NORONT

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 AND DECEMBER 31, 2018

(EXPRESSED IN CANADIAN DOLLARS)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Noront Resources Ltd. (the "Company") were prepared by management in accordance with International Financial Reporting Standards. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The significant accounting policies of the Company are summarized in Note 3 to these consolidated financial statements.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented in the consolidated financial statements.

The Board of Directors is responsible for ensuring that management fulfills its financial reporting responsibilities and for reviewing and approving the consolidated financial statements together with other financial information. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process and the consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(Signed) *"Alan Coutts"*
Alan Coutts
President & Chief Executive Officer

(Signed) *"Greg Rieveley"*
Greg Rieveley, CPA, CA
Chief Financial Officer

Independent auditor's report

To the Shareholders of Noront Resources Ltd.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Noront Resources Ltd. and its subsidiary (together, the Company) as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2019 and 2018;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to note 1 to the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Michael Hawtin.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
April 9, 2020

Noront Resources Ltd.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	As at December 31, 2019	As at December 31, 2018
Assets			
Current Assets			
Cash and cash equivalents	6	$ 7,331,777	$ 5,569,465
Taxes and other receivables		41,944	99,806
Supplies inventory		92,859	223,558
Prepaid expenses		23,416	101,776
Total Current Assets		$ 7,489,996	$ 5,994,605
Non-Current Assets			
Equipment	7	1,096,142	1,189,086
Mineral properties	8	25,418,065	25,418,065
Investments		253,100	365,600
Right-of-use asset	9a	331,422	-
Option to lease	13b(iv)	257,250	-
Total Non-Current Assets		$ 27,355,979	$ 26,972,751
Total Assets		$ 34,845,975	$ 32,967,356
Liabilities and Shareholders' Deficit			
Current Liabilities			
Accounts payable and accrued liabilities	10	$ 815,671	$ 1,128,832
Loan Facilities - due to Resource Capital Funds V L.P.	11a	-	18,135,019
Repayment option	11b	4,621,680	424,920
Flow-through share liability		865,963	423,514
Short-term portion of lease obligation	9b	126,932	-
Total Current Liabilities		$ 6,430,246	$ 20,112,285
Non-Current Liabilities			
Provision for environmental obligations	12	1,991,440	1,867,054
Loan Facilities - due to Resource Capital Funds V L.P.	11a	16,736,732	-
Loan Facilities - due to Franco-Nevada Corporation	11c	36,383,986	40,071,502
Long-term portion of lease obligation	9b	248,593	-
Total Non-Current Liabilities		$ 55,360,751	$ 41,938,556
Total Liabilities		$ 61,790,997	$ 62,050,841
Shareholders' Deficit			
Capital stock	13b	$ 217,826,449	$ 211,671,420
Warrants	13d	2,038,767	2,402,290
Contributed surplus		38,196,321	36,669,673
Deficit		(285,006,559)	(279,826,868)
Total Shareholders' Deficit		$ (26,945,022)	$ (29,083,485)
Total Liabilities and Shareholders' Deficit		$ 34,845,975	$ 32,967,356

Nature of Business and Going Concern (Note 1)
Commitments and Contingencies (Note 16)
Subsequent Events (Note 19)

Approved on behalf of the Board of Directors:

(Signed) *"Paul Parisotto"*
Director

(Signed) *"John Pollesel"*
Director

NORONT

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

Noront Resources Ltd.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Note	Year Ended December 31, 2019	December 31, 2018
Expenses			
Development and exploration expenditures	**18a**	**$ 5,744,672**	$ 7,123,248
Office and general	**18b**	**2,878,923**	3,195,109
Amortization		**357,359**	300,359
Share-based compensation	**13c, e**	**1,128,375**	1,152,547
Loss before finance items and other gains		**$ (10,109,329)**	$ (11,771,263)
Interest income and other income		**33,991**	50,411
Finance expense		**(4,772,055)**	(4,431,708)
Flow-through share premium		**936,399**	962,777
Gain on loan modification	**11a**	**801,714**	3,648,477
Gain on loan extinguishment	**11c**	**7,241,336**	-
Gain on sale of mineral property		**-**	150,000
Gain on sale of royalty		**4,972,383**	-
Accretion expense		**(6,033,299)**	(5,595,478)
Re-measurement of repayment option	**11b**	**(1,488,742)**	1,621,439
Foreign exchange gain (loss)		**3,350,411**	(4,520,821)
Net loss and other comprehensive loss		**$ (5,067,191)**	$ (19,886,166)
Other comprehensive loss			
Changes in fair value of investments in equity securities		**(112,500)**	-
Comprehensive loss		**$ (5,179,691)**	$ (19,886,166)
Loss per share - basic and diluted	**15**	**$ (0.01)**	$ (0.06)

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

Noront Resources Ltd.
Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars, unless otherwise indicated)

	Common Shares	Capital Stock	Warrants	Contributed Surplus	Deficit	Total
Balance, December 31, 2017	**345,061,661**	**$ 201,181,223**	**$ 2,205,734**	**$ 36,279,458**	**$ (260,886,262)**	**$ (21,219,847)**
IFRS 9 adjustment					**945,560**	**945,560**
Restated balance, January 1, 2018					**$ (259,940,702)**	**(20,274,287)**
Issuance of interest shares	4,559,450	1,545,360	-	-	-	1,545,360
Issuance of shares	5,771,510	1,683,040	-	-	-	1,683,040
Issuance of warrants	-	-	196,586	(196,586)	-	-
Share-based compensation	-	-	-	1,152,547	-	1,152,547
Exercise of RSU	334,517	83,629	-	(83,629)	-	-
Exercise of options	4,103,334	1,393,017	-	(482,117)	-	910,900
Exercise of warrants	500	230	(30)	-	-	200
Issuance of Flow-through shares	18,545,820	6,707,785	-	-	-	6,707,785
Flow-through share premium	-	(922,864)	-	-	-	(922,864)
Net loss for the period	-	-	-	-	(19,886,166)	(19,886,166)
Balance, December 31, 2018	**378,376,792**	**$ 211,671,420**	**$ 2,402,290**	**$ 36,669,673**	**$ (279,826,868)**	**(29,083,485)**

	Common Shares	Capital Stock	Warrants	Contributed Surplus	Deficit	Total
Balance, December 31, 2018	**378,376,762**	**$ 211,671,420**	**$ 2,402,290**	**$ 36,669,673**	**$ (279,826,868)**	**$ (29,083,485)**
Issuance of interest shares (Note 11(a)(ii)(iii)(iv),13(b)	6,499,242	1,599,261				1,599,261
Share-based compensation (Note 13c,e)				1,128,375		1,128,375
Exercise of RSU	200,000	50,000		(50,000)		-
Issuance of warrants			443,246	(358,496)		84,750
Issuance of Flow-through units (Note 13 b(i),(v))	19,030,807	5,410,546				5,410,546
Flow-through share premium		(1,378,848)				(1,378,848)
Transaction costs - paid in shares		(213,713)				(213,713)
Issuance of shares (Note 13b (ii)(iii)(iv)(v)(vi)(vii))	2,952,917	687,783				687,783
Expiry of warrants			(806,769)	806,769		-
Net loss for the period					(5,179,691)	(5,179,691)
Balance, December 31, 2019	**407,059,728**	**$ 217,826,449**	**$ 2,038,767**	**$ 38,196,321**	**$ (285,006,559)**	**$ (26,945,022)**

Noront Resources Ltd.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Note	Year Ended December 31, 2019	December 31, 2018
Operating activities			
Net loss for the period		**$ (5,067,191)**	$ (19,886,166)
Amortization		**357,359**	300,359
Share-based compensation	**13c, e**	**1,128,375**	1,152,547
Accretion expense		**6,033,299**	5,595,478
Flow-through share premium		**(936,399)**	(962,777)
Issuance of interest shares		**1,599,261**	1,545,360
Re-measurement of repayment option		**1,488,742**	(1,621,439)
Issuance of shares (non-cash)		**430,283**	105,000
Accrued interest on long term debt	**11b**	**3,078,848**	2,803,114
Gain on loan modification		**(801,714)**	(3,648,477)
Gain on loan extinguishment		**(7,241,336)**	-
Gain on sale of mineral property		**-**	(150,000)
Gain on sale of royalty		**(4,972,383)**	-
Unrealized foreign exchange (gain) loss		**(3,349,381)**	4,516,065
Net change in non-cash working capital:			
Taxes and other receivables		**57,862**	(38,813)
Supplies inventory		**130,699**	(140,879)
Prepaid expenses		**78,360**	4,780
Accounts payable and accrued liabilities		**(376,547)**	77,377
Flow-through share proceeds on sale of tax benefits		**1,378,848**	922,864
Net cash used in operating activities		**$ (6,983,015)**	$ (9,425,607)
Investing activities			
Acquisition of equipment		**(73,451)**	(85,859)
Proceeds on sale of mineral properties		**-**	75,000
Proceeds on sale of royalties, net of costs		**4,972,383**	-
Net cash provided by (used in) investing activities		**$ 4,898,932**	$ (10,859)
Financing activities			
Private placement, net of costs and sale of tax benefits		**3,902,985**	7,362,961
Proceeds from exercise of options		**-**	910,900
Proceeds from exercise of warrants		**-**	200
Lease payments		**(105,793)**	-
Lease inducement		**49,387**	-
Net cash provided by financing activities		**$ 3,846,579**	$ 8,274,061
Change in cash and cash equivalents		**1,762,496**	(1,162,405)
Effect of foreign exchange rates on cash and cash equivalents		**(184)**	10,062
Cash and cash equivalents, beginning of period		**5,569,465**	6,721,808
Cash and cash equivalents, end of period		**$ 7,331,777**	$ 5,569,465

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

1. Nature of Business and Going Concern

Noront Resources Ltd. (the "Company" or "Noront") is a resource Company listed on tier 1 of the TSX Venture Exchange (“TSX-V”) involved in the exploration, development and acquisition of properties prospective in base and precious metals, including: nickel, copper, platinum group metals, precious metals, chromite, and vanadium. The Company's assets consist of its flagship Eagle's Nest nickel-copper-platinum-palladium deposit, deposits of high grade chromite and copper-zinc volcanic massive sulphide (VMS) deposits which are part of the Company's McFauld's Lake Project. The assets are located primarily in the area known as the Ring of Fire (“ROF”) in the James Bay Lowlands, Ontario. Eagle's Nest is the Company's most advanced mining project in the ROF and is the first of several mineral discoveries that have been made since 2007. The address of Noront's head office is 212 King Street West, Suite 501, Toronto, ON, Canada, M5H 1K5.

The Company is a development stage entity that does not generate operating revenues and has limited financial resources. The Company is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the availability of capital and risks inherent in the mining industry related to development, exploration and operations as well as global economic and commodity price volatility. The underlying value of the Company’s mineral properties and the recoverability of the related capitalized costs are entirely dependent on the Company’s ability either to obtain the necessary permits to operate and secure the required financing to complete development of and establish future profitable production from its mineral assets, or the proceeds from the disposition of its mineral properties.

These consolidated financial statements have been prepared on a going concern basis, which assumes the Company will be able to meet its obligations and continue its operations for the next twelve months from December 31, 2019. At December 31, 2019, the Company had not yet achieved profitable operations, had an accumulated deficit of $285.0 million since inception (December 31, 2018, – $279.8 million), expects to incur further losses in the development of its business, and had a positive net working capital of $6.5 million. Net working capital includes all current assets and current liabilities, and excludes the flow-through share liability of $0.9 million and the repayment option of $4.6 million. Included in accounts payable and accrued liabilities is $0.4 million of current liabilities which will be settled in cash, and $0.4 million in interest expense which was settled in shares subsequent to the year end.

On December 23, 2019, the Company finalized the extension on the terms of its USD $15 million convertible loan facility with RCF. The maturity date has been extended to September 30, 2021. The loan facililty continues to be convertible into common shares of the Company at the option of RCF, with the conversion price having been set at $0.20 per common share (previously $0.34 per common share) with all other terms and conditions remaining the same. The Company will need to raise funds, negotiate an extension on the terms of its convertible loan facility or the holder has to convert the loan to equity as the Company does not have the cash nor cash flow to repay the facility.

The Company has a USD $28.0 million loan facility, including accrued interest, with Franco-Nevada Corporation ("Franco"). The Franco loan is held within a subsidiary company and is secured against certain chromite assets acquired in 2015 with limited recourse to the Company. On December 23, 2019, the Company finalized an extension to the Franco loan facility to September 30, 2022 with all other terms and conditions remaining the same. In addition, the Company sold a 1% gross revenue royalty on the Eagle's Nest Nickel-Copper-PGM deposit for CAD $5 million to Franco. The proceeds from the sale of the royalty will be used to advance the Eagle's Nest Project, the Chromite Projects and for general working capital purposes.

At December 31, 2019, the Company has a flow-through commitment to spend $2.8 million during the year on Canadian Exploration Expenditures by December 31, 2020 as a result of a $3.5 million Flow-Through financing completed on April 12, 2019 and a $1.975 million Flow-Through financing completed on November 20, 2019.

The Company’s ability to continue as a going concern is dependent upon its ability to repay or refinance its long term debt facilities and obtain the necessary financing to meet its ongoing corporate overhead expenditures as well as advance the exploration of its claims and development of its projects in the ROF. Although the Company has been successful in the past in refinancing its debt and obtaining equity financing, there is no assurance that it will be able to do so in the future or that such arrangements will be on terms advantageous to the Company. These material uncertainties cast significant doubt upon the Company’s ability to realize its assets and discharge its liabilities in the normal course of business and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. Basis of Preparation

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

These consolidated financial statements have been prepared on a going concern basis, under historical cost convention, except for certain financial instruments that have been measured at fair value. The principal accounting policies and critical estimate and judgments, used when compiling these consolidated financial statements are set out below. These consolidated financial statements were approved by the Board of Directors on April 8, 2020.

3. Significant Accounting Policies

a) Principles of Consolidation

These consolidated financial statements include the accounts of Noront Resources Ltd. and its wholly-owned subsidiaries, Noront Resources 2008 Ltd., Noront Mexico S.A de C.V., Noront Muketei Minerals Ltd. (NMM) and Meekahnah Development Corp. NMM was formed as result of the acquisition of certain chromite assets. All intercompany balances and transactions have been eliminated upon consolidation.

b) Functional and Presentation Currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"), which was determined to be Canadian dollars for all entities. The consolidated financial statements are presented in Canadian dollars, which is the Company's presentation currency. Transactions in currencies other than the Canadian dollar are translated at rates of exchange at the time of the transactions as follows:

i) Monetary assets and liabilities are translated at current rates of exchange with the resulting gains or losses recorded in foreign exchange gain/loss in the statement of loss and comprehensive loss;

ii) Non-monetary items are translated at historical exchange rates;

iii) Expense items are translated at the average rates of exchange with any gains or losses recognized within foreign exchange gain/loss in the statements of loss and comprehensive loss.

c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

d) Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, investments, taxes and other receivables, accounts payable and accrued liabilities, loan facilities and related repayment option.

The carrying value of the instruments classified as current assets and liabilities approximates their fair values due to their short-term nature.

Investments in publicly traded companies, which do not trade in an active market, are designated as financial assets at fair value through other comprehensive income ("FVOCI") and are measured at fair value. Fair value is based on the market values of comparable companies, if such information is readily available, or by reference to recent transactions involving assets held by a comparable Company with adjustments for differences in mineral resources for the assets.

The three levels of fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
Level 3 - Inputs for assets or liabilities that are not based on observable market data

The repayment option is measured at fair value and classified as Level 2 (Note 11c).

3. Significant Accounting Policies (Continued)

d) Financial Instruments

Financial liabilities classified as other financial liabilities are initially recognized at fair value net of transaction costs and are subsequently measured at amortized cost using the effective interest rate method. Accounts payable and accrued liabilities and the loan facilities are classified as other financial liabilities. Other financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

e) Taxes and Other Receivables

Taxes and other receivables consists primarily of HST receivable from government authorities in Canada in respect of the Company's expenses and cost reimbursement from third parties.

f) Supplies Inventory

Supplies inventory is comprised of diesel fuel and jet fuel and is valued at the lower of cost and net realizable value. Cost includes the cost of fuel and transportation to ship the supplies inventory to the site and is determined using the first-in, first-out method. Net realizable value is the estimated selling price to a third party in the event the Company would need to dispose of the fuel.

g) Equipment

Equipment is recorded at cost less accumulated amortization and accumulated impairment loss. Amortization is provided over the related assets' estimated useful lives using the following methods and annual rates:

Equipment	20% - 30% declining balance
Furniture and fixtures	20% declining balance
Leasehold improvements	20% declining balance

h) Mineral Properties, Development and Exploration Expenditures

Mineral property acquisition costs are capitalized and the balance is written off should the property be disproven by exploration or abandoned. These assets are recorded at cost. The carrying value of these assets is dependent, among other things upon: the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from disposition of such properties. The assets are evaluated each quarter for indications of impairment or when events occur that would require assessment.

Where the Company considers that there is an impairment indicator such as significant decrease in resource and reserve estimates, expiration or permanent cancellation of rights, impairment is assessed and if necessary, recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of fair value less cost to dispose or value in use. An impairment loss is recognized whenever the carrying amount of these assets or its cash generating unit (which is the property) exceeds its recoverable amount. Impairment losses are recorded in the consolidated statements of loss and comprehensive loss.

Development and exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. Development expenditures are the costs related to the technical, environmental, permitting and consultation in support of the Company's pre-development work.

3. Significant Accounting Policies (Continued)

h) Mineral Properties, Development and Exploration Expenditures (Continued)

All development and exploration expenditures are expensed as incurred. Development and exploration expenditures will be capitalized when management determines that future economic benefits will be generated as a result of the expenditures.

i) Sale of Royalties on a Mineral Property

The sale of royalties on a mineral property are recorded as a reduction in the carrying value of the mineral property. Any excess proceeds on the sale of royalties over the carrying value of the mineral property are recorded as a gain on sale of royalties and reflected on the statement of loss and comprehensive loss. The reduction in the carrying value of the mineral property or the gain on sale of royalties is recorded net of transaction costs.

j) Leases

The Company determines if an arrangement is a lease at contract inception by evaluating if the contract coveys the right to control the use of identified assets during the period of use. A right of use ("ROU") asset represents the Company's right to use an identified asset for the lease term and a lease liability represents the Company's obligation to make payments as set forth in the lease agreement. ROU assets and lease liabilities are included on the Company's statement of financial position beginning January 1, 2019 and are recognized based on the present value of the future lease payments at the lease commencement date over the expected lease term which includes options to extend or terminate the lease when it is reasonably certain those options will be exercised. The interest rate used to determine the present value of the future lease payments is the Company's incremental borrowing rate at lease inception, because the interest rate implicit in the lease is generally not readily determinable. An ROU asset initially equals the lease liability, adjusted for any lease payments made prior to lease commencement and any lease incentives. All leases are recorded on the statement of financial position except for leases with an initial term of less than 12 months. All of the Company's leases are operating leases. Operating lease expense is generally recognized on a straight-line basis over the remaining useful life as of January 1, 2019 and is recorded in development and exploration expenditures and office and general expense in the statements of loss and comprehensive loss.

k) Provision for Environmental Obligations

Both legal and constructive obligations associated with the retirement of long-lived assets are recorded as a provision for environmental expenditure when there is a probability of an outflow of resources embodying economic benefits to settle the obligation. The amount of the provision is measured at the best estimate of the expenditure needed to settle the present obligation. It is possible that the Company's estimates of its provision for environmental expenditure could change as a result of changes in regulations, the extent of environmental remediation required and the means of reclamation or cost estimates. Changes in estimates are accounted for prospectively from the period these estimates are revised.

Significant judgments and estimates are involved in forming expectations of future activities and the amount and timing of the associated cash flows. Those expectations are formed based on existing environmental and regulatory requirements or, if more stringent, the Company's environmental policies which give rise to constructive obligations. The cash flows are discounted using the current real risk-free pre-tax discount rate.

l) Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control such that significant operating and financial decisions require the unanimous consent of the parties sharing control. The Company's joint ventures consist of jointly controlled assets ("JCAs"). The balances related to JCA's are not material.

A JCA is a joint venture in which the venturers have joint control and ownership over the assets contributed to or acquired for the purposes of the joint venture. JCAs do not involve the establishment of a corporation, partnership or other entity. The participants in a JCA derive benefit from the joint activity through a share of production and bears an agreed share of expenses incurred as opposed to receiving a share of the net operating results. The Company's proportionate interest in the assets, liabilities, expenses, and cash flows of the JCAs are incorporated into the consolidated financial statements under the appropriate headings.

3. Significant Accounting Policies (Continued)

m) Loss per Common Share

The basic loss per share is calculated based upon the weighted-average number of common shares outstanding during the period. Stock options and warrants outstanding are not included in the computation of diluted loss per share if their inclusion would be anti-dilutive.

n) Share-based Compensation

The Company grants stock options, performance share units and restricted share units to certain employees and non-employees under the terms of the Company's Stock Option Plan or Share Awards Plan.

Stock options: Each tranche in an option award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. The Black-Scholes option pricing model requires estimates for the expected life of options and stock price volatility which can materially affect the fair value estimate. Volatility and expected life of option is estimated based on an analysis of factors such as the Company's historical price trends, history of option holder activity, and peer and industry benchmarks for similar transactions.

Performance share units: The fair value of each tranche is measured at the date of grant using a method incorporating the current market value of the underlying common shares, the performance conditions and the vesting provisions.

Restricted share units: The fair value of restricted share units are based on the terms of the individual tranche incorporating the market price of the underlying common shares and vesting terms.

Share-based compensation expense is recognized over the vesting period of the grant by increasing contributed surplus based on the number of awards expected to vest. On an annual basis, this is reviewed with any change in estimate recognized immediately in share-based compensation expense with a corresponding adjustment to contributed surplus.

o) Income Taxes

Deferred tax assets and liabilities are determined based on the differences between the consolidated financial statement carrying values of assets and liabilities and their respective income tax bases (temporary differences), and losses carried forward.

Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset is realized or liability is settled. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be used.

The determination of the ability of the Company to use tax loss carry-forwards to offset deferred tax payable involves judgment and certain assumptions about the future performance of the Company. Assessment is required about whether it is "probable" that the Company will benefit from the prior losses and other deferred tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of using the losses.

p) Flow-through Shares

The Company has adopted a policy whereby flow-through proceeds are allocated between the offering of the common shares and the sale of tax benefits when the flow-through common shares are offered. The allocation is made based on the difference ("premium") between the quoted price of the common shares and the amount the investor pays for the flow-through shares. A liability is recognized for the premium paid by the investors and is then derecognized in the period the eligible expenditures are incurred, which is recorded in the consolidated statement of loss and comprehensive loss.

q) Segment Disclosure

The Company's chief operating decision maker is responsible for allocating resources and assessing performance of the operations according to strategic decisions. The Company's operations comprise one reporting segment engaged in the development and exploration of minerals in Canada.

(Expressed in Canadian dollars, unless otherwise noted)

3. Significant Accounting Policies (Continued)

r) New and Amended Standards Adopted by the Company (Continued)

IFRS 16 Leases ("IFRS 16")

The Company adopted the requirements of IFRS 16 as of January 1, 2019 using the modified retrospective approach, whereby the Company is not required to restate comparative amounts, and there is no impact on opening deficit.

In applying IFRS 16 for the first time, the Company has used the following practical expedients permitted by the standard:

- the exclusion of low value leases;
- the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

When measuring initial lease obligations as at January 1, 2019, the Company discounted lease payments using a discount rate of 7.5%.

	January 1, 2019
Operating lease commitments disclosed as at December 31, 2018	$ 1,210,194
Application of IFRS 16 and practical expedients	(508,805)
Mining lease	(184,515)
Application of discount rate	(170,740)
Lease obligation recognized using 7.5% discount rate	$ 346,134

Starting from January 1, 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. The lease obligation is measured at the net present value of the future periodic lease payments, discounted using the interest rate implicit in the lease, if that rate can be determined, or the Company's incremental borrowing rate.

The right-of-use asset is measured at cost comprising the amount of the initial measurement of the lease obligation, plus any lease payments made at or before the commencement date and any initial direct costs incurred, less any lease incentives received. The right-of-use asset is depreciated over the lesser of the right-of-use asset's useful life and the lease term on a straight-line basis. Interest accretion expense of the discount on the lease obligation is charged to the consolidated statements of loss and comprehensive loss using the effective interest method as finance expense. Cash payments for the principal portion of the lease payments relating to the lease obligation are classified as financing activities in the consolidated statements of cash flows. See Note 9 for additional lease disclosure.

3. Significant Accounting Policies (Continued)

s) Critical Accounting Estimates and Judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate, but are not limited to, the following:

Mineral Properties

Noront capitalizes mining property acquisition costs which are to be amortized when production is attained or the balance thereof written off should the property be disproven through exploration or abandoned. On an ongoing basis, the Company evaluates deferred expenditures relating to each property to assess whether there has been impairment in value. The Company recognizes write-downs for impairment where the carrying value of the mining property exceeds its estimated long term net recoverable value. Recoverable value is estimated based upon the Company's assessment of the future probability of positive cash flows from the property, current exploration results for properties without a defined resource or estimated proceeds from a potential sale of the property.

Provision for Environmental Obligations

The Company has a provision for future environmental obligations. The Company records the fair value of this provision as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development and/or normal use of the assets. The fair value of the provision is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. Subsequent to the initial measurement of the provision for environmental obligation, the provision is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the provision. If the provision is settled for other than its carrying amount, the Company will recognize a gain or loss on settlement.

3. Significant Accounting Policies (Continued)

s) Critical Accounting Estimates and Judgments (Continued)

Stock Options, Warrants

The Black-Scholes option pricing valuation model used by the Company to determine fair values for stock-based compensation was developed for use in estimating the fair value of freely traded options. This model requires input of highly subjective assumptions including future stock volatility and expected time until exercise. Changes in the subjective input assumptions can materially affect the fair value estimate.

Repayment Option

The Company's convertible debt agreement contains an embedded derivative related to the Lender's convertible feature ("Repayment Option"). The fair value assigned to the Repayment Option uses level 2 assumptions with the main inputs to the valuation being credit spread of the Company, historical prices of the underlying stock, USD discount curve and CAD/USD foreign exchange rates. The most significant assumption regarding the lender's convertible feature is the probability of the loan being repaid prior to reaching the conversion date. This was estimated by obtaining credit spreads for an index of comparable companies residing in the same industry, which has an impact on the probability that the bridge loan will be repaid at maturity. Refer to Note 11b for further information on the Repayment Option.

Loan Facility and Royalty Interests

The Company granted royalty interests on the mineral claims it acquired through the acquisition of certain subsidiary companies of Cliffs Natural Resources (the “Royalty Interests”). These Royalty Interests are over potential future projects which have not yet been defined. As a result, the Company has determined the fair value of the Royalty Interests by estimating the fair value of the consideration received. The Company received what management considers to be a below market loan as consideration for the royalty interests. Management estimated the fair value of the Royalty Interests by calculating the difference between the present value of the future payment stream using management's estimate of a market interest rate of approximately 15% and the face value of the loan being USD$25 million and the stated interest rate of the loan (7%). The loan was also initially recorded at its fair value as determined by the above fair value calculation. See note 11(c).

Asset Acquisition

The assessment of whether an acquisition meets the definition of a business, or whether assets are acquired is an area of key judgment. If deemed to be a business combination, applying the acquisition method to business combinations requires each identifiable asset and liability to be measured at its acquisition date fair value. Any excess of the fair value of consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. The acquisition of a business generally has three elements:

Input – an economic resource that creates outputs when one or more processes are applied to it;
Process – a system, standard, protocol, convention or rule that when applied to an input or inputs, creates outputs; and
Output – the result of inputs and processes applied to those inputs.

The acquisition of chromite assets in 2015 is accounted for in these consolidated financial statements as an asset acquisition since the process and output elements of a business combination were not present at the acquisition date. The acquired assets are recorded at fair value on the acquisition date.

4. Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include its capital stock, warrant, and option components of its shareholders' equity.

The properties in which the Company currently has an interest are in the early development and early exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned development activity and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital within current economic conditions by:

i) minimizing discretionary disbursements;
ii) reducing or eliminating expenditures which are of limited strategic value; and
iii) exploring alternative sources of liquidity.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended December 31, 2019. The Company is not subject to externally imposed capital requirements.

5. Property and Financial Risk Factors

a) Property Risk

The Company's major mineral property is the McFauld's Lake Property in the "Ring of Fire" (Note 8). Unless the Company acquires or develops additional material properties, the Company will be mainly dependent upon its existing property. Any adverse development affecting the Company's major mineral property would have a materially adverse effect on the Company's financial condition and results of operations.

b) Financial Risk

The Company’s activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and commodity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

<u>Credit Risk</u>

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents. Cash and cash equivalents consist of cash on hand, term deposits and savings accounts with reputable financial institutions with strong credit ratings which are closely monitored by management.

<u>Liquidity Risk</u>

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2019, the Company had cash and cash equivalents and taxes receivable balances of $7,373,721 (December 31, 2018 - $5,669,271) to settle current liabilities of $6,430,246 (December 31, 2018 - $20,112,285). The Company also has a flow-through commitment to spend $2.8 million on Canadian Exploration Expenditures by December 31, 2020 which will be fulfilled using existing cash.

The loan facility is convertible into equity with a conversion price of $0.20 per share at the option of RCF anytime prior to September 30, 2021. All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company remains dependent upon financing from capital markets, RCF converting its loan facility to equity or the Company's ability to repay or refinance the convertible loan (see Note 1).

5. Property and Financial Risk Factors (Continued)

b) Financial Risk (Continued)

Market Risk

Market risk is the risk of loss that might arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

i) Interest Rate Risk

The Company has cash balances and a loan facility with a fixed interest rate. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates and deposit accounts managed by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

ii) Foreign Currency Risk

The Company is exposed to foreign currency risk as a result of its loan facilities held in a currency other than its functional currency, the Canadian dollar. The majority of the Company's expenses are denominated in Canadian dollars. The Company does not currently have any plans for exploration or development activities in foreign jurisdictions.

At December 31, 2019, the Company had monetary assets and liabilities denominated in U.S. dollars as follows:

	December 31, 2019	December 31, 2018
Cash	**US $ 2,811**	$ 91,719
Loan Facilities	**US (40,899,845)**	(42,667,146)
	US $ (40,897,034)	$ (42,575,427)

iii) Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. The Company closely monitors commodity prices as it relates to the value and the future outlook of the Company's mineral properties and equity prices to determine the appropriate course of action to be taken for current and future projects. Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability from mineral exploration depends upon the world market price of valuable minerals. Commodity prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of minerals may be produced in the future, a profitable market will exist for them. As of December 31, 2019, the Company is not a producer of valuable minerals. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

c) Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period.

i) The Company has cash balances and a loan facility in foreign currencies that give rise to exposure to foreign exchange risk. Sensitivity to a 1% change in the foreign currency exchange rate would have affected the net loss by approximately $0.5 million for the year ended December 31, 2019 (December 31, 2018 - $0.6 million).

(Expressed in Canadian dollars, unless otherwise noted)

6. Cash and Cash Equivalents

Cash and cash equivalents consist of:	**December 31, 2019**	December 31, 2018
Cash deposits and restricted cash	**$ 7,231,421**	$ 5,467,526
Guaranteed investment certificate	**100,356**	101,939
	$ 7,331,777	$ 5,569,465

Cash includes restricted cash consisting of $3,892, which is money held in trust for third party donations to First Nation communities (December 31, 2018 - $20,594).

7. Equipment

December 31, 2019	Equipment	Furniture & Fixtures	Leasehold Improvements	Total
Cost	$ 5,051,458	$ 115,027	$ 200,287	$ 5,366,772
Accumulated Amortization	(3,972,866)	(106,409)	(191,355)	(4,270,630)
Closing Net Book Value	$ 1,078,592	$ 8,618	$ 8,932	$ 1,096,142
Opening Net Book Value	$ 1,167,148	$ 10,773	$ 11,165	$ 1,189,086
Additions	73,451	-	-	73,451
Re-measurement of provision[1]	90,457	-	-	90,457
Amortization	(252,464)	(2,155)	(2,233)	(256,852)
Closing Net Book Value	$ 1,078,592	$ 8,618	$ 8,932	$ 1,096,142

December 31, 2018	Equipment	Furniture & Fixtures	Leasehold Improvements	Total
Cost	$ 4,865,605	$ 115,027	$ 200,287	$ 5,180,919
Accumulated Amortization	(3,698,457)	(104,254)	(189,122)	(3,991,833)
Closing Net Book Value	$ 1,167,148	$ 10,773	$ 11,165	$ 1,189,086
Opening Net Book Value	$ 1,400,921	$ 13,191	$ 13,671	$ 1,427,783
Additions	85,859	-	-	85,859
Re-measurement of provision	(24,197)	-	-	(24,197)
Amortization	(295,435)	(2,418)	(2,506)	(300,359)
Closing Net Book Value	$ 1,167,148	$ 10,773	$ 11,165	$ 1,189,086

[1]A re-measurement of the McFauld's Lake and Butler Lake property asset retirement obligations was recognized due to changes in the estimated future cash flows and discount rate used to calculate the obligation as further described in Note 12.

(Expressed in Canadian dollars, unless otherwise noted)

8. Mineral Properties

		December 31, 2019	December 31, 2018
(i)	McFauld's Lake Property - "Ring of Fire", James Bay Lowlands, Northeastern Ontario	**$ 24,654,708**	$ 24,654,708
(ii)	Butler and Sanderson Properties - "Ring of Fire", James Bay Lowlands, Northeastern Ontario	**763,357**	763,357
		$ 25,418,065	$ 25,418,065

McFauld's Lake

Eagle's Nest, Nickel, Copper, PGM Deposit

Treelawn/Peplinki retains a 1% Net Smelter Royalty (NSR) on the Eagle's Nest nickel, copper, PGM deposit which may be purchased by the Company at any time upon payment of the sum of $500,000 and/or at the Company's option, issuance of an equivalent number of common shares of the Company.

RCF holds a separate 1% NSR over the Eagle's Nest deposit and Franco holds a 1% Gross Revenue Royalty over the Eagle's Nest deposit.

Big Daddy, Black Thor, Black Label and Other Properties

These properties are subject to the following royalties granted to Franco Nevada:
a) 2% Gross Smelter Royalty (GSR) on all of the Company's chromite properties, except for Black Thor which has a 3% GSR; this can be reduced to 2% if the Company grants royalties on certain other claims in the Ring of Fire.
b) 2% NSR over all other minerals of the Company's properties, excluding the Company's Eagle's Nest deposit and its McFauld's Lake VMS deposit.

The Black Thor and Big Daddy Chromite Deposits have a 2% NSR half of which can be bought back any time prior to production for $1 million.

There is a 1.5% NSR on certain claims including the McFaulds Lake VMS deposits.

Butler and Sanderson Properties

The Company has a 75% interest in the Butler and Sanderson Properties located in the ROF. MacDonald Mines Ltd. ("MacDonald") will have a 25% carried interest until the issuance of a NI 43-101 compliant resource on one of the properties, at which time MacDonald will have the option to convert the carried interest into a 1% NSR (the "Conversion Right"). If MacDonald does not elect to exercise its conversion right, the Company can elect to buy MacDonald's 25% interest for $3.0 million (the "Buy-back Right"), payable in cash or shares at the option of the Company. If neither the Conversion Right nor Buy-back Right are exercised, a Joint Venture arrangement will be formed between the parties to develop the properties.

There is a 2% NSR over 107 claims which comprise part of the Butler Property, half of which can be bought back for $1 million.

Other Royalties

On other claims which do not currently have known deposits, there is a 2% NSR of which half can be bought back for $1 million and on other certain claims there is a 0.7522% NSR.

(Expressed in Canadian dollars, unless otherwise noted)

9. Leases

a) Right-of-Use Asset

The Company's significant lease contracts are for the offices in Toronto and Thunder Bay.The Company's Toronto lease expires in March 2023 and the Company's Thunder Bay lease expires in April 2022.

		December 31, 2019
Opening balance, January 1, 2019	$	**346,134**
Additions		**85,797**
Amortization for the period		**(100,509)**
Closing balance	$	**331,422**

b) Lease Obligation

The Company has calculated the lease obligation based on the net present value of the future lease payments.

The obligation was calculated using the following assumptions:

Payments	Fixed payments, less any leasehold inducements receivable
Discount rate	7.5%

For the year ended December 31, 2019, interest of $33,907 was paid on the lease obligations.

		December 31, 2019
Opening lease obligation	$	**346,134**
Additions		**85,797**
Payments		**(105,793)**
Lease inducements		**49,387**
Closing lease obligation	$	**375,525**

		December 31, 2019
Short-term portion of lease obligation	$	**126,932**
Long-term portion of lease obligation		**248,593**
Total lease obligation	$	**375,525**

(Expressed in Canadian dollars, unless otherwise noted)

10. Accounts Payable and Accrued Liabilities

		December 31, 2019	December 31, 2018
Accounts payable		$ 217,458	$ 98,439
Accrued liabilities		206,545	621,253
Accrued interest payable	11(a)(iv)	391,668	409,140
		$ 815,671	$ 1,128,832

11. Loan Facilities

	December 31, 2019	December 31, 2018
Current portion of loan facilities		
Debt agreement with related party - February 26, 2013 (a)(i)	$ -	$ 18,135,019
Repayment option (c)	4,621,680	424,920
	4,621,680	18,559,939
Long term portion of loan facilities		
Debt agreement with related party - February 26, 2013 (a)(i)	16,736,732	-
Long term loan (b)	36,383,986	40,071,502
Total Loan Facilities	$ 57,742,398	$ 58,631,441

a) **Loan Facilities with Related Party - Resource Capital Funds V L.P.**

(i) On February 26, 2013, the Company entered into a loan facility with Resource Capital Funds V L.P. ("RCF" or "the Lender"), which as of December 31, 2019 owns approximately 20.8% of the Company's common shares, in the aggregate principal amount of US$15.0 million (the “Facility”) with interest compounding quarterly at an annual interest rate of 8%. Interest is accrued on a quarterly basis. On February 25, 2014, the Facility automatically rolled into a convertible loan (the "Convertible Loan").

During 2019, the Company entered into several amending agreements with RCF to extend the terms of the Convertible Loan. The Company determined that the amendments between January 2019 and November 2019 represented non-substantial modifications of the existing loan and therefore the amendments were treated as loan modifications. As specified under IFRS 9, on the date of amendments, the Company reduced the carrying value of the Convertible Loan with RCF by $0.8 million to reflect the amended cash flows discounted at the original effective interest rate, with a corresponding gain on loan modifications recognized in the statement of loss and comprehensive loss.

On December 23, 2019, the Company entered into a ninth amending agreement with the Lender to extend the terms of the Convertible Loan to September 30, 2021. The Convertible Loan continues to be convertible into common shares of the Company at the option of RCF, with the conversion price having been set at $0.20 per common share (previously $0.34 per common share), at any time prior to the maturity date. All other material terms and conditions of the Facility remain the same.

As the terms of the amendment to the Convertible Loan were substantially different from the terms of the existing Convertible Loan, the amendment is considered to be an extinguishment of the debt. Subsequent to December 23, 2019, the Convertible Loan is carried at amortized cost using the effective interest rate method.

(Expressed in Canadian dollars, unless otherwise noted)

11. Loan Facilities (Continued)

a) **Loan Facilities with Related Party - Resource Capital Funds V L.P. (Continued)**

Loan facility	**December 31, 2019**	December 31, 2018
Beginning balance	$ **18,135,019**	$ **18,292,595**
Adjustment - Adoption of IFRS 9	**-**	**(945,560)**
Balance, January 1, 2019	**18,135,019**	**17,347,035**
Transaction costs - cash	**(34,136)**	**-**
Accretion of loan facility	**2,969,235**	**2,958,285**
Foreign exchange (gain) loss	**(598,186)**	**1,478,176**
Gain on loan modification	**(801,714)**	**(3,648,477)**
Balance, December 23, 2019 - prior to loan extinguishment	**19,670,218**	**18,135,019**
Allocation to repayment option	**(2,708,018)**	**-**
Balance, December 23, 2019 - New loan facility	**16,962,200**	**18,135,019**
Transaction costs - cash	**(29,250)**	**-**
Accretion of loan facility	**25,814**	**-**
Foreign exchange (gain) loss	**(222,032)**	**-**
Balance, end of period	$ **16,736,732**	$ **18,135,019**

(ii) On January 10, 2019, the Company satisfied the payment of interest of $409,140 for the fourth quarter of 2018 through issuance of 1,760,499 common shares of the Company. The interest shares were subject to a four month hold period, which expired on May 11, 2019.

(iii) On April 10, 2019, the Company satisfied the payment of interest of $400,968 for the first quarter of 2019 through issuance of 1,448,061 common shares of the Company. The interest shares are subject to a four month hold period, which expired on August 11, 2019.

(iv) On July 11, 2019, the Company satisfied the payment of interest of $392,421 for the second quarter of 2019 through issuance of 1,649,938 common shares of the Company. The interest shares are subject to a four month hold period, which expired on November 12, 2019.

(v) On October 10, 2019, the Company satisfied the payment of interest of $396,732 for the third quarter of 2019 through issuance of 1,640,744 common shares of the Company. The interest shares are subject to a four month hold period, which expired on February 11, 2020.

(vi) As at December 31, 2019, the Company had accrued interest in the amount of $391,668 for the fourth quarter of 2019.

b) **Repayment Option**

The Convertible Loan contains an embedded derivative related to the Lender's option to convert the loan into common shares of the Company ("Repayment Option"). The Repayment Option is classified as a current liability since the Lender's option to convert may be exercised at any point during the term of the Convertible Loan. The fair value assigned to the convertible feature is valued with the main inputs to the valuation being the USD discount curve, the credit spread of the Company, the historical prices of the Company's underlying stock in order to calculate the volatility, and the forward CAD/USD foreign exchange rates.

At December 31, 2019, the fair value attributed to the convertible feature was $4,621,680 (December 31, 2018 - $424,920).

(Expressed in Canadian dollars, unless otherwise noted)

11. Loan Facilities (Continued)

c) **Loan Facilities - Due to Franco-Nevada Corporation**

On April 28, 2015, Noront Muketei Minerals Ltd, a 100% owned subsidiary of the Company, entered into a loan agreement with Franco-Nevada in order to fund the acquisition of a subsidiary of Cliffs Natural Resources which held chromite deposits and other mining interests in the Ring of Fire (the "Cliffs Transaction"). The Franco-Nevada Loan ("Long Term Loan") is a US$25 million five year loan with interest compounding quarterly at an annual interest rate of 7%. Interest is accrued on a quarterly basis and presented as part of the loan. Payment of both principal and accrued interest was due at the end of the five year term. The loan is secured against the assets acquired in the Cliffs Transaction with limited recourse to the Company. At initial recognition, the Long Term Loan was recorded at fair value less transaction costs at a value of $19.7 million. Subsequent to initial recognition, the long term loan is carried at amortized cost.

In connection with the Long Term Loan, the Company granted Franco-Nevada certain royalties over the mineral properties acquired through the Cliffs Transaction (see Note 8 - Mineral Properties).

On December 23, 2019, the Company entered into an amending agreement with Franco to extend the Loan Agreement under substantially the same terms and conditions until September 30, 2022. As the term to maturity of the amendment to the Loan Agreement is substantially different from the term to maturity of the existing loan, the amendment is considered to be an extinguishment of the debt. As a result, a gain on debt extinguishment of $7.2 million was recorded for the difference between the carrying value of the loan at the date of the amendment and the fair value of the cash flows under the amended terms. Subsequent to December 23, 2019, the Loan is carried at amortized cost using the effective interest rate method.

	December 31, 2019	December 31, 2018
Balance, beginning of period	**$ 40,071,502**	**$ 31,622,186**
Accrued loan interest	**3,007,959**	**2,803,114**
Accretion of loan facility	**2,942,400**	**2,598,252**
Foreign exchange (gain) loss	**(2,047,113)**	**3,047,950**
Gain on loan extinguishment	**(7,241,336)**	**-**
Balance, December 23, 2019	**36,733,412**	**40,071,502**
Accrued loan interest	**70,889**	**-**
Accretion of loan facility	**61,920**	**-**
Foreign exchange (gain) loss	**(482,235)**	**-**
Balance, end of period	**$ 36,383,986**	**$ 40,071,502**

(Expressed in Canadian dollars, unless otherwise noted)

12. Provision for Environmental Obligations

McFauld's Lake and Butler Lake

The Company has established a provision of $1,778,422 and $213,018 representing the estimated present value of its future environmental expenditure for McFauld's Lake and Butler Lake respectively. These costs are not expected to be incurred within the next twelve months.

The provision is based upon the following estimates and assumptions:

a) Total undiscounted future demobilization cost is $2,080,802 for McFaulds Lake (December 31, 2018 - $1,945,233) and $243,788 for Butler Lake (December 31, 2018 - $235,550).
b) Nominal risk-free pre-tax discount rate of 1.76% (December 31, 2018 - 2.13%)
c) Demobilization cost expected to be incurred in 10 years (December 31, 2018 - 10 years)

A summary of the changes in the site remediation provision is set out below:

	December 31, 2019	December 31, 2018
Balance, beginning of period	**$ 1,867,054**	$ 1,852,310
Accretion expense for the period	**33,929**	38,941
Re-measurement of provision	**90,457**	(24,197)
Balance, **December 31, 2019**	**$ 1,991,440**	$ 1,867,054

(Expressed in Canadian dollars, unless otherwise noted)

13. Capital Stock

(a) Authorized - Unlimited common shares without par value.

(b) Issued

	Number of Shares	Value
Balance, January 1, 2018	345,061,661	$ 201,181,223
Issue of flow-through shares, net of costs	18,545,820	6,707,785
Flow-through share premium	-	(922,864)
Exercise of RSU	334,517	83,629
Issue of shares	5,771,510	1,683,040
Issue of interest shares	4,559,420	1,545,360
Exercise of options	4,103,334	1,393,017
Exercise of warrants	500	230
Balance, December 31, 2018	378,376,762	$ 211,671,420
Issue of flow-through shares, net of costs (i), (v)	19,030,807	5,410,546
Flow through share premium	-	(1,378,848)
Transaction costs - paid in shares	-	(213,713)
Exercise of RSU	200,000	50,000
Issue of shares (ii)	603,334	187,033
Issue of shares (iii)	483,333	105,000
Issue of shares (iv)	750,000	172,500
Issue of shares (v)	425,000	85,000
Issue of shares (vi)	491,250	98,250
Issue of shares (vii)	200,000	40,000
Issue of interest shares (Note 11 a (i)(ii)(iii))	6,499,242	1,599,261
Balance, **December 31, 2019**	**407,059,728**	$ 217,826,449

(i) On April 12, 2019, the Company closed a private placement of 11,130,807 Flow-Through Units at a price of $0.31 per Flow-Through Unit for gross proceeds of $3.45 million. The securities issuable pursuant to the Flow-Through Unit Offering are subject to a statutory hold period of four months plus one day which expired on August 13, 2019.

(ii) On April 12, 2019, in connection with the Flow-Through private placement, the Company issued 603,334 common shares at a price of $0.31 per common share in satisfaction of advisory and finder's fees. The common shares were subject to a statutory hold period of four months plus one day which expired on August 13, 2019.

(iii) On August 20, 2019, the Company issued 333,333 shares to Marten Falls First Nation under the terms of a Project Advancement Agreement and 150,000 shares to Aroland First Nation under the terms of a Memorandum of Understanding.

(iv) On September 26, 2019, the Company issued Algoma Steel Inc. 750,000 common shares and 750,000 warrants to purchase common shares for a 5 year option to enter into a 99 year ground lease agreement on a parcel of land owned by Algoma Steel Inc.

(v) On November 20, 2019, the Company issued 7,900,000 Flow-Through shares for a gross proceeds of $1,975,000 and 425,000 units for gross proceeds of $85,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at at price of $0.30 until November 20, 2021.

(vi) On November 20, 2019, in connection with the Flow-Through private placement, the Company issued 491,250 common shares at a price of $0.20 per common share in satisfaction of finder's fees. The common shares were subject to a statutory hold period of four months plus one day which expired on March 21, 2020.

(vii) On December 2, 2019, the Company issued 200,000 units at an issue price of $.20 per unit in satisfaction of consulting fees of $40,000. Each unit consists of one common share of the Company and one common share purchase warrant. The issued shares are subject to a four month hold period which expired on April 3, 2020.

(Expressed in Canadian dollars, unless otherwise noted)

13. Capital Stock (Continued)

(c) Stock Options

Under the provisions of the Company's 2007 Incentive Stock Option Plan, an aggregate maximum of 10% of the issued and outstanding common shares may be issued for granting of options to directors, senior officers, full time employees of the Company, affiliates or subsidiaries, or any consultants to the Company. The terms of the awards under the Plan are determined by the Board of Directors.

For the year ended December 31, 2019, share-based compensation of $1,120,677 was charged to net income (year ended December 31, 2018 - $1,114,419) related to stock options.

(i) On February 26, 2019, the Company granted 5,277,520 incentive stock options to management and employees of the Company at an exercise price of $0.30. The share price on February 26, 2019 was $0.30.

The fair value assigned was estimated using the following assumptions:

Dividend yield	0%
Expected volatility	67.92%
Risk free interest rate	1.76%
Expected life	5 years
Forfeiture rate	3%

The stock options were assigned a value of $907,733.

(ii) On April 12, 2019, the Company granted 1,500,000 incentive stock options to the directors of the Company at an exercise price of $0.26. The share price on April 12, 2019 was $0.26.

The fair value assigned was estimated using the following assumptions:

Dividend yield	0%
Expected volatility	67.50%
Risk free interest rate	1.60%
Expected life	5 years
Forfeiture rate	3%

The stock options were assigned a value of $222,000.

(Expressed in Canadian dollars, unless otherwise noted)

13. Capital Stock (Continued)

(c) Stock Options (Continued)

The weighted-average remaining contractual life and weighted average exercise price of options outstanding and options exercisable as at December 31, 2019 are as follows:

Number of Stock Options Outstanding	Black-Scholes Value	Exercise Price	Remaining Contractual Life (Years)	Number of Stock Options Exercisable	Expiry Date
725,000	224,025	$ 0.55	0.25	725,000	March 2020
1,500,000	367,500	$ 0.44	0.47	1,500,000	June 2020
300,000	59,100	$ 0.35	0.65	300,000	August 2020
1,275,000	248,625	$ 0.34	1.23	1,275,000	March 2021
400,000	76,000	$ 0.33	1.29	400,000	April 2021
416,253	74,509	$ 0.31	1.52	416,253	July 2021
4,103,417	582,685	$ 0.25	2.16	3,314,853	February 2022
300,000	39,000	$ 0.23	2.27	200,000	April 2022
600,000	121,200	$ 0.35	2.44	400,000	June 2022
400,000	63,600	$ 0.28	2.88	266,667	November 2022
4,131,532	863,490	$ 0.35	3.15	3,691,550	February 2023
1,000,000	209,000	$ 0.35	3.15	666,667	February 2023
5,277,520	907,733	$ 0.30	4.16	4,274,091	February 2024
1,500,000	222,000	$ 0.26	4.28	500,000	April 2024
21,928,722	**$ 4,058,467**	**$ 0.32**	**2.76**	**17,930,081**	

The following table summarizes the stock option transactions for the year ended December 31, 2019.

	Number of Options	**Weighted-Average Exercise Price**
December 31, 2018	**15,151,202**	$0.33
Granted	**6,777,520**	$0.29
Balance, **December 31, 2019**	**21,928,722**	$0.32

(Expressed in Canadian dollars, unless otherwise noted)

13. Capital Stock (Continued)

(d) Warrants

The following table lists the Company's warrants as at December 31, 2019.

	Number of Warrants	Weighted-Average Exercise Price
Balance, December 31, 2018	44,686,422	$ 0.44
Expiry of Warrants	(17,545,442)	$ 0.51
Private Placement Warrants	6,009,902	$ 0.30
Option to lease Warrants	750,000	$ 0.03
Warrants for debt	200,000	$ 0.30
Balance, **December 31, 2019**	**34,100,882**	$ 0.39

On April 12, 2019, 5,565,402 warrants were issued as a result of the private placement (Note 13 (b)(i)). Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.34 per share on or before April 12, 2021. The fair value of the warrants were calculated using the following assumptions:

Expected volatility	61.42%
Risk Free interest rate	1.67%
Expected life	2 years

On September 27, 2019, 750,000 warrants were issued along with 750,000 common shares for a 5 year option to enter into a lease agreement (Note 11(b)(iv)). Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.26 per share on or before September 11, 2024. The fair value of the warrants were calculated using the following assumptions:

Expected volatility	65.31%
Risk Free interest rate	1.43%
Expected life	5 years

On November 20, 2019, 425,000 warrants were issued as a result of a private placement. Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.30 per share on or before November 20, 2021. As a finder's fee of the November 20, 2019 private placement, 19,500 warrants were issued. Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.20 price per share on or before November 20, 2021. The fair value of the warrants were calculated using the following assumptions:

Expected volatility	54.43%
Risk Free interest rate	1.54%
Expected life	2 years

On December 2, 2019, 200,000 warrants were issued in satisfaction of consulting fees. Each whole warrant entitles the holder to purchase one common share of the Company at a price of $0.30 per share on or before December 2, 2021. The fair value of the warrants were calculated using the following assumptions:

Expected volatility	55.39%
Risk Free interest rate	1.63%
Expected life	2 years

(Expressed in Canadian dollars, unless otherwise noted)

13. Capital Stock (Continued)

(e) Performance Share Units (PSUs) and Restricted Share Units (RSUs)

For the year ended December 31, 2019, share-based compensation of $7,698 was charged to net income for PSUs and RSUs (year ended December 31, 2018 - $38,128).

The following tables list the Company's PSUs and RSUs as at December 31, 2019. During the year ended December 31, 2019, no PSUs or RSUs expired.

Performance Share Units	Number of PSUs	Value at grant
At **December 31, 2019** and December 31, 2018	**3,000,000**	**$ 455,095**

Restricted Share Units	Number of RSUs	Value at grant
At December 31, 2018	665,483	$ 159,671
Exercise of RSUs	(200,000)	(50,000)
At **December 31, 2019**	**465,483**	**$ 109,671**

14. Income Taxes

A reconciliation between the tax expense and the product of accounting loss multiplied by the Company's domestic tax rate is as follows:

	Year Ended December 31, 2019	Year Ended December 31, 2018
Statutory tax rate	**26.50 %**	26.50 %
Loss before recovery of income taxes	**$ (5,067,191)**	$ (19,886,166)
Expected income tax recovery	**(1,342,806)**	(5,269,834)
Permanent differences	**50,874**	50,289
Renounced expenditures	**1,437,771**	1,795,541
Share issuance costs booked through equity	**(60,610)**	(44,713)
Benefits of tax attributes not recognized	**(85,229)**	3,468,717
Total tax recovery	**$ -**	$ -

(Expressed in Canadian dollars, unless otherwise noted)

14. Income Taxes (Continued)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off the current tax assets and current tax liabilities or deferred tax assets and liabilities and they relate to taxes levied by the same tax authority.

The tax benefit of the following unused tax losses and deductible temporary differences have not been recognized in the consolidated financial statements due to the unpredictability of future earnings.

	Year Ended December 31, 2019	Year Ended December 31, 2018
Deductible Temporary Differences		
Mineral properties and capital assets	**$ 272,643,463**	$ 272,664,545
Provision for environmental expenditure	**1,954,939**	1,867,054
Capital losses	**4,484,598**	4,484,598
Loss-carryforwards	**91,377,589**	88,384,596
Share issue costs	**885,053**	1,393,041
Loan facility and unaccreted amounts	**12,313,895**	16,274,482
ITC's	**25,417,902**	25,417,902
	$ 409,077,439	$ 410,486,218

At December 31, 2019, the Company had unclaimed non-capital income tax losses that expire as follows:

2021	$ 395,894
2022	1,003,520
2023	1,105,611
2024	1,352,175
2025	5,817,488
2026	3,634,907
2027	1,179,805
2028	7,160,174
2029	9,157,409
2030	6,804,658
2031	8,385,059
2032	7,238,483
2033	6,248,292
2034	5,524,743
2035	2,295,957
2036	5,196,635
2037	7,102,516
2038	7,694,109
2039	4,080,154
	$ 91,377,589

(Expressed in Canadian dollars, unless otherwise noted)

15. Loss Per Share

	Year Ended December 31, 2019	December 31, 2018
Loss attributable to common Shareholders	**$ (5,067,191)**	$ (19,886,166)
Weighted average shares outstanding - basic	**392,288,330**	360,381,331
Loss per share - basic	**$ (0.01)**	$ (0.06)

As a result of the net loss for the year ended December 31, 2019, the potential effects of the exercise of stock options and the conversion of the RCF loan facility were anti-dilutive. Thus, basic loss per share and diluted loss per share are equal for these periods.

16. Commitments and Contingencies

a) Pursuant to the terms of flow-through share agreements, the Company is in the process of complying with its flow-through contractual obligations with subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As at December 31, 2019, the Company is committed to incurring $2.8 million in Canadian Exploration Expenditures by December 31, 2020.

b) Under the terms of leases, not subject to IFRS 16, including Noront's mining leases, leases for office space - including operating expenses, vehicles, and equipment, the Company is obligated to minimum annual rent and lease payments as follows:

	$
2020	251,126
2021	188,434
2022	170,883
2023	49,566
2024	15,394
2025 to 2038	166,312

c) As at December 31, 2019, the Company currently has agreements with several contractors that include provisions where the contractors provide up-front time with the understanding that if the Eagle's Nest Project proceeds into the construction stage, they will be granted a contract for the agreed scope of services. In some cases, the constructor may be reimbursed for the time incurred, or an amount agreed up front, if the project does not go ahead. As at December 31, 2019, the amount of this contingent liability is approximately $250,000.

17. Compensation of Key Management

	Year Ended December 31, 2019	December 31, 2018
Salaries, benefits and directors' fees	**$ 1,593,124**	$ 1,582,537
Share-based compensation	**1,039,648**	1,067,016
	$ 2,632,772	$ 2,649,553

Key management includes the 5 directors and 6 members of the executive management team (year ended December 31, 2018 - 6 directors and 6 members of the executive management team). Two members of key management are allocated to Development and Exploration Expenditures under Owner's Costs and four members of key management and the directors are included in Office and General.

(Expressed in Canadian dollars, unless otherwise noted)

18. Supplementary Expense Information

	Year Ended December 31, 2019	December 31, 2018
a) Development and Exploration Expenditures		
Owner's costs	**$ 146,495**	$ 300,336
Exploration expenditures	**5,339,943**	6,287,869
Community engagement & permitting	**245,343**	312,655
Engineering, staking & other	**12,891**	222,388
	$ 5,744,672	$ 7,123,248

Included in development and exploration expenditures expenses for the year ended December 31, 2019 is $2,334,006 of salaries and benefits (year ended December 31, 2018 - $2,534,276) and $714,932 of fuel expenses (year ended December 31, 2018- $795,030). For the year ended December 31, 2019, $105,000 of costs included in community engagement and permitting, respectively, was paid in the Company's shares to two First Nation communities (year ended December 31, 2018 - $105,000 to one First Nation Community).

	Year Ended December 31, 2019	December 31, 2018
b) Office and General:		
Salaries, benefits and directors' fees	**$ 1,663,469**	$ 1,715,275
Employee severance	**32,332**	-
Donations & sponsorships	**13,484**	15,774
Administrative and other expenses	**370,200**	583,629
Professional fees	**477,917**	503,433
Communications & travel	**321,521**	376,998
	$ 2,878,923	$ 3,195,109

19. Subsequent Event

On January 10, 2020, the Company satisfied the payment of interest of $391,668 for the fourth quarter of 2019 through issuance of 2,598,991 common shares (the "Interest Shares) at an effective price of $0.1507 per Interest Share. The Interest Shares are subject to a four month hold period, expiring on May 11, 2020.

On February 27, 2020, the Board of Directors granted options to acquire an aggregate of 6,823,074 common shares of the Company to certain directors, officers, management and special advisors of the Company with 4,362,966 of these options vesting immediately and 2,460,108 of these options vesting over two years. These options have an exercise price of $0.145 per share, being the closing market price on the date of grant, and are exercisable for a period of five years.

The Board has also accelerated the expiry of 1,250,000 performance share units (“PSUs”), and issued 250,000 PSUs and 553,648 restricted share units (“RSUs”) to management of the Company. The RSUs are convertible into common shares of the Company on the one year anniversary from the date of grant and the PSU’s are convertible into common shares of the Company upon the achievement of certain performance objectives.

The global outbreak of the COVID-19 coronavirus continues to rapidly evolve. The extent to which the COVID-19 coronavirus may impact the Company's business and development will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions and social distancing in Canada, the United States and other countries, business closures or business disruptions, and the effectiveness of actions taken by governments around the globe to contain and treat the disease. It may also have an impact on capital markets and the ability of the Company to complete an equity raise.