

CASCADERO COPPER CORPORATION
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED AUGUST 31, 2020 and 2019
(Unaudited – Expressed in Canadian dollars)

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NOTICE – No Auditor Review of the Interim Financial Statements.

The accompanying unaudited condensed interim consolidated financial statements of Cascadero Copper Corporation (the “Company”), for the three and nine months ended August 31, 2020, have been prepared by management and have not been the subject of a review by the Company’s external independent auditor.

CASCADERO COPPER CORPORATION

(An exploration stage company)

Condensed Interim Consolidated Statements of Financial Position

(Unaudited – Expressed in Canadian dollars)

	Notes	August 31, 2020	November 30, 2019
ASSETS			
Current assets			
Cash and cash equivalents		\$ 128,477	\$ 266
Marketable securities	4	31,982	178,422
Taxes receivable		10,448	17,900
Prepaid expenses		13,502	2,252
		184,409	198,840
Due from a related party	10(a)	168,848	168,848
Equipment		-	756
		\$ 353,257	\$ 368,444
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
Current liabilities			
Accounts payable and accrued liabilities		\$ 334,813	\$ 191,951
Due to related parties	10(a)	888,931	1,016,217
Loans payable	7, 10(b)	425,000	225,000
Share of net liabilities in joint venture	5	38,328	50,136
		1,687,072	1,483,304
SHAREHOLDERS' DEFICIENCY			
Share capital	9	22,382,188	22,382,188
Contributed surplus		5,084,295	4,852,653
Accumulated other comprehensive loss		(427,696)	(430,137)
Deficit		(28,372,602)	(27,919,564)
		(1,333,815)	(1,114,860)
		\$ 353,257	\$ 368,444

Nature of operations and going concern (Note 1)

Subsequent event (Note 12)

Approved by the Board of Directors

"Greg Andrews"

Director

"George H. Gale"

Director

CASCADERO COPPER CORPORATION

(An exploration stage company)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited – Expressed in Canadian dollars)

	Notes	For the three months ended August 31, 2020	For the three months ended August 31, 2019	For the nine months ended August 31, 2020	For the nine months ended August 31, 2019
Expenses					
Advertising and promotion		\$ —	\$ —	\$ —	\$ 1,025
Bank charges and interest expense		641	174	1,078	332
Depreciation		756	122	756	365
General and administrative		4,697	11,768	24,863	33,629
Interest and penalties (Part VII.6 tax)	8	—	—	48,960	—
Management fees	10(c)	4,500	—	50,500	80,000
Professional fees		107,328	10,350	156,893	130,672
Rent	10(c)	1,290	497	4,185	9,497
Share-based compensation	9(c)	—	—	62,152	—
		119,212	22,911	349,387	255,520
Loss before the other items		(119,212)	(22,911)	(349,387)	(255,520)
Other items					
Accretion expense	10(b)	(169,490)	—	(169,490)	—
Gain on disposition of marketable securities	4	24,839	—	29,021	—
Share of (loss) income of investment in joint venture	5	(100,879)	(244,668)	36,818	(787,044)
		(245,530)	(244,668)	(103,651)	(787,044)
Net loss for the period		\$ (364,742)	\$ (267,579)	\$ (453,038)	\$ (1,042,564)
Other comprehensive income					
Foreign currency translation difference		13,147	141,188	2,441	275,243
Comprehensive loss for the period		\$ (351,595)	\$ (126,391)	\$ (450,597)	\$ (767,321)
Basic and diluted loss per common share		\$ (0.002)	\$ (0.002)	\$ (0.003)	\$ (0.006)
Weighted average number of shares outstanding, basic and diluted		177,800,866	177,177,472	177,800,866	177,177,472

CASCADERO COPPER CORPORATION

(An exploration stage company)

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficiency

(Unaudited – Expressed in Canadian dollars)

	Notes	Number of shares issued	Number of treasury shares	Number of Shares outstanding	Share capital	Contributed surplus	Deficit	Accumulated other compre- hensive income (loss)	Total
Balance, November 30, 2018		194,298,892	16,498,026	177,800,866	\$ 22,382,188	\$ 4,810,812	\$ (27,482,985)	\$ (328,240)	\$ (618,225)
Shares issued pursuant to private placements		—	—	—	250,000	—	—	—	250,000
Withdrawal of shares issued pursuant to PP		—	—	—	(250,000)	—	—	—	(250,000)
Foreign currency translation difference		—	—	—	—	—	—	275,243	275,243
Net loss for the period		—	—	—	—	—	(1,042,564)	—	(1,042,564)
Balance, August 31, 2019		194,298,892	16,498,026	177,800,866	\$ 22,382,188	\$ 4,810,812	\$ (28,525,549)	\$ (52,997)	\$ (1,385,546)
Balance, November 30, 2019		194,298,892	16,498,026	177,800,866	\$ 22,382,188	\$ 4,852,653	\$ (27,919,564)	\$ (430,137)	\$ (1,114,860)
Fair value of loan bonus warrants issued	10(b)	—	—	—	—	169,490	—	—	169,490
Share-based compensation	9(c)	—	—	—	—	62,152	—	—	62,152
Foreign currency translation difference		—	—	—	—	—	—	2,441	2,441
Net loss for the period		—	—	—	—	—	(453,038)	—	(453,038)
Balance, August 31, 2020		194,298,892	16,498,026	177,800,866	\$ 22,382,188	\$ 5,084,295	\$ (28,372,602)	\$ (427,696)	\$ (1,333,815)

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

CASCADERO COPPER CORPORATION

(An exploration stage company)

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited – Expressed in Canadian dollars)

	For the nine months ended August 31, 2020	For the nine months ended August 31, 2019
Operating Activities		
Net loss of the period	\$ (453,038)	\$ (1,042,564)
Adjustments for items not involving cash:		
Depreciation	756	365
Accretion expense	169,490	—
Share-based compensation	62,152	—
Gain on disposal of marketable securities	(29,021)	—
Share of income of investment in joint venture	(36,818)	—
	(286,479)	(1,042,199)
Net changes in non-cash working capital items		
Taxes receivable	7,452	(12,774)
Prepaid expenses	(11,250)	2,500
Foreign exchange adjustment	—	275,243
Accounts payable and accrued liabilities	142,862	(35,931)
Cash used in operating activities	(147,415)	(813,161)
Investing activities		
Investment in joint venture	27,451	545,106
Proceeds from disposition of marketable securities	175,461	—
Cash provided by investing activities	202,912	545,106
Financing activities		
Due to related parties	(127,286)	119,452
Proceeds from loan payable	200,000	—
Cash provided by financing activities	72,714	119,452
Increase (decreased) in cash during the period	128,211	(148,603)
Cash , beginning of the period	266	163,560
Cash , end of period	\$ 128,477	\$ 14,957

1. NATURE OF OPERATIONS AND GOING CONCERN

Cascadero Copper Corporation ("Cascadero" or the "Company") was incorporated pursuant to the Alberta Business Corporations Act on October 30, 2003 and continued into the Province of British Columbia on June 3, 2004. The Company is engaged in the business of acquiring, exploring and developing mineral properties located primarily in Argentina. The Company is considered to be in the exploration stage. The Company's head office and principal address is located at #395, 901 West Third Street, North Vancouver, B.C. V7P3P9

The Company is in the process of exploring and developing mineral properties and has not yet determined whether these properties contain precious mineral reserves that are economically recoverable.

These condensed interim consolidated financial statements (the "interim financial statements") have been prepared on the basis of a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. These interim financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business. Such adjustments could be material.

The Company has a history of losses with no operating revenue other than interest income. As at August 31, 2020, the Company has incurred cumulative losses of \$28,372,602 (November 30, 2019 – \$27,919,564) and had a negative working capital of \$1,502,663 (November 30, 2019 – \$1,284,464). The ability of the Company to continue operations and carry out its planned business objectives is dependent on its ability to raise adequate financing from shareholders and other investors, the continued support from its directors and creditors, and the successful development of mineral properties or alternatively upon the Company's ability to dispose of its interest in mineral properties on an advantageous basis in the future. The outcome of these matters cannot be predicted at this time. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. The above factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and liabilities in the normal course of business.

Since February 2020, the coronavirus ("COVID-19") has threatened a slowdown in the global economy and caused volatility in the global financial markets. While the full impact of COVID-19 on the global economy is uncertain, rapid spread of COVID-19 may have an adverse effect on the Company's financial position, results of operations and cash flows in future periods.

2. BASIS OF PREPARATION

a) Statement of compliance

The interim financial statements have been prepared in accordance with International Financial Reporting standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting ("IAS 34") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC" and "SIC") adopted by the International Accounting Standards Board ("IASB").

The interim financial statements of the Company were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on October 30, 2020.

b) Basis of measurement

The interim financial statements have been prepared under the historical cost basis except for those as explained in the accounting policies below. In addition, these interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

Cascadero Copper Corporation
Notes to Condensed Interim Consolidated Financial Statements
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(Unaudited – Expressed in Canadian dollars)

- c) Reclassification of the prior year numbers

Certain of the 2019 comparative figures have been reclassified to conform with the current year's financial statement presentation.

3. SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared using accounting policies consistent with those used in the Company's audited consolidated financial statements for the year ended November 30, 2019.

- a) Principles of consolidation

These interim financial statements include the accounts of Cascadero and the accounts and operations of the following entities:

Entities	Jurisdiction of Incorporation	Ownership
SESA Holdings, LLC ("SHL")	United States	Control
Cascadero Minerals Corporation ("CMC")	Canada	Note 5 below
Salta Exploraciones S.A. ("Salta")	Argentina	Note 5 below
Cascadero Minerals S.A. ("CMSA")	Argentina	Note 5 below
Salta Geothermal S.A. ("SGSA")	Argentina	Note 5 below
Trumetals S.A. ("TSA")	Argentina	Note 5 below

Subsidiaries are entities controlled by the Company. The Company controls an investee if and only if the Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investees);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains controls over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated statements of loss and comprehensive loss from the date the Company gains control until the date the Company ceases to control the subsidiary.

Up until November 29, 2016, Cascadero is the legal and beneficial holder of all of the issued and outstanding shares of CMSA, SGSA and TSA. These entities were duly formed under the laws of Argentina which holds certain mineral properties in Argentina. On November 30, 2016, the Company underwent a reorganization by transferring and assigning all legal and beneficial interests in CMSA, SGSA and TSA to CMC (the "Reorganization") and CMC became a vehicle indirectly holding all Argentina mineral properties. After the Reorganization, CMC, CMSA, SGSA and TSA are collectively referred to as the Argentina Entities. The Company lost control in the Argentina Entities effective November 30, 2016, and retained a joint control (see Note 5). The Argentina Entities' operating results are accounted for using the equity method effective November 30, 2016.

- b) Critical accounting estimates and judgements

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

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Information about critical accounting estimates and judgements in applying accounting policies that have the most significant risk of causing material adjustments to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

i) Judgements

Valuation of exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Significant judgement is required when determining whether facts and circumstances suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount.

Joint Arrangement

The accounting for investments in other companies can vary depending on the degree of control and influence over those other companies. Management is required to assess at each reporting date the Company's control and influence over the other companies. Management has used its judgement to determine which companies are controlled and require consolidation, and those which are significantly influenced or jointly controlled and require equity accounting. Determination of the date that the Company's interest in the Argentina Entities changed from control to joint control also required significant judgement. The Company has determined that effective November 30, 2016, the Company lost control in the Argentina Entities and retained joint control in these entities as the participating parties have joint control and a right to the net assets of the arrangement.

Significant judgements and estimates are also required to determine the fair value of the investments retained in the Argentina Entities that were former subsidiaries of the Company.

At each reporting date, the Company determines whether there is objective evidence that the investment in associate or joint venture is impaired. Significant judgement is required when determining whether facts and circumstances suggest that the carrying amount of the investment in associate or joint venture may exceed its recoverable amount.

Business versus asset

Identifying a transaction as being a business or asset requires judgement regarding whether the set of assets and liabilities acquired or disposed constitutes a business based on the particular circumstances.

Provision

Management assesses the probability of a liability being payable as either remote, more than remote or probable. If the liability is considered to be less than probable, then the liability is not recorded, and it is only disclosed as a contingent liability.

ii) Estimates

Share-based payment transactions

Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option and warrant, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payments are disclosed in Note 9 (c).

4. MARKETABLE SECURITIES

Marketable securities consist of common shares of Amarc Resources Ltd. ("Amarc"), a publicly traded company and have been recorded at fair value based on quoted market prices, with unrealized gains or losses reported as other comprehensive income or loss. The continuity of the marketable securities is presented below:

Cascadero Copper Corporation
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	Number of Shares	Carrying Value	Fair Value
		\$	\$
Balance, November 30, 2018	5,097,778	614,178	280,378
Additions	—	—	—
Balance, November 30, 2019	5,097,778	614,178	178,422
Disposals	4,698,000	566,013	(146,440)
Balance, August 31, 2020	399,778	48,165	31,982

5. INVESTMENT IN JOINT VENTURE

On December 21, 2015, the Company and Regberg Ltd. (“Regberg”) signed an Amendment #2 Operating Agreement of SESA Holdings, LLC (the “Amendment #2 Agreement”) in connection with the acquisition by Regberg of 25% of SHL for US\$850,000. Regberg had an option to acquire a further 5% interest in SHL by paying US\$175,000 before May 18, 2018 (collectively referred as the “Regberg Transaction”). In April 2016, Regberg exercised the option to acquire the additional 5% interest. In connection with the Regberg Transaction, the Company also issued 5,824,600 treasury shares held by CMC to Regberg in November 2016, and the Company and Regberg entered into an Amendment #3 Operating Agreement of SESA Holdings, LLC. The treasury shares were issued to Regberg at a deemed issue price of \$0.095 per share, being the Company’s stock trading price at date of issuance.

On November 30, 2016, the Company underwent a reorganization whereby the Company transferred and assigned all of its beneficial interests in CMSA, SGSA and TSA to CMC and has agreed that Regberg has 30% of direct interest in CMC under the Regberg Transaction. The Company, Regberg and CMC subsequently entered into a shareholders’ agreement dated May 10, 2017 (the “CMC Shareholders Agreement”) which provides that, among other things, for so long as Regberg owns at least 25% of CMC’s outstanding common shares, CMC’s board of directors shall consist of an even number of directors, and Regberg shall have the right to appoint one-half of CMC’s directors. Further, the Company is given a right of first refusal that would apply if Regberg wishes to sell its CMC shares. The CMC Shareholders Agreement also provides for certain pre-emptive rights to each of the Company and Regberg that would apply if CMC proposes to allot any shares, “drag-along” rights (which would apply if the Company receives a bona fide offer from an arm’s length third party to purchase all of the issued and outstanding shares of CMC that is approved by the Company’s board of directors), and “tag-along” rights (which limits the Company’s ability to effect any transaction or series of transactions which would result in a change of control of CMC, without first providing Regberg with an opportunity to sell to the purchaser(s) all of the CMC shares owned by Regberg at the same price per share being received by the Company).

In accordance with the SHL Operating Agreement, as amended, for so long as each of the Company and Regberg maintain at least a 25% interest in SHL, SHL shall have two managers, and each of the Company and Regberg shall be entitled to appoint one of the managers. If either party’s interest in SHL is reduced below 25%, there shall be three managers, and the party holding an interest greater than 75% shall be entitled to appoint two managers and the party holding an interest less than 25% shall be entitled to appoint one manager. The SHL Operating Agreement does not give each party the right to the assets and obligations for the liabilities relating to the arrangement, rather they split the net value. Pursuant to the same agreement, each party is responsible for funding its respective share of exploration costs. Failing to provide its pro rata share of the funds required would cause an adjustment to its interests in the Argentina Entities based on the formula defined in the SHL Operating Agreement, as amended. No profits can be distributed without consent by the majority of the managers.

Effective March 13, 2020, Regberg has, with the consent of the Company, transferred all of its shares in CMC to NB Projects Asia Pte. Ltd. (“NB Projects Asia”). CMC, the Company, Regberg and NB Projects Asia entered into an Assignment and Assumption Agreement dated March 13, 2020 pursuant to which NB Projects Asia has agreed to assume, be bound by, and discharge the obligations of Regberg under the CMC Shareholders’ Agreement.

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The Company has concluded that the Argentina Entities is a joint venture, and it lost the control in Argentina Entities effective November 30, 2016 and retained joint control in these entities on the same date. The Company has accounted for it using the equity method effective November 30, 2016.

Summarized financial information of the Argentina Entities and reconciliation with the carrying amount of the investment in the interim financial statements are set out below:

	August 31, 2020	November 30, 2019
	\$	\$
Current assets	587	136
Current liabilities	(54,823)	(71,107)
Non-current liabilities	(519)	(652)
Net liabilities	(54,755)	(71,623)
Ownership interest	70%	70%
Proportion of the Company's ownership interest	(38,328)	(50,136)
	2020	2019
	\$	\$
Revenue	—	—
Expense	79,084	280,027
Net loss and total comprehensive loss	(79,084)	(280,027)

The Argentina Entities had no material contingent liabilities, except as presented in Note 8, and no capital commitments as at August 31, 2020 and November 30, 2019.

6. EXPLORATION AND EVALUATION ASSETS

Argentina Mineral Properties

The Company, through CMSA, SGSA and TSA holds certain mineral properties in Argentina (also see Note 5). The exploration costs incurred have been written off as at August 31, 2020 and November 30, 2019. There was no expenditure incurred for the nine months ended August 31, 2020 and 2019.

On December 2, 2019, the Company through its subsidiaries CMC and SGSA entered into an Exploration and Development Earn-In Agreement (the "Earn-In Agreement") with Golden Minerals Company ("Golden"). Pursuant to the Earn-In Agreement, SGSA has granted Golden the exclusive right to acquire a 51% ownership in the Sarita Este Concession, subject to a cash payment of a non-refundable amount of \$197,881 (USD\$150,000) (received) and incurring a total of US\$2.5 million of minimum work requirements for exploration and development expenditures on the concession. Golden may make cash payments in lieu of annual work commitment as follows: (i) US\$300,000 in the second year, plus a 2,000 meters core drilling program on the concession; (ii) US\$500,000 in the third year; and (iii) the remaining balance of US\$1.7 million by the end of fourth year.

7. LOAN PAYABLE

As of November 30, 2019, the Company had a loan advance of \$101,500 from a former director and CEO of the Company. This loan was non-interest bearing and was secured by 3,000,000 Amarc shares owned by the Company (Note 4). This loan was repaid in full in January 2020.

8. CONTINGENT LIABILITY

The Company entered into an agreement dated September 3, 2015 with an Argentine drilling contractor, pursuant to which the Company agreed to pay up to a maximum amount of US\$1 million in the event of the sale of part, or whole, of any of the mining concessions in the Company's Taca Taca Group. The Taca Taca Group, for the purposes of this agreement, consists primarily of (a) Sarita Sur, (b) Sarita Este, (c) La Sarita I, (d) La Sarita II, (e) the 50% interest over Francisco 1, (f) the 50% interest over Francisco 2, (g) the 33.3% interest over Desierto I, and (h) the 33.3% interest over Desierto II. Management assessed and determined that no event has incurred that would trigger such payable or payment as at August 31, 2020.

9. SHARE CAPITAL

a) Authorized

Unlimited number of common shares with no par value.

b) Issued and outstanding

At August 31, 2020 and November 30, 2019, a total of 194,298,892 common shares were issued and of which 16,498,026 common shares are treasury shares. Therefore, total common shares outstanding as at August 31, 2020 and November 30, 2019 were 177,800,866. There were no new common shares issued during the nine months ended August 31, 2020.

c) Stock Option Plan

The Company has a stock option plan for the benefit of directors, management and certain consultants of the Company. An updated stock option plan was approved in January 2020 (the "2019 Stock Option Plan"). Under the 2019 Stock Option Plan, the maximum aggregate number reserved for optioned shares at any point in time is 21,173,922 shares. The exercise price of each option may be discounted up to the discounted market price as defined by policy 1.1 of the TSX Venture Polices. Each option's vesting period shall be at the discretion of the board of directors and its maximum term is ten years.

In January 2020, the Company granted 2,000,000 stock options to a director who is also an officer of the Company at an exercise price of \$0.05 per share. These options vest immediately and will expire in January 2025.

For the three and nine months ended August 31, 2020, a total of \$nil and \$62,152 (2019 - \$nil and \$nil) was recorded as share-based compensation expense relating to management and general consulting services.

The fair value of the options granted in 2020 were estimated using the Black-Scholes options pricing model with the following assumptions:

	2020 Grants
Weighted average fair value	\$0.05
Risk-free interest rate	2.09%
Dividend yield	\$0.00
Expected volatility	75.43%
Weighted average expected life of options	5 years

Option pricing models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the company's stock options. The Company's expected volatility is based on the historical volatility of the Company's share price.

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The continuity schedule of stock options as at August 31, 2020 and November 30, 2019 is as follows:

	Outstanding
Balance - November 30, 2018	18,100,000
Stock options expired	(300,000)
Balance - November 30, 2019	17,800,000
Stock options expired	(15,300,000)
Stock options granted	2,000,000
Balance - August 31, 2020	4,500,000
Stock options exercisable, end of period	4,500,000

The following table summarizes information about stock options outstanding as at August 31, 2020:

Number of Options Outstanding	Expiration Date	Number of Options Exercisable	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life Years
2,500,000	16-Jul-21	2,500,000	\$0.05	0.88
2,000,000	20-Jan-25	2,000,000	\$0.05	4.42
4,500,000		4,500,000		

d) Share Purchase Warrants

The following summarizes the share purchase warrants' activities:

	Nine months ended August 31, 2020		Year ended November 30, 2019	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
Outstanding, beginning of period/year	3,750,000	\$0.08	14,097,700	\$0.13
Issued	8,000,000	0.025	-	-
Expired	-	-	(10,347,700)	-
Outstanding, end of period/year	11,750,000	\$0.04	3,750,000	\$0.08

The following table summarizes information about share purchase warrants outstanding as at August 31, 2020:

Number of Warrants Outstanding	Expiration Date	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life Years
3,750,000	03-Oct-22	\$0.08	2.09
8,000,000	21-Jul-21	\$0.025	0.89
11,750,000		\$0.04	1.27

10. RELATED PARTY TRANSACTIONS

The related party balances and transactions not disclosed elsewhere in these interim financial statements are listed below. Related party transactions in normal course of operations are measured at the exchange amount. Due from and to the related parties are unsecured and non-interest bearing.

- a) The Company has the following balances owed to and from related entities as at August 31, 2020:
- (i) \$423,667 (November 30, 2019 - \$457,916) due to the estate of Bill McWilliam (“Mr. McWilliam”), a director of the Company until March 2020 when he passed away;
 - (ii) \$307,912 (November 30, 2019 - \$310,888) due to the estate of Judith Harder (“Ms. Harder”), a director and CEO of the Company until December 2018 when she passed away;
 - (iii) \$142,226 (November 30, 2019 - \$124,682) due to Argentine Frontier Resources Inc. (“AFRI”), an entity controlled by the estate of Mr. McWilliam and estate of Ms. Harder;
 - (iv) \$Nil (November 30, 2019 - \$6,105) due to the Company’s Chief Financial Officer until June 2020 (the “Former CFO”);
 - (v) \$15,126 (November 30, 2019 - \$15,126) due to Cosmos Minerals SA Inc., an entity controlled by the estate of Mr. McWilliam and the estate of Ms. Harder;
 - (vi) \$Nil (November 30, 2019 - \$101,500) due to a former director and officer (see Note 7), non-interest bearing and secured by 3,000,000 Amarc shares owned by the Company. The entire amount was paid in January 2020; and
 - (vii) \$168,848 (November 30, 2019 - \$168,848) due from Cosmos Minerals S.A. an entity controlled by the estate of Mr. McWilliam and the estate of Ms. Harder.
- b) Effective October 3, 2017, the Company enter into a loan agreement with Ms. Harder and Mr. McWilliam (the “Lenders”) whereby the Lenders agreed to advance up to \$300,000 in readily available funds to the Company. The loan bears an interest rate of 6% per annum. The loan has a minimum term of one year and can be repaid by the Company at any time after the one-year period. The Company has agreed to issue as a loan bonus share purchase warrants that enable each of the Lenders to purchase 1,875,000 shares in the Company at \$0.08 per share exercisable over a term of five years (the “Loan Bonus Warrants 1”).

During the year ended November 30, 2017, the Company received \$200,000 from the Lenders and issued 3,750,000 Loan Bonus Warrants 1 with a fair value of \$0.06 per warrant. The Company allocated \$160,654 to the loan and \$139,346 to the Loan Bonus Warrants 1 using the relative fair value method. Two-third of the allocated Loan Bonus Warrants 1 valued in the amount of \$92,898 was treated as financing charges to the loan proceeds of \$200,000 received and the remaining one-third in the amount of \$46,448 was treated as a deferred financing charge. During the year ended November 30, 2018, as the remaining \$100,000 loan proceeds was not received, the deferred financing charge was expensed. The loan has an effective interest rate of 67% and the accretion expense for the year ended November 30, 2018 was \$132,080 including the deferred financing charge in the amount of \$46,448. As at August 31, 2020, the loan has not been repaid and remains outstanding.

- c) On July 7, 2020, the Company has obtained a loan of \$200,000 (the “Loan”) from Mr. Lorne Harder, a Director and former Chief Financial Officer and Corporate Secretary of the Company, through his wholly-owned company, Springhill Investments Ltd. (“Springhill”). The Loan is non-interest bearing, is payable at the end of one year, may be repaid at any time without penalty and is unsecured. As a condition of the Loan, the Company has issued to Springhill 8,000,000 warrants, each warrant being exercisable for one common share of the Company at an exercise price of \$0.025 per common share (the “Loan Bonus Warrants 2”). The Loan Bonus Warrants 2 expire one year from issuance.

The fair value of the Loan Bonus Warrants 2 were estimated using the Black-Scholes options pricing model with the following assumptions:

Cascadero Copper Corporation
Notes to Condensed Interim Consolidated Financial Statements
For the three and nine months ended August 31, 2020 and 2019
(Unaudited – Expressed in Canadian dollars)

Fair value	\$0.02
Risk-free interest rate	0.23%
Dividend yield	\$0.00
Expected volatility	100.00%
Expected life of warrants	1 year

The fair value of the Loan Bonus Warrants 2 of \$169,490 has been treated as financing charges to the loan proceeds of \$200,000 received. Accretion expense of \$169,490 has been recorded during the three and nine months ended August 31, 2020 in relation to the Loan.

d) During the nine months ended August 31, 2020, the Company had the following transactions with related parties:

- (i) Incurred \$nil (2019 - \$9,000) in office rent to AFRI;
- (ii) Incurred \$1,200 (2019 - \$nil) in office rent to the former President of the Company;
- (iii) Incurred \$nil (2019 - \$80,000) in management consulting fees to Mr. McWilliam;
- (iv) Incurred \$50,500 (2019 - \$30,000) in management consulting fees to the former President of the Company; and
- (v) Incurred \$nil (2019 - \$5,400) in accounting fees to the former CFO of the Company.

e) Key management compensation

Key management includes the Chairman of the Company, CEO and CFO. The compensation paid or payable to key management for services during the nine months ended August 31, 2020 and 2019 is identical to the disclosure above other than share-based payments. During the three and nine months ended August 31, 2020, key management received share-based payment of \$nil and \$62,152 (2019 - \$nil and \$nil). Key management personnel were not paid post-employment benefit, termination fees or other long-term benefits during the nine months ended August 31, 2020 and 2019.

11. SEGMENTED INFORMATION

The Company operates in one segment, being the operation of acquisition and exploration of mineral properties. Substantial all of the Company's carrying value of long-term assets as at August 31, 2020 and for the year ended November 30, 2019 are located in Argentina.

12. SUBSEQUENT EVENT

Subsequent to August 31, 2020, 8,000,000 warrants with an exercise price of \$0.025 per share and an expiry date of July 21, 2021 have been exercised.