



RUPERT RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED

NOVEMBER 30, 2020

(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim consolidated financial statements of Rupert Resources Ltd. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the unaudited condensed interim 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 unaudited condensed interim consolidated financial statements; and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the years presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim 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 unaudited condensed interim 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.

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Rupert Resources Ltd.

Condensed Consolidated Interim Statements of Financial Position (Expressed in Canadian Dollars) (Unaudited)

As at	November 30, 2020	February 29, 2020
ASSETS		
Current assets		
Cash and cash equivalents (note 3)	\$ 28,032,497	\$ 14,313,403
Prepays and sundry receivables (note 4)	347,880	364,356
	28,380,377	14,677,759
Non-current assets		
Restricted cash (note 5)	1,393,952	1,319,788
Buildings and equipment (note 6)	3,135,429	2,713,362
Exploration and evaluation assets (note 7)	43,918,424	32,873,298
	\$ 76,828,182	\$ 51,584,207
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Amounts payable and accrued liabilities (notes 8 and 14)	\$ 3,517,084	\$ 2,388,987
Convertible debentures (note 10)	-	-
	3,517,084	2,388,987
Non-current liabilities		
Asset retirement obligation (note 9)	3,462,528	1,189,124
	6,979,612	3,578,111
Shareholders' Equity		
Share capital (note 11)	106,437,122	80,328,629
Contributed surplus (note 11)	6,739,140	6,322,098
Warrants (note 11)	3,086,786	3,086,786
Cumulative translation adjustment	1,631,582	(221,811)
Equity portion of convertible debentures (note 10)	75,700	75,700
Deficit	(48,121,760)	(41,585,306)
	69,848,570	48,006,096
Total liabilities and shareholders' equity	\$ 76,828,182	\$ 51,584,207

Nature of Operations (note 1)

Commitments and Contingencies (note 16)

Approved on behalf of the Board:

(Signed) "Gunnar Nilsson" Director

(Signed) "James Withall" Director

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

Rupert Resources Ltd.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended November 30,		Nine Months Ended November 30,	
	2020	2019	2020	2019
Operating expenses				
General and administrative expenses (note 12)	\$ 750,122	\$ 641,024	\$ 2,192,877	\$ 1,676,232
Share-based payments (note 11)	564,213	435,875	1,300,493	1,262,964
Loss before other items	(1,314,335)	(1,076,899)	(3,493,370)	(2,939,196)
Depreciation	(7)	(9)	(20)	(29)
Gain on repayment of debt (note 10)	-	-	-	19,228
Write-down of property (note 7)	(3,046,682)	-	(3,046,682)	-
Realized and unrealized gain (loss) on marketable securities	-	36	-	(36)
Accretion and interest expense (notes 9 and 10)	(2,594)	2,218	(5,171)	(697,497)
Other income	-	4,862	8,789	19,584
Net (loss) for the period	(4,363,618)	(1,069,792)	(6,536,454)	(3,597,946)
Other comprehensive (loss)				
Item that will be reclassified subsequently to income				
Exchange differences on translating foreign operations	(172,887)	(6,436)	1,853,393	(566,224)
Net (loss) and comprehensive (loss) for the period	\$ (4,536,505)	\$ (1,076,228)	\$ (4,683,061)	\$ (4,164,170)
Basic and diluted net (loss) per share (note 13)	\$ (0.03)	\$ (0.01)	\$ (0.04)	\$ (0.03)
Weighted average number of common shares outstanding - basic and diluted (note 13)	164,618,563	139,024,968	159,736,848	128,644,511

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

Rupert Resources Ltd.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Nine Months Ended November 30,	2020	2019
Operating activities		
Net loss for the period	\$ (6,536,454)	\$ (3,597,946)
Adjustments for:		
Share-based payments - vesting of Black-Scholes value of options granted	1,300,493	1,262,964
Unrealized gain on marketable securities	-	36
Depreciation	20	29
Exchange differences on translating foreign operations	359,979	(110,380)
Accretion expense	5,171	454,852
Gain on repayment of debt	-	(19,228)
Write-down of property	3,046,682	-
Changes in non-cash working capital items:		
Prepays and sundry receivables	16,476	108,313
Amounts payable and accrued liabilities	1,128,097	236,346
	(679,536)	(1,665,014)
Financing activities		
Proceeds from exercise of options	1,021,700	26,250
Proceeds from private placement and prospectus offering	25,600,000	7,252,999
Share issuance costs	(1,396,659)	-
Repayment of convertible debentures	-	(340,000)
	25,225,041	6,939,249
Investing activities		
Expenditure on exploration and evaluation assets	(10,540,853)	(6,017,803)
Net deposits for restricted cash	-	(103,001)
Purchase of buildings and equipment	(285,558)	(27,058)
	(10,826,411)	(6,147,862)
Net change in cash	13,719,094	(873,627)
Cash, beginning of period	14,313,403	5,949,381
Cash, end of period	\$ 28,032,497	\$ 5,075,754
Supplemental information:		
Interest paid (note 10)	\$ -	\$ 242,646

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

Rupert Resources Ltd.**Condensed Consolidated Interim Statements of Changes in Capital****(Expressed in Canadian Dollars)****(Unaudited)**

	Share Capital	Cumulative Translation Adjustment	Contributed Surplus	Warrants	Convertible Debentures	Deficit	Total
Balance, February 29, 2020	\$ 80,328,629	\$ (221,811)	\$ 6,322,098	\$ 3,086,786	\$ 75,700	\$ (41,585,306)	\$ 48,006,096
Private placement and prospectus offering	24,203,341	-	-	-	-	-	24,203,341
Stock options exercised	1,905,152	-	(883,451)	-	-	-	1,021,701
Share-based payments (notes 11 and 14)	-	-	1,300,493	-	-	-	1,300,493
Net loss and comprehensive loss for the period	-	1,853,393	-	-	-	(6,536,454)	(4,683,061)
Balance, November 30, 2020	\$106,437,122	\$ 1,631,582	\$ 6,739,140	\$ 3,086,786	\$ 75,700	\$ (48,121,760)	\$ 69,848,570
Balance, February 28, 2019	\$ 54,216,150	\$ 96,376	\$ 4,640,839	\$ -	\$ 1,716,066	\$ (36,744,366)	\$ 23,925,065
Private placement	7,252,999	-	-	-	-	-	7,252,999
Conversion of debt in commons shares (note 10)	8,985,564	-	-	-	(1,640,366)	-	7,345,198
Stock options exercised	63,750	-	(37,500)	-	-	-	26,250
Share-based payments (notes 11 and 14)	-	-	1,262,964	-	-	-	1,262,964
Net loss and comprehensive loss for the period	-	(566,224)	-	-	-	(3,597,946)	(4,164,170)
Balance, November 30, 2019	\$ 70,518,463	\$ (469,848)	\$ 5,866,303	\$ -	\$ 75,700	\$ (40,342,312)	\$ 35,648,306

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

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended November 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of Operations

Rupert Resources Ltd. (the "Company" or "Rupert") is a company incorporated under the laws of the Province of British Columbia. The Company is currently seeking out viable mineral exploration and evaluation opportunities and its primary projects located in Finland. The business of exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration programs will result in profitable mining operations. The Company's primary office is The Canadian Venture Building, 82 Richmond St East, Suite 202, Toronto, Ontario M5C 1P1.

The Company's outstanding common shares trade on the TSX Venture Exchange under the symbol RUP. As at November 30, 2020, an investor of the Company, Alan Brimacombe, controlled 19,651,500 common shares of the Company or approximately 11.9% of the total common shares outstanding. To the knowledge of directors and officers of Rupert, the remainder of the Company's outstanding common shares are widely held. These holdings can change at any time at the discretion of the owner.

In June 2016, the Company incorporated a wholly owned subsidiary, Rupert Finland Oy and in May 2018 the Company acquired Northern Aspect Resources Ltd. ("NARL") (note 7). In June 2020, the Company incorporated a wholly owned subsidiary, Rupert Exploration Finland Oy.

2. Significant Accounting Policies

(a) Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of January 27, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual financial statements as at and for the year ended February 29, 2020, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending February 28, 2021 could result in restatement of these unaudited condensed interim consolidated financial statements.

(b) New Accounting Policies Adopted

IFRS 3, Business Combinations ("IFRS 3")

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The adoption of the amendments had no impact on the Company's unaudited condensed interim consolidated financial statements.

IAS 1, Presentation of Financial Statements ("IAS 1")

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's unaudited condensed interim consolidated financial statements.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended November 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(b) New Accounting Policies (continued)

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's unaudited condensed interim consolidated financial statements.

(c) Future Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after March 1, 2021. Many are not applicable or do not have a significant impact to the Company and have been excluded.

3. Cash and Cash Equivalents

	As at November 30, 2020	As at February 29, 2020
Cash	\$ 27,932,497	\$ 14,213,403
Guaranteed investment certificates ("GIC's")	100,000	100,000
Total	\$ 28,032,497	\$ 14,313,403

The GIC's earn interest at 0.5%, mature one year from the date of purchase and provide security for the Company's credit cards.

4. Prepaids and Sundry Receivables

	As at November 30, 2020	As at February 29, 2020
Prepaid expenses and sundry receivables	\$ 313,082	\$ 149,337
Other receivable	-	15,947
Sales tax receivable	34,798	199,072
	\$ 347,880	\$ 364,356

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended November 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

5. Restricted Cash

In connection with the acquisition of the Pahtavaara Gold Mine, the Company purchased environmental bonds of EURO 640,000 in July of 2016. In March 2017, October 2017 and October 2019, the Company purchased additional environmental bonds of EURO 30,000, EURO 60,000, and EURO 150,000, respectively. The sole purpose of these bonds is for settling the future restoration obligations of the Pahtavaara Gold Mine (note 9). The bonds are not interest-bearing and have no maturity date. This cash is not available for general corporate purposes.

In March 2017, the Company paid a EURO 60,000 deposit with a utility company to protect them against the risk of default. This was repaid to the Company in March 2019.

In connection with the acquisition of Northern Aspect Resources Ltd in 2019, the Company acquired a EURO 12,500 deposit. The sole purpose of the deposit is for settling the future restoration obligations of the Hirsikangas Gold Project. The deposit are not interest-bearing and have no maturity date. This cash is not available for general corporate purposes.

6. Buildings and Equipment

	Computers	Equipment and Machinery	Buildings	Vehicles	Office Furniture	Total
Period ended November 30, 2019						
At February 28, 2019	\$ 6,213	\$1,614,727	\$ 961,609	\$ 138,161	\$ 3,088	\$2,723,798
Additions	-	27,058	-	-	-	27,058
Foreign exchange differences	(145)	(38,456)	(22,902)	(3,290)	(74)	(64,867)
Depreciation	(28)	-	-	-	-	(28)
	\$ 6,040	\$1,603,329	\$ 938,707	\$ 134,871	\$ 3,014	\$2,685,961
At November 30, 2019						
Cost	\$ 7,181	\$1,603,329	\$ 938,707	\$ 145,398	\$ 3,014	\$2,697,629
Accumulated depreciation	(1,141)	-	-	(10,527)	-	(11,668)
Net book value at November 30, 2019	\$ 6,040	\$1,603,329	\$ 938,707	\$ 134,871	\$ 3,014	\$2,685,961
Period ended November 30, 2020						
At February 29, 2020	\$ 6,084	\$1,628,678	\$ 947,239	\$ 128,319	\$ 3,042	\$2,713,362
Additions (net)	-	257,309	-	28,377	-	285,686
Foreign exchange differences	302	81,953	47,663	6,330	153	136,401
Depreciation	(20)	-	-	-	-	(20)
At November 30, 2020	\$ 6,366	\$1,967,940	\$ 994,902	\$ 163,026	\$ 3,195	\$3,135,429
At November 30, 2020						
Cost	\$ 7,556	\$1,967,940	\$ 994,902	\$ 181,174	\$ 3,195	\$3,154,767
Accumulated depreciation	(1,190)	-	-	(18,148)	-	(19,338)
Net book value at November 30, 2020	\$ 6,366	\$1,967,940	\$ 994,902	\$ 163,026	\$ 3,195	\$3,135,429

Depreciation has not been charged on buildings and equipment as they have been determined by management not to be available for use.

At November 30, 2020 and November 30, 2019, management assessed the assets classified as not available for use for impairment. No impairment losses were noted for both years.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended November 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

7. Exploration and Evaluation Assets

The Company's exploration and evaluation assets consist of the following:

	Osikonmaki Property	Hirsikangas Property	Gold Centre Property	Pahtavaara Gold Mine	Total
Balance, February 29, 2020	\$ 2,995,551	\$ 2,982,245	\$ 200,660	\$ 26,694,842	\$ 32,873,298
<u>Acquisition Costs</u>					
Property taxes	-	-	-	14,584	14,584
Licenses and permits	-	269,989	-	451,245	721,234
	\$ 2,995,551	\$ 3,252,234	\$ 200,660	\$ 27,160,671	\$ 33,609,116
<u>Exploration and Evaluation Costs</u>					
Assays	\$ -	\$ -	\$ -	\$ 2,073,683	\$ 2,073,683
Geological consulting	-	451	-	425,067	425,518
Geophysics	-	178,503	-	211,791	390,294
Drilling	-	58,135	-	4,901,172	4,959,307
Equipment rental	-	-	-	12,305	12,305
Transportation	-	-	-	121,629	121,629
Travel	-	-	-	6,974	6,974
Asset retirement obligation increase	-	-	-	2,208,375	2,208,375
Utilities	-	-	-	194,957	194,957
Salary	-	122,757	-	1,485,263	1,608,020
Foreign exchange differences	51,131	64,235	-	1,239,562	1,354,928
Property write down	(3,046,682)	-	-	-	(3,046,682)
Balance, November 30, 2020	\$ -	\$ 3,676,315	\$ 200,660	\$ 40,041,449	\$ 43,918,424

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended November 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

7. Exploration and Evaluation Assets (continued)

	Osikonmaki Property	Hirsikangas Property	Gold Centre Property	Pahtavaara Gold Mine	Total
Balance, February 28, 2019	\$ 3,042,130	\$ 2,684,923	\$ 200,660	\$ 17,674,687	\$ 23,602,400
<u>Acquisition Costs</u>					
Property taxes	-	-	-	13,748	13,748
Licenses and permits	263	50,176	-	527,149	577,588
	\$ 3,042,393	\$ 2,735,099	\$ 200,660	\$ 18,215,584	\$ 24,193,736
<u>Exploration and Evaluation Costs</u>					
Assays	\$ -	\$ -	\$ -	\$ 809,334	\$ 809,334
Geological consulting	-	-	-	291,055	291,055
Geophysics	-	-	-	113,645	113,645
Drilling	-	-	-	2,596,896	2,596,896
Equipment rental	-	-	-	8,392	8,392
Transportation	-	-	-	18,006	18,006
Fuel	-	-	-	30,570	30,570
Utilities	-	-	-	153,293	153,293
Salaries	-	199,426	-	1,206,103	1,405,529
Foreign exchange difference	(2,940)	(23,534)	-	(393,474)	(419,948)
Balance, November 30, 2019	\$ 3,039,453	\$ 2,910,991	\$ 200,660	\$ 23,049,404	\$ 29,200,508

Pahtavaara Gold Mine

On August 30, 2016, the Company exercised the option with the bankruptcy estate of Lapland Goldminers Oy to acquire the Pahtavaara gold mine, mill and exploration permits and concessions that represented a 124km² land package in Finland in the Central Lapland Greenstone Belt. The purchase price for the acquisition is US\$2,500,000, structured as a US\$500,000 cash payment which was made upon the completion of the acquisition in November 2016 and a 1.5% production royalty, capped at US\$2,000,000, payable on go-forward revenues generated when gold production resumes. The production royalty, which is considered contingent consideration, was valued at \$nil on the date of acquisition and as at February 28, 2021 and November 30, 2019.

Northern Aspect Resources Ltd ("NARL")

On May 15, 2018, the Company acquire all the issued and outstanding securities of NARL through the issue of 4,913,466 consideration shares of the Company. The Osikonmaki and Hirsikangas mineral properties were acquired as part of the NARL transaction. These properties were in the exploration and evaluation stages at acquisition.

Further to a strategic review during the nine months ended November 30, 2020, and an increased focus on Pahtavaara, the Company elected to withdraw from the Osikonmaki project and the value was written down.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended November 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

7. Exploration and Evaluation Assets (continued)

Gold Centre Property

During the nine months ended November 30, 2020, the Company entered into an arm's length, definitive agreement to joint venture the Company's Gold Centre property in Red Lake, Ontario with Trillium Gold Mines Ltd ("Trillium" or "TGM").

Rupert and Trillium will form an unincorporated joint venture with respect to the Gold Centre property. Trillium will have an 80% participating interest (a "Participating Interest") in the joint venture and Rupert will have a 20% carried Participating Interest. In order to maintain its 80% Participating interest, Trillium will be required to spend \$2,000,000 per annum in each of the first five years and \$500,000 in each subsequent year. Further, Trillium will issue to Rupert 500,000 common shares upon the start date of the joint venture and on each anniversary thereof for the subsequent three years, for a total of 2,000,000 common shares.

Completion of the transaction with Trillium is subject to a number of conditions, including regulatory approval of the transfer of the relevant leases. Pre-requisite approval of the TSX Venture Exchange has been issued. The transaction cannot close until the required conditions are satisfied and required approvals are obtained.

8. Amounts Payable and Accrued Liabilities

	As at November 30, 2020	As at February 29, 2020
Trade payables	\$ 3,137,955	\$ 1,279,107
Accrued liabilities	379,129	1,109,880
	\$ 3,517,084	\$ 2,388,987

9. Asset retirement obligation

Balance, February 29, 2020	\$ 1,189,124
Foreign exchange adjustment	59,858
Add: increase in restoration provision period	2,208,375
Present value adjustment	5,171
Balance, November 30, 2020	\$ 3,462,528
Balance, February 28, 2019	\$ 1,203,465
Foreign exchange adjustment	(17,982)
Present value adjustment	3,641
Balance, February 29, 2020	\$ 1,189,124

In August 2016, as part of the acquisition of the Pahtavaara Gold Mine, the Company recognized obligations for future site restoration. Although the ultimate amount of the future site restoration is uncertain, the fair value of the obligation was based on information currently available, including disturbances made to date, closure plans and applicable regulations. The amounts and timing of the closure plans will vary depending on a number of factors including alternative mine plans.

The total undiscounted amount of estimated future cash flows required to settle obligations related to the Pahtavaara were EURO850,000 (\$1,318,265). The estimated future cash flows have been discounted using the Finland 10 year government bond yield, at the time the liability was estimated, at 0.483%.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended November 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

9. Asset retirement obligation (continued)

In 2019, the Company increased its obligation by EURO210,000 (\$314,790). In August 2020, the Company increased its obligation by EURO1,188,232 (\$1,850,434). The Group is reviewing the nature of its asset retirement obligations at Pahtavaara in conjunction with the relevant authorities in Finland.

These obligations are expected to be settled at the end of the mine life which is estimated to be 13 years. The asset retirement obligation was discounted at a rate of 0.44%.

Refer to note 5 for assets pledged and restricted for the purposes of settling future site restoration obligations.

10. Convertible Debentures

On September 6, 2016, the Company issued unsecured convertible debentures with a total principal amount of \$7,707,500. Total transaction costs of \$72,015 were incurred on the issuance. The debentures were to mature on September 6, 2019 and bore interest at an annual rate of 5%, payable on a semi-annual basis. The convertible debentures will be convertible into common shares of the Company at the option of the holder prior to maturity, at a price of \$0.95 per common share.

During the nine months ended November 30, 2019, the Company filed an application to amend the terms the convertible debenture. The amendment decrease the conversion price at which each Convertible Debenture converted into common shares of the Company ("Common Shares") from \$0.95 per common share to \$0.85 per common share. The change in conversion price was accounted for as a debt extinguishment in accordance with IFRS 9 on the date of modification which had no impact to the consolidated financial statements.

In August and September 2019, the Company issued 8,667,643 common shares, converting a principle of \$7,367,500 into common shares to certain holders of the debentures and interest was paid up to the date of conversion.

Balance - February 28, 2019	\$ 7,253,233
Loan converting to shares	(7,345,198)
Add: accretion for the period	693,839
Less: Interest paid in the period	(242,646)
Less: Gain on settlement of debt	(19,228)
Less: Loan repayment	(340,000)

Balance - November 30, 2019, February 29, 2020 and November 30, 2020 **\$ -**

11. Share Capital and Reserves

Authorized Share Capital

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consisting only of common shares are fully paid.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements Three and Nine Months Ended November 30, 2020 (Expressed in Canadian Dollars) (Unaudited)

11. Share Capital and Reserves (continued)

Issued Share Capital

As at November 30, 2020, the issued share capital amounted to \$106,437,122. There were the following changes in issued share capital for the nine months ended November 30, 2020 and November 30, 2019:

	Number of Common Shares	Amount
Balance, February 29, 2020	155,470,761	\$ 80,328,629
Private placement and prospectus offering ⁽¹⁾	8,000,000	25,600,000
Stock options exercised	1,415,000	1,905,152
Share issue costs	-	(1,396,659)
Balance, November 30, 2020	164,885,761	\$106,437,122
Balance, February 28, 2019	122,728,573	\$ 54,216,150
Private placement ⁽³⁾	8,532,940	7,252,999
Stock options exercised	150,000	63,750
Shares issued for debt conversion ⁽²⁾	8,667,643	8,985,564
Balance, November 30, 2019	140,079,156	\$ 70,518,463

⁽¹⁾ On July 23, 2020, the Company announced that it had closed the July 2020 Financing's, raising in total \$25,600,000 million before expenses. The July 2020 Financing's comprised an issuance pursuant to the Public Offering of 5,295,999 common shares in the capital of the Company (the "Common Shares") at a price of \$3.20 per Common Share (the "Offering Price") for gross proceeds of approximately \$16,947,197, which included the exercise, in full, of the underwriter's Over-Allotment option of an additional 690,782 Common Shares. The company also issued 2,704,001 Common Shares at the Offering Price in a concurrent Private Placement on substantially the same terms as the Public Offering (for gross proceeds of \$8,652,803), which included 352,697 Common Shares pursuant to the Over-Allotment option granted to the participants in Private Placement.

The Company has agreed to pay cash finder's fees in respect of certain sales of \$1,016,832. In connection with the offering, legal fees and other expenses of \$379,827 were paid.

⁽²⁾ During the nine months ended November 30, 2019, a principle of \$7,367,500 was converted into 8,549,996 common shares. The amount of \$1,640,366 was moved to share capital from the equity portion of convertible debentures.

⁽³⁾ On September 9, 2019, the Company closed a non brokered private placement by issuing 8,532,940 common shares at a price of \$0.85 per share for a gross proceed of \$7,252,999. In connection with the offering, legal fees and other expenses of \$87,342 were paid.

Stock Options

The Company has an incentive stock option plan in place under which it is authorized to grant options to directors and employees to acquire up to 10% of the Company's issued and outstanding common shares. Under the plan, the exercise price of each option may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount. The options can be granted for a maximum term of 10 years and vesting periods are determined by the Board of Directors.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended November 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

11. Share Capital and Reserves (continued)

Stock Options (continued)

The following table reflects the continuity of stock options for the nine months ended November 30, 2020 and November 30, 2019:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, February 29, 2020	10,460,000	0.78
Cancelled	(65,000)	0.75
Granted ⁽¹⁾	1,885,000	3.20
Exercised	(1,415,000)	0.72
Balance, November 30, 2020	10,865,000	1.21
Balance, February 28, 2019	8,135,000	0.74
Granted ⁽²⁾	2,565,000	0.87
Exercised	(150,000)	0.175
Balance, November 30, 2019	10,550,000	0.78

⁽¹⁾ On August 10, 2020, the Company granted 1,885,000 stock options at a price of \$3.20 per share, expiring on August 10, 2024. The fair value of these options at the date of grant was estimated using the Black-Scholes option pricing model with the following assumptions: a four year expected average life; share price of \$2.90; 67.12% expected volatility; risk-free interest rate of 0.27%; and an expected dividend yield of 0%. Volatility is calculated based on the changes in historical stock prices over the expected life of the options. The fair value assigned to these options was \$2,602,054. The options vest 50% on each of August 10, 2021 and August 10, 2022.

⁽²⁾ On August 22, 2019, the Company granted 2,475,000 stock options at a price of \$0.87 per share to certain directors, officers and employees of the Company, expiring on August 21, 2024. The fair value of these options at the date of grant was estimated using the Black-Scholes option pricing model with the following assumptions: a five year expected average life; share price of \$0.812; 101% expected volatility; risk-free interest rate of 1.32%; and an expected dividend yield of 0%. Volatility is calculated based on the changes in historical stock prices over the expected life of the options. The fair value assigned to these options was \$1,486,238. The options will vest 50% on each of August 21, 2020 and August 21, 2021.

For the three and nine months ended November 30, 2020, the impact on share-based compensation was \$564,213 and \$1,300,493, respectively (three and nine months ended November 30, 2019 - \$435,875 and \$1,262,964, respectively).

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements
Three and Nine Months Ended November 30, 2020
(Expressed in Canadian Dollars)
(Unaudited)

11. Share Capital and Reserves (continued)

Stock Options (continued)

The following table reflects the actual stock options issued and outstanding as of November 30, 2020:

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (exercisable)	Number of Options Unvested
March 24, 2021	0.175	0.31	1,480,000	1,480,000	-
June 10, 2021	0.56	0.53	500,000	500,000	-
November 9, 2021	0.76	0.94	700,000	700,000	-
April 22, 2022	1.01	1.38	2,040,000	2,040,000	-
July 31, 2023	1.00	2.67	2,120,000	2,120,000	-
August 10, 2024	3.20	3.70	1,885,000	-	1,885,000
August 21, 2024	0.87	3.73	2,140,000	922,500	1,217,500
	1.21	2.28	10,865,000	7,762,500	3,102,500

Warrants

The following table reflects the continuity of warrants for the nine months ended November 30, 2020 and November 30, 2019:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, February 28, 2019 and November 30, 2020	11,543,704	1.00
Balance, February 28, 2019 and November 30, 2020	-	0.00

The following table reflects the actual warrants issued and outstanding as of November 30, 2020:

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Warrants Outstanding
February 11, 2023 ⁽¹⁾	1.00	2.20	11,543,704

- (1) The warrants provide that after February 11, 2022, if the price of the Common Shares on the TSX Venture Exchange exceeds \$1.25 per Common Share for at least 20 consecutive trading days, Rupert shall have the right to accelerate, by notice to Agnico, the expiry date of the warrants to 30 calendar days after the date of such notice (such that Agnico may either exercise all or a portion of the warrants in such 30 day period, or failing such exercise, any unexercised warrants would expire).

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements Three and Nine Months Ended November 30, 2020 (Expressed in Canadian Dollars) (Unaudited)

12. General and Administrative Expenses

	Three Months Ended		Nine Months Ended	
	November 30,		November 30,	
	2020	2019	2020	2019
Consulting	\$ (27,699)	\$ 12,635	\$ 9,235	\$ 12,798
Overheads, maintenance and other costs	297,845	153,918	724,877	488,496
Professional fees	114,867	173,897	402,766	323,763
Investigation of prospective property interests	759	490	1,252	854
Regulatory fees	12,380	3,055	14,878	6,508
Salaries and benefits (note 14)	228,397	194,962	672,936	573,273
Shareholder communications	56,949	3,331	175,022	13,831
Transfer agent	27,898	39,861	47,154	53,204
Travel and vehicle operating costs	38,726	58,875	144,757	203,505
	\$ 750,122	\$ 641,024	\$ 2,192,877	\$ 1,676,232

13. Net Loss Per Common Share

The calculation of basic and diluted loss per share for the three and nine months ended November 30, 2020 was based on the loss attributable to common shareholders of \$4,363,618 and \$6,536,454, respectively (three and nine months ended November 30, 2019 - \$1,069,792 and \$3,597,946, respectively) and the weighted average number of basic common shares outstanding of 164,618,563 and 159,736,848, respectively for the three and nine months ended November 30, 2020 (three and nine months ended November 30, 2019 - 139,024,968 and 128,644,511, respectively). Diluted loss per share did not include the effect of 22,408,704 stock options and warrants (three and nine months ended November 30, 2019 - 10,550,000 stock options) as they are anti-dilutive.

14. Related Party Transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Remuneration of directors and key management personnel of the Company was as follows:

	Three Months Ended		Nine Months Ended	
	November 30,		November 30,	
	2020	2019	2020	2019
Remuneration paid to Non-Executive Chairman ⁽¹⁾⁽²⁾	\$ 13,500	\$ 9,000	\$ 34,500	\$ 27,000
Remuneration paid to CEO ⁽³⁾	91,116	79,969	272,065	237,069
Remuneration paid to CFO ⁽⁴⁾	34,300	29,528	111,413	81,636
Share-based payments - Black-Scholes value	332,079	215,000	683,355	679,180
Marrelli Support Services Inc. ⁽⁵⁾	-	8,144	18,422	33,360

(1) The Board of Directors do not have employment or services contracts with the Company.

(2) The Company entered into an agreement with the Non-Executive Chairman of the Company to pay him a monthly consulting fee of \$3,000 per month, increased from July 1, 2020 to \$4,500. During the three and nine months ended November 30, 2020, \$13,500 and \$34,500, respectively (three and nine months ended November 30, 2019 - \$9,000 and \$27,000, respectively) were paid.

Rupert Resources Ltd.

Notes to Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended November 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

14. Related Party Transactions (continued)

(3) The Company entered into an agreement with the Chief Executive Officer of the Company to pay him a monthly base salary of of GBP 15,000, increased from April 1, 2020 to GBP 16,667. During the three and nine months ended November 30, 2020, \$91,116 and \$272,065, respectively (three and nine months ended November 30, 2019 - \$79,969 and \$237,069, respectively) was expensed as salaries. As at November 30, 2020, the Chief Executive Officer was owed \$67 for reimbursable expenses (February 29, 2020 - \$nil) and this amount was included in amounts payable and accrued liabilities.

(4) The Company entered into an agreement with the Chief Financial Officer of the company to pay him a monthly base salary GBP5,833, increased to GBP 6,667 from April 1, 2020. During the three and nine months ended November 30, 2020, \$34,300 and \$111,413 (three and nine months ended November 30, 2019 - \$29,528 and \$81,636 , respectively) was expensed as salaries.

(5) The Company has entered into an accounting support services agreement with MSSl where under MSSl provided, certain accounting support services. A former director of the Company, Mr. Robert D. B. Suttie is President of MSSl. During the three and nine months ended November 30, 2020, \$nil and \$18,422, respectively (three and nine months ended November 30, 2019 - \$8,144 and \$33,360, respectively) was expensed with respect to the services provided. As at November 30, 2020, MSSl was owed \$3,544 (February 29, 2020 - \$4,239). These amounts are included in amounts payable and accrued liabilities.

(6) On November 30, 2020, the amount of \$nil (February 29, 2020 - \$140,800) was included in accounts payable and accrued liabilities as bonus due to the Chief Executive Officer and Chief Financial Officer of the Company.

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors.

Amounts due to related parties are non-interest bearing, unsecured and due on demand.

15. Segment Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Finland.

16. Commitments and Contingencies

The Company's operations are subject to government environmental protection legislation. Environmental consequences are difficult to identify in terms of results, timetable and impact (note 9).

At this time, to management's best knowledge, the Company's operations are in compliance with current laws and regulations.