



VAL-D'OR MINING CORPORATION

Condensed Interim Financial Statements

For the three months ended March 31, 2020 and 2019

(unaudited)

(Expressed in Canadian Dollars)

VAL-D'OR MINING CORPORATION

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

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

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by CPA Canada for a review of interim financial statements by an entity's auditor.

VAL-D'OR MINING CORPORATION
Condensed Interim Statements of Financial Position
(unaudited)
(Expressed in Canadian Dollars)

	Notes	As at March 31, 2020	As at December 31, 2019
ASSETS			
Current assets			
Cash and cash equivalents	6	\$ 36,509	\$ 30,366
Investments	7	752,653	727,653
Tax credit receivable		113,557	93,336
Sales taxes recoverable		14,886	10,802
Due from related parties		-	43,463
Other assets	8	30,464	45,524
		948,069	951,144
Non-current assets			
Exploration and evaluation assets	9	135,058	173,435
Royalty interests	7	8,464	8,378
Right-of-use asset		4,378	4,865
TOTAL ASSETS		\$ 1,095,969	\$ 1,137,822
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	15	\$ 133,471	\$ 83,768
Lease liabilities		1,912	2,008
Due to related parties	15	20,675	-
		156,058	85,776
Non-current liabilities			
Lease liabilities		1,910	2,356
Total liabilities		157,968	88,132
EQUITY			
Share capital	10	4,625,750	4,625,750
Contributed surplus		503,296	503,296
Warrants	11	652,874	652,874
Deficit		(4,843,919)	(4,732,230)
Total equity		938,001	1,049,690
TOTAL LIABILITIES AND EQUITY		\$ 1,095,969	\$ 1,137,822

Going Concern (Note 2)

On behalf of the Board of Directors,

"Glenn J. Mullan"

(signed Glenn J. Mullan)
Director

"Dr. C. Jens Zinke"

(signed C. Jens Zinke)
Director

The accompanying notes are an integral part of the condensed interim financial statements.

VAL-D'OR MINING CORPORATION**Condensed Interim Statements of Net loss and Comprehensive loss**

(unaudited)

(Expressed in Canadian Dollars)

		For the three months ended March 31,	
	Notes	2020	2019
Operating expenses			
Exploration and evaluation expenses		\$ 37,213	\$ 3,835
Consulting fees	15	31,000	19,125
Impairment of exploration and evaluation assets	9	24,212	23,072
Office expenses		16,637	11,005
Salaries and other employee benefits		13,996	10,054
Regulatory and transfer agent fees		6,154	8,015
Audit and accounting fees		3,745	31,744
Legal fees		2,233	14,873
Travel and entertainment		1,189	18,371
Amortization of right-of-use asset		486	-
Operating loss		136,865	140,094
Other expenses (income)			
Gain on sale of mineral properties	7(c)	(24,881)	-
Interest income		(904)	(282)
Interest expense		609	667
		(25,176)	385
Net loss and total comprehensive loss for the period		\$ 111,689	\$ 140,479
Basic and diluted net loss per common share	13	\$ (0.002)	\$ (0.004)
Weighted average number of common shares outstanding		46,708,471	39,528,792

The accompanying notes are an integral part of the condensed interim financial statements.

VAL-D'OR MINING CORPORATION

Condensed Interim Statements of Changes in Equity

(unaudited)

(Expressed in Canadian Dollars)

	Notes	Share capital	Contributed Surplus	Warrants	Deficit	Total	
		Number					
Balance as at January 1, 2020		46,708,471	\$ 4,625,750	\$ 503,296	\$ 652,874	\$ (4,732,230)	\$ 1,049,690
Net loss and comprehensive loss for the period						(111,689)	(111,689)
Balance as at March 31, 2020		46,708,471	\$ 4,625,750	\$ 503,296	\$ 652,874	\$ (4,843,919)	\$ 938,001

		Share capital	Contributed Surplus	Warrants	Deficit	Total	
		Number					
Balance as at January 1, 2019		36,340,977	\$ 3,733,656	\$ 462,772	\$ 701,336	\$ (3,564,614)	\$ 1,333,150
Issuance of shares for grant of mining option		4,166,667	416,667	-	-	-	416,667
Issuance of shares on exercise of stock options	10	52,500	6,161	(2,636)	-	-	3,525
Net loss and comprehensive loss for the period		-	-	-	-	(140,479)	(140,479)
Balance as at March 31, 2019		40,560,144	\$ 4,156,484	\$ 460,136	\$ 701,336	\$ (3,705,093)	\$ 1,612,863

The accompanying notes are an integral part of the condensed interim financial statements.

VAL-D'OR MINING CORPORATION
Condensed Interim Statements of Cash Flows
(unaudited)
(Expressed in Canadian Dollars)

	Notes	For the three months ended March 31,	
		2020	2019
OPERATING ACTIVITIES			
Net loss for the period		\$ (111,689)	\$ (140,479)
Adjustments:			
Gain on sale of mineral properties		(24,881)	-
Amortization of right-of-use asset		486	-
Finance cost		151	-
Impairment of exploration and evaluation assets		24,212	23,072
		(111,721)	(117,407)
Change in non-cash working capital items			
Sales taxes recoverable		(4,084)	21,422
Due to related parties		64,138	(11,911)
Other assets		15,060	(26,598)
Accounts payable and accrued liabilities		49,703	37,437
		124,817	20,350
Cashflows from (used by) operating activities		13,096	(97,057)
INVESTING ACTIVITIES			
Additions to exploration and evaluation assets	9	(6,261)	(131,094)
Tax credits received		-	11,740
Cashflows used by investing activities		(6,261)	(119,354)
FINANCING ACTIVITIES			
Repayment of lease liabilities		(692)	-
Proceeds from exercise of stock options	10	-	3,525
Proceeds from exercise of warrants	11	-	164,769
Cashflows from (used by) financing activities		(692)	168,294
Increase (decrease) in cash		6,143	(48,117)
Cash and cash equivalents, beginning of period		30,366	627,208
Cash and cash equivalents, end of period		\$ 36,509	\$ 579,091

The accompanying notes are an integral part of the condensed interim financial statements.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

1) STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

Val-d'Or Mining Corporation (the "Company"), incorporated on February 18, 2010 under the Business Corporations Act of British Columbia is involved in the process of exploring, evaluating and promoting its mineral properties and other projects.

The head office of the Company is located at 152 Chemin de la Mine École, Val-d'Or, Québec, J9P 7B6. The Company's registered and records office is located at #530 - 355 Burrard Street, Vancouver, B.C. V6C 2G8. The Company also has exploration offices located at 2864 Chemin Sullivan, Val-d'Or, Québec, J9P 0B9.

The Company's shares trade on the TSX Venture Exchange ("TSX-V") under its trading symbol "VZZ".

As at March 31, 2020, Golden Valley Mines Ltd. ("Golden Valley"), a significant shareholder, held a 37.15% (December 31, 2019 - 37.15%) interest in the Company.

2) GOING CONCERN

These condensed interim financial statements have been prepared in accordance with International Financing Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company's ability to continue as a going concern depends upon its ability to obtain necessary financing to fund its prospection operations, its projects and continued support of suppliers and creditors. The Company's ability to raise enough financing to meet these objectives cannot be determined at this time. The Company's business involves a high degree of risk and there is no assurance that the Company will be successful in discovering economically recoverable deposits on its mineral properties. Furthermore, the Company has not yet generated any income or cash flows from its operations and there is no assurance that the business will be profitable in the future. As at March 31, 2020, the Company has accumulated deficit of \$4,843,919 (As at December 31, 2019 - \$4,732,230).

These material uncertainties cast significant doubt regarding the Company's ability to continue as a going concern. The carrying amounts of assets, liabilities and expenses presented in the financial statements and the classification used in the financial statements have not been adjusted as would be required if the going concern assumption was not appropriate. Those adjustments could be material.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

3) BASIS OF PRESENTATION

These condensed interim financial statements, approved by the Board of Directors on May 27, 2020, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, “Interim Financial Reporting”. These condensed interim financial statements as well as the related notes should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2019.

4) SIGNIFICANT ACCOUNTING POLICIES

a) Overall considerations

The significant accounting policies that have been applied in the preparation of these financial statements are summarized in Note 4 - Significant Accounting Policies, of the Company's annual audited financial statements for the year ended December 31, 2019.

b) Accounting standards issued and in effect during the period

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

IAS 1 sets out the overall requirements for financial statements, including how they should be structured, the minimum requirements for their content and overriding concepts such as going concern, the accrual basis of accounting and the current/non-current distinction. The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows. IAS 1 has been revised to incorporate a new definition of “material” and IAS 8 has been revised to refer to this new definition in IAS 1. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. As of January 1, 2020, the Company has adopted IAS 1 and has concluded that, based on its current operations, the adoption of IAS 1 had no significant impact on the Company's financial statements.

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

IAS 8 is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IAS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. The amendment is effective for annual reporting periods beginning on or after January 1, 2020. As of January 1, 2020, the Company has adopted IAS 8 and has concluded that, based on its current operations, the adoption of IAS 8 had no significant impact on the Company's financial statements.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

5) JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the condensed interim financial statements and accompanying notes. Management believes that the estimates used in the preparation of the condensed interim financial statements are reasonable; however, actual results may differ materially from these estimates. The areas involving significant judgments, estimates and assumptions have been detailed in note 5 to the Company's audited financial statements for the year ended December 31, 2019.

6) CASH AND CASH EQUIVALENTS

		As at March 31, 2020		As at December 31, 2019
Cash	\$	6,509	\$	366
Demand deposits		30,000		30,000
	\$	36,509	\$	30,366

The deposit is due on demand and bears interest at 1.65% per annum and maturing on February 5, 2021.

7) INVESTMENTS

	Number of shares		As at March 31, 2020		As at December 31, 2019
Progenitor Metals Corp. ^(a)	4,276,526	\$	427,653	\$	427,653
Juno Corp. ^(b)	1,500,000		300,000		300,000
Sparton Resources Inc. ^(c)	1,000,000		25,000		-
		\$	752,653	\$	727,653

a) Sale of Horne North Prospects

On December 23, 2019, the Company entered into a mineral claim sale agreement for ten (10) exploration properties, which are located in the Abitibi Greenstone Belt of NW Québec. The ten properties, collectively referred to as "Horne North Prospects", were acquired by privately-owned Progenitor Metals Corp. ("Progenitor Metals").

In consideration for 100% of the Horne North Prospects, the Company received 5,345,657 shares in the share capital of Progenitor Metals at a deemed value of \$0.20 per share, for an aggregate deemed consideration of \$1,069,131.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

7) INVESTMENTS (continued)

a) *Sale of Horne North Prospects (continued)*

The payment shares were allocated between the Company and Golden Valley, whereby Val-d'Or Mining retained 80% of the aggregate consideration (4,276,526 shares) and Golden Valley received 20% of the consideration (1,069,131 shares) pursuant to the terms of the recently amended Mining Option Agreement.

Progenitor Metals has covenanted to enter into a “going public” transaction within 21 months from the closing date of the transaction, which closed on March 31, 2020. In the event that the purchaser has not entered into such a transaction within the specified time period, the properties will revert back to the Company and the Company will return to the purchaser 50% of the consideration received under the purchase agreement.

As at March 31, 2020, the Company determined that the net carrying value of \$427,653, representing \$855,305 (or \$0.20 per share) of the 4,276,526 shares in Progenitor Metals, less the provision of \$427,652 relating to the potential 50% return of the consideration as discussed above, approximates its fair value.

b) *Sale of Luc Bourdon Prospect*

On December 12, 2019, the Company entered into an agreement with respect to the sale of its Luc Bourdon property, which is located in the McFaulds Lake Area in the James Bay region of northern Ontario. The purchaser of the property is privately-owned Juno Corp. (“Juno”).

In consideration for a 100% interest in the property, the Company received 1,500,000 shares in the share capital of Juno, and the Company was granted a royalty of 1.5%, assigned with a value of \$8,377, of the net smelter returns from the property.

c) *Sale of Powell Prospect*

On February 6, 2020, the Company entered into an agreement with respect to the sale of its Powell Prospect, which is located in the Matachewan gold camp of the Abitibi Greenstone Belt region of Ontario. The purchaser of the property is Sparton Resources Inc. (“Sparton”).

In consideration for a 100% interest in the property, the Company received 1,000,000 shares in the share capital of Sparton, and the Company was granted a royalty of 2%, assigned with a value of \$86, from the property. One percent of the net smelter return (or 50% of the 2% net smelter royalty) may be purchased by Sparton at any time after the acquisition of the claims for US\$2.5 million.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

8) OTHER ASSETS

	As at March 31, 2020	As at December 31, 2019
Deposits ^(a)	\$ 8,252	\$ 17,500
Advances ^(b)	14,709	14,709
Prepaid expenses	5,812	11,624
Other	1,691	1,691
	\$ 30,464	\$ 45,524

a) Deposits of \$8,252 (December 31, 2019 - \$17,500) are held with Ministère de l'Énergie et des Ressources Naturelles for claims staking and management on corporate owned properties.

b) Advances of \$14,709 include an amount of \$11,604 held with one of the Company's suppliers for geophysics services.

9) EXPLORATION AND EVALUATION ASSETS

The following table presents a summary of exploration and evaluation assets by principal area of interest as at March 31, 2020:

	As at January 1, 2020	Net Additions	Impairment	Credits	Disposals	Government Assistance	As at March 31, 2020
<i>Exploration expenditures</i>							
Québec	\$ 221,285	2,475	3,393	-	-	-	\$ 227,153
Ontario	37,776	3,786	(24,879)	-	(205)	-	16,478
Québec North	7,710	-	(2,726)	-	-	-	4,984
	266,771	6,261	(24,212)	-	(205)	-	\$ 248,615
<i>Government assistance receivable</i>	(93,336)	-	-	-	-	(20,221)	(113,557)
	\$ 173,435	6,261	(24,212)	-	(205)	(20,221)	\$ 135,058

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

9) EXPLORATION AND EVALUATION ASSETS (continued)

The following table presents a summary of exploration and evaluation assets by principal area of interest for the year ended and as at December 31, 2019:

	As at January 1, 2019	Net Additions	Impairment	Credits	Disposals	Government Assistance	As at December 31, 2019
<i>Exploration expenditures</i>							
Québec	\$ 628,388	219,200	(545,894)	(11,740)	(68,669)	-	\$ 221,285
Ontario	15,282	152,340	(109,972)	-	(19,874)	-	37,776
Québec North	23,198	3,608	(19,096)	-	-	-	7,710
	666,868	375,148	(674,962)	(11,740)	(88,543)	-	\$ 266,771
<i>Shares issued to Golden Valley</i>	416,667	250,000	(666,667)	-	-	-	-
<i>Government assistance receivable</i>	-	-	-	-	-	(93,336)	(93,336)
	\$ 1,083,535	625,148	(1,341,629)	(11,740)	(88,543)	(93,336)	\$ 173,435

Amended Mining Option Agreement and Exercise of Option with Golden Valley

On April 18, 2017, the Company signed a Mining Option Agreement ("Option") with Golden Valley to acquire a 100% interest in 61 grassroots properties in the Abitibi Greenstone Belt Prospect. Pursuant to the terms of the Option, the Company must incur \$4,000,000 of expenditures with respect to exploration and other mining operations on the properties before December 31, 2021 (with \$500,000 to be incurred on or before December 31, 2018, \$750,000 to be incurred on or before the December 31, 2019, \$1,000,000 to be incurred on or before December 31, 2020, and \$1,750,000 to be incurred on or before December 31, 2021). As consideration for the Option, the Company will issue 16,666,668 common shares to Golden Valley at a deemed price of \$0.12 per share for an aggregate deemed value of \$2,000,000 (issuable as to 4,166,667 common shares on or before each of December 31, 2018, 2019, 2020 and 2021).

In addition, the Company has granted Golden Valley a royalty equal to 1.25% of the net smelter returns ("NSRs") from the 61 properties on the terms set out in the option agreement of which 1% may be bought back by the Company by paying Golden Valley \$5,000,000, at the Company's option, in cash or shares at a deemed price per share equal to the market price of the Company's shares at the time of such election. If the Company has issued the common shares and incurred the expenditures provided for in the option agreement, it may exercise the option on or before December 31, 2021.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

9) EXPLORATION AND EVALUATION ASSETS (continued)

Abitibi Greenstone Belt Prospect - Québec and Ontario (continued)

On November 28, 2019, the Option agreement was amended to document, among other things, a waiver of expenditure requirements required in order to maintain the option, acceleration of vesting of the option as well as changes to the buyback provisions of the royalty on NSRs granted to the Company. In accordance with the terms of the Amended Mining Option Agreement, the Company has agreed to issue to Golden Valley an aggregate 16,666,668 common shares of the Company, issuable as to 25% on each of December 31, 2018 (done), December 31, 2019 (done), June 30, 2020 and December 31, 2020.

The properties are subject to a royalty in favour of Golden Valley equal to 1.25% of net smelter returns, which is subject to certain partial buyback provisions. Golden Valley will also receive 20% of the proceeds of all third-party transactions pertaining to the properties that Val-d'Or Mining enters into and announces on or before December 31, 2022.

On December 5, 2019, the Company announced that it has exercised its option to acquire a 100% interest in the properties in accordance with the terms of the amended and restated mining option agreement between the Company and Golden Valley dated November 28, 2019.

Boston Bulldog Prospect - Kirkland Lake, Ontario

On February 16, 2015, the Company entered into a Mining Option Agreement, amended on March 6, 2015, March 24, 2017, January 19, 2018, March 5, 2019, and subsequent to the end of the first quarter 2020 on April 7, 2020, pursuant to which it has been granted by 2973090 Canada Inc., a Canadian private company wholly-owned and controlled by the president and director of the Company, an option to acquire a 100% interest in the mineral claims comprising the Boston Bulldog Prospect, subject to a 3% NSR royalty. In consideration of the grant of the option, the Company paid 2973090 Canada Inc. a sum of \$5,000 in cash to cover the cost of staking the property and issued 300,000 common shares (issued in April 2015).

To maintain and exercise the option, the Company must keep the property in good standing and incur minimum mining operations expenditures of \$50,000 by April 7, 2021. In accordance with the terms of the option, the Company has the right to reduce the royalty from 3.0% to 2.0% of the net smelter returns by paying 2973090 Canada Inc. \$1,000,000 at any time on or before February 16, 2022. This prospect was impaired as the Company was not planning any work in the near future.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

9) EXPLORATION AND EVALUATION ASSETS (continued)

The following table presents a summary of exploration and evaluation assets by expenditures:

	As at December 31,					As at March 31,
	2019	Additions	Impairment	Credits	Disposal	2020
Geophysical surveys	\$ 128,613	-	-	-	-	\$ 128,613
Line cutting	53,235	-	-	-	-	53,235
Claims staking	34,127	4,821	(5,136)	-	-	33,812
Reporting	24,125	1,440	(1,440)	-	-	24,125
Mobilization/demobilization	3,970	-	-	-	-	3,970
Transportation, travel and camp	3,860	-	-	-	-	3,860
Prospecting	1,000	-	-	-	-	1,000
Share-based payment	16,976	-	(16,976)	-	-	-
Other	865	-	(660)	-	(205)	-
	266,771	6,261	(24,212)	-	(205)	248,615
Government assistance	(93,336)	-	-	(20,221)	-	(113,557)
	\$ 173,435	6,261	(24,212)	(20,221)	(205)	\$ 135,058

10) EQUITY

a) Share Capital

Authorized

Unlimited number of voting common shares without par value.

Incentive stock option

For the three months ended March 31, 2020, no incentive stock options were exercised.

For the three months ended March 31, 2019, the Company issued 52,500 of its common shares for a total consideration of \$3,525 from the exercise of stock options at prices of \$0.065 per share (45,000 shares) and \$0.08 per share (7,500 shares).

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

11) WARRANTS

The following table shows the changes in warrants:

	For the three months ended		For the year ended	
	March 31, 2020		December 31, 2019	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of period	9,939,090	\$ 0.140	14,517,751	\$ 0.120
Exercised	-	-	(1,938,461)	0.085
Expired	-	-	(2,640,200)	(0.085)
Outstanding, end of period	9,939,090	\$ 0.140	9,939,090	\$ 0.140

Share capital issued from exercise of share purchase warrants

For the three months ended March 31, 2020, no share purchase warrants were exercised.

For the three months ended March 31, 2019, share purchase warrants of 1,938,461 were exercised for a total consideration of \$164,769. The Company issued 1,938,461 of its common shares pursuant to the exercise of these warrants subsequent to March 31, 2019.

The number of outstanding warrants that could be exercised for an equal number of common shares is as follows:

Expiration date	As at March 31, 2020		As at December 31, 2019	
	Number of outstanding warrants	Exercise price	Number of outstanding warrants	Exercise price
November 30, 2020	1,380,000	\$ 0.10	1,380,000	0.10
November 30, 2020	7,400,000	0.15	7,400,000	0.15
October 18, 2021	1,159,090	0.15	1,159,090	0.15
	9,939,090	\$ 0.14	9,939,090	\$ 0.14

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

12) SHARE-BASED PAYMENTS

Stock option plan

The Company has adopted an incentive stock option plan pursuant to which directors, officers, employees and consultants are eligible to receive incentive stock options. Under the terms of this plan, the aggregate number of shares issuable upon the exercise of all options granted thereunder may not exceed 10% of the Company's common shares issued and outstanding at the time of grant. The exercise price of each option is fixed by the Board of Directors, but shall not be less than the closing price of the Company's share on the trading day immediately prior to the date of grant less any discount permitted by the Exchange; if no sales were reported, it shall be the sales closing price on the last trading day immediately prior to the date of grant on which sales were reported. The vesting period of the options shall be determined by the Board of Directors, in accordance with the rules and regulations of the TSX Venture Exchange. All share-based payments will be settled in equity. The Company has no legal constructive obligation to repurchase or settle the options in cash.

A summary of changes in the number of incentive stock options is presented as follows:

	For the three months ended March 31, 2020		For the year ended December 31, 2019	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of period	4,156,661	\$ 0.096	3,630,097	\$ 0.104
Granted	-	-	722,263	0.075
Exercised	-	-	(95,699)	0.070
Forfeited	(175,000)	-	(100,000)	0.105
Outstanding, end of period	3,981,661	\$ 0.096	4,156,661	\$ 0.096

For the three months ended March 31, 2020 and 2019, no incentive stock options were granted.

The number of outstanding stock options that could be exercised for an equal number of common shares is as follow:

Expiration date	Number of options	Exercise price
May 16, 2021	424,301	0.065
February 5, 2023	2,375,000	0.105
October 24, 2023	510,097	0.110
June 17, 2024	672,263	0.075
	3,981,661	\$ 0.096

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

12) SHARE-BASED PAYMENTS (continued)

Restricted Share Unit Plan

At the annual general and special meeting of shareholders held on June 27, 2016, the shareholders approved the adoption and implementation of a Restricted Share Unit Plan (the "RSU Plan"). The RSU Plan will be adopted and implemented by the Company's Board upon receipt of acceptance by the TSX Venture Exchange. The RSU Plan provides that restricted share units ("Share Units") may be granted by the Company's Compensation and Corporate Governance Committee (the "Committee") to executive officers, directors, employees and consultants (each a "Participant") as a bonus or similar payment in respect of services rendered or otherwise as compensation, including as an incentive for future performance. At the time Share Units are granted to a Participant, the Committee will determine any time-based or other conditions as to the vesting of the Share Units and the expiry date (the "Expiry Date") for such Share Units. The Expiry Date of a Share Unit will be decided at the grant date. The aggregate number of common shares issuable pursuant to Share Units granted under the RSU Plan will not, at any given time, exceed 1,288,199 common shares. The Company's RSU Plan was approved by the TSX Venture Exchange.

No restricted shares units were issued for the three months ended March 31, 2020 and 2019.

13) LOSS PER SHARE

Loss per share has been calculated using the weighted average number of common shares outstanding for the three months ended March 31, 2020 and 2019 as follows:

	2020	2019
Net loss for the period	\$ (111,689)	\$ (140,479)
Weighted average number of common shares - Basic	46,708,471	39,528,792
Dilutive effect of stock options and warrants	-	-
Weighted average number of common shares - Diluted	46,708,471	39,528,792
Basic loss per share	\$ (0.002)	\$ (0.004)
Diluted loss per share	(0.002)	(0.004)

For the three months ended March 31, 2020 and 2019, potential dilutive common shares from incentive stock options and warrants have not been included in the loss per share calculation as they would result in a reduction of the loss per share.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

14) ADDITIONAL CASH FLOW INFORMATION

Significant non-cash transactions included in the Statements of Cash Flows for the three months ended March 31, 2020 and 2019 are as follows:

	2020	2019
Accounts payable and accrued liabilities included in exploration and evaluation assets	\$ -	\$ 33,597

15) RELATED PARTY TRANSACTIONS

a) Transactions with a shareholder

For the three months ended March 31, 2020, no general and administrative expenses were recharged by Golden Valley to the Company compared to \$8,905 for the same period in 2019.

For the three months ended March 31, 2020, no consultant fees were incurred from Golden Valley relating to the services of the Company's CFO compared to \$6,000 for the same period in 2019.

For efficiency reasons, where the Company and Golden Valley are dealing with the same suppliers one may pay for both and be reimbursed by the other. As at March 31, 2020, the Company had net payable of \$23,854 (December 31, 2019 – net receivable of \$8,400) due from Golden Valley.

b) Transactions with key management

Key management personnel of the Company comprise of the members of the Board of Directors, as well as the President, the Chief Operating Officer ("COO"), the Chief Financial Officer ("CFO") and the Vice-President Exploration ("VP Exploration").

For the three months ended March 31, 2020, the Company incurred fees of \$24,000 (2019 - \$24,000) with the COO of which \$nil was capitalized as Exploration and Evaluation asset and \$24,000 was recorded under consulting fees in the statements of net loss and comprehensive loss. As at March 31, 2020, the amount of \$27,594 (December 31, 2019 - \$14,400) is due to the COO and is included in accounts payable and accrued liabilities.

For the three months ended March 31, 2020, the Company incurred fees of \$30,127 (2019 - \$26,088) with the VP Exploration, of which \$nil (2019 - \$26,088) was capitalized as Exploration and Evaluation asset and \$30,127 (2019 - \$nil) was recorded under Exploration and Evaluation expenses in the statements of net loss and comprehensive loss. As at March 31, 2020, the amount of \$43,620 (December 31, 2019 - \$18,969) is due to the VP Exploration and is included in accounts payable and accrued liabilities.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

15) RELATED PARTY TRANSACTIONS (continued)

c) Transactions with related parties

For the three months ended March 31, 2020, the Company incurred fees of \$7,000 (2019 – \$10,500) with an individual, the spouse of the President, as part of a consulting agreement for corporate finance and advisory services, which expired in February 2020. These fees were recorded under consulting fees in the statements of net loss and comprehensive loss.

For the three months ended March 31, 2020, the Company incurred rent and occupancy fees of \$3,000 (2019 – \$3,000) with a company controlled by the President of which \$nil (2019 – \$2,250) was recorded under Exploration and Evaluation asset and \$3,000 (2019 – \$750) was recorded under office expenses in the statements of net loss and comprehensive loss.

For efficiency reasons, where the Company and related parties are dealing with the same suppliers one may pay for both and be reimbursed by the other. As at March 31, 2020, the Company had a net payable balance of \$20,675 (December 31, 2019 – net receivable of \$43,463) due to related parties of which \$23,854 (December 31, 2019 – net receivable of \$8,400) was due to Golden Valley, \$3,449 (December 31, 2019 – net payable of \$1,348) was due to a company controlled by the President, net of \$6,628 (December 31, 2019 – net receivable of \$36,411) due from companies related by common management.

16) COMMITMENTS

- a) The Company has entered into a long-term agreement for the lease of an equipment expiring on July 25, 2022, which will require total lease payments of \$11,768. The minimum lease payments for the next years are \$2,769 in 2020 and 2021 and \$1,384 in 2022.
- b) On April 7, 2020, the Company amended its Option Agreement on the Boston Bulldog Prospect to extend the deadline to incur minimum exploration and evaluation expenditures of \$50,000 to April 7, 2021.
- c) The Company has the following share payment commitments in connection with its Option Agreement with Golden Valley: 4,166,667 common shares on June 30, 2020 and 4,166,667 common shares on December 31, 2020 (note 9).
- d) The Company has also entered into a consulting agreement with the VP Exploration for an annual payment of \$66,950. This consulting agreement contains change of control provisions. If a change of control would occur, the total amount payable in respect of severance, would amount to \$200,000 if the consulting agreement is terminated by the Company, and \$100,000 if the consulting agreement is terminated by the VP Exploration within six months from the date of change of control.

VAL-D'OR MINING CORPORATION

Notes to Financial Statements

As at March 31, 2020 and 2019

(Expressed in Canadian dollars unless otherwise noted)

17) SUBSEQUENT EVENTS

Non-brokered private placement

On March 9, 2020, the Company announced that it conducted a non-brokered private placement offering, which offering was completed on May 7, 2020. The Company issued 5,333,332 Units at a per Unit price of \$0.075 for gross proceeds of \$400,000. Each Unit consisted of one common share in the capital of the Company and one-half of one non-transferable share purchase warrant, each whole warrant entitling the purchase of one common share at a per share price of \$0.10 until May 7, 2022. The proceeds raised from this offering will be used by the Company to conduct further exploration work on its properties in the Abitibi Greenstone Belt, Québec, and for general corporate purposes. All securities issued are subject to a hold period of four months and one day from the date of closing of the offering in accordance with applicable securities legislation and the policies of the TSX Venture Exchange.

Update on COVID-19

Pursuant to the order, as announced by the Government of Québec on March 23, 2020, to close all non-essential businesses to address the COVID-19 pandemic, mining operations have been directed to minimize their activities until April 13, 2020, which was then extended to May 4, 2020. Similarly, the Government of Ontario has ordered mandatory closure of all non-essential workplaces, starting March 25, 2020. Following these orders from the Governments of Québec and Ontario in response to the COVID-19 pandemic, the Company suspended its exploration activities and field operations in both provinces for the health and safety of the Company's workforce and its exploration partners. Corporate activity was limited to the Company continuing work on other commitments under existing third-party agreements and seeking further property transactions.

With the recent announcement by the Government of Québec that authorized the resumption of mineral exploration activities effective May 11, 2020, the Company has resumed operations. At this time, it is unknown the extent of the impact the COVID-19 pandemic may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place.