



**ROCKCLIFF METALS CORPORATION
CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED
SEPTEMBER 30, 2019
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Rockcliff Metals Corporation (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.

Rockcliff Metals Corporation

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	As at September 30, 2019	As at March 31, 2019
ASSETS		
Current assets		
Cash and cash equivalents (note 4)	\$ 24,855,086	\$ 284,509
Funds held in trust	-	20,279,100
Prepaid expenses and deposits	50,261	18,100
Amounts receivable and advances (note 5)	59,988	-
Total current assets	24,965,335	20,581,709
Equipment (note 6)	73,723	35,226
Exploration and evaluation properties	2,072,482	2,072,482
Total assets	\$ 27,111,540	\$ 22,689,417
LIABILITIES AND EQUITY		
Current liabilities		
Amounts payable and other liabilities (notes 7 and 12)	\$ 1,637,657	\$ 348,288
Deferred flow-through premium (note 8)	6,538,958	-
Total liabilities	8,176,615	348,288
Equity		
Share capital (note 8)	57,600,267	28,275,966
Shares to be issued	-	20,279,100
Reserve (notes 10 and 11)	1,840,842	2,198,662
Deficit	(40,506,184)	(28,412,599)
Total equity	18,934,925	22,341,129
Total liabilities and equity	\$ 27,111,540	\$ 22,689,417

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

Nature of operations and going concern (note 1)

Commitments (note 13)

Rockcliff Metals Corporation

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended September 30,		Six months ended September 30,	
	2019	2018	2019	2018
Operating expenses				
Exploration and acquisition costs (note 3)	\$ 2,887,542	\$ 71,618	\$ 12,059,753	\$ 173,089
Legal and professional	112,303	127,247	256,377	180,923
Share-based payments (notes 11 and 12)	98,661	3,053	317,914	6,321
General and administrative	384,272	50,172	716,927	61,512
Depreciation (note 6)	4,095	2,173	8,191	3,890
Salaries and benefits	170,027	-	207,738	-
Investor relations	29,521	37,190	153,789	57,178
Consulting	117,949	25,822	416,323	25,822
Loss before the following items	(3,804,370)	(317,275)	(14,137,012)	(508,735)
Interest income	91,036	-	173,054	150
Foreign exchange (loss) gain	169	(14)	(1,670)	(194)
Amortization of flow-through premium	1,159,517	-	1,159,517	-
Comprehensive loss for the period	\$ (2,553,648)	\$ (317,289)	\$ (12,806,111)	\$ (508,779)
Basic and diluted net loss per share (note 9)	\$ (0.01)		\$ (0.05)	\$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	307,538,043	64,792,969	262,908,858	46,909,672

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

Rockcliff Metals Corporation

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

(Unaudited)

Six months ended
September 30,
2019 2018

Operating activities

Net loss for the period from continuing operations	\$ (12,806,111)	\$ (508,779)
Adjustments for:		
Depreciation	8,191	3,890
Share-based payments	317,914	6,321
Shares issued for exploration and evaluation property interest	8,419,275	4,375
Amortization of flow-through premium	(1,159,517)	-
Non-cash working capital items:		
Amounts receivable and advances	(59,988)	(35,578)
Prepaid expenses and deposits	(32,161)	(72,796)
Amounts payable and other liabilities	1,289,369	44,814
Net cash used in operating activities	(4,023,028)	(557,753)

Investing activities

Acquisition of equipment	(46,688)	(9,127)
Increase in funds held in trust	-	38,896
Net cash provided by investing activities	(46,688)	29,769

Financing activities

Proceeds from private placement	28,695,875	1,846,323
Share issue costs	(55,582)	(125,139)
Proceeds on sale of marketable securities	-	35,285
Net cash provided by financing activities	28,640,293	1,756,469

Net change in cash and cash equivalents	24,570,577	1,228,485
Cash and cash equivalents, beginning of period	284,509	93,575
Cash and cash equivalents, end of period (note 4)	\$ 24,855,086	\$ 1,322,060

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

Rockcliff Metals Corporation

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

(Unaudited)

Equity attributable to shareholders

	Share capital	Shares to be issued	Contributed surplus	Reserve			Total
				Warrants	Accumulated other comprehensive loss	Deficit	
Balance, March 31, 2018	\$ 27,030,460	\$ -	\$ 263,741	\$ 1,794,071	\$ (10,000)	\$ (26,879,353)	\$ 2,198,919
Issued in private placement	1,846,323	-	-	-	-	-	1,846,323
Warrants valuation	(740,225)	-	-	740,225	-	-	-
Share issue costs	(125,139)	-	-	-	-	-	(125,139)
Shares issued for mineral exploration property interest	4,375	-	-	-	-	-	4,375
Expiry of warrants	-	-	-	(1,122,663)	-	1,122,663	-
Increase in unrealized loss on marketable securities	-	-	-	-	1,285	-	1,285
Reclass of realized loss on marketable securities	-	-	-	-	8,715	(8,715)	-
Share-based payments	-	-	6,321	-	-	-	6,321
Loss for the period	-	-	-	-	-	(508,779)	(508,779)
Balance, September 30, 2018	\$ 28,015,794	\$ -	\$ 270,062	\$ 1,411,633	\$ -	\$ (26,274,184)	\$ 3,423,305
Balance, March 31, 2019	\$ 28,275,966	\$ 20,279,100	\$ 787,029	\$ 1,411,633	\$ -	\$ (28,412,599)	\$ 22,341,129
Shares issued in private placement	28,695,875	(20,279,100)	-	-	-	-	8,416,775
Deferred flow-through premium	(7,698,475)	-	-	-	-	-	(7,698,475)
Share issue costs	(55,582)	-	-	-	-	-	(55,582)
Shares issued for mineral exploration property interest	8,419,275	-	-	-	-	-	8,419,275
Expiry of stock options	-	-	(41,118)	-	-	41,118	-
Broker warrants issued	(36,792)	-	-	36,792	-	-	-
Share-based payments	-	-	317,914	-	-	-	317,914
Expiry of warrants	-	-	-	(671,408)	-	671,408	-
Loss for the period	-	-	-	-	-	(12,806,111)	(12,806,111)
Balance, September 30, 2019	\$ 57,600,267	\$ -	\$ 1,063,825	\$ 777,017	\$ -	\$ (40,506,184)	\$ 18,934,925

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

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

1. Nature of operations and going concern

Rockcliff Metals Corporation (the "Company" or "Rockcliff") is engaged in the acquisition and exploration of mineral properties in Manitoba, Canada. The head office of the Company is located at 141 Adelaide Street West, Suite 1660, Toronto, Ontario, M5H 3L5.

On July 19, 2010, Solvista Gold Corporation was incorporated by articles of incorporation in the Province of Ontario. On October 21, 2015, the Company changed its name from Solvista Gold Corporation to Rockcliff Copper Corporation. On June 17, 2015, the Company completed its amalgamation with Rockcliff Resources Inc. On November 1, 2017, the Company changed its name from Rockcliff Copper Corporation to Rockcliff Metals Corporation.

During the three and six months ended September 30, 2019, the Company announced the reorganization transaction (the "Transaction") involving a financing (the "Greenstone Subscription") led by Greenstone Resources II LP ("Greenstone") and a transfer of significant assets from Norvista Capital Corporation (TSX-V: NVV) ("Norvista"). The Company was listed and posted for trading on the Canadian Securities Exchange ("CSE") effective May 7, 2019 but was immediately halted from trading pending closing of its financings. The common shares of Rockcliff commenced trading on the CSE on May 8, 2019 under the symbol "RCLF" and CUSIP number 77289R209.

As at September 30, 2019, the Company had not determined the existence of economically recoverable reserves. The Company's exploration property interests may be subject to increases in taxes and royalties, renegotiation of contracts, changes in environmental designations, currency exchange fluctuations and restrictions, and political uncertainty.

These unaudited condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. The Company has incurred a loss in the current and prior periods, with a current net loss of \$12,806,111 and has an accumulated deficit of \$40,506,184 (March 31, 2019 - \$28,412,599). In addition, the Company had working capital of \$16,788,720 at September 30, 2019 (March 31, 2019 - working capital of \$20,233,421).

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements.

2. Significant accounting policies

(a) Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). 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.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of November 26, 2019, 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 audited consolidated financial statements as at and for the year ended March 31, 2019, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending March 31, 2020 could result in restatement of these unaudited condensed interim consolidated financial statements.

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

2. Significant accounting policies (continued)

(b) Basis of presentation

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis other than cash equivalents which are measured at fair value. In addition, these unaudited condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Change in accounting policies

(a) Leases and right-of-use assets

In January 2016, the IASB issued IFRS 16 - Leases ("IFRS 16"), replacing IAS 17 - Leases. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its statement of financial position, providing the reader with greater transparency of an entity's lease obligations.

At January 1, 2019, the Company adopted the following and there was no material impact on the Company's financial statements. The Company adopted IFRS 16 using the modified retrospective approach and accordingly the information presented for 2018 has not been restated. It remains as previously reported under IAS 17 and related interpretations.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

2. Significant accounting policies (continued)

(a) Leases and right-of-use assets (continued)

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

The Company adopted this standard and the impact on the Company's unaudited condensed interim consolidated financial statements and there was no material impact.

(b) Uncertainty over Income Tax Treatments

On June 7, 2017, the IASB issued IFRIC Interpretation 23 Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. The Company adopted this standard at January 1, 2019 and there was no material impact on the Company's unaudited condensed interim consolidated financial statements.

3. Exploration and evaluation properties

(i) The Company holds a 100% interest, subject to a 2% net smelter return royalty in favour of the former owner, HudBay Minerals Inc. ("HudBay"), in the Freebeth Property located in the Snow Lake District in Manitoba.

(ii) The Company holds a 100% interest, subject to a 2% net smelter returns royalty in favour of the former owner, HudBay, in the Rail Property located in the Snow Lake District in Manitoba.

(iii) The Company holds a 100% interest in the Lon Property located in the Snow Lake District in Manitoba. The Company also acquired certain mining rights and mining data in respect of the Lon Deposit subject to a ½% net smelter return royalty in two of the claims acquired. The Company may purchase this net smelter return royalty for \$250,000.

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

3. Exploration and evaluation properties (continued)

(iv) The Company previously held a 70% interest, subject to an existing 2% net smelter return royalty in favour of a previous owner, in the Tower property, located in the Thompson Nickel Belt District in Manitoba.

(v) The Company signed an option agreement on April 14, 2014 to earn a 51% interest in the Talbot Property, totalling 12,045 hectares in size, from Hudson Bay Exploration and Development Company Limited ("HBED"), a wholly-owned subsidiary of Hudbay Minerals Inc. ("Hudbay"), by spending \$6.12 million over 6 years. The property is located in Manitoba and hosts the high grade copper-gold rich Talbot Volcanogenic Massive Sulphide ("VMS") deposit.

The first five years of expenditure requirements on the Talbot Property has now been satisfied. As of April 14, 2019, total expenditures in the amount of \$3,889,774 have been recorded and approved by Hudbay. As a result, the Company has now exceeded the first four years of expenditure commitments on the property. The agreement provides that once the Company has earned its 51% interest in the Talbot Property, the Company (51%) and HBED (49%) will form a joint venture and the Company will be the Operator of the joint venture. Provided HBED contributes its pro rata (49%) share of expenditures under the joint venture, it will have two years from the date the Company earns its 51% interest to purchase an additional 2% interest for a cash payment of \$240,000 and either incurring expenditures over a two year period equivalent to 2% of the joint venture expenditures made since the formation of the joint venture or paying such amount to the Company in cash. If HBED acquires the additional 2%, it will become the Operator of the joint venture. Once a positive Feasibility Study has been completed and mining development has commenced, the Operator can increase its interest in the Talbot Property to 65% by paying the other participant a cash payment equal to the pro rata share of expenditures made by the other participant to reduce it to a 35% interest. The Operator would then fund the costs of development and will be reimbursed for 100% of the development costs including the 35% interest of the non-operator. Once the costs of development have been repaid, the parties will be reimbursed their pro rata share of expenditures made prior to the date development commences before net profits are distributed pro rata.

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

3. Exploration and evaluation properties (continued)

The following is a breakdown by property of exploration costs:

Six months ended September 30, 2019

	Talbot	Tower	Rail	Bur	SLS	Bucko	Other	Total
Acquisition costs	\$ 3,032,050	\$ 2,099,183	\$ -	\$ -	\$ -	\$ 3,221,528	\$ 54,000	\$ 8,406,761
Exploration expenditures	1,030,058	289,423	453,275	1,101,787	467,585	-	307,322	3,649,450
Options payments	-	-	-	-	-	-	3,542	3,542
Total, September 30, 2018	\$ 4,062,108	\$ 2,388,606	\$ 453,275	\$ 1,101,787	\$ 467,585	\$ 3,221,528	\$ 364,864	\$ 12,059,753

Six months ended September 30, 2018

	Talbot	Tower	Rail	Bur	SLS	Bucko	Other	Total
Acquisition costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,375	\$ 44,375
Exploration expenditures	17,192	-	21,501	15,580	-	-	401,905	456,178
Government grants received	-	-	-	(87,464)	-	-	-	(87,464)
Options payments	(200,000)	-	-	-	-	-	(40,000)	(240,000)
Total, September 30, 2018	\$ (182,808)	\$ -	\$ 21,501	\$ (71,884)	\$ -	\$ -	\$ 406,280	\$ 173,089

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

4. Cash and cash equivalents

	As at September 30, 2019	As at March 31, 2019
Cash	\$ 24,830,086	\$ 259,509
Cash equivalents	25,000	25,000
Total	\$ 24,855,086	\$ 284,509

5. Amounts receivable and advances

	As at September 30, 2019	As at March 31, 2019
Harmonized sales tax recoverable - (Canada)	\$ 57,988	\$ -
Advances	2,000	-
Total	\$ 59,988	\$ -

6. Equipment

Equipment is represented by the following:

Cost	Machinery and equipment
Balance, March 31, 2018	\$ 53,214
Additions	9,127
Balance, March 31, 2019	62,341
Additions	46,688
Balance, September 30, 2019	\$ 109,029

Depreciation	Machinery and equipment
Balance, March 31, 2018	\$ 18,880
Depreciation	8,235
Balance, March 31, 2019	27,115
Depreciation	8,191
Balance, September 30, 2019	\$ 35,306

Net book value	Machinery and equipment
Balance, March 31, 2019	\$ 35,226
Balance, September 30, 2019	\$ 73,723

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

7. Amounts payable and other liabilities

	As at September 30, 2019	As at March 31, 2019
Falling due within the year		
Trade payables	\$ 1,532,172	\$ 194,054
Accrued liabilities	105,485	106,936
Government remittances	-	47,298
Total	\$ 1,637,657	\$ 348,288

8. Share capital

On August 16, 2018, the Company completed the share consolidation of its issued and outstanding common shares on the basis of one post-consolidation common share for every three pre-consolidation common shares. All applicable references to the number of shares, warrants and stock options and per share information has been restated to reflect the effect of the share consolidation, unless otherwise noted.

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of common shares	Amount
Balance, March 31, 2018	53,569,064	\$ 27,030,460
Units issued in private placement	22,923,502	1,846,323
Warrants valuation	-	(740,225)
Share issue costs	-	(125,139)
Shares issued for mineral exploration property interest	41,666	4,375
Balance, September 30, 2018	76,534,232	\$ 28,015,794
Balance, March 31, 2019	78,966,523	\$ 28,275,966
Units issued in private placement - flow-through (i)	87,760,833	20,862,600
Units issued in private placement - hard dollar financing (iii)	52,221,832	7,833,275
Deferred flow-through premium (ii)	-	(7,698,475)
Share issue costs (v)	-	(55,582)
Shares issued for mineral exploration property interest (v)	88,586,667	8,415,733
Warrant valuation (iv), (note 10)	-	(36,792)
Shares issued for mineral exploration property interest	41,666	3,542
Balance, September 30, 2019	307,577,521	\$ 57,600,267

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

8. Share capital (continued)

(i) On May 7, 2019, the Company closed a flow-through equity financing of \$19,862,600 (the "FT Financing") consisting of 82,760,833 common shares of the Company that qualify as flow-through shares (the "FT Shares") for purposes of the Income Tax Act (Canada) (the "Tax Act") priced at \$0.24 per FT Share.

In addition, the Company issued 5,000,000 common shares of the Company that qualify as flow-through shares for the purposes of the Tax Act priced at \$0.20 per flow-through share in the sum of \$1,000,000.

(ii) As a result of the flow-through common shares being issued at a premium to the market price in recognition of the tax benefits accruing to subscribers; a deferred flow-through premium has been recorded for \$7,698,475.

(iii) On May 8, 2019, the Company issued 52,221,832 common shares priced at \$0.15 per common share for the sum of \$7,833,275.

The Company raised an aggregate of \$20,862,600 in flow-through funding and \$7,833,275 in hard dollar funding for a total of \$28,695,875.

(iv) Eligible finders were issued 350,000 Flow-Through Broker Warrants ("FT Warrants") for the flow-through financing and 78,633 Hard-Dollar Financing Warrants ("HD Warrants") for the hard-dollar Financing. Each FT Warrant entitles the holder to acquire one common share at a price of \$0.20 until May 2, 2021 and each HD Warrant entitles the holder to acquire one common share at a price of \$0.15 until May 2, 2021. The FT Warrants and HD Warrants were given a value of \$29,761 and \$7,031 respectively; estimated by using a fair value market technique incorporating the Black-Scholes option pricing model, using the following assumptions: a risk-free interest rate of 1.61%; and expected volatility factor of 169%; an expected dividend yield of 0%; and an expected life of 2 years.

(v) On May 3, 2019, the Company closed an Asset Acquisition ("Acquisition") and acquired i) 100% of Norvista's interest in an option agreement with Hudbay Minerals Inc. (the "Talbot Option Agreement") granting the Company an option to earn a minimum 51% interest in the Talbot Property in central Manitoba (the "Talbot Property"); and ii) 100% of Norvista's interest in a lease agreement with CaNickel Mining Limited providing for a lease of the mill and auxiliary facilities at the Bucko Lake Mine near Wabowden, in central Manitoba (the "Bucko Mill Lease"), in consideration for the issuance of 66,290,000 common shares of the Company. In addition, pursuant to the agreement with Akuna Minerals Inc., the Company acquired a 100% interest in certain mining claims located in central Manitoba, known as the Tower Property (the "Tower Property"), which is located approximately 40 kilometres east of the Talbot Property, in consideration for the issuance of 22,096,667 common shares of the Company. For further particulars relating to the Asset Acquisition, reference is made to the Rockcliff Listing Statement.

The 88,586,667 common shares issued for the Asset Acquisition, the 82,760,833 common shares acquired by Greenstone pursuant to the Greenstone Commitment along with the 49,819,167 common shares issued to Greenstone on the conversion of the Greenstone Subscription Receipts are subject to escrow in accordance with the terms of National Policy 46-201 - Escrow for Initial Public Offerings, to be released over a three year period on the basis that the Company is deemed to be an emerging issuer as defined therein. Norvista and its affiliates held approximately 27.4% of the issued and outstanding capital of the Company following the completion of the Transaction. Greenstone acquired a total of 132,580,000 common shares of the Company, representing approximately 43.1% of the issued and outstanding common shares.

On June 11, 2019 the Company issued 200,000 common shares at \$0.095 to William Ferreira for the acquisition of the Danlee Property.

A total of 88,586,667 common shares were issued in the period for a total value of \$8,415,733.

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

9. Net loss per common share

The calculation of basic and diluted loss per share from operations for the three and six months ended September 30, 2019 was based on the loss attributable to common shareholders of \$2,553,648 and \$12,806,111 (three and six months ended September 30, 2018 - \$317,289 and \$508,779) and the weighted average number of common shares outstanding of 307,538,043 and 262,908,858 (three and six months ended September 30, 2018 - 64,792,969 and 46,909,672).

Diluted loss per share for the three and six months ended September 30, 2019 did not include the effect of 18,393,312 warrants (September 30, 2018 - 25,836,067 warrants) and 11,758,331 stock options (September 30, 2018 - 2,341,663 stock options) as they are anti-dilutive.

10. Warrants

The following table reflects the continuity of warrants for the six months ended September 30, 2019 and 2018:

	Number of warrants	Grant date fair value (\$)	Weighted average exercise price (\$)
Balance, March 31, 2018	12,828,320	1,794,071	0.33
Granted	17,964,679	740,225	0.15
Expired	(4,956,932)	(1,122,663)	0.30
Balance, September 30, 2018	25,836,067	1,411,633	0.21
Balance, March 31, 2019	25,836,067	1,411,633	0.21
Granted (note 8(b)(iv))	428,633	36,792	0.19
Expired	(7,871,388)	-	-
Balance, September 30, 2019	18,393,312	1,448,425	0.21

The following table reflects the warrants issued and outstanding as of September 30, 2019:

Number of warrants outstanding	Grant date fair value (\$)	Exercise price (\$)	Expiry date
16,881,560	567,113	0.15	August 16, 2020
315,335	61,553	0.07	August 16, 2020 ⁽¹⁾
767,784	111,559	0.09	August 16, 2020 ⁽²⁾
428,633	36,792	0.19	May 2, 2021
18,393,312	777,017	0.21	

(1) Exercisable into units consisting of 1 common share and 1 warrant. Each additional warrant is exercisable at \$0.15 until August 16, 2020.

(2) Exercisable into units consisting of 1 common share and 1/2 warrant. Each additional whole warrant is exercisable at \$0.15 until August 16, 2020.

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

11. Stock options

The following table reflects the continuity of stock options for the six months ended September 30, 2019 and 2018:

	Number of stock options	Weighted average exercise price (\$)
Balance, March 31, 2018 and September 30, 2018	2,341,663	0.21
Balance, March 31, 2019	6,874,997	0.16
Options granted (i)	5,250,000	0.15
Options expired	(366,666)	0.15
Balance, September 30, 2019	11,758,331	0.15

(i) On June 10, 2019, the Company granted 5,250,000 incentive stock options to certain directors, officers and consultants of the Company. The options are exercisable at \$0.15 per share for a period of 5 years, terminating on June 10, 2024. The grant date fair value of \$586,567 was assigned to the 5,250,000 stock options issued as estimated by using a fair value market technique incorporating the Black-Scholes option pricing model, using the following assumptions: a risk-free interest rate of 1.52%; and expected volatility factor of 169%; an expected dividend yield of 0%; and an expected life of 5 years.

Details of the stock options outstanding at September 30, 2019 are as follows:

Grant date fair value(\$)	Contractual life (years)	Number of options	Exercisable options	Exercise price (\$)	Expiry date
22,223	0.38	225,000	225,000	0.33	February 17, 2020
316,827	0.61	2,749,999	2,749,999	0.15	May 8, 2020
97,928	0.73	849,999	849,999	0.15	June 22, 2020
3,625	1.50	33,333	33,333	0.30	April 1, 2021
34,563	2.03	300,000	1,150,000	0.15	October 9, 2021
270,745	4.03	2,350,000	3,366,667	0.15	October 9, 2023
586,567	4.74	5,250,000	1,750,000	0.15	June 24, 2024
1,332,478	3.18	11,758,331	10,124,998	0.15	

12. Major shareholders and related party transactions

Major shareholders

As of September 30, 2019, Greenstone Capital holds a total of 132,580,000 common shares of the Company, representing approximately 43.1%.

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

12. Major shareholders and related party transactions (continued)

Related party transactions

Related parties include the Board of Directors and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties) and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations. All amounts payable are non-interest bearing, unsecured and due on demand.

(a) The Company entered into the following transactions with related parties:

(i) During the three and six months ended September 30, 2019, the Company expensed \$5,000 and \$15,000 (three and six months ended September 30, 2018 - \$15,000 and \$30,000) paid or accrued to Durham Exploration, a company controlled by a director of the Company, for advisory and geological services. The amounts charged by Durham Exploration are recorded at their exchange value. Included in the September 30, 2019, amounts payable and other liabilities is \$5,650 (March 31, 2019 - \$nil).

(ii) During the three and six months ended September 30, 2019, the Company expensed \$60,000 and \$113,500 (three and six months ended September 30, 2018 - \$105,000 and \$150,000) paid or accrued to Lapierre Exploration Services Inc., a company controlled by the former President and Chief Executive Officer, for advisory and geological services. The amounts charged by Lapierre Exploration Services Inc. are recorded at their exchange value. Included in the September 30, 2019, amounts payable and other liabilities is \$12,390 (March 31, 2019 - \$nil).

(iii) The Chief Financial Officer is a senior employee of Marrelli Support Services Inc. ("MSSI"), a firm providing accounting services. During the three and six months ended September 30, 2019, the Company expensed \$22,206 and \$35,464 (three and six months ended September 30, 2018 - \$12,501 and \$25,002) paid or accrued to MSSI. The amounts charged by MSSI are recorded at their exchange value. Included in the September 30, 2019, amounts payable and other liabilities is \$4,392 (March 31, 2019 - \$15,725).

(iv) During the three and six months ended September 30, 2019, the Company expensed \$34,675 and \$107,428 (three and six months ended September 30, 2018 - \$47,862 and \$81,649) paid or accrued to Gardiner Roberts LLP, a company where a former director is a partner, for corporate secretarial and legal services. The amounts charged by Gardiner Roberts LLP are recorded at their exchange value. Included in the September 30, 2019, amounts payable and other liabilities is \$14,235 (March 31, 2019 - \$160,941).

(v) During the three and six months ended September 30, 2019, the Company expensed \$2,850 and \$6,500 (three and six months ended September 30, 2018 - \$2,850 and \$9,665) paid or accrued to Norvista, a shareholder and a company with common directors and management, for rent. The amounts charged by Norvista are recorded at their exchange value. Included in the September 30, 2019, amounts payable and other liabilities is \$1,074 (March 31, 2019 - \$nil).

Rockcliff Metals Corporation

Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2019

(Expressed in Canadian dollars)

(Unaudited)

12. Major shareholders and related party transactions (continued)

(b) In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Remuneration of directors and key management personnel of the Company was as follows:

	Three months ended September 30,		Six months ended September 30,	
	2019	2018	2019	2018
	\$	\$	\$	\$
Salaries and benefits	170,027	-	207,738	-
Share-based payments	75,170	2,920	242,219	6,046

13. Commitments

As at September 30, 2019, pursuant to the issuance of 87,760,833 flow-through share receipts on May 7, 2019 (see Note 8), the Company is required to incur qualifying expenditures of approximately \$20,862,600 by December 31, 2020. The Company has indemnified the subscribers for any tax related amounts that become payable by the subscriber as a result of the Company not meeting its expenditure commitments. As of September 30, 2019 the Company has fulfilled approximately \$3,142,000 of the total commitment.