

**RT MINERALS CORP.**

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020

UNAUDITED

(Expressed in Canadian Dollars)

NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These unaudited condensed consolidated interim financial statements have been prepared by management of the Company and have not been reviewed by the Company's independent auditor.

**RT MINERALS CORP.**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
MAY 31, 2021 AND 2020  
(UNAUDITED – SEE “NOTICE TO READER” BELOW)**

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed the unaudited condensed consolidated interim financial statements for the periods ended May 31, 2021 and 2020.

**NOTICE TO READER OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The condensed consolidated interim financial statements of RT Minerals Corp. and the accompanying condensed consolidated interim statements of financial position as at May 31, 2021 and the condensed consolidated interim statements of comprehensive loss, statements of changes in equity and cash flows for the six months ended May 31, 2021 and 2020 are the responsibility of the Company’s management. These financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company, Manning Elliott LLP.

The financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with International Financial Reporting Standards. The Audit Committee of the Board of Directors, consisting of three members, has reviewed the financial statements and related financial reporting matters prior to submitting the financial statements to the Board for approval.

*“Donald M. Clark”*

*“Sandra Wong”*

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Donald M. Clark  
Chief Executive Officer

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Sandra Wong  
Chief Financial Officer

July 30, 2021

July 30, 2021

**RT MINERALS CORP.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (UNAUDITED)**

(Expressed in Canadian Dollars)

	Note	May 31, 2021 \$	November 30, 2020 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash		150,990	8,359
Short-term investments		230,000	725,000
Amounts receivable		42,252	72,525
Prepaid expenses		11,239	24,646
<b>Total current assets</b>		<b>434,481</b>	<b>830,530</b>
<b>Non-current assets</b>			
Exploration and evaluation assets	4	1,980,185	1,580,336
<b>Total assets</b>		<b>2,414,666</b>	<b>2,410,866</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		258,961	312,380
Due to related parties	9	15,523	82,390
<b>Total current liabilities</b>		<b>274,484</b>	<b>394,770</b>
<b>Non-current liabilities</b>			
Loan payable	5	40,000	40,000
<b>Total liabilities</b>		<b>314,484</b>	<b>434,770</b>
<b>Equity</b>			
Share capital	6	14,964,502	14,614,756
Reserves	6	1,917,158	1,816,036
Accumulated deficit		(14,781,478)	(14,454,696)
<b>Total equity</b>		<b>2,100,182</b>	<b>1,976,096</b>
<b>Total liabilities and equity</b>		<b>2,414,666</b>	<b>2,410,866</b>

Nature of operations and going concern (Note 1)

Subsequent events (Note 13)

These consolidated financial statements were approved and authorized for issue by the Board of Directors on July 30, 2021 and are signed on its behalf by:

/s/“Donald M. Clark” Director /s/“Mark Lofthouse” Director

The accompanying notes form an integral part of these consolidated financial statements.

**RT MINERALS CORP.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)****FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020**

(Expressed in Canadian Dollars)

	Note	Three months ended		Six months ended	
		May 31, 2021	May 31, 2020	May 31, 2021	May 31, 2020
		\$	\$	\$	\$
<b>Expenses</b>					
Employee costs	8	91,423	16,447	233,595	52,222
Finance expense		-	388	-	388
General and administrative expenses	8	57,262	13,505	93,533	27,334
<b>Total expenses</b>		(148,685)	(30,340)	(327,128)	(79,944)
<b>Other income</b>	8	146	(1)	346	-
<b>Net loss and comprehensive loss for the period</b>		(148,539)	(30,341)	(326,782)	(79,944)
<b>Loss per common share, basic and diluted</b>		(0.00)	(0.00)	(0.01)	(0.01)
<b>Weighted average number of common shares outstanding</b>		43,350,760	16,988,963	41,881,570	16,500,881

The accompanying notes form an integral part of these consolidated financial statements.

**RT MINERALS CORP.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)****FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020**

(Expressed in Canadian Dollars)

	<b>Number of Shares</b>	<b>Share Capital \$</b>	<b>Share Subscriptions \$</b>	<b>Reserves \$</b>	<b>Accumulated Deficit \$</b>	<b>Total \$</b>
Balance at November 30, 2019	12,287,963	13,334,006	5,010	1,711,001	(14,143,044)	906,973
Net and comprehensive loss for the period	-	-	-	-	(79,944)	(79,944)
Shares issued for private placement	4,501,000	135,030	(5,010)	-	-	130,020
Shares issued for Norwalk	200,000	7,000	-	-	-	7,000
Share issuance costs	-	(6,425)	-	-	-	(6,425)
Balance at May 31, 2020	16,988,963	13,469,611	-	1,711,001	(14,222,988)	957,624
Balance at November 30, 2020	39,817,463	14,614,756	-	1,816,036	(14,454,696)	1,976,096
Net and comprehensive loss for the period	-	-	-	-	(326,782)	(326,782)
Shares issued for private placement	3,000,000	270,000	-	-	-	270,000
Shares issued for warrant exercises	850,525	77,380	-	(16,343)	-	61,037
Shares issued for option exercises	75,000	10,366	-	(3,991)	-	6,375
Share-based payments	-	-	-	121,456	-	121,456
Share issuance costs	-	(8,000)	-	-	-	(8,000)
Balance at May 31, 2021	43,742,988	14,964,502	-	1,917,158	(14,781,478)	2,100,182

The accompanying notes form an integral part of these consolidated financial statements.

**RT MINERALS CORP.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (UNAUDITED)****FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020**

(Expressed in Canadian Dollars)

	<b>May 31, 2021</b>	<b>May 31, 2020</b>
	\$	\$
<b>Operating activities</b>		
Loss for the period	(326,782)	(79,944)
Items not involving cash:		
Share-based payments	105,491	-
Changes in non-cash working capital accounts:		
Amounts receivable	30,273	(532)
Prepaid expenses	13,407	(2,600)
Trade and other payables	(66,240)	(23,916)
<b>Total cash used in operating activities</b>	<b>(243,851)</b>	<b>(106,992)</b>
<b>Investing activities</b>		
Expenditures on exploration and evaluation assets	(371,063)	(45,662)
Redemption of short-term investments	495,000	-
<b>Total cash flows provided by (used in) investing activities</b>	<b>123,937</b>	<b>(45,662)</b>
<b>Financing activities</b>		
Proceeds from share issuance	337,412	-
Proceeds from share subscriptions	-	130,020
Share issuance costs	(8,000)	(1,840)
Advances from related parties	(66,867)	(15,733)
Loan received	-	62,500
Loans repaid	-	(1,000)
<b>Total cash flows provided by financing activities</b>	<b>262,545</b>	<b>173,947</b>
<b>Total increase in cash during the period</b>	<b>142,631</b>	<b>21,293</b>
<b>Cash, beginning of period</b>	<b>8,359</b>	<b>5,181</b>
<b>Cash, end of period</b>	<b>150,990</b>	<b>26,474</b>
<b>Supplemental information</b>		
Interest paid	-	388
Income taxes paid	-	-

Refer to Note 12 for non-cash transactions incurred during the periods ended May 31, 2021 and 2020.

The accompanying notes form an integral part of these consolidated financial statements.

# **RT MINERALS CORP.**

## **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 7 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020**

(Expressed in Canadian Dollars)

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

RT Minerals Corp. (the “Company”) was incorporated under the Business Corporations Act of British Columbia on March 9, 2007. The Company’s business activity is the exploration and evaluation of mineral properties in Canada. The Company is listed on the TSX Venture Exchange (“TSXV”), having the symbol RTM-V, as a Tier 2 mining issuer.

The address of the Company’s corporate office and principal place of business is Suite 1210 - 1130 West Pender Street, Vancouver, British Columbia, Canada.

The Company has not generated revenue from operations since inception and has accumulated losses of \$14,781,478 since inception and expects to incur further losses in the development of its business, all of which indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. As the Company is in the exploration stage, the recoverability of costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company will periodically have to raise funds to continue operations, and although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

### **2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These condensed consolidated interim financial statements for the six month period ended May 31, 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company’s 2020 annual financial statements which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The condensed consolidated interim financial statements have been prepared using accounting policies consistent with those used in the Company’s 2020 annual financial statements except for new standards, interpretations and amendments mandatorily effective for the first time from January 1, 2020. Note 2 sets out the impact of new standards, interpretations and amendments that have had a material effect on the financial statements.

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors on July 30, 2021.

The preparation of condensed consolidated interim financial statements in compliance with IAS 34 requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in Note 3.

## RT MINERALS CORP.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 8 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020

(Expressed in Canadian Dollars)

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, RT Minerals Corp (Guyana) Inc. (“RTMG”). RTMG was incorporated in Guyana and is currently dormant. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

### Foreign Currency Translation

The presentation currency and functional currency of the Company and its Guyana subsidiary is the Canadian dollar as this is the principal currency of the economic environment in which they operate. The Company’s Guyana subsidiary is financially and operationally dependent on the Company. The Company translates transactions in foreign currencies into Canadian dollars at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities are translated at the exchange rates in effect at the consolidated statement of financial position date. Non-monetary assets and liabilities are translated at historical rates. The resulting exchange gains or losses are recognized in comprehensive loss.

### New Accounting Standards, Interpretations and Amendments to Existing Standards

A number of new or amended accounting standards are scheduled for mandatory adoption on or after December 1, 2021. The Company has not early adopted these new standards in preparing these consolidated financial statements. These new standards are either not applicable or are not expected to have a significant impact on the Company’s consolidated financial statements.

## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and amount of changes in estimates of amounts reported in the Company’s 2020 annual financial statements.

## 4. EXPLORATION AND EVALUATION ASSETS

	Norwalk \$	Link- Catharine \$	Total \$
Balance at November 30, 2019	1,019,189	-	1,019,189
Exploration costs			
Administration	1,429	510	1,939
Community consultations	5,000	-	5,000
Drilling	248,001	182,945	430,946
Geophysical survey	10,380	-	10,380
Reports	12,225	-	12,225
Sampling	9,427	-	9,427
Technical assessment	1,250	-	1,250
	287,712	183,455	471,167
Acquisition of property	52,480	37,500	89,980
Balance at November 30, 2020	1,359,381	220,955	1,580,336



# RT MINERALS CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 9  
FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020  
(Expressed in Canadian Dollars)

## 4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

	Norwalk \$	Link- Catharine \$	Total \$
Balance at November 30, 2020	1,359,381	220,955	1,580,336
Exploration costs			
Administration	100	17,911	18,011
Drilling	61,172	283,638	344,810
Geology	-	3,810	3,810
Geophysical survey	-	33,155	33,155
	61,272	338,514	399,787
Acquisition of property	-	63	63
Balance at May 31, 2021	1,420,653	559,532	1,980,185

### a) Norwalk Property (Wawa, Ontario)

On September 20, 2016, the Company signed an option agreement (the “Option Agreement”) to acquire a 100% interest, subject to a 2% retained royalty, in the Norwalk gold property located six kilometres south of the town of Wawa, Ontario. The Company may earn its interest in the property by paying an initial consideration of \$5,000 (paid) and issuing 20,000 common shares of the Company (issued on October 5, 2016 with a fair value of \$18,000) upon receipt of TSXV approval of the Option Agreement (the “Acceptance Date”) (approved October 5, 2016); and making additional optional payments of:

- i. \$15,000 (paid) and 10,000 common shares (issued on October 5, 2017 with a fair value of \$6,000) on the first anniversary of the Acceptance Date;
- ii. \$25,000 (paid) and 100,000 common shares (issued on October 5, 2018 with a fair value of \$7,000) on the second anniversary of the Acceptance Date; and
- iii. \$45,000 and 100,000 common shares on the third anniversary of the Acceptance Date.

On September 20, 2019, as further amended on November 21, 2019, the Company amended the Option Agreement to extend the final option payment to the following:

- i. \$3,000 (paid) work fee on or before November 21, 2019;
- ii. 200,000 common shares (issued on November 20, 2019 with a fair value of \$7,000) on or before November 28, 2019;
- iii. \$22,500 (paid) on or before December 16, 2019; and
- iv. \$22,500 (paid) and 200,000 common shares (issued on December 19, 2019 with a fair value of \$7,000) on or before March 31, 2020.

On March 31, 2020, the Company completed the final option payment to earn 100% interest, subject to retained royalty, in the Norwalk gold property.

### b) Link-Catharine RLDZ Property (Kirkland Lake, Ontario)

On September 28, 2020, the Company signed an option agreement (the “Option Agreement”) to acquire a 100% interest, subject to a 2% retained royalty, in the Link-Catharine RLDZ gold property located 25 kilometres south south-east of the town of Kirkland Lake, Ontario. The Company may earn its interest in the property by paying an initial consideration of \$15,000 (paid), issuing 250,000 common shares of the Company (issued on October 7, 2020 with a fair value of \$22,500) upon receipt of TSXV approval of the Option Agreement (the “Acceptance Date”) (approved October 7, 2020) and incurring \$100,000 in exploration expenditures within four months of the Acceptance Date (incurred); and making additional optional payments of:

## **RT MINERALS CORP.**

### **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 10 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020**

(Expressed in Canadian Dollars)

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#### **4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)**

##### **b) Link-Catharine RLDZ Property (Kirkland Lake, Ontario) (continued)**

- i. \$20,000 and 250,000 common shares on or before the first anniversary of the Acceptance Date;
- ii. \$25,000, 250,000 common shares and \$100,000 in exploration expenditures on or before the second anniversary of the Acceptance Date;
- iii. \$25,000, 250,000 common shares and \$200,000 in exploration expenditures on or before the third anniversary of the Acceptance Date;
- iv. \$30,000, 250,000 common shares and \$200,000 in exploration expenditures on or before the fourth anniversary of the Acceptance Date; and
- v. \$85,000, 700,000 common shares and \$400,000 in exploration expenditures on or before the fifth anniversary of the Acceptance Date.

#### **5. LOAN PAYABLE**

On April 30, 2020, the Company received a loan from the Canadian government's Canada Emergency Business Account ("CEBA") Program in the amount of \$40,000. The CEBA is a government guaranteed loan of up to \$40,000 that is interest-free until December 31, 2022. The loan is available to help businesses with operating costs during COVID-19. Twenty-five percent of the loan amount (\$10,000) is eligible for forgiveness as long as the business pays back \$30,000 on or before December 31, 2022. If the business cannot pay back the loan by December 31, 2022, it can be converted into a three-year term loan at an interest rate of 5%.

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

##### **a) Common Shares**

The Company is authorized to issue an unlimited number of common shares without par value.

The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

The Company issued the following common shares during the period ended May 31, 2021:

- i) On December 18, 2020, the Company issued 233,500 common shares through the exercise of 233,500 warrants at a price of \$0.05 per share for total proceeds of \$11,675.
- ii) On February 17, 2021, the Company completed a non-brokered private placement consisting of 3,000,000 flow-through units priced at \$0.09 per flow-through unit for total proceeds of \$270,000. Each flow-through unit consists of one flow-through common share and one-half of one common share purchase warrant, with each whole warrant exercisable at a price of \$0.12 per share for a two-year term. All securities issued are subject to a hold period expiring June 18, 2021. A cash finder's fee of \$8,000 was paid on \$100,000 of the private placement.
- iii) On February 17, 2021, the Company issued 72,025 common shares through the exercise of 72,025 warrants at a price of \$0.08 per share for total proceeds of \$5,762.

## RT MINERALS CORP.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 11 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020

(Expressed in Canadian Dollars)

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#### 6. SHARE CAPITAL AND RESERVES (CONTINUED)

##### a) Common Shares (continued)

- iv) On April 13, 2021, the Company issued 225,000 common shares through the exercise of 225,000 warrants at a price of \$0.08 per share for total proceeds of \$18,000.
- v) On April 28, 2021, the Company issued 75,000 common shares through the exercise of 75,000 stock options at a price of \$0.085 per share for total proceeds of \$6,375.
- vi) On May 7, 2021, the Company issued 320,000 common shares through the exercise of 320,000 broker warrants at a price of \$0.08 per share for total proceeds of \$25,600.

The Company issued the following common shares during the year ended November 30, 2020:

- vii) On December 19, 2019, the Company completed a non-brokered private placement consisting of 4,501,000 units priced at \$0.03 per unit for total proceeds of \$135,030. Each unit consists of one common share and one half of a common share purchase warrant, with each whole warrant exercisable at a price of \$0.05 per share for a one-year term. All securities issued were subject to a hold period expiring April 20, 2020. The Company received \$5,010 of share subscriptions for this private placement as of November 30, 2019.
- viii) On December 19, 2019, the Company issued 200,000 common shares with a fair value of \$0.035 per share pursuant to the Norwalk property option described in Note 4(a).
- ix) On August 31, 2020, the Company issued 420,000 common shares priced at \$0.08 per share for proceeds of \$33,600 and 167,000 common shares priced at \$0.05 per share for proceeds of \$8,350 pursuant to warrant exercises.
- x) On September 1, 2020, the Company completed a non-brokered private placement consisting of 14,000,000 units priced at \$0.05 per unit for total proceeds of \$700,000. Each unit consists of one common share and one common share purchase warrant exercisable at a price of \$0.07 per share for a three-year term. All securities issued were subject to a hold period expiring January 2, 2021. Finders fees of \$56,000 (8% cash), an administrative fee of \$2,801 and 1,120,000 share purchase warrants (8% of the number of units sold) were paid on this private placement. The finder's warrants are exercisable at \$0.08 per common share for a term of three years.
- xi) On September 1, 2020, the Company completed a non-brokered private placement consisting of 5,941,500 flow-through units priced at \$0.07 per flow-through unit for total proceeds of \$415,905. Each flow-through unit consists of one flow-through common share and one-half of one common share purchase warrant, with each whole warrant exercisable at a price of \$0.08 per share for a three-year term. All securities issued were subject to a hold period expiring January 2, 2021. Finders fees of \$17,200 (8% cash) and 245,720 share purchase warrants (8% of the number of units sold) were paid on a portion of this private placement. The finder's warrants are exercisable at \$0.08 per common share for a term of three years.

# RT MINERALS CORP.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 12 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020

(Expressed in Canadian Dollars)

### 6. SHARE CAPITAL AND RESERVES (CONTINUED)

#### a) Common Shares (continued)

xii) On September 1, 2020, the Company issued 1,850,000 common shares through the exercise of 1,850,000 warrants at a price of \$0.05 per share for total proceeds of \$92,500.

xiii) On October 7, 2020, the Company issued 250,000 common shares with a fair value of \$0.09 per share pursuant to the Link-Catharine property option described in Note 4(b).

xiv) On November 9, 2020, the Company issued 200,000 common shares through the exercise of 200,000 stock options at a price of \$0.06 per share for total proceeds of \$12,000.

#### b) Preferred Shares

The Company is authorized to issue an unlimited number of preferred shares. No preferred shares have been issued since the Company's inception.

#### c) Reserves

	May 31, 2021 \$	November 30, 2020 \$
Fair value of warrants issued	358,132	374,475
Fair value of stock options granted or vested	1,559,026	1,441,561
Reserves	1,917,158	1,816,036

#### d) Share Purchase Warrants

A summary of the Company's share purchase warrants at May 31, 2021 and November 30, 2020 and the changes for the periods then ended is presented below:

	Number of Warrants	Weighted Average Exercise Price
Balance at November 30, 2019	7,068,900	\$0.08
Issue of warrants	20,586,970	\$0.07
Exercise of warrants	(2,437,000)	\$0.055
Expiry of warrants	(6,580,000)	\$0.08
Balance at November 30, 2020	18,638,870	\$0.07
Issue of warrants	1,500,000	\$0.12
Exercise of warrants	(850,525)	\$0.07
Expiry of warrants	(68,900)	\$0.50
Balance at May 31, 2021	19,219,445	\$0.08

## RT MINERALS CORP.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 13 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020

(Expressed in Canadian Dollars)

#### 6. SHARE CAPITAL AND RESERVES (CONTINUED)

##### d) Share Purchase Warrants (continued)

On December 19, 2019, the Company issued 2,250,500 warrants exercisable at \$0.05 per share for a one-year term pursuant to the private placement described in Note 6(a).

On September 1, 2020, the Company issued 14,000,000 warrants exercisable at \$0.07 per share for a three-year term pursuant to the private placement described in Note 6(a).

On September 1, 2020, the Company issued 2,970,750 warrants exercisable at \$0.08 per share for a three-year term pursuant to the private placement described in Note 6(a).

On February 17, 2021, the Company issued 1,500,000 warrants exercisable at \$0.12 per share for a two year term pursuant to the private placement described in Note 6(a).

As at May 31, 2021, the Company had outstanding and exercisable warrants as follows:

Number of Warrants Outstanding and Exercisable		Exercise Price per Share	Expiry Date
May 31, 2021	November 30, 2020		
-	233,500	\$0.05	December 19, 2020
-	68,900	\$0.50	May 16, 2021
1,500,000	-	\$0.12	February 17, 2023
14,000,000	14,000,000	\$0.07	September 1, 2023
2,673,725	2,970,750	\$0.08	September 1, 2023
1,045,720	1,365,720	\$0.08	September 1, 2023
19,219,445	18,638,870		

#### 7. SHARE-BASED PAYMENTS

##### a) Option Plan Details

The Company has an incentive Stock Option Plan (“the Plan”) under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company. The Plan was approved by the Board on March 21, 2011, was approved by the Company’s shareholders on April 29, 2011, and came into effect on August 5, 2011 upon acceptance by the TSXV of the Company’s listing application and commencement of trading on the TSXV. The Plan provides for the issuance of options to acquire shares of the Company up to 10% of the then issued and outstanding shares of the Company. It incorporates the new TSXV option plan policies effective December 15, 2008, as well as provisions concerning the new requirements of the Canada Revenue Agency concerning withholding tax payments on exercised options, and provisions to accommodate electronic trading and the issuance of uncertificated shares.

A summary of the Company’s stock options at May 31, 2021 and November 30, 2020 and the changes for the periods then ended is presented below:

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 14 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020

(Expressed in Canadian Dollars)

#### 7. SHARE-BASED PAYMENTS

##### a) Option Plan Details (continued)

	May 31, 2021		November 30, 2020	
	Options Outstanding	Weighted Average Exercise Price	Options Outstanding	Weighted Average Exercise Price
Opening balance	1,000,000	\$0.07	157,000	\$0.50
Granted	2,000,000	\$0.10	1,200,000	\$0.07
Exercised	(75,000)	0.09	(200,000)	\$0.06
Expired	-	-	(157,000)	\$0.50
Ending balance	2,925,000	\$0.09	1,000,000	\$0.07

On January 19, 2021, the Company granted 1,400,000 stock options exercisable at \$0.095 per share for a two-year term to directors and officers. The options vested immediately.

On January 28, 2021, the Company granted 300,000 stock options exercisable at \$0.085 per share for a two-year term to consultants. The options vested immediately.

On April 6, 2021, the Company granted 300,000 stock options exercisable at \$0.105 per share for a five-year term to consultants. The options vested immediately.

Details of stock options outstanding and exercisable as at May 31, 2021 and November 30, 2020 are as follows:

Expiry Date	Exercise Price	May 31, 2021	November 30, 2020
July 3, 2022	\$0.06	600,000	600,000
September 4, 2022	\$0.08	400,000	400,000
January 19, 2023	\$0.095	1,400,000	-
January 28, 2023	\$0.085	225,000	-
April 6, 2026	\$0.105	300,000	-
		<u>2,925,000</u>	<u>1,000,000</u>

The weighted average remaining contractual life of stock options outstanding at May 31, 2021 was 1.81 years (November 30, 2020: 1.66 years).

##### b) Fair Value of Options Issued During the Period

The weighted average fair value at grant date of options granted during the period ended May 31, 2021 was \$0.0607 per option (2020: \$nil). The fair value was determined using the Black-Scholes option-pricing model using the following assumptions:

	2021	2020
Expected stock price volatility	117% to 126%	104% to 105%
Risk-free interest rate	0.15% to 0.92%	0.25% to 0.27%
Dividend yield	-	-
Expected life of options	2 to 5 years	2 years
Stock price on date of grant	\$0.085 to \$0.105	\$0.06 to \$0.08
Forfeiture rate	-	-

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 15  
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## 8. NATURE OF INCOME AND EXPENSES

	2021	2020
	\$	\$
Other income and expenses include:		
Interest income	346	-
	346	-
Employee costs include:		
Consulting fees	54,589	1,500
Management fees	10,500	-
Salaries and benefits	63,015	50,722
Share-based payments	105,491	-
	233,595	52,222
General and administrative expenses include:		
Accounting and audit fees	7,567	1,225
Filing fees	20,798	7,060
Investor communications	21,990	102
Legal fees	24,587	4,763
Office expenses	12,414	7,072
Transfer agent	4,244	2,447
Travel and automobile	1,933	4,665
	93,533	27,334

## 9. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

### a) Office Expenses

Office expenses of \$378 (2020: \$370) were charged by a company with a common officer that shared office premises. At May 31, 2021, \$140 (November 30, 2020: \$178) in amounts owing to the co-tenant were included in due to related parties.

### b) Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company. Key management personnel compensation is comprised of the following:

	2021	2020
	\$	\$
Short-term employee benefits and director fees	79,296	49,162
Share-based payments	78,970	-
	158,266	49,162

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 16 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020

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#### 9. RELATED PARTY TRANSACTIONS (CONTINUED)

##### b) Key Management Compensation (continued)

The Company has entered into an Officer and Consulting Agreement (the “Officer Agreement”), as amended, with the Company’s Chairman, Chief Executive Officer and President (the “President”) effective December 1, 2020 for a one year term. As compensation for the services to be provided, the President will receive a monthly salary of \$8,000 with a provision for severance of \$96,000 in the event that the Agreement is terminated after March 31, 2021. During the period ended May 31, 2021, the Company recorded \$50,796 (2020: \$31,162) in salary and taxable benefits payable to the President.

The Company has entered into an Employment Agreement (the “Agreement”) with the Company’s Chief Financial Officer effective December 1, 2018 for a 12-month term ending November 30, 2019 that was subsequently amended to no fixed term. As compensation for the services to be provided, the Chief Financial Officer will receive a monthly fee of \$3,000 with a provision for severance of \$20,000 in the event that the Agreement is terminated or not renewed. During the period ended May 31, 2021, the Company recorded \$18,000 (2020 - \$18,000) in salary payable to the Chief Financial Officer.

The Company has agreed to pay a director’s fee of \$1,750 per month to a director for a one year term commencing September 1, 2020. During the period ended May 31, 2021, the Company recorded \$10,500 (2020: \$nil) in director’s fees payable to the director.

Due to related parties at May 31, 2021 includes \$15,383 (November 30, 2020: \$82,212) in amounts owing to directors and officers for unpaid salaries, consulting fees and expenses.

#### 10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

##### *Fair values*

The Company’s financial instruments include cash, short-term investments, amounts receivable, trade and other payables, amounts due to related parties and loan payable. The fair value of these financial instruments approximates their carrying values due to the relative short-term maturity of these instruments.

The following table summarizes information regarding the carrying and fair values of the Company’s financial instruments:

	May 31, 2021		November 30, 2020	
	Fair Value	Carrying Value	Fair Value	Carrying Value
	\$	\$	\$	\$
FVTPL assets (i)	380,990	380,990	733,359	733,359
Amortized cost liabilities (ii)	314,484	314,484	409,154	409,154

(i) Cash and short-term investments

(ii) Trade and other payables, due to related parties and loan payable

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:



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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 17 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020

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#### 10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Level 1 -	Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 -	Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 -	Inputs for the asset or liability that are not based on observable market data.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

As at May 31, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Cash	150,990	-	-	150,990
Term deposits	230,000	-	-	230,000

The Company believes the recorded values of all other financial instruments approximate their current fair values because of their nature and respective maturity dates.

The Company's financial instruments are exposed to certain financial risks: credit risk, liquidity risk, market risk and currency risk.

#### *Credit risk*

Credit risk is the risk of an unexpected loss associated with a counterparty's inability to fulfill its contractual obligations. Management evaluates credit risk on an ongoing basis and monitors activities related to amounts and other receivable including the amounts of counterparty concentrations. The primary sources of credit risk for the Company arise from its financial assets consisting of cash and cash equivalents. The carrying value of these financial assets represents the Company's maximum exposure to credit risk. To minimize credit risk the Company only holds its cash and term deposits with high credit chartered Canadian financial institutions. As at May 31, 2021, the Company has no financial assets that are past due or impaired due to credit risk defaults.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities consist of its trade and other payable, amounts due to related parties and loan payable. The Company has a working capital surplus of \$159,997 as at May 31, 2021 and requires additional financing for operations and meet its current obligations. The Company handles its liquidity risk through the management of its capital structure as described in Note 11.

The following are the contractual maturities of financial liabilities as at May 31, 2021:

	Carrying Amount \$	Contractual Cash Flows \$	Within 1 year \$	Within 2 years \$	Within 3 years \$	Over 3 years \$
Trade payables	258,961	258,961	258,961	-	-	-
Due to related parties	15,523	15,523	15,523	-	-	-
Loan payable	40,000	40,000	-	40,000	-	-
Total	314,484	314,484	274,484	40,000	-	-

# RT MINERALS CORP.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 18 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020

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### 10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

#### *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets and cause fluctuations in the fair value of future cash flows for assets or liabilities. The Company is not exposed to significant interest rate risk as the Company has no fluctuating interest bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in gold and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

#### *Currency risk*

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currencies. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The Company's Guyana subsidiary is exposed to currency risk as it incurs expenditures that are denominated in US dollars while its functional currency is the Canadian dollar.

#### *Pandemic risk*

The outbreak and spread of a novel coronavirus (COVID-19), declared a pandemic by the World Health Organization, has already had significant human, political, and economic consequences around the world. The coronavirus is still evolving, and its full impact remains to be determined. However, its wide-ranging effects include financial market volatility, interest rate cuts, disrupted movement of people and goods, and diminished consumer confidence. The effects of the coronavirus may be difficult to assess or predict with meaningful precision both generally and as an industry- or issuer-specific basis. This is an uncertain issue where actual effects will depend on many factors beyond the control and knowledge of the Company. The Company continues to closely evaluate the impact of COVID-19 on its operations.

### 11. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can support continued development of its exploration and evaluation assets, pursue the acquisition and exploration of other mineral interests, and to maintain a flexible capital structure for its projects for the benefit of its shareholders and other stakeholders. The Company is not exposed to externally imposed capital requirements.

The Company considers items included in equity to be capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, option its properties for cash from optionees, enter into joint venture arrangements, return capital to its shareholders or adjust the amount of cash.

### 12. NON-CASH TRANSACTIONS

Non-cash Financing and Investing Activities	<b>2021</b>	<b>2020</b>
	\$	\$
Shares issued for mineral properties	-	7,000

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## **RT MINERALS CORP.**

### **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – Page 19 FOR THE SIX MONTHS ENDED MAY 31, 2021 AND 2020**

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#### **13. SUBSEQUENT EVENTS**

##### **a) Catharine Gold Inc.**

On March 22, 2021, the Company entered into a Share Purchase Agreement to acquire 100% interest in the issued and outstanding common shares of Catharine Gold Inc., a private company that holds the mineral rights to 9,944 hectares of mineral properties contiguous to the Company's optioned Link-Catharine RLDZ property, for consideration of 21,000,000 common shares of the Company (each, a "Share") (issued July 14, 2021). The Shares will be subject to a multi-year escrow release under a Tier 2 Escrow Surplus Agreement, under which the Shares will be released from Escrow as to 1,050,000 Shares upon approval of the transaction by the TSX Venture Exchange (approved on July 14, 2021), 1,050,000 Shares 6 months thereafter, 2,100,000 Shares 1 year thereafter, 2,100,000 Shares 1.5 years thereafter, 3,150,000 Shares 2 years thereafter, 3,150,000 Shares 2.5 years thereafter, and 8,400,000 Shares 3 years thereafter. The properties held by Catharine Gold Inc. are subject to a pre-existing 2% royalty. The shareholders of the Company approved the transaction at an Annual General and Special Meeting of Shareholders held on June 22, 2021 and the acquisition closed on July 14, 2021.