (17,489,605)	$ 10,895,769
Balance, December 31, 2019		85,295,817	$ 27,517,214	$ 913,625	$ (18,452,736)	$ 9,978,103
Shares issued under Plan of Arrangement	*4*	86,808,513	42,874,725	2,960,238	-	45,834,963
Share-based compensation		-	-	152,480	-	152,480
Stock options exercised	*14*	997,476	400,324	(182,469)		217,855
Warrants exercised	*14*	291,283	182,692	(70,374)	-	112,319
Reallocation of share-based compensation of expired options	*14*	-	-	(121,023)	121,023	-
Reallocation of share-based compensation of expired warrants	*14*	-	-	(234,136)	234,136	-
Loss and comprehensive loss		-	-	-	(44,142,098)	(44,142,098)
Balance, September 30, 2020		**173,393,089**	**$ 70,974,955**	**$ 3,418,701**	**$ (62,239,675)**	**$ 12,153,981**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Orogen Royalties Inc. (the “Company” or “Orogen”), formerly Evrim Resources Corp., is a minerals royalty company with a portfolio of royalties and exploration projects in Mexico, United States, Canada, and Argentina. Its business plan involves acquiring exploration projects and advancing them through joint venture agreements with industry partners to create royalties.

The Company was incorporated on May 11, 2005, as a capital pool company for the purposes of the policies of the TSX Venture Exchange (the “Exchange”) and is a reporting issuer in British Columbia, Alberta, Saskatchewan and Ontario. The shares of the Company commenced trading on the Exchange under the symbol EVM on January 25, 2011. On August 18th, 2020, the Company acquired Renaissance Gold Inc. (“Renaissance”) through a Plan of Arrangement under the Business Corporation Act (British Columbia) (the “Arrangement”) and was renamed Orogen Royalties Inc. The Company commenced trading on the Exchange under the symbol OGN on August 20, 2020.

The head office, principal registered, and records office of the Company are located at 1201 - 510 West Hastings Street, Vancouver, British Columbia, Canada, V6B 1L8.

These condensed interim consolidated financial statements have been prepared on the basis that the Company is a going concern, which assumes that the Company will be able to continue in operations and contemplates the realization of its assets and the settlement of its liabilities in the normal course of operations. However, the Company has no significant source of recurring revenue, has experienced recurring losses over the past several fiscal years (2019 - $3,232,856; 2018 - $1,983,127) and has an accumulated deficit as at September 30, 2020 of $62,239,675 (December 31, 2019 - $18,452,736).

The Company’s ability to continue as a going concern is dependent on its ability to obtain additional debt or equity financing to successfully advance its business plan. These condensed interim consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting.* They do not include all of the information required for annual financial statements.

Except for cash flow information and financial instruments measured at fair value, these financial statements were prepared on a historical cost basis using the accrual basis of accounting.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently by the Company and its subsidiaries to all periods presented and during the most recent fiscal year. Please refer to the annual audited financial statements for the years ended December 31, 2019 and 2018 for a complete summary of significant accounting policies.

(a) Basis of consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its subsidiaries (Evrim Exploration Canada Corp. ("EEC"), 1124798 B.C. Ltd., 1174610 B.C. Ltd., Evrim Resources (Barbados) Ltd., Minera Evrim, S.A. de C.V. ("Minera"), Servicios Mineros Orotac, S.A. de C.V. ("SMO"), Opata Resources, S.A. de C.V. ("Opata") and Evrim Resources USA Inc. ("Evrim US")). As a result of the Arrangement on August 18, 2020, the Company acquired Renaissance and its subsidiaries including Renaissance Exploration Inc., and Kinetic Gold Corp. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commenced until the date that control ceases. Control is based on whether an investor has power over the investee and the ability to use its power over the investee to affect the value of returns. All significant intercompany transactions and balances have been eliminated.

(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (continued)

	Place of incorporation	Proportion of ownership interest June 30, 2020	Proportion of ownership interest December 31, 2019	Principal activity
Evrim Exploration Canada Corp.	British Columbia	100%	100%	Mineral exploration
1124798 B.C. Ltd.	British Columbia	100%	100%	Mineral exploration
1174610 B.C. Ltd.	British Columbia	100%	100%	Holding company
Evrim Resources (Barbados) Ltd.	Barbados	100%	100%	Holding company
Minera Evrim, S.A. de C.V.	Sonora, Mexico	100%	100%	Mineral exploration
Servicios Mineros Orotac, S.A. de C.V.	Sonora, Mexico	100%	100%	Service company
Opata Resources, S.A. de C.V.	Sonora, Mexico	100%	100%	Mineral exploration
Evrim Resources USA Inc.	Nevada, USA	100%	100%	Mineral exploration
Renaissance Gold Inc.	British Columbia	100%	n/a	Mineral exploration
Renaissance Exploration Inc.	Nevada, USA	100%	n/a	Mineral exploration
Kinetic Gold Corp.	British Columbia	100%	n/a	Holding company

(b) Use of estimates

The preparation of condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and further periods if the revision affects both current and future periods.

4. PLAN OF ARRANGEMENT

On June 9, 2020, the Company entered into a friendly merger of equals transaction (the “Transaction”) with Renaissance, a company listed on the TSX Venture exchange under the symbol REN. The Transaction was completed through a Plan of Arrangement on August 18, 2020, whereby the Company acquired Renaissance. Renaissance shareholders exchanged all issued and outstanding common shares, options and warrants at a ratio of one (1) common share, option, or warrant for 1.2448 (the “Exchange Ratio”) common shares, options or warrants of the Company. As a result, the Company issued 86,808,513 common shares with a total fair value of $42,874,725 or $0.49 per share. In addition, the Company issued 6,486,155 replacement stock options and 23,302,509 replacement warrants.

(Expressed in Canadian Dollars)

4. PLAN OF ARRANGEMENT (CONTINUED)

The total consideration for acquiring a 100% interest in Renaissance was $45,834,963. The Company applied the principles of IFRS 6 in accounting for the acquisition. The identifiable assets and liabilities of Renaissance as of August 18, 2020 were as follows:

Assets Acquired	
Cash and cash equivalents	$ 5,189,026
Exploration and evaluation assets	1,498,781
Marketable securities	23,455
Amounts receivable	30,816
Prepaid expenses and deposits	25,285
Equipment	40,658
Reclamation bond	28,322
Right-of-use assets	205,078
Liabilities assumed	
Accounts payable and accrued liabilities	(244,182)
Current operating lease liabilities	(102,721)
Joint venture partner deposits	(80,104)
Long term operating lease liabilities	(105,585)
	$ 6,508,829
Consideration	
Orogen shares (86,808,513)	$ 42,874,725
Orogen options (6,486,155)	471,606
Orogen warrants (23,283,420)	2,486,589
Orogen finders' warrants (18,672)	2,043
Total equity consideration	45,834,963
Transaction cost	834,830
Total cost of acquisition	**$46,669,793**
Fair value adjustment	**$ 40,160,964**

For the period that ended on September 30, 2020 the Company recorded a fair value adjustment of $40,160,964 in recognition of the Arrangement.

5. CAPITAL MANAGEMENT

The capital structure of the Company consists of equity attributable to common shareholders comprising issued capital, contributed surplus and accumulated deficit. The Company manages its capital structure in response to changes in the risk characteristics of its underlying assets and/or changes in economic conditions. The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern and enable it to provide shareholder returns and benefits for all stakeholders in the development of its mineral property interests. These objectives remain unchanged from previous years.

To adjust its capital structure the Company may issue new equity or debt instruments. The Company is not subject to externally imposed capital requirements.

6. CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

Cash and cash equivalents include $3,570,444 (December 31, 2019 - $796,972) in the operating bank accounts and $2,790,000 (December 31, 2019 - $2,750,000) of guaranteed investment certificates ("GICs") cashable at any time. As of September 30, 2020, $613,033 cash and cash equivalents were restricted for exploration expenditures (December 31, 2019 - $91,358).

Short-term investments include $6,058,805 (December 31, 2019 - $6,058,805) of GICs.

All GICs are placed with major banks, with maturities ranging from six to twelve months earning interest from 0.95% to 2.05%.

7. MARKETABLE SECURITIES

The Company received 1,000,000 common shares of Harvest Gold Corporation ("Harvest") upon signing of the Cerro Cascaron option agreement in June 2017 (Note 9). During 2019, the shares were consolidated on 10:1 basis resulting in the Company owning 100,000 common shares.

The Company received 1,000,000 common shares of Golden Ridge Resources Ltd. ("Golden Ridge") upon signing of the Ball Creek option agreement. The Company retained 600,000 shares after transferring 400,000 common shares to Ascent Industries Corp., now LUFF Enterprises Ltd. ("LUFF"). During the period that ended on September 30, 2020 the shares were consolidated on a 5:1 basis resulting in the Company owning 120,000 common shares. The shares were sold during that period. The Company also received an additional 149,573 shares with a fair market value of $35,000 representing 70% of the 1st year's option payment. The balance was issued directly to LUFF by Golden Ridge (Note 9).

The Company received 67,014 common shares of Magna Terra Minerals in connection with the Arrangement on August 18, 2020.

(Expressed in Canadian Dollars)

7. MARKETABLE SECURITIES (CONTINUED)

Fair market value as of December 31, 2018	$ 55,000
Shares received from Golden Ridge	96,000
Fair value adjustment	(108,000)
Fair market value as of December 31, 2019	$ 43,000
Shares acquired through the Arrangement	23,455
Shares received	35,000
Shares sold	(24,000)
Fair value adjustment	(4,544)
Fair market value as of September 30, 2020	**$ 72,911**

8. AMOUNTS RECEIVABLE

Amounts receivable is comprised of the following:

	September 30, 2020	December 31, 2019
Trade receivables	**$ 75,828**	$ -
Other receivables	**34,334**	43,395
Current tax receivable	**290,607**	303,156
	$ 400,769	$ 346,551

All receivables are current (less than 30 days) except for the current tax receivable of which $207,000 is from 120 to 210 days. No allowance for doubtful accounts or impairment has been recognized for these amounts as all amounts are considered recoverable.

(Expressed in Canadian Dollars)

9. EQUIPMENT

	Computer equipment and software	Field equipment	Leasehold improvements	Mobile equipment	Office equipment and furniture	Right of use assets	Total
Cost							
Balance as at December 31, 2018	$ 256,851	$ 25,673	$ 16,995	$ 29,668	$ 31,618	$ -	$ 360,805
Acquisitions	64,771	644	-	-	357	254,747	320,519
Balance as at December 31, 2019	$ 321,622	$ 26,317	$ 16,995	$ 29,668	$ 31,975	$ 254,747	$ 681,324
Acquisitions	49,909	10,285	-	25,847	27,325	211,725	325,091
Balance as at September 30, 2020	**$ 371,531**	**$ 36,602**	**$ 16,995**	**$ 55,515**	**$ 59,300**	**$ 466,472**	**$ 1,006,415**
Accumulated depreciation							
Balance as at December 31, 2018	$ (173,613)	$ (21,415)	$ (15,694)	$ (29,668)	$ (24,189)	$ -	$ (264,579)
Depreciation	(106,720)	(2,534)	(1,301)	-	(1,505)	(66,844)	(178,904)
Balance as at December 31, 2019	$ (280,333)	$ (23,949)	$ (16,995)	$ (29,668)	$ (25,694)	$ (66,844)	$ (443,483)
Depreciation	(25,676)	(354)	-	(680)	(5,014)	(55,050)	(86,774)
Balance as at September 30, 2020	**$ (306,009)**	**$ (24,303)**	**$ (16,995)**	**$ (30,348)**	**$ (30,708)**	**$ (121,894)**	**$ (530,257)**
Carrying amounts							
December 31, 2018	$ 83,238	$ 4,258	$ 1,301	$ -	$ 7,429	$ -	$ 96,226
December 31, 2019	$ 41,289	$ 2,368	$ -	$ -	$ 6,281	$ 187,903	$ 237,841
September 30, 2020	**$ 65,522**	**$ 12,299**	**$ -**	**$ 25,167**	**$ 28,592**	**$ 344,578**	**$ 476,158**

The method of depreciation is described in Note 3(k) of the audited annual consolidated financial statements for the years ended December 31, 2019 and 2018.

(Expressed in Canadian Dollars)

9. EQUIPMENT (CONTINUED)

Right-of-use assets and lease liabilities

The Company has lease agreements which qualifies for reporting under IFRS 16.

The continuity of the right-of-use ("ROU") assets and lease liabilities for the period ended September 30, 2020, is as follows:

Right-of-use assets		
Value of ROU assets as of December 31, 2019	$	187,903
Addition		211,725
Depreciation		(55,050)
Value of ROU assets as of September 30, 2020	**$**	**344,578**

Lease liabilities		
Lease liabilities recognized as of December 31, 2019	$	181,512
Addition		-
From the Arrangement		210,979
Lease payments		(35,969)
Lease interest		(1,710)
Lease liabilities recognized as of September 30, 2020		**$354,812**
Current portion	$	162,370
Long-term portion		192,442
	$	**354,812**

10. MINERAL PROPERTY INTERESTS

Exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable operations. Many of the Company's mineral property interests are located outside of Canada and are subject to the risks associated with foreign investment, including increases in taxes and royalties, renegotiations of contracts, currency exchange fluctuations and political uncertainty. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements. These risks are not unique to foreign jurisdictions and apply equally to the Company's property interests in Canada.

Mexico

Ermitaño

In September 2018 the Company transferred its interest in the property to First Majestic Silver Corp. ("First Majestic") for US$1.0 million, subject to a 2.0% net smelter return ("NSR") royalty. Ermitaño is located northeast of Hermosillo.

10. MINERAL PROPERTY INTERESTS (CONTINUED)

<u>Mexico</u> (Continued)

Cumobabi

In September 2018, the Company transferred its interest in the property to First Majestic for US$500,000, subject to a 1.5% NSR royalty. Cumobabi is located northeast of Hermosillo.

Pursuant to the Cumobabi acquisition agreement (as amended) with Centerra Gold Inc. ("Centerra"), the Company issued 25,000 common shares (fair value - $32,250) and 50,000 common shares (fair value - $18,750) on September 17, 2018 and 2019, respectively. In the event of commercial production (in which case it is acknowledged that the Company will receive an NSR royalty in accordance with the terms of the First Majestic option agreement), the Company will pay to Centerra one-third of all royalty amounts received beginning on the date that is two years following the date on which commercial production commenced (as defined in the terms of the agreement governing the NSR royalty).

Cerro Cascaron

In January 2016, the Company acquired the Cerro Cascaron project in Chihuahua, Mexico. The project covers a historic, colonial-era mining district that contains numerous gold and gold-silver prospects. The core claims contain a large portion of the Serpiente Dorada zone, which was staked by the Company in late 2015. Three surrounding claims were acquired under two separate agreements with a third party that were consolidated in July 2016. Under the terms of the consolidated agreement the Company will make staged cash payments equal to $280,000 over a five-year period to acquire a 100% interest in the claims. The agreement is subject to a 2.0% NSR royalty of which 1.0% can be repurchased for US$2.5 million.

Harvest Gold Corporation ("Harvest") option agreement

In June 2017 the Company entered into an agreement whereby Harvest can earn up to an 80% interest in the Cerro Cascaron property by incurring $16.0 million in exploration expenditures, paying $2.1 million in cash, issuing 2,000,000 common shares (one million shares were received in 2017) and funding a National Instrument 43-101 ("NI 43-101") compliant feasibility study over a nine-year period.

In April 2018 the completion date to fulfill the first year's obligation was extended to December 31, 2018 for a fee of $30,000. During the year that ended on December 31, 2019, the agreement was further amended to extend the first years' obligation and allow both parties to renegotiate the terms of the agreement. Harvest maintained the property during this period.

The agreement was terminated in March 2020.

10. MINERAL PROPERTY INTERESTS (CONTINUED)

***Mexico* (Continued)**

Sarape

In August 2017 the Company announced the acquisition of the Sarape gold-silver project in central Sonora, Mexico. Sarape was identified by reconnaissance exploration completed in early 2017. The project is 100% owned by the Company with no underlying royalties and is located near excellent infrastructure with roads and power crossing the 5,776-hectare property.

In August 2020 the Company optioned the Sarape project to Hochschild Mining PLC ("Hochschild"). Hochschild can earn a 100% interest in the project by making staged cash payments of US$5.35 million and incurring exploration expenditures of US$5.0 million over a five-year period. Upon earn in, Orogen will retain a 3.0% NSR royalty of which 1.0% can be repurchased for US$2.0 million. The Company received US$50,000 when the agreement was signed.

La Lola

In March 2019 the Company entered into an agreement with a group of third parties to purchase 100% of the La Lola property by making a total payment of US$100,000 in four equal instalments over three years. As at September 30, 2020, the Company has paid US$50,000.

On July 24, 2020, the Company sold the project to a private Mexican exploration company for a 2.0% NSR royalty, of which half may be repurchased for US$1.75 million.

Suanse

In November 2019, the Company entered into an agreement with San Marco Resources Inc. to acquire a 100% interest in the Suanse project, subject to a 1.0% NSR royalty of which half can be repurchased for $1.0 million.

To earn a 100% interest, the Company is required to make a total cash payment of $75,000 and complete 1,000 metres of drilling. As at September 30, 2020, the Company has paid $25,000.

Altius Minerals Corp. ("Altius") Alliance

Effective December 18, 2012, the Company signed an agreement with Altius for a four-year, $1.5 million, regional exploration alliance. Projects acquired during the term of the alliance were 100% owned by the Company and subject to a 1.5% NSR royalty in the case of precious metals and a 1.0% NSR royalty in the case of base metals, to Altius. Altius has the right of first offer on the sale of any alliance-project royalties owned by the Company.

10. MINERAL PROPERTY INTERESTS (CONTINUED)

United States

In connection with the Transaction, the Company acquired five royalty prospects and 12 defined exploration projects, of which four are subject to joint ventures.

Silicon

The Silicon project is located in the Bare Mountain mining district, Nye County, Nevada and was under option to AngloGold Ashanti NA ("AngloGold"). Pursuant to the agreement AngloGold has the option to acquire the project for payments aggregating US$3.0 million. In June 2020 the Company received the final payment of US$2.4 million from AngloGold to complete the sale of the project. The Company retains a 1.0% NSR royalty on future production from the project. AngloGold is the operator of the project.

Jupiter

The Jupiter project is located in Nye County, Nevada. The Company holds its interest in the project subject to a 1% NSR royalty to Altius. In November 2017, the Company entered into an earn-in agreement with Ramelius Resources Ltd. ("Ramelius"), whereby Ramelius can earn a 75% interest in the project by making a cash payment of US$25,000 upon signing the agreement (received), and funding a total of US$3.0 million in exploration expenditures over a five-year period.

If a production decision is made in respect of the project, the Company must either contribute to ongoing joint venture expenditures in proportion to its ownership interest, dilute to a royalty interest, or allow Ramelius to provide project financing for the Company, whereby Ramelius may increase its project interest to 80%.

Maggie Creek

The Maggie Creek project is located in Eureka County, Nevada. On August 20, 2015 the Company acquired the Maggie Creek project from Wolfpack Gold (Nevada) Corporation ("Wolfpack") in exchange for a 1.0% NSR royalty that can be bought down for US$1.5 million, or fractions thereof at the pro-rata cost, at any time during the term of the agreement. In addition, a 2.0% NSR royalty is payable to EMX Royalty Corp. pursuant to a pre-existing deed of royalties.

In February 2019, the Company entered into an earn-in agreement with Orevada Metals Inc.("Orevada") whereby Orevada can earn a 70% interest in the project. To earn a 50% interest in the project, Orevada is required to pay US$15,000 for BLM fees when the agreement was signed (received), incur US$4.5 million in exploration expenditures by the seventh anniversary of the agreement and pay US$250,000 upon completion of exploration expenditure requirements. Orevada can earn an additional 20% interest in the project by producing a feasibility study.

10. MINERAL PROPERTY INTERESTS (CONTINUED)

***United States* (Continued)**

Spring Peak

The Spring Peak project is located in Mineral County, Nevada. On January 20, 2012, as amended on September 5, 2013 and April 12, 2016, the Company entered into mineral lease and option to purchase agreements with Gregory J. Kuzma and Heidi A. Kuzma (the "Kuzma lease"). The Company has the option to purchase the Spring Peak project for US$500,000 within one year following the completion of a technical report that documents a minimum 500,000-ounce gold equivalent inferred resource. The Kuzma lease is subject to a 2.5% NSR royalty, of which 1.5% may be repurchased for US$1.5 million.

As of September 30, 2020 the Company has paid US$65,000 and is required to make the following additional cash payments:

(a) US$40,000 on the second anniversary of the drill permit;
(b) US$50,000 on the third through eleventh anniversaries of the drill permit; and
(c) US$60,000 on each subsequent anniversary until termination.

The drill permit was received on December 13, 2019.

In January 2019, the Company entered into an earn-in agreement with OceanaGold (US) Inc. ("OceanaGold") whereby OceanaGold can earn a 51% interest in the project by making total cash payments of US$215,000 and incur total exploration expenditures of US$4.0 million by the fifth anniversary of the agreement. Exploration expenditures are subject to a minimum annual commitment including US$150,000 for the first year followed by US$100,000 per year for the remaining four years. Once the 51% interest has been earned, Oceana may elect to exercise an option to earn an additional 24% interest by incurring US$6.0 million in exploration and development expenditures over a four year period with the a minimum annual expenditure of US$500,000 by each anniversary of the option excise date.

10. MINERAL PROPERTY INTERESTS (CONTINUED)

United States ***(Continued)***

Baby Doe

The Company holds a 100% interest in the Baby Doe project, located in Esmeralda County, Nevada. In October 2020, the Company entered into an earn-in agreement with Au-Reka Gold Corporation, a subsidiary of Premier Gold Mines U.S.A. ("Premier") whereby Premier can earn up to a 100% of interest in the project as follows:

(a) An initial 55% interest can be earned by making US$200,000 in cash payments and completing US$5.0 million of exploration expenditures over a four-year period;
(b) the remaining 45% interest can be earned by making a US$300,000 payment and incurring US$5.0 million in exploration expenditures; and
(c) a payment of US$500,000 upon completion of the earn in.

Premier will also assume all obligations on the adjoining Mustang claims, including cash payments of US$200,000 and a 2.0% NSR royalty to an underlying vendor.

Premier has to make a further payment of US$1.0 million upon making a commercial production decision and an additional cash payment equal to US$7.50 per gold-equivalent ounce in resources and reserves, up to a maximum US$10.0 million, within 90 days of such decision.

Orogen will retain a 3.0% NSR royalty on the Baby Doe claims and a 1.0% NSR royalty on the Mustang claims. Half of the NSR royalties on all of the claims can be repurchased by Premier for US$3.0 million.

Canada

Ball Creek

In June 2015, the Company entered into an agreement to acquire a 100% interest in the Ball Creek property from LUFF Enterprises Ltd. (formerly Ascent Industries Corp. and Paget Minerals Corp.), subject to a 2.0% NSR royalty with an option to repurchase 1.0% of the NSR royalty for $1.0 million.

To earn a 100% interest, the Company is required to make the following payments:

(a) $150,000 upon closing of the agreement (paid); and

(b) if the Company enters into an option agreement whereby the Company would receive payments related to the property at any time within the four years following the date of the agreement, the Company will be required to pay additional consideration of 40% of payments received during the first year, 30% of payments received during the second year, 20% of payments received during the third year and 10% of payments received during the fourth year.

10. MINERAL PROPERTY INTERESTS (CONTINUED)

Canada ***(continued)***

Ball Creek (continued)

(c) Milestone share payments (or the cash equivalent at the Company's election) of:

(i) 100,000 common shares upon entering into a future option agreement (issued);
(ii) 250,000 common shares upon completion of 10,000 metres of drilling;
(iii) 400,000 common shares upon the announcement of a measured or indicated mineral resource estimate (NI 43-101 compliant) of at least 500 million tonnes at a grade of at least 0.50% copper equivalent; and
(iv) 500,000 common shares upon completion of an NI 43-101 compliant feasibility study.

The property is located in northwest British Columbia. Both the Company and LUFF are each entitled to 50% of the existing bond in place, with the Company's share being $20,000 (December 31, 2019 - $20,000).

In July 2019 the Company entered into an agreement with Golden Ridge Resources Ltd. ("Golden Ridge") whereby Golden Ridge can earn an 80% interest in the Ball Creek project by issuing 1,000,000 Golden Ridge shares, making cash or cash equivalent share payments of up to $300,000, additional cash payments of up to $4.25 million, making a production decision supported by an NI 43-101 compliant feasibility study on the Ball Creek property and providing evidence of project financing that is mutually acceptable to both parties in accordance with the feasibility study. The Company retains the right to purchase 1.0% of a pre-existing 2.0% NSR royalty for $1.0 million.

A portion of the first four years' share and cash payments will be subject to the purchase agreement with LUFF. The Company received 1,000,000 Golden Ridge shares of which 400,000 were transferred to LUFF per said agreement.

Axe

In December 2016 the Company entered into an agreement to acquire a 100% interest in the Axe property from Liberty Leaf Holdings Ltd. and Bearclaw Capital Corp., subject to a 1.0% NSR royalty covering 21 claims with an option to repurchase the NSR royalty for $1.5 million, and a 2.0% NSR royalty on four separate claims with an option to repurchase half the NSR royalty for $1.0 million and the remainder for $2.0 million.

10. MINERAL PROPERTY INTERESTS (CONTINUED)

***Canada* (continued)**

Axe (continued)

To earn a 100% interest, the Company is required to make the following payments:

(a) $30,000 upon closing of the agreement (paid); and

(b) if the Company enters into an option agreement whereby the Company would receive payments related to the property at any time within the four years following the date of the agreement, the Company will be required to pay additional consideration of 40% of payments received during the first year, 30% of payments received during the second year, 20% of payments received during the third year and 10% of payments received during the fourth year.

(c) Milestone share payments (or the cash equivalent at the Company's election) of:

   (i) 75,000 common shares upon entering into a future option agreement (issued);
   (ii) 75,000 common shares upon entering into a future agreement to drill 5,000 metres;
   (iii) 200,000 common shares upon announcement of a measured or indicated mineral resource estimate (NI 43-101 compliant) of at least 500 million tonnes at a grade of at least 0.40% copper equivalent; and
   (iv) 250,000 common shares upon completion of an NI 43-101 compliant feasibility study.

The property is located in south-central British Columbia. As at September 30, 2020 the Company has placed a reclamation bond in the amount of $30,000 (December 31, 2019 - $30,000).

Lemon Lake

In October 2018 the Company entered into an agreement to acquire a 100% interest in the Lemon Lake property from Metalogic Exploration Inc.

To earn a 100% interest, the Company is required to make the following cash payments:

(a) $15,000 upon closing of the agreement (paid);

10. MINERAL PROPERTY INTERESTS (CONTINUED)

***Canada* (continued)**

Lemon Lake (continued)

(b) milestone share payments (or the cash equivalent at the Company's election) of:

- (i) $25,000 upon entering into a future option agreement;
- (ii) $25,000 upon entering into an agreement to drill 10,000 metres;
- (iii) $150,000 upon announcement of a measured, indicated or inferred mineral resource estimate (NI 43-101 compliant); and
- (iv) $500,000 upon a commercial production decision.

The property is located in south-central British Columbia. As at September 30, 2020 the Company has placed a reclamation bond of $75,000 (December 31, 2019 - $75,000) for the property.

TREK 31

In February 2020 the Company announced its ownership of the TREK 31 property in the Nechako Plateau of British Columbia. The property was identified by the Company using data from Geoscience BC's TREK initiative and was staked in 2018.

As at September 30, 2020 the Company has placed a reclamation bond of $3,000 (December 31, 2019 - $Nil) for the property.

In October 2020, the Company announced an agreement with Pacific Imperial Mines Inc. ("Pacific Imperial") whereby Pacific Imperial can earn up to a 100% interest in the project by making cash payments totaling $1.3 million and incurring $3.0 million in exploration expenditures over a five-year period. Orogen will retain a 3.0% NSR royalty on the TREK 31 claims of which 1.0% can be repurchased for $3.0 million.

Newmont Alliance

In July 2017 the Company signed a two-year exploration alliance with Newmont Mining Corporation ("Newmont"). The alliance focused on generating greenfield exploration opportunities in terranes favorable for world-class gold orebodies. The Company and Newmont co-funded the US$1.84 million exploration program through with respective 30:70 contributions.

10. MINERAL PROPERTY INTERESTS (CONTINUED)

***Canada* (continued)**

Newmont Alliance (continued)

At the end of the two-year alliance period, Newmont had the right to designate one or more projects for option by making certain cash payments to the Company and funding exploration on the project(s) for up to ten years, or until such time as it has defined an NI 43-101 compliant pre-feasibility study on a minimum two-million-ounce gold resource. Newmont would then have increased its ownership in the designated project to 80%.

Astro

In March 2019, the Company announced the designation of the Astro project for option from the Newmont alliance. The 250-square-kilometre Astro project is located six kilometres north of the Mile 222 airstrip and 195 kilometres northeast of Ross River along the Canol Road in the Northwest Territories, providing seasonal road access to the southern boundary of the property. The Company received an option payment of US$200,000 when the agreement was executed in April 2019. During the year that ended on December 31, 2019 the Company received $1,607,760 for the 2019 exploration program.

As at September 30 2020, the Company has placed a reclamation bond of $40,834 (December 31, 2019 - $40,834) for the property. The option and the alliance agreements were terminated in April 2020. Newmont retained a 2.0% NSR royalty on all minerals produced from the project subject to a 0.5% royalty buydown for US$2.0 million.

Yamana Alliance

In October 2018 the Company signed a three-year exploration alliance with a subsidiary of Yamana Gold Inc. (“Yamana”). The alliance allows the Company royalty free access to Yamana’s dataset in the western United States for gold and base metal project generation.

During the alliance period, the Company will compile a fully digital and comprehensive dataset to generate new targets and ideas within the designated area. Should the Company acquire a project within the designated area, Yamana will have the exclusive right for 60 days to enter into an option agreement to earn a 75% interest on terms as follows:

- (i) Within the first two years, Yamana will fund (at least) US$1.0 million for initial exploration expenditures, including any acquisition or land staking costs;
- (ii) Yamana will solely fund additional exploration expenditures between years 3 and 10, or until such time as it has defined an NI 43-101 compliant pre-feasibility study on a minimum one-million-ounce gold equivalent resource;
- (iii) Yamana will make a cash payment of US$150,000 upon signing the option agreement and additional cash payments of US$100,000 on the first, second and third anniversaries;

(Expressed in Canadian Dollars)

10. MINERAL PROPERTY INTERESTS (CONTINUED)

***Canada* (continued)**

Yamana Alliance (continued)

(iv) Upon Yamana earning its interest and the formation of a joint venture, Yamana and the Company will jointly fund programs on a respective 75:25 basis;
(v) Should the Company's interest in a project fall below 10%, its interest will convert to a 2.5% NSR royalty of which half can be purchased by Yamana prior to production for US$5.0 million; and
(vi) The Company will be the operator during the first US$10.0 million of exploration expenditures. The option period is independent of the alliance period and may extend beyond the three-year term of the alliance. At the end of the Alliance, both parties will retain a copy of the digital database.

Exploration Expenditures

During the periods that ended on September 30, 2020 and 2019, the Company incurred the following exploration expenditures that were expensed as incurred:

	Period ended September 30,	
	2020	2019
Camp and support	$ **31,364**	$ 148,761
Aircraft and helicopters	**6,468**	379,762
Chemical analysis	**52,160**	219,312
Data management and maps	**40,346**	111,903
Drilling and trenching	**-**	506,537
Community relations	**13,032**	74,462
Geological services	**468,640**	1,164,431
Geophysical surveys	**-**	214,082
Materials and supplies	**9,116**	39,311
Project Management	**5,725**	1,149
Reclamation	**20,004**	-
Recording and filing	**96,719**	114,823
Travel	**21,153**	184,448
	$ **764,727**	$ 3,158,981

(Expressed in Canadian Dollars)

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		September 30, 2020		December 31, 2019
Trade payables	$	**457,707**	$	130,320
Accrued liabilities		**43,455**		59,588
	$	**501,162**	$	189,908

The credit period of purchases is 30 days. The Company has financial risk management policies in place to ensure that all payables are paid within the agreed-upon credit terms.

12. PROVISION FOR ENVIRONMENTAL REHABILITATION

The Company's exploration activities are subject to various federal, provincial and state laws and regulations governing the protection of the environment. Management's current estimate of reclamation and other future site restoration costs to be incurred for existing mineral property interests has been included in these consolidated financial statements as a provision for environmental rehabilitation. The undiscounted amount of the estimated cash flows required to settle the obligations, which are expected to be paid over the next four years, is $5,306 (December 31, 2019 - $5,306).

Balance, December 31, 2018	$	66,525
Revision in estimates		(61,219)
Balance, December 31, 2019		5,306
Revision in estimates		-
Balance, September 30, 2020	**$**	**5,306**

13. COMMITMENTS AND CONTINGENCIES

The Company has leased premises for its head office at 1201-510 West Hastings Street, Vancouver, British Columbia, effective March 1, 2020 to February 28, 2025. Commitments outstanding for the 2020 fiscal year total $15,240 for lease and operating costs, and the estimates from 2021 to 2025 total $277,597.

The Company has entered into a rental agreement for its administrative offices in Hermosillo, Mexico. The annual rent totals $21,000. The agreement is for a period of three years and expires on December 31, 2020. The Company may terminate the agreement with a penalty equivalent to two months' rent payment.

Through the Arrangement, the Company has a leased office for its Nevada operations at 4750 Longley Lane, Suite 106-107, Reno, Nevada. The lease agreement expires on June 30, 2022. Total rent and estimated operating cost for the remainder of 2020, 2021 and 2022 are $36,373, $147,183, and $74,437, respectively.

(Expressed in Canadian Dollars)

13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

(a) At September 30, 2020, the Company had future minimum annual lease commitments as follows:

	Less than one year	One to five years
Lease payment	$ 153,616	$ 235,047
Operating costs (estimate)	52,800	110,091
Total	$ 206,417	$ 345,138

(b) The Company has leased a photocopier for the head office, which has been classified as an operating lease as the lease does not include a purchase clause and the term of the lease is not substantially all of the useful life of the asset. The following are the future minimum annual lease commitments:

	Less than one year	One to five years
Photocopier lease payment	$ 2,580	$ 4,515

(c) During the year that ended on December 31, 2018, the Company entered into a rental agreement with an arm's length person for the administrative offices in Hermosillo, Mexico. The annual rent totals $21,000. The agreement is for a period of three years and expires on December 31, 2020. The Company may terminate the agreement with a penalty equivalent to two months' rent payment.

14. ISSUED CAPITAL

(a) Authorized and issued

The Company's authorized share capital is an unlimited number of common shares without par value and as at September 30, 2020, the Company had 173,393,089 common shares outstanding.

Issuance of common shares

On August 18, 2020, the Company acquired 68,521,030 common shares representing all the issued and outstanding shares of Renaissance in connection with the Arrangement. As consideration, the Company issued 86,808,513 common shares to former Renaissance shareholders for a total fair value of $42,874,725 or $0.49 per share (Note 4).

On September 17, 2019, the Company issued 50,000 common shares to Centerra Gold Inc. pursuant to the amended Cumobabi agreement.

(Expressed in Canadian Dollars)

14. ISSUED CAPITAL (CONTINUED)

(a) Authorized and issued (continued)

Warrants exercise

During the period that ended on September 30, 2020, 291,283 (2019 - nil) common share purchase warrants were exercised with an average exercise price of $0.39 per share for gross proceeds of $112,319 (2019 - $nil).

Stock options exercise

During the period that ended on September 30, 2020, 997,476 (2019 - nil) stock options were exercised with an average exercise price of $0.24 per share for gross proceeds of $217,855 (2019 - $nil).

(b) Incentive stock options

The Company has a rolling stock option plan (the “Plan”) that allows for the reservation of common shares issuable under the Plan up to a maximum of 10% of the issued and outstanding common shares at any given time. The Plan allows the board of directors to grant stock options of the Company to encourage equity participation among senior officers, employees, consultants and directors through the acquisition of common shares of the Company.

On August 18, 2020, the Company issued 6,486,155 stock options in exchange for 5,210,600 Renaissance stock options in connection with the Arrangement. The stock options were issued using the Exchange Ratio for a total fair value of $471,606 (Note 4) and have a weighted average exercise price of $0.24 per share and a weighted average life of 1.90 years.

In February and July 2019, the Board of Directors approved a grant of 200,000 and 1,000,000 stock options respectively, at an exercise price of $0.32 per share for a period of five years. The options vest over a four-year period.

Changes in share purchase options during the period.

	September 30, 2020			September 30, 2019		
	Number of options	**Weighted average exercise price**		Number of options	Weighted average exercise price	
Outstanding at beginning of the period	**4,815,000**	**$**	**0.27**	5,715,000	$	0.25
Granted	**6,486,155**	**$**	**0.24**	1,200,000	$	0.32
Exercised	**(997,476)**	**$**	**0.24**	(235,000)	$	0.25
Forfeited/Expired	**(450,000)**	**$**	**0.25**	(975,000)	$	0.25
Outstanding at end of the period	**9,853,679**	**$**	**0.25**	5,705,000	$	0.26
Options exercisable at end of the period	**8,353,679**	**$**	**0.25**	2,705,000	$	0.26

(Expressed in Canadian Dollars)

14. ISSUED CAPITAL (CONTINUED)

(b) Incentive stock options (Continued)

The following share purchase options were outstanding at September 30, 2020.

Expiry date	Options outstanding (number of shares)	Options exercisable (number of shares)	Exercise price	Weighted average remaining life
17-Jul-24	1,344,384	1,344,384	$ 0.22	3.80
04-Jul-24	1,000,000	400,000	$ 0.32	3.76
13-Feb-24	200,000	100,000	$ 0.32	3.37
14-Aug-23	448,128	448,128	$ 0.16	2.87
19-Dec-22	24,896	24,896	$ 0.21	2.22
09-Nov-22	2,472,500	1,672,500	$ 0.25	2.11
24-Jul-22	325,144	325,144	$ 0.21	1.81
18-Aug-21	323,648	323,648	$ 0.45	0.88
18-Feb-21	597,504	597,504	$ 0.46	0.39
18-Feb-21	478,499	478,499	$ 0.21	0.39
18-Feb-21	970,944	970,944	$ 0.16	0.39
18-Feb-21	1,419,072	1,419,072	$ 0.23	0.39
18-Feb-21	248,960	248,960	$ 0.15	0.39
	9,853,679	8,353,679	$ 0.25	1.77

The Company determines the fair value of options using the Black-Scholes option pricing model and used the following weighted average assumptions: volatility of 104.5%, risk-free interest rate of 1.68%, an expected life of 5 years and a dividend yield of 0%. Volatility was estimated using historical prices of the Company's shares.

The total share-based compensation expense charged against operations for the nine months ended September 30, 2020 was $152,480 (September 30, 2019 - $242,574).

Share-based compensation of $121,023, related to expired options, was derecognized during the nine months ended September 30, 2020 by setting off against retained earnings.

(Expressed in Canadian Dollars)

14. ISSUED CAPITAL (CONTINUED)

(c) Warrants

On August 18, 2020, the Company issued 23,302,059 common share purchase warrants in exchange for 18,719,520 common share purchase warrants from Renaissance in connection with the Arrangement. The common share purchase warrants were issued using the Exchange Ratio for a total fair value of $2,488,632 (Note 4) with a weighted average exercise price of $0.42 per share and a weighted average life of 3.04 years.

Share purchase warrants outstanding at September 30, 2020 and 2019 are as follows:

	September 30, 2020			September 30, 2019		
	Number of Warrants	**Weighted average exercise price**		Number of Warrants	Weighted average exercise price	
Outstanding at beginning of the period	**6,333,629**	**$**	**0.50**	6,333,629	$	0.50
Granted	**23,302,059**	**$**	**0.42**	-	$	-
Exercised	**(291,283)**	**$**	**0.38**	-	$	-
Forfeited/Expired	**(6,333,629)**	**$**	**0.50**	-	$	-
Outstanding at end of the period	**23,010,776**	**$**	**0.42**	6,333,629	$	0.50

Expiry date	Warrants outstanding (number of shares)	Exercise price	Weighted average remaining life
May 16, 2023	15,895,231	$0.39	2.62
April 30, 2024	7,115,545	$0.50	3.58
	23,010,776	$ 0.42	2.92

15. RELATED PARTY TRANSACTIONS

Transactions between the Company and related parties are disclosed below.

(a) Due to related parties

Included in accounts payable and accrued liabilities as at September 30, 2020 was $Nil (December 31, 2019 - $8,170) owing to a company with a director in common.

(b) Transactions involving related parties

During the period that ended on September 30, 2020 the Company paid $5,742 (September 30, 2019 - $42,368) for community engagement services to a company with a director in common.

(Expressed in Canadian Dollars)

15. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Compensation of key management personnel

The remuneration paid to directors and other key management personnel during the period that ended on September 30, 2020 and 2019 were as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	**2020**	2019
Salaries of senior executives(i)	**$ 152,000**	$ 250,000	**$ 456,000**	$ 622,222
Short term employee benefits(ii)	**9,216**	13,584	**22,344**	29,832
Non-executive directors' fees	**43,770**	42,500	**120,270**	115,000
Stock base compensation	**13,290**	108,212	**82,180**	177,827
	$ 218,276	$ 414,296	**$ 680,794**	$ 984,881

(i) Senior executives include the Chief Executive Officer, Chief Financial Officer and Vice President Exploration.

(ii) Key management personnel were not paid post-employment benefits or other long-term benefits during the six months period ended September 30, 2020 and 2019.

16. SEGMENTED INFORMATION

During the periods that ended on September 30, 2020 and 2019, the Company operated in one industry segment: mineral exploration; within three geographic segments: Canada, United States and Mexico. The Company's non-current assets by geographic areas for the periods that ended on September 30, 2020 and 2019 are as follows:

September 30, 2020	**Canada**	**United States**	**Mexico**	**Total**
Non–current assets				
Prepaid rent and deposits	**$ 18,359**	**$ -**	**$ -**	**$ 18,359**
Equipment	**211,773**	**248,889**	**15,496**	**476,158**
Reclamation bond	**179,834**	**28,685**	**-**	**208,520**
	$ 409,966	**$ 277,574**	**$ 15,496**	**$ 703,037**

December 31, 2019	Canada	United States	Mexico	Total
Non–current assets				
Prepaid rent and deposits	$ 30,560	$ -	$ -	$ 30,560
Equipment	218,960	-	18,881	237,841
Reclamation bond	173,334	-	-	173,334
	$ 422,854	$ -	$ 18,881	$ 441,735

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION

The Company's mineral property revenues by geographic areas for the nine months that ended on September 30, 2020 and 2019 are as follows:

	September 30, 2020			
	Canada	**United States**	**Mexico**	**Total**
Revenues				
Property option proceeds	$ 35,000	$ -	$ 67,053	$ -
Project management fees	2,972	-	-	2,972
	$ 37,972	$ -	$ 67,053	$ 2,972

	September 30, 2019			
	Canada	**United States**	**Mexico**	**Total**
Revenues				
Property option proceeds	$ 363,043	$ -	$ -	$ 363,403
Project management fees	115,425	-	62,314	177,739
	$ 478,828	$ -	$ 62,314	$ 541,142

17. FINANCIAL RISK MANAGEMENT

(a) Fair value of financial instruments

The fair values of cash and cash equivalents, short term investments, amounts receivable, accounts payable and accrued liabilities, and joint venture partner deposits approximate their carrying values due to the short-term to maturity of these financial instruments. The carrying value of marketable securities is based on quoted market prices, a Level 1 measurement according to the fair value hierarchy.

(b) Categories of financial instruments

Financial assets	**September 30, 2020**	December 31, 2019
FVTPL		
Cash and cash equivalents	$ **6,360,444**	$ 3,546,972
Short term investments	**6,058,805**	6,058,805
Marketable securities	**72,911**	43,000
Loans and receivables		
Amounts receivable	**400,769**	43,395
	$ **12,892,929**	$ 9,692,172
Financial liabilities		
Other financial liabilities		
Accounts payable and accrued liabilities	$ **501,162**	$ 189,908
Joint venture partner deposit	**613,033**	91,358
	$ **1,114,195**	$ 281,266

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Categories of financial instruments (continued)

The Company's financial instruments are exposed to certain financial risks, which include foreign currency risk, interest rate risk, credit risk, liquidity risk and other price risk. The Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company's exposure to these risks and its methods of managing the risks remain consistent.

(c) Foreign currency risk

The Company incurs certain expenses in currencies other than the Canadian dollar. The Company is subject to foreign currency risk as a result of fluctuations in exchange rates. This risk is managed by maintaining bank accounts in US dollars and Mexican pesos ("MXN") to pay foreign currency expenses as they arise. Receipts in foreign currencies are maintained in those currencies. The Company does not undertake currency hedging activities. The Company also does not attempt to hedge the net investment or equity of integrated foreign operations.

The carrying amount of the Company's foreign currency denominated monetary assets are as follows:

	September 30, 2020 (US*)	**September 30, 2020 (MXN*)**	December 31, 2019 (US*)	December 31, 2019 (MXN*)
Cash	**$ 2,938,407**	**$ 87,500**	$ 387,784	$ 17,180
Amounts receivable	**-**	**-**	-	-
Accounts payable and accrued liabilities	**53,559**	**(49)**	(9,309)	(5,520)
Joint venture partner deposits	**-**	**-**	(252,085)	-
Net assets denominated in foreign currencies	**$ 2,991,966**	**$ 87,451**	$ 126,390	$ 11,660

*Figures in this table are Canadian dollars, converted from the foreign currency, at the closing exchange rate for that date.

The Company uses a sensitivity analysis to measure the effect on total assets of reasonably foreseen changes in foreign exchange rates. The analysis is used to determine if these risks are material to the financial position of the Company. On the basis of current market conditions, the Company has determined that a 10% change in foreign exchange rates would affect the fair value of total assets by 2.68% (2019 - 0.08%).

(Expressed in Canadian Dollars)

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Foreign currency risk (continued)

The sensitivity of the Company's loss and comprehensive loss due to changes in the exchange rate between the Mexican peso and the Canadian dollar, and between the US dollar and the Canadian dollar, are approximated in the tables below. The change, due to the effect of the exchange rate on financial instruments, is reported in the consolidated statements of loss and comprehensive loss as foreign exchange gains (losses).

Period ended September 30,	**2020**		2019	
	10% Increase in MXN : CAD rate	**10% Increase in USD : CAD rate**	10% Increase in MXN : CAD rate	10% Increase in USD : CAD rate
Change in net loss and comprehensive loss	**$ 55,012**	**$ 213,976**	$ 20,801	$ Nil

(d) Interest rate risk

The Company's cash and cash equivalents consist of cash held in bank accounts and GICs that earn interest at a fixed interest rate. Future cash flows from interest income on cash and cash equivalents will be affected by declining cash balances. The Company manages interest rate risk by investing in short-term fixed interest financial instruments, with varying maturity periods when feasible, to provide access to funds as required. A 25-basis point change in interest rate would have an immaterial impact on comprehensive income based on the cash and cash equivalents at the end of the period. Actual financial results for the coming year will vary since the balances of financial assets are expected to decline as funds are used for Company expenses.

(e) Credit risk

Credit risk is the risk of an unexpected loss if an exploration partner, counterparty or third party to a financial instrument fails to meet its contractual obligations. To reduce credit risk, cash and cash equivalents and short-term investments are on deposit at major financial institutions. The Company is not aware of any counterparty risk that could have an impact on the fair value of such investments. The carrying value of the financial assets represents the maximum credit exposure.

(Expressed in Canadian Dollars)

17. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Credit risk (continued)

The Company minimizes credit risk by reviewing the credit risk of the counterparties to its arrangements on a periodic basis. The Company's concentration of credit risk and maximum exposure thereto is as follows:

		September 30, 2020		December 31, 2019
Short-term money market instruments	$	**8,848,805**	$	8,808,805
Cash bank accounts		**3,570,444**		796,972
Amounts receivable		**400,769**		346,551
Total	$	**12,820,018**	$	9,952,328

At September 30, 2020, the Company's short-term money market instruments were invested in GICs earning annual interest rates of 0.95% to 2.05%.

(f) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis, including exploration plans. The Company attempts to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations, holdings of cash and cash equivalents and short-term investments.

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank-sponsored instruments with major banks and financial institutions. The Company staggers the maturity dates of its investments over different time periods, when feasible, to maximize interest earned.

The following table summarizes the Company's significant liabilities and corresponding maturities.

	Accounts Payable and Accrued Liabilities			
Due Date	**September 30, 2020**		December 31, 2019	
0 – 90 days	**$**	**480,088**	$	130,320
90 – 365 days		**19,373**		59,588
365 + days		**-**		-
Total	**$**	**499,461**	$	189,908

FINANCIAL RISK MANAGEMENT (CONTINUED)

(g) Other price risks

Other price risks include the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk and foreign currency risk.

(h) Effect of COVID-19

COVID-19 (the coronavirus) has threatened a slowdown in the global economy as well as caused volatility in global financial markets. While the full impact of COVID-19 on the global economy is uncertain, the rapid spread of COVID-19 may have an adverse effect on the Company's financial position. The extent to which COVID-19 may impact the Company's business will depend on future developments such as the geographic spread of the disease, the duration of the outbreak, travel restrictions, physical distancing, business closures, business disruptions and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. Although it is not possible to reliably estimate the length or severity of these developments and their financial impact as of the date of these financial statements, continuation of the prevailing conditions could have a significant adverse impact on the Company's financial position and results of operations for future periods.

OROGEN
ROYALTIES INC.

(Formerly Evrim Resources Corp.)

MANAGEMENT DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2020

Introduction

This Management Discussion and Analysis – Quarterly Highlights ("MD&A - Quarterly Highlights") of the financial position and results of Orogen Royalties Inc. (the "Company" or "Orogen"), formerly Evrim Resources Corp., should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes for the nine months ended September 30, 2020 and 2019. The MD&A - Quarterly Highlights was prepared to conform to National Instrument 51-102F1 and was approved by the Board of Directors prior to its release. Readers are cautioned that the MD&A - Quarterly Highlights contains forward-looking statements and that actual events may vary from management's expectations. Readers are encouraged to read the Forward-Looking Statement disclaimer included with this MD&A - Quarterly Highlights.

The audited consolidated financial statements, unaudited condensed interim consolidation financial statements and MD&A - Quarterly Highlights are presented in Canadian dollars, unless otherwise indicated and have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The statements and any summary of results presented in the MD&A - Quarterly Highlights were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Please consult the audited consolidated financial statements for the years ended December 31, 2019 and 2018, and the unaudited condensed interim consolidation financial statements for the nine months ended September 30, 2020 and 2019 for more complete financial information.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com *and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.*

About Orogen

Orogen Royalties Inc. (the "Company" or "Orogen"), formerly Evrim Resources Corp., is a minerals royalty company with a portfolio of royalties and exploration projects in Mexico, United States, Canada, and Argentina. Its business plan involves acquiring exploration projects and advancing them through joint venture agreements with industry partners to create royalties.

The Company was incorporated on May 11, 2005, as a capital pool company for the purposes of the policies of the TSX Venture Exchange (the "Exchange") and is a reporting issuer in British Columbia, Alberta, Saskatchewan and Ontario. The shares of the Company commenced trading on the Exchange under the symbol EVM on January 25, 2011. On August 18th, 2020, the Company acquired Renaissance Gold Inc. ("Renaissance") through a Plan of Arrangement under the Business Corporation Act (British Columbia) (the "Arrangement") and was renamed Orogen Royalties Inc. The Company commenced trading on the Exchange under the symbol OGN on August 20, 2020.

The head office, principal registered, and records office of the Company are located at 1201 - 510 West Hastings Street, Vancouver, British Columbia, Canada, V6B 1L8.

Date

This MD&A - Quarterly Highlights has been prepared based on information available to the Company as of November 30, 2020.

OPERATIONAL HIGHLIGHTS

Financial Position

As at September 30, 2020, the Company had working capital of $11,648,692 (December 31, 2019 - $9,664,855) and an accumulated deficit of $62,239,675 (December 31, 2020 - $18,452,736). During the nine-month period that ended on September 30, 2020 the Company incurred a loss of $44,142,098 (September 30, 2019 - $2,178,349) primarily due to the fair value adjustment of $40,160,694 (September 30, 2019 - $nil) related to the Arrangement. During the period, the Company incurred $764,727 (September 30, 2019 - $3,158,981) in exploration expenses and $1,794,955 (September 30, 2019 - $1,831,750) in G&A expenses. Included in G&A expense is $152,480 (September 30, 2019- $242,574) for share based compensation related to options vested during the period.

During the nine-month period that ended on September 30, 2020, 291,283 common share purchase warrants and 997,476 stock options were exercised for gross proceeds of $330,174 (September 30, 2019 - $nil).

Corporate

i. On August 18, 2020, the Company was renamed Orogen Royalties Inc.
ii. On August 18, 2020, Patrick Nicol and John Thompson resigned as directors and were replaced by Bob Felder and Tim Janke. The Company's current Board of Directors consists of Paul van Eeden, David Caulfield, Bob Felder and Tim Janke.

Plan of Arrangement

On June 9, 2020, the Company entered into a friendly merger of equals transaction (the "Transaction") with Renaissance, a company listed on the TSX Venture exchange under the symbol REN. The Transaction was completed through a Plan of Arrangement on August 18, 2020, whereby the Company acquired Renaissance. Renaissance shareholders exchanged all issued and outstanding common shares, options and warrants at a ratio of one (1) common share, option, or warrant for 1.2448 (the "Exchange Ratio") common shares, options or warrants of the Company. As a result, the Company issued 86,808,513 common shares with a total fair value of $42,874,725 or $0.49 per share. In addition, the Company issued 6,486,155 replacement stock options and 23,302,509 replacement warrants.

OPERATIONAL HIGHLIGHTS

The total consideration for acquiring a 100% interest in Renaissance was $45,834,963. The Company applied the principles of IFRS 6 in accounting for the acquisition. The identifiable assets and liabilities of Renaissance as of August 18, 2020 were as follows:

Assets Acquired	
Cash and cash equivalents	$ 5,189,026
Exploration and evaluation assets	1,498,781
Marketable securities	23,455
Amounts receivable	30,816
Prepaid expenses and deposits	25,285
Equipment	40,658
Reclamation bond	28,322
Right-of-use assets	205,078
Liabilities assumed	
Accounts payable and accrued liabilities	(244,182)
Current operating lease liabilities	(102,721)
Joint venture partner deposits	(80,104)
Long term operating lease liabilities	(105,585)
	$ 6,508,829

Consideration	
Orogen shares (86,808,513)	$ 42,874,725
Orogen options (6,486,155)	471,606
Orogen warrants (23,283,420)	2,486,589
Orogen finders' warrants (18,672)	2,043
Total equity consideration	45,834,963
Transaction cost	834,830
Total cost of acquisition	**$ 46,669,793**
Fair value adjustment	**$ 40,160,964**

For the period that ended on September 30, 2020 the Company recorded a fair value adjustment of $40,160,964 in recognition of the Arrangement.

OPERATIONAL HIGHLIGHTS

Subsequent to the Quarter Ended

i. On October 8, 2020, the Company announced that it had optioned the Baby Doe gold property in Esmeralda County, Nevada to Au-Reka Gold Corporation, a subsidiary of Premier Gold Mines U.S.A. ("Premier"). Premier can earn up to a 100% interest in the Baby Doe gold project by making cash payments totaling US$1.0 million and incurring US$10.0 million in exploration expenditures over an eight-year period. Once Premier has obtained a 100% interest, Orogen will retain a 3% net smelter return ("NSR") royalty on the Baby Doe claims and a 1.0% NSR royalty on the Mustang claims.

   Half of the NSR royalties on all of the claims can be repurchased by Premier for US$3.0 million.

   Premier has to make a further payment of US$1.0 million upon making a commercial production decision and an additional cash payment equal to US$7.50 per gold-equivalent ounce in resources and reserves, up to a maximum US$10.0 million, within 90 days of such decision.

ii. On October 13, 2020, the Company announced that it had optioned the TREK-31 gold property in the Nechako Plateau of British Columbia to Pacific Imperial Mines Inc. ("Pacific Imperial"). Pacific Imperial can earn up to a 100% interest in the TREK-31 project making cash payments totaling $1.3 million and incurring $3.0 million in exploration expenditures over a five-year period. Once Pacific Imperial has obtained a 100% interest, Orogen will retain a 3.0% NSR royalty on the TREK-31 claims of which 1.0% can be repurchased for $3.0 million.

OPERATIONAL HIGHLIGHTS

Option Agreements, Acquisition and Exploration

The Company has no substantial revenue and supports its operations through the issuance of equity or debt and the sale of assets such as mineral property interests. The value of a mineral property is dependent upon the existence, or potential existence, of economically recoverable mineral reserves. The following tables summarize the Company's current portfolio of projects.

Project	Location	Commodity	Royalties (NSR)/JV	Partner/ Owner
		ROYALTIES		
El Meridiano*	Argentina	Gold	1.0%	MagnaTerra Minerals Inc.
Gertrudis*	Argentina	Gold	1.0%	MagnaTerra Minerals Inc.
Luna Roja*	Argentina	Gold	1.0%	MagnaTerra Minerals Inc.
PiedraNegra/Cerro Covadonga*	Argentina	Gold	1.0%	MagnaTerra Minerals Inc.
Cumobabi	Mexico	Gold	1.5%	First Majestic Silver Corp.
Ermitaño	Mexico	Gold	2.0%	First Majestic Silver Corp.
La Lola	Mexico	Gold	2.0%	Heliostar Metals Ltd.
Cumaro	Mexico	Gold	1.0%	Heliostar Metals Ltd.
Silicon*	United States	Gold	1.0%	AngloGold Ashanti NA
South Roberts*	United States	Gold	1.0%	Private Company
		OPTIONED PROJECTS AND ALLIANCES		
Ball Creek	Canada	Gold and Copper	Earn-In	Golden Ridge Resources Ltd.
Trek 31	Canada	Gold and Copper	Earn-In	Pacific Imperial Mines Ltd.
Sarape	Mexico	Gold	Earn-In	Hochschild Mining plc
Baby Doe*	United States	Gold	Earn-In	Premier Gold Mines Ltd.
Jupiter *	United States	Gold	Earn-In	Ramelius Resources Ltd.
Maggie Creek*	United States	Gold	Earn-In	U.S. Gold Corp.
Spring Peak*	United States	Gold	Earn-In	OceanaGold Corp.
Yamana Exploration Alliance	United States	Gold	Exploration alliance	Yamana Gold Inc.

**Acquired pursuant to the Arrangement.*

OPERATIONAL HIGHLIGHTS

PROJECTS AVAILABLE FOR OPTION		
Project	**Location**	**Commodity**
Astro	Canada	Gold
Lemon Lake	Canada	Gold and Copper
Buffalo Canyon*	United States	Gold
Callaghan	United States	
Cine Mountain*	United States	Gold
Diamond Point*	United States	Gold
Ecru*	United States	Gold
Elba*	United States	Gold
Fireball Ridge*	United States	Gold
Gilbert South*	United States	Gold
Ghost Ranch*	United States	Gold
Jake Creek*	United States	Gold
Kalium Canyon	United States	Gold
Manhattan Gap*	United States	Ag-Pb-Zn-Au
Pearl String*	United States	Gold
Polaris*	United States	Gold
Raven*	United States	Gold
Secret Canyon*	United States	Gold

**Acquired pursuant to the Arrangement.*

Mexico

Ermitaño

In September 2018 the Company transferred its interest in the property to First Majestic Silver Corp. ("First Majestic") for US$1.0 million, subject to a 2.0% NSR royalty. Ermitaño is located northeast of Hermosillo.

In February 2020 First Majestic announced the results of 33,767 metres of drilling, comprising 103 holes, that were drilled at Ermitaño during 2019. Highlights included:

- 10.8 metres grading 12.84 g/t gold and 46 g/t silver in hole EW-19-67;
- 6.4 metres grading 9.46 g/t gold and 383 g/t silver in EW-19-74;
- 2.4 metres grading 31.63 g/t gold and 459 g/t silver in EW-19-85;
- 13.0 metres grading 11.61 g/t gold and 45 g/t silver in EW-19-91;
- 7.7 metres grading 16.37 g/t gold and 111 g/t silver in EW-19-103;
- 4.5 metres grading 17.98 g/t gold and 79 g/t silver in EW019-111; and
- 9.1 metres grading 14.22 g/t gold and 130 g/t silver in EW-19-113.

OPERATIONAL HIGHLIGHTS

First Majestic reported that it was working on several engineering studies, including geotechnical and geohydrological investigations, detailed metallurgical testing and a series of trade-off analyses, to define the materials handling infrastructure for a prefeasibility study scheduled to be released in late 2020. First Majestic also expected to complete 3,800 metres of underground development, including a ramp and five production levels, in 2020. An additional 15,000 metres of drilling, planned for 50 holes, to infill and potentially increase the resource in the eastern Ermitaño vein area, the Aitana vein, and several nearby newly identified target, was announced.

In March 2020, First Majestic provided an update to its reserves and resources effective December 31, 2019. The updated resource estimate for Ermitaño included:

- an indicated resource totaling 2,107,000 tonnes at 4.59 g/t gold and 70 g/t silver for 311,000 ounces of contained gold and 4.73 million ounces of contained silver; and
- an inferred resource of 3,733,000 tonnes averaging 3.08 g/t gold and 58 g/t silver for 370,000 ounces of contained gold and 6.98 million ounces of contained silver.

First Majestic also announced plans to invest US$29.1 million at Ermitaño in 2020 for mine development, mine equipment and materials-handling.

In July 2020 First Majestic announced that the development and construction activities had resumed at Ermitaño in June and that the underground development had intersected the Ermitaño vein. The Ermitaño pre-feasibility study is now expected to be completed in the first half of 2021 and initial production has been extended to mid-2021.

On November 5, 2020, First Majestic released its third quarter financial results and reported that development and construction activities at the Ermitaño project accelerated during the quarter with the completion of additional surface and earthwork activities. First Majestic also began the construction of the east portal and parallel ramp that will be used to reduce future traffic congestion and serve as a ventilation circuit. The development of the first of five levels in the high-grade portion of the Ermitaño ore body could be reached in November followed by the development of the upper and lower levels of the first mining block. Initial limited production from the vein is expected to begin by mid-2021.

Cumobabi

In September 2018 the Company transferred its interest in the property to First Majestic for US$500,000, subject to a 1.5% NSR royalty. Cumobabi is located northeast of Hermosillo.

Pursuant to the Cumobabi acquisition agreement (as amended) with Centerra Gold Inc. (“Centerra”), the Company issued 25,000 common shares (fair value - $32,250) and 50,000 common shares (fair value - $18,750) on September 17, 2018 and 2019, respectively. In the event of commercial production (in which case it is acknowledged that the Company will receive an NSR royalty in accordance with the terms of the First Majestic option agreement), the Company will pay to Centerra one-third of all royalty amounts received beginning on the date that is two years following the date on which commercial production commenced (as defined in the terms of the agreement governing the NSR royalty).

OPERATIONAL HIGHLIGHTS

Cerro Cascaron

In January 2016 the Company acquired the Cerro Cascaron project in Chihuahua, Mexico. The project covers 6,842 hectares in a historic, colonial-era mining district that contains numerous gold and gold-silver prospects. The core claims contain a large portion of the Serpiente Dorada zone, which was staked by the Company in late 2015. Three surrounding claims were acquired under two separate agreements with a third party that were consolidated in July 2016. Under the terms of the consolidated agreement the Company will make staged cash payments equal to $280,000 over a five-year period to acquire a 100% interest in the claims. The agreement is subject to a 2.0% NSR royalty of which 1.0% can be repurchased for US$2.5 million.

Harvest Gold Corporation Option Agreement

In June 2017 the Company entered into an agreement whereby Harvest Gold Corporation ("Harvest Gold") can earn up to an 80% interest in the Cerro Cascaron property by incurring $16.0 million in exploration expenditures, paying $2.1 million in cash, issuing 2,000,000 common shares (one million shares were received in 2017) and funding a National Instrument 43-101 ("NI 43-101") compliant feasibility study over a nine-year period.

During 2018 and 2019, the Company completed a 10-hole, 2,255-metre drill program at Cerro Cascaron designed to test the Cascarita, Serpiente Dorada and San Pedro areas. Three holes at Cascarita failed to return any significant results. Drilling at Serpiente Dorada tested a structure at approximately 200 metres below surface and intersected broad zones of quartz veining and silicification at a contact between andesitic and rhyolitic volcanic rocks. Drill hole SPT18-01 returned 1.0 metre grading 20.1 g/t gold and 22.5 g/t silver from 225.5 metres downhole. Drilling at San Pedro intersected a banded quartz vein and quartz breccia hosted in rhyolitic tuff and andesite. Drill hole SPED19-02 intersected 0.35 metres grading 5.39 g/t gold and a separate 4.8 metre interval grading 1.02 g/t gold.

In April 2018 the completion date to fulfill the first year's obligation was extended to December 31, 2018 for a fee of $30,000. During the year that ended on December 31, 2019, the agreement was further amended to extend the first years' obligation and allow both parties to renegotiate the terms of the agreement. Harvest maintained the property during this period.

In March 2020 the option agreement with Harvest Gold was terminated and the Company is currently seeking a partner to follow-up on the open-ended drill results at Serpiente Dorada and San Pedro as well as test other gold and silver-bearing zones in the Lower Volcanic Section.

Sarape

In August 2017 the Company announced the acquisition of the Sarape gold-silver project in central Sonora, Mexico. Sarape was identified by reconnaissance exploration completed in early 2017. The project is 100% owned by the Company with no underlying royalties and is located near excellent infrastructure with roads and power crossing the 5,776-hectare property.

OPERATIONAL HIGHLIGHTS

The Sarape project consists of 5,349 hectares of mineral tenure over the six-kilometre-long Sarape vein and the 2.6-kilometre long Chiltepin vein. Orogen, operating on behalf of Couer, contracted a helicopter borne magnetic and radiometric geophysical survey over the property in 2018 and completed detailed geologic mapping and rock sampling over the vein targets. Early in 2019, Orogen and Couer initiated a diamond drilling program designed to test the Sarape and Chiltepin veins below areas of anomalous rock-chip samples and high-level epithermal vein textures. Drill intercepts of up to 1 g/t gold and 30 g/t silver confirms that the Sarape vein has a complex, multi-episodic emplacement history with two phases of quartz (white and yellow/green) and two phases of carbonate veining. The Coeur drilling program tested only 380 metres of strike length on the Sarape vein and failed to intersect the Chiltepin vein. The bulk of the six-kilometre-long Sarape vein and all of the 2.6 kilometre-long Chiltepin vein remain untested at depth.

In August 2020 the Company optioned the Sarape project to Hochschild Mining PLC (“Hochschild”). Hochschild can earn a 100% interest in the project by making staged cash payments of US$5.35 million and incurring exploration expenditures of US$5.0 million over a five-year period. Upon earn in, Orogen will retain a 3.0% NSR royalty of which 1.0% can be repurchased for US$2.0 million. The Company received US$50,000 when the agreement was signed.

La Lola

In March 2019 the Company entered into an agreement with Heliostar Metals Ltd. (“Heliostar”) to purchase 100% of the La Lola property by making a total payment of US$100,000 in four equal instalments over three years. As at September 30, 2020, the Company has paid US$50,000.

On July 24, 2020, the Company sold the project to a private Mexican exploration company for a 2.0% NSR royalty, of which half may be repurchased for US$1.75 million.

Suanse

In November 2019, the Company entered into an agreement with San Marco Resources Inc. to acquire a 100% interest in the Suanse project, subject to a 1.0% NSR royalty of which half can be repurchased for $1.0 million.

To earn a 100% interest, the Company is required to make a total cash payment of $75,000 and complete 1,000 metres of drilling. As at September 30, 2020, the Company had paid $25,000.

Cumaro

On July 24, 2020, the Company announced the sale of the Cumaro project to Heliostar for a 1.0% NSR royalty. Half of the NSR royalty may be repurchased for US$1.0 million.

OPERATIONAL HIGHLIGHTS

Altius Minerals Corp. (“Altius”) Alliance

Effective December 18, 2012, the Company signed an agreement with Altius for a four-year, $1.5 million, regional exploration alliance. Projects acquired pursuant to the alliance were 100% owned by the Company and subject to a 1.5% NSR royalty, in the case of precious metals, and a 1.0% NSR royalty, in the case of base metals, to Altius. Altius has the right of first offer on the sale of any alliance-project royalties owned by the Company.

United States

Silicon

The Silicon project is located in the Bare Mountain mining district, Nye County, Nevada and was under option to AngloGold Ashanti NA (“AngloGold”). Pursuant to the agreement, AngloGold had the option to acquire the project for payments aggregating US$3.0 million. In June 2020 the Company received the final payment of US$2.4 million from AngloGold to complete the sale of the project. The Company retains a 1.0% NSR royalty on future production from the project.

AngloGold completed 28 reverse circulation holes at Sarape, totaling 11,156 meters, and 19 core holes totaling 7,863 meters. AngloGold also received a Plan of Operations (“PoO”) permit in August 2020 to allow further drilling. Their permit allows for up to 155 acres of surface disturbances in phased exploration programs including up to 109 drill sites within a 3,630-acre project area located on unpatented mining claims.

Jupiter

The Jupiter project is located in Nye County, Nevada. The Company holds its interest in the project subject to a 1% NSR royalty to Altius. In November 2017, the Company entered into an earn-in agreement with Ramelius Resources Ltd. (“Ramelius”), whereby Ramelius can earn a 75% interest in the project by making a cash payment of US$25,000 (received) and funding a total of US$3.0 million in exploration expenditures over a five-year period.

If a production decision is made in respect of the project, the Company must either contribute to ongoing joint venture expenditures in proportion to its ownership interest, dilute to a royalty interest, or allow Ramelius to provide project financing for the Company, whereby Ramelius would increase its project interest to 80%.

Ramelius completed a drill campaign in late 2019 to follow up on targets occurring along the Cambrian-Ordovician unconformity. The drill program tested an area of mapped mineralized structures containing gold in rock-chip assays of up to 0.98 g/t gold. No significant results were received from the drilling program however, Ramelius staked 12 additional claims and collected a 5 kilometre line of magnetotelluric data to define key structures and new drill targets.

OPERATIONAL HIGHLIGHTS

Maggie Creek Property

The Maggie Creek project is located in Eureka County, Nevada. On August 20, 2015 the Company acquired the Maggie Creek project from Wolfpack Gold (Nevada) Corporation (“Wolfpack”) in exchange for a 1.0% NSR royalty that can be bought down for US$1.5 million, or fractions thereof at the pro-rata cost, at any time during the term of the agreement. In addition, a 2.0% NSR royalty is payable to EMX Royalty Corp. pursuant to a pre-existing deed of royalties.

In February 2019 the Company entered into an earn-in agreement with Orevada Metals Inc.(“Orevada”) whereby Orevada can earn a 70% interest in the project. To earn a 50% interest Orevada is required to pay US$15,000 for BLM fees (received), incur US$4.5 million in exploration expenditures by the seventh anniversary of the agreement and pay US$250,000 upon completion of exploration expenditure requirements. Orevada can earn an additional 20% interest in the project by producing a feasibility study.

The Maggie Creek project lies in the heart of the Carlin Trend, adjacent to Nevada Gold Mines’ Gold Quarry Mine. The project covers the northeast projection of the Chukar-Alunite Fault Zone, which is mineralized at Gold Quarry, and the southeast projection of the Castle Reef Fault Zone, which is mineralized at the Leeville Mine. Historical drilling at Maggie Creek encountered gold mineralization in the upper plate of the Roberts Mountains Allochthon ranging in grade from below detection limit to more than 1 g/t gold.

A window of lower plate carbonate rocks is exposed in the core of the Company’s claim block. Gold mineralization within the same lower plate rocks has been drilled at the Rainbow deposit just south of the Company’s claim block.

On September 11, 2019, U.S. Gold Corp. announced their acquisition of Orevada. On December 17, 2019, the Company executed an amendment to the earn-in agreement with Orevada to extend the first and second anniversary work obligations, totaling US$300,000, to June 15, 2021.

Spring Peak Property

The Spring Peak project is located in Mineral County, Nevada. On January 20, 2012, and as amended on September 5, 2013 and April 12, 2016, the Company entered into mineral lease and option to purchase agreements with Gregory J. Kuzma and Heidi A. Kuzma (the “Kuzma lease”). The Company has the option to purchase the Spring Peak project for US$500,000 within one year following the completion of a technical report that documents a minimum 500,000-ounce gold equivalent inferred resource. The Kuzma lease is subject to a 2.5% NSR royalty, of which 1.5% may be repurchased for US$1.5 million.

As of September 30, 2020 the Company has paid US$65,000 and is required to make the following additional cash payments:

(a) US$40,000 on the second anniversary of the drill permit;
(b) US$50,000 on the third through eleventh anniversaries of the drill permit; and
(c) US$60,000 on each subsequent anniversary until termination.

The drill permit was received on December 13, 2019.

OPERATIONAL HIGHLIGHTS

In January 2019, the Company entered into an earn-in agreement with OceanaGold (US) Inc. ("OceanaGold") whereby OceanaGold can earn a 51% interest in the project by making total cash payments of US$215,000 and incur total exploration expenditures of US$4.0 million by the fifth anniversary of the agreement. Exploration expenditures are subject to a minimum annual commitment including US$150,000 for the first year followed by US$100,000 per year for the remaining four years. Once a 51% interest has been earned, Oceana may elect to exercise an option to earn an additional 24% interest by incurring US$6.0 million in exploration and development expenditures over a four year period with the a minimum annual expenditure of US$500,000 by each anniversary of the option excise date.

During 2019 OceanaGold completed geologic mapping, sampling and a coincident CSAMT and soil survey. The CSAMT results map several linear areas of high resistivity, which are coincident with mapped silicification, structures, interpreted hydrothermal vents and anomalous antimony, arsenic and gold in soils. The coincidence of these features has generated several compelling targets on the project.

Baby Doe

The Company holds a 100% interest in the Baby Doe project, located in Esmeralda County, Nevada. In October 2020, the Company entered into an earn-in agreement with Au-Reka Gold Corporation, a subsidiary of Premier Gold Mines U.S.A. ("Premier") whereby Premier can earn up to a 100% of interest in the project as follows:

(a) An initial 55% interest can be earned by making US$200,000 in cash payments and completing US$5.0 million of exploration expenditures over a four-year period;
(b) the remaining 45% interest can be earned by making a US$300,000 payment and incurring US$5.0 million in exploration expenditures; and
(c) a payment of US$500,000 upon completion of the earn in.

Premier will also assume all obligations on the adjoining Mustang claims, including cash payments of US$200,000 and a 2.0% NSR royalty to an underlying vendor.

Premier has to make a further payment of US$1.0 million upon making a commercial production decision and an additional cash payment equal to US$7.50 per gold-equivalent ounce in resources and reserves, up to a maximum US$10.0 million, within 90 days of such decision.

Orogen will retain a 3.0% NSR royalty on the Baby Doe claims and a 1.0% NSR royalty on the Mustang claims. Half of the NSR royalties on all of the claims can be repurchased by Premier for US$3.0 million.

South Roberts

In July 2020, the Company announced the sale of the South Roberts project in Eureka County, Nevada to a private US company for a 1.0% NSR royalty on 24 South Roberts claims and 0.5% NSR royalty on 29 RW claims.

OPERATIONAL HIGHLIGHTS

Canada

Ball Creek

In June 2015 the Company entered into an agreement to acquire a 100% interest in the Ball Creek property from LUFF Enterprises Ltd. ("LUFF"), formerly Ascent Industries Corp. and Paget Minerals Corp. The agreement is subject to a 2.0% NSR royalty with an option to repurchase 1.0% of the NSR royalty for $1.0 million.

To earn a 100% interest, the Company is required to make the following payments:

(a) $150,000 upon closing of the agreement (paid); and

(b) if the Company enters into an option agreement whereby the Company would receive payments related to the property at any time within the four years following the date of the agreement, the Company will be required to pay additional consideration of 40% of payments received during the first year, 30% of payments received during the second year, 20% of payments received during the third year and 10% of payments received during the fourth year.

(c) Milestone share payments (or the cash equivalent at the Company's election) of:

- (i) 100,000 common shares upon entering into a future option agreement (issued);
- (ii) 250,000 common shares upon completion of 10,000 metres of drilling;
- (iii) 400,000 common shares upon the announcement of a measured or indicated mineral resource estimate (NI 43-101 compliant) of at least 500 million tonnes at a grade of at least 0.50% copper equivalent; and
- (iv) 500,000 common shares upon completion of an NI 43-101 compliant feasibility study.

The property is located in northwest British Columbia. Both the Company and LUFF are each entitled to 50% of the existing bond in place, with the Company's share being $20,000 (December 31, 2019 - $20,000).

In July 2019 the Company entered into an agreement with Golden Ridge Resources Ltd. ("Golden Ridge") whereby Golden Ridge can earn an 80% interest in the Ball Creek project by issuing 1,000,000 Golden Ridge shares, making cash or cash equivalent share payments of up to $300,000, additional cash payments of up to $4.25 million, making a production decision supported by an NI 43-101 compliant feasibility study on the Ball Creek property and providing evidence of project financing that is mutually acceptable to both parties in accordance with the feasibility study. The Company retains the right to purchase 1.0% of a pre-existing 2.0% NSR royalty for $1.0 million.

A portion of the first four years' share and cash payments will be subject to the purchase agreement with LUFF. The Company received 1,000,000 Golden Ridge shares of which 400,000 were transferred to LUFF per said agreement.

OPERATIONAL HIGHLIGHTS

In January 2020, Golden Ridge released results from 4,500 soil samples and 59 rock samples collected in 2019. The sampling program identified several new exploration targets in the Hickman area of Ball Creek and expanded on previous exploration at the More and ME prospects. Sampling highlights include:

- a 500 metre by 1,500 metre area of anomalous copper-gold samples over the Hickman batholith (the “Hickman” target) and a large granodioritic to monzonitic intrusive complex related to the nearby Schaft Creek porphyry copper deposit;
- northern and southern extensions to historic copper-gold soil anomalies over the More target area, which now extends for some seven kilometres along a north-northeast-striking corridor of syenite dikes, sills and plugs; and
- a 500 metre by 1,500 metre copper-molybdenum-gold-silver anomaly at the ME prospect, located 2.5 kilometres south of the Main Zone porphyry.

Golden Ridge plans to follow up with additional sampling, mapping and geophysical surveys to define drill targets.

Axe

In December 2016 the Company entered into an agreement to acquire a 100% interest in the Axe property from Liberty Leaf Holdings Ltd. and Bearclaw Capital Corp., subject to a 1.0% NSR royalty covering 21 claims with an option to repurchase the NSR royalty for $1.5 million, and a 2.0% NSR royalty on four separate claims with an option to repurchase half the NSR royalty for $1.0 million and the remainder for $2.0 million.

To earn a 100% interest, the Company is required to make the following payments:

(a) $30,000 upon closing of the agreement (paid); and

(b) if the Company enters into an option agreement whereby the Company would receive payments related to the property at any time within the four years following the date of the agreement, the Company will be required to pay additional consideration of 40% of payments received during the first year, 30% of payments received during the second year, 20% of payments received during the third year and 10% of payments received during the fourth year.

(c) Milestone share payments (or the cash equivalent at the Company’s election) of:

   (i) 75,000 common shares upon entering into a future option agreement (issued);
   (ii) 75,000 common shares upon entering into a future agreement to drill 5,000 metres;
   (iii) 200,000 common shares upon announcement of a measured or indicated mineral resource estimate (NI 43-101 compliant) of at least 500 million tonnes at a grade of at least 0.40% copper equivalent; and
   (iv) 250,000 common shares upon completion of an NI 43-101 compliant feasibility study.

The property is located in south-central British Columbia. As at September 30, 2020 the Company has placed a reclamation bond in the amount of $30,000 (December 31, 2019 - $30,000).

OPERATIONAL HIGHLIGHTS

Lemon Lake

In October 2018 the Company entered into an agreement to acquire a 100% interest in the Lemon Lake property from Metalogic Exploration Inc.

To earn a 100% interest, the Company is required to make the following cash payments:

(a) $15,000 upon closing of the agreement (paid);

(b) milestone share payments (or the cash equivalent at the Company's election) of:

- (i) $25,000 upon entering into a future option agreement;
- (ii) $25,000 upon entering into an agreement to drill 10,000 metres;
- (iii) $150,000 upon announcement of a measured, indicated or inferred mineral resource estimate (NI 43-101 compliant); and
- (iv) $500,000 upon a commercial production decision.

The property is located in south-central British Columbia. As at September 30, 2020 the Company has placed a reclamation bond of $75,000 (December 31, 2019 - $75,000) for the property.

TREK-31

In February 2020 the Company announced its ownership of the TREK-31 property in the Nechako Plateau of British Columbia. The property was identified using data from Geoscience BC's TREK initiative and was staked in 2018.

As at September 30, 2020 the Company has placed a reclamation bond of $3,000 (December 31, 2019 - $Nil) for the property.

In October 2020, the Company announced an agreement with Pacific Imperial Mines Inc. ("Pacific Imperial") whereby Pacific Imperial can earn up to a 100% interest in the project by making cash payments totaling $1.3 million and incurring $3.0 million in exploration expenditures over a five-year period. Orogen will retain a 3.0% NSR royalty on the TREK-31 claims of which 1.0% can be repurchased for $3.0 million.

TREK-31 covers one of the largest and strongest geochemical anomalies identified in Geoscience BC's TREK 31 initiative. The TREK-31 initiative covered the eastern half of the Nechako Plateau with a high-resolution aeromagnetic survey, detailed surficial mapping and an extensive till sampling program.

Exploration by Orogen outlined a 2.3 kilometre by 900 metre gold-in-till anomaly situated down ice of a major structural break between rocks of the Stikine Terrane and magnetic rocks interpreted to be volcanic and intrusive rocks of Eocene age. TREK-31 exhibits potential for a Blackwater-Davidson deposit exploration target and will be advanced with additional till sampling and an induced polarization geophysical survey later this year.

OPERATIONAL HIGHLIGHTS

Newmont Alliance

In July 2017 the Company signed a two-year exploration alliance with Newmont Mining Corporation ("Newmont"). The alliance focused on generating greenfield exploration opportunities in terranes favorable for world-class gold orebodies. The Company and Newmont co-funded the US$1.84 million exploration program with respective 30:70 contributions.

At the end of the two-year alliance period Newmont had the right to designate one or more projects for option by making certain cash payments to the Company and funding exploration on the project(s) for up to ten years, or until such time as it had defined an NI 43-101 compliant pre-feasibility study on a minimum two-million-ounce gold resource. Newmont would then have increased its ownership in the designated project to 80%.

Astro

In March 2019 the Company announced the designation of the Astro project for option from the Newmont alliance. The 250-square-kilometre Astro project is located six kilometres north of the Mile 222 airstrip and 195 kilometres northeast of Ross River along the Canol Road in the Northwest Territories, providing seasonal road access to the southern boundary of the property. The Company received an option payment of US$200,000 when the agreement was executed in April 2019. During the year that ended on December 31, 2019 the Company received $1,607,760 for the 2019 exploration program.

The option and the alliance agreements were terminated in April 2020. Newmont retained a 2.0% NSR royalty on all minerals produced from the project subject to a 0.5% royalty buydown for US$2.0 million.

As at September 30 2020, the Company has placed a reclamation bond of $40,834 (December 31, 2019 - $40,834) for the property.

Yamana Alliance

In October 2018 the Company signed a three-year exploration alliance with a subsidiary of Yamana Gold Inc. ("Yamana"). The alliance allows the Company royalty free access to Yamana's dataset in the western United States for gold and base metal project generation.

During the alliance period, the Company will compile a fully digital and comprehensive dataset to generate new targets and ideas within the designated area. Should the Company acquire a project within the designated area, Yamana will have the exclusive right for 60 days to enter into an option agreement to earn a 75% interest on terms as follows:

- (i) Within the first two years, Yamana will fund (at least) US$1.0 million for initial exploration expenditures, including any acquisition or land staking costs;
- (ii) Yamana will solely fund additional exploration expenditures between years 3 and 10, or until such time as it has defined an NI 43-101 compliant pre-feasibility study on a minimum one-million-ounce gold equivalent resource;

OPERATIONAL HIGHLIGHTS

(iii) Yamana will make a cash payment of US$150,000 upon signing the option agreement and additional cash payments of US$100,000 on the first, second and third anniversaries;
(iv) Upon Yamana earning its interest and the formation of a joint venture, Yamana and the Company will jointly fund programs on a respective 75:25 basis;
(v) Should the Company's interest in a project fall below 10%, its interest will convert to a 2.5% NSR royalty of which half can be purchased by Yamana prior to production for US$5.0 million; and
(vi) The Company will be the operator during the first US$10.0 million of exploration expenditures. The option period is independent of the alliance period and may extend beyond the three-year term of the alliance. At the end of the Alliance, both parties will retain a copy of the digital database.

Technical Disclosure

All technical disclosure covering the Company's mineral properties was prepared under the supervision of Dave Groves, Vice President, Exploration for Orogen. Mr. Groves is a Certified Professional Geologist (#11456) with the American Institute of Professional Geologists and a Qualified Person under the definition of NI 43-101.

During the periods that ended on September 30, 2020 and 2019, the Company incurred the following exploration expenditures that were expensed as incurred:

	Period ended September 30,	
	2020	2019
Camp and support	**$ 31,364**	$ 148,761
Aircraft and helicopters	**6,468**	379,762
Chemical analysis	**52,160**	219,312
Data management and maps	**40,346**	111,903
Drilling and trenching	**-**	506,537
Community relations	**13,032**	74,462
Geological services	**468,640**	1,164,431
Geophysical surveys	**-**	214,082
Materials and supplies	**9,116**	39,311
Project Management	**5,725**	1,149
Reclamation	**20,004**	-
Recording and filing	**96,719**	114,823
Travel	**21,153**	184,448
	$ 764,727	$ 3,158,981

OPERATIONAL HIGHLIGHTS

Trends

Seasonality and market fluctuations may impact Company's expenditures. Exploration activities are carried out in Mexico, United States and Canada and consist of expenses incurred on mineral property operations, administration, and business development.

The level of spending is largely determined by the Company's ability to secure financing through the issuance of equity or debt, the sale of assets and joint venture or alliance agreements with industry partners.

Financial Conditions

Nine-month period ended September 30, 2020:

For the nine-month period that ended on September 30, 2020 ("2020"), the Company incurred a net loss of $44,142,098 ($0.34 per share) compared to a net loss of $2,178,349 ($0.03 per share) for the nine-month period that ended on September 30, 2019 ("2019"), representing a variance of $41,963,749. This variance was mainly due to the following:

i. Fair value adjustment: the Company recorded a fair value adjustment of $40,160,964 (2019 - $nil) in connection with the Transaction. The Company applied the principles of IFRS 6 in accounting for the acquisition. The total cost of acquisition was $46,669,793 which included transaction costs of $834,830 and a total consideration of $45,834,963 from the issuance of common shares, stock options and warrants that the Company exchanged for all outstanding common shares, stock options and warrants held by Renaissance shareholders. The net assets acquired were valued at $6,508,829, resulting in a fair value adjustment of $40,160,964;
ii. Exploration expenditures: $764,727 was expensed for exploration expenditures during 2020 compared to $3,158,981 expensed in 2019 for a variance of $2,394,254 resulting from a reduction in joint venture related exploration activities and expenditures in 2020;
iii. Exploration reimbursements: During the period, the Company recognized an expense of $68,851 for exploration reimbursements compared to a reimbursement of $2,281,848 in 2019, representing a variance of $2,350,699. The decrease in expense reimbursements was due to a reduction in active joint ventures in 2020 compared to 2019;
iv. Write-off mineral acquisition cost: the Company expensed $1,498,781 (2019 - $nil) in mineral acquisition costs in connection with the Arrangement. The write-off of Renaissance's mineral acquisition cost was recognized to ensure consistency with the Company's accounting policy to expense costs as they are incurred; and
v. Expenses: the Company incurred $1,794,955 in expenses in 2020 compared to $1,831,750 in 2019, representing a variance of $36,795. The net reduction was due to lower stock-based compensation cost, lower travel expenses as a result of COVID-19 and a foreign exchange gain. These reductions were offset by increases in salaries, professional fees, general and administrative expenses, marketing and investor services.

OPERATIONAL HIGHLIGHTS

Three-month period ended September 30, 2020:

For the three-month period that ended on September 30, 2020 ("2020"), the Company incurred a net loss of $43,432,249 ($0.29 per share) compared to a net loss of $798,334 ($0.01 per share) for the three-month period that ended on September 30, 2019 ("2019"), representing a variance of $42,633,915 and this was mainly due to the following:

i. Fair value adjustment: the Company recorded a fair value adjustment of $40,160,964 (2019 - $nil) in connection with the Transaction. The Company applied the principles of IFRS 6 in accounting for the acquisition. The total cost of acquisition was $46,669,793 which included transaction costs of $834,830 and a total consideration of $45,834,963 from issuance of common shares, stock options and warrants that the Company exchanged for all outstanding common shares, stock options and warrants held by Renaissance shareholders. Net assets acquired was valued at $6,508,829, resulting in a fair value adjustment of $40,160,964;
ii. Exploration expenditures: $664,634 was expensed for exploration expenditures in 2020 compared to $1,157,903 recorded in 2019 and this represented a variance of $493,269 resulting from a reduction in joint venture related exploration activities and expenditures in 2020;
iii. Exploration reimbursements: During the period, the Company recognized an expense of $75,013 for exploration reimbursements compared to a reimbursement of $903,557 in 2019, representing a variance of $978,570. The decrease was due to a reduction in active joint ventures in 2020 compared to 2019;
iv. Write-off mineral acquisition cost: The Company expensed $1,498,781 (2019 - $nil) in mineral acquisition cost in connection with the Arrangement with Renaissance. The write-off of Renaissance's mineral acquisition cost was recognized to ensure consistency with the Company's accounting policy to expense costs as they are incurred; and
v. Expenses: the Company incurred $1,160,360 in expenses in 2020 compared to $734,528 in 2019, representing a variance of $425,832. The increase in expenses was due to an increase in overall overhead activities and costs after the Arrangement with the following notable categories:
    a. Salaries and support service: the Company recorded $627,650 in 2020 compared to $318,015 in 2019, representing a variance of $309,635. This was due to the addition of staff resulting from the Arrangement; and
    b. Accounting and legal: the Company recorded $118,271 in 2020 compared to $7,509 in 2019, representing a variance of $110,762. This was due to an increase in professional fees related to the Arrangement.

Cash Flow and Liquidity

The Company's cash and cash equivalents as at September 30, 2020 was $6,360,444 (December 31, 2019 - $3,546,972). The short-term investments as at September 30, 2020 were $6,058,805 (December 31, 2019 - $6,058,805).

The Company has working capital of $11,648,692 (December 31, 2019- $9,664,855). The increase in working capital was due to the Arrangement whereby the Company acquired net assets of $6,508,829 from Renaissance that included $4,699,499 cash.

OPERATIONAL HIGHLIGHTS

During the nine-month period that ended on September 30, 2020, $2,017,066 (September 30, 2019 - $3,481,519) was used in operating activities. In addition, the Company reported that $105,654 (2019- $1,178,168) was used in investing activities for short-term investments, a reclamation bond and equipment purchases. The Company received $5,029,672 in financing activities including $330,174 (September 30, 2019 - $58,750) from the exercise of 291,283 warrants and 997,476 stock options and $4,699,499 in cash as part of net assets acquired from Renaissance in connection with the Arrangement.

Cash and cash equivalents include $3,570,444 (December 31, 2019 - $796,972) in the operating bank accounts and $2,790,000 (December 31, 2019 - $2,750,000) of guaranteed investment certificates ("GICs") cashable at any time. As of September 30, 2020, $613,033 cash and cash equivalents were restricted for exploration expenditures (December 31, 2019 - $91,358).

Short-term investments include $6,058,805 (December 31, 2019 - $6,058,805) of GICs.

All GICs are placed with major banks, with maturities ranging from six to twelve months earning interest from 0.95% to 2.05%.

The Company has no long-term debt.

As the Company has limited revenues, its ability to fund operations is dependent upon its ability to secure financing through the sale of equity or assets.

Contractual Obligations and Contingencies

The Company has leased premises for its head office at 1201-510 West Hastings Street, Vancouver, British Columbia, effective March 1, 2020 to February 28, 2025. Commitments outstanding for the 2020 fiscal year total $15,240 for lease and operating costs, and the estimates from 2021 to 2025 total $277,597.

The Company has entered into a rental agreement for its administrative offices in Hermosillo, Mexico. The annual rent totals $21,000. The agreement is for a period of three years and expires on December 31, 2020. The Company may terminate the agreement with a penalty equivalent to two months' rent payment.

Through the Arrangement, the Company has a leased office for its Nevada operations at 4750 Longley Lane, Suite 106-107, Reno, Nevada. The lease agreement expires on June 30, 2022. Total rent and estimated operating cost for the remainder of 2020, 2021 and 2022 are $36,373, $147,183, and $74,437, respectively.

	Less than one year	One to five years
Lease payment	$ 153,616	$ 235,047
Operating costs (estimate)	52,800	110,091
Total	$ 206,417	$ 345,138

The Company has leased a photocopier for the head office with an outstanding commitment of $645 for the 2020 fiscal year. The estimates for 2021 to 2023 total $5,805.

OPERATIONAL HIGHLIGHTS

Capital Resources

The Company had 173,393,089 issued and outstanding common shares as of September 30, 2020.

The Company issued the following common shares during the period:

i. On August 18, 2020, the Company issued 86,808,513 common shares in connection with the Arrangement for a total fair value of $42,874,725, or $0.49 per share.
ii. During the nine-month period that ended on September 30, 2020, 291,283 (2019 - nil) common share purchase warrants were exercised with an average exercise price of $0.39 per share for gross proceeds of $112,319 (2019 - $nil).
iii. During the nine-month period that ended on September 30, 2020, 997,476 (2019 - nil) stock options were exercised with an average exercise price of $0.24 per share for gross proceeds of $217,855 (2019 - $nil).

As at September 30, 2020, the Company has 9,853,679 stock options outstanding with 8,353,679 fully vested and exercisable at a weighted average price of $0.25 per share and weighted average life of 2.1 years. The Company also recorded $152,480 (September 30, 2019 - $242,574) for share-based compensation expense related to options that were vested during the period. During the nine-month period that ended on September 30, 2020, 6,486,155 stock options were granted in connection with the Arrangement and 450,000 stock options expired.

As at September 30, 2020, the Company has 23,010,776 common share purchase warrants outstanding with a weighted average exercise price of $0.42 and a weighted average remaining life of 2.92 years. During the nine-month period that ended on September 30, 2020, 23,302,059 common share purchase warrants were issued in connection with the Arrangement and 6,333,629 common share purchase warrants expired.

Related Party Transactions

Other than the related party transactions discussed below, there are no current transactions with related parties.

a) Transactions involving related parties

During the nine-month period that ended on September 30, 2020, the Company paid $5,742 (September 30, 2019 - $42,368) for community engagement services to a company with a director in common.

b) Due to a related party

Included in accounts payable and accrued liabilities at September 30, 2020 was $Nil (December 31, 2019 - $8,170) owing to a company with a director in common.

OPERATIONAL HIGHLIGHTS

c) Compensation of key management personnel

IFRS requires that compensation of key management personnel be included as a transaction with related parties.

The following remuneration was paid to directors and other key management personnel during the periods that ended on September 30, 2020 and 2019, respectively.

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	**2020**	2019
Salaries of senior executives[i]	**$ 152,000**	$ 250,000	**$ 456,000**	$ 622,222
Short term employee benefits[ii]	**9,216**	13,584	**22,344**	29,832
Non-executive directors' fees	**43,770**	42,500	**120,270**	115,000
Stock base compensation	**13,290**	108,212	**82,180**	177,827
	$ 218,276	$ 414,296	**$ 680,794**	$ 984,881

(i) Senior executives include the Chief Executive Officer, Chief Financial Officer and Vice President Exploration.

(ii) Key management personnel were not paid post-employment benefits or other long-term benefits during the nine-month period ended September 30, 2020 and 2019.

Risks Factors and Uncertainties

The Company is subject to many risks that may affect future operations over which the Company has little or no control. These risks include, but are not limited to, intense competition in the resource industry, market conditions and the Company's ability to access new sources of capital, mineral property title, results from property exploration and development activities, and currency fluctuations. The Company has a history of recurring losses and there is no expectation that this situation will change in the foreseeable future.

Effects of COVID-19

COVID-19 (the coronavirus) has threatened a slowdown in the global economy as well as caused volatility in the global financial markets. While the full impact of COVID-19 on the global economy is uncertain, the rapid spread of COVID-19 may have an adverse effect on the Company's financial position. The extent to which COVID-19 may impact the Company's business will depend on future developments such as the geographic spread of the disease, the duration of the outbreak, travel restrictions, physical distancing, business closures or business disruptions and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. Although it is not possible to reliably estimate the length or severity of these developments and their financial impact as of the date of approval of these condensed interim

consolidated financial statements, continuation of the prevailing conditions could have a significant adverse impact on the Company's financial position and results of operations for future periods.

OPERATIONAL HIGHLIGHTS

Risks Factors and Uncertainties, continued

Please refer to the section 1.15 Other Requirements, "Risk Factors and Uncertainties" in the annual MD&A of the Company dated April 23, 2020, available on SEDAR at www.sedar.com.

Additional Disclosure for Venture Issuers without Significant Revenue

The significant components of general and administrative expenditures are presented in the condensed interim consolidated financial statements. Significant components of mineral property expenditures are included in operational highlights under property acquisition and exploration.

Outstanding Share Data

As of the date hereof, the Company has 173,393,089 issued and outstanding common shares. In addition, the Company has 9,853,679 stock options and 23,010,776 common share purchase warrants outstanding. Details of the issued share capital are included in Note 14 of the condensed interim consolidated financial statements for the nine-month period ended September 30, 2020 and 2019.

Other Information

All technical reports on material properties, press releases and material change reports are filed on SEDAR at www.sedar.com.

Forward-Looking Statements

This document includes certain forward-looking statements concerning the future performance of the Company's business, its operations, its financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties. Factors that may cause actual results to vary from forward looking statements include, but are not limited to, the Company's ability to access capital, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and reliance on key personnel, as described in more detail in this document under "Risk Factors and Uncertainties". Statements relating to estimates of reserves and resources are also forward-looking statements as they involve risks and assumptions (including, but not limited to, assumptions with respect to future commodity prices and production economics) that the reserves and resources described exist in the quantities and grades estimated and are capable of being economically extracted. Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon.