

FREEMAN GOLD CORP.
(Formerly Lodge Resources Inc.)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three and Six Months Ended
May 31, 2020 and 2019

(Expressed in Canadian dollars)
Unaudited

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the three and six months ended May 31, 2020.

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

The accompanying unaudited condensed interim consolidated financial statements of Freeman Gold Corp. (formerly Lodge Resources Inc.). (“the Company”) for the interim period ended March 31, 2020, have been prepared in accordance with the International Accounting Standard 34 - *Interim Financial Reporting* as issued by the International Accounting Standards Board and are the responsibility of the Company’s management.

The Company’s independent auditors, Dale Matheson Carr-Hilton Labonte LLP, have not performed a review of these condensed interim consolidated financial statements.

July 30, 2020

FREEMAN GOLD CORP.**(Formerly Lodge Resources Inc.)****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION****(Expressed in Canadian Dollars) - Unaudited**

As at	Note	May 31, 2020	November 30, 2019
		\$	\$
ASSETS			
Current			
Cash		669,908	541
GST receivable		21,618	-
Prepaid expenses	5	387,831	-
		1,079,357	541
Non-current assets			
Exploration and evaluation assets	6	2,520,277	481,029
Total assets		3,599,634	481,570
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	7	134,721	74,795
Promissory notes	8	-	10,000
Flow-through share premium liability	9	50,000	-
Total liabilities		184,721	84,795
Shareholders' equity			
Share capital	9	9,906,331	432,620
Reserves	9	1,014,690	-
Deficit		(7,586,758)	(35,845)
Total shareholders' equity		3,424,263	396,775
Total liabilities and shareholders' equity		3,608,984	481,570

Nature of operations and going concern (Note 1)

Commitments (Note 11)

Subsequent events (Note 12)

Approved by the Board of Directors on July 30, 2020:

"Simon Marcotte"
Simon Marcotte, Director

"Will Randall"
Will Randall, Director

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

FREEMAN GOLD CORP.**(Formerly Lodge Resources Inc.)****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS****(Expressed in Canadian Dollars, except number of shares) - Unaudited**

	Note	Three months ended		Six months ended	
		May 31,		May 31,	
		2020	2019	2020	2019
		\$	\$	\$	\$
EXPENSES					
Bank charges and interest		818	18	1,078	84
Operating, general and administrative		4,755	-	4,926	-
Consulting fees		34,164	-	34,164	-
Regulatory and filing fees		13,596	-	13,596	-
Marketing fees	5	289,938	-	289,938	-
Share-based compensation	8, 9	94,910	-	206,910	-
Listing expense	4	6,995,248	-	7,000,301	-
Loss and comprehensive loss		7,433,429	18	7,550,913	84
Loss per share – basic and diluted		(0.19)	(0.00)	(0.24)	(0.00)
Weighted average number of common shares outstanding		38,812,262	10,500,000	31,047,663	10,500,000

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

FREEMAN GOLD CORP.**(Formerly Lodge Resources Inc.)****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Expressed in Canadian Dollars, except number of shares) - Unaudited

	Number of Shares	Share Capital	Reserves	Obligation to Issue Shares	Deficit	Total Shareholders' Equity
		\$	\$	\$	\$	\$
November 30, 2018	10,500,000	60,000	-	-	(33,113)	26,887
Loss and comprehensive loss	-	-	-	-	(84)	(84)
May 31, 2019	10,500,000	60,000	-	-	(33,197)	26,803
Issuance of common shares pursuant to private placement (Note 9)	5,240,000	372,620	-	-	-	372,620
Loss and comprehensive loss	-	-	-	-	(2,648)	(2,648)
November 30, 2019	15,740,000	432,620	-	-	(35,845)	396,775
Issuance of common shares pursuant to private placement (Note 9(a))	15,000,000	750,000	-	-	-	750,000
Exercise of stock options (Note 9(a)(d))	3,000,000	262,000	(112,000)	-	-	150,000
Exercise of warrants (Note 9(a)(d))	13,500	2,507	(1,157)	-	-	1,350
Recognition of shares and equity on RTO Transaction (Notes 4 and 9(a))	14,257,770	5,988,263	548,136	266,000	-	6,802,399
Finder's shares on RTO Transaction (Notes 4 and 9(a))	3,500,000	1,470,000	-	-	-	1,470,000
Issuance of common shares and warrants pursuant to private placement of units (Note 9(a)(d))	4,268,911	1,000,941	444,467	(266,000)	-	1,179,408
Warrants issues to finders (Note 9(d))	-	-	18,334	-	-	18,334
Share-based compensation (Note 9(e))	-	-	206,910	-	-	206,910
Loss and comprehensive loss	-	-	-	-	(7,550,913)	(7,550,913)
May 31, 2020	55,780,181	9,906,331	1,104,690	-	(7,586,758)	3,424,263

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

FREEMAN GOLD CORP.
(Formerly Lodge Resources Inc.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars) - Unaudited

	Six months ended May 31,	
	2020	2019
	\$	\$
Cash flows used in operating activities:		
Loss and comprehensive loss	(7,550,913)	(84)
Adjustments for:		
Share-based compensation	206,910	-
Listing expense (Note 4)	6,761,781	-
Changes in non-cash working capital items:		
GST receivable	(9,356)	-
Prepaid expenses	(95,688)	-
Accounts payable and accrued liabilities	(241,232)	-
Net cash used in operating activities	(928,498)	(84)
Financing activities		
Proceeds from issuance of shares, net	750,000	-
Proceeds from issuance of units, net	1,197,742	-
Proceeds from exercise of stock options	150,000	-
Proceeds from exercise of warrants	1,350	-
Repayment of promissory notes	(10,000)	-
Advance received on RTO Transaction (Note 4)	1,300,000	-
Net cash provided by financing activities	3,389,092	-
Investing activities		
Exploration and evaluation assets	(1,993,390)	-
Cash acquired on RTO Transaction (Note 4)	202,163	-
Net cash used in investing activities	(1,791,227)	-
Increase (decrease) in cash	669,367	(84)
Cash, beginning	541	9,089
Cash, ending	669,908	9,005
Supplemental cash flow information:		
Fair value of stock options exercised	112,000	-
Fair value of warrants exercised	1,157	-

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

FREEMAN GOLD CORP.

(Formerly Lodge Resources Inc.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

1. NATURE OF OPERATIONS AND GOING CONCERN

Freeman Gold Corp. (formerly Lodge Resources Inc.) (the "Company") was incorporated in the Province of British Columbia on October 24, 2018, under the Business Corporations Act of British Columbia. The Company is in the business of exploring exploration and evaluation assets. The Company's registered office is Suite 1500 – 1055 W. Georgia Street, Vancouver BC V6E 4N7 and its business office is located at 1570 – 505 Burrard Street, Vancouver, BC V7X 1M5. The Company's share commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "FMAN".

On April 16, 2020 (the "Closing"), the Company completed a share exchange transaction (the "Reverse Takeover Transaction" or the "RTO Transaction") with 1132144 B.C. Ltd. ("113BC"), the parent company of Lower 48 Resources (Idaho) LLC ("Lower 48"), whereby the Company acquired all of the issued and outstanding common shares of 113BC through the issuance of 33,740,000 common shares of the Company, subject to escrow terms (see Note 9) to 113BC's shareholders. Additionally, the Company issued 3,500,000 common shares as finder fee shares to an arm's length finder that facilitated the Reverse Takeover Transaction. Prior to Closing 14,257,770 common shares of the Company were outstanding. Following Closing 51,497,770 common shares of the Company were outstanding, with 66% of the Company's shares held by shareholders of 113BC.

Management determined that the RTO Transaction constituted a reverse acquisition for accounting purposes whereby 113BC acquired the Company. For accounting purposes, 113BC is treated as the accounting acquirer (legal subsidiary), and the Company is treated as the accounting acquiree (legal parent) in these consolidated financial statements. As 113BC was deemed to be the acquirer for accounting purposes, its assets, liabilities and operations since incorporation are included in these financial statements at their historical carrying values. The Company's results of operations are included from the Closing date. The comparative figures are those of 113BC prior to the reverse acquisition. See Note 4 for transaction accounting details.

These unaudited condensed interim consolidated financial statements ("interim financial statements") have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at May 31, 2020, the Company is not able to finance day to day activities through operations and has an accumulated deficit of \$7,586,758. The continuing operations of the Company are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds there from. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs with loans from directors and companies controlled by directors and/or issuance of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

In March 2020, there was a global outbreak of COVID-19, which continues to rapidly evolve. The extent to which the COVID-19 coronavirus may impact the Company will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, social distancing, business closures or business disruptions, and the effectiveness of actions taken by countries to contain and treat the disease.

2. BASIS OF PREPARATION

a) Statement of compliance

These interim financial statements were approved by the Board of Directors and authorized for issue on July 30, 2020.

FREEMAN GOLD CORP.

(Formerly Lodge Resources Inc.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

2. BASIS OF PREPARATION (continued)

These interim financial statements have been prepared in accordance with *International Accounting Standard 34 - Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. As such, these interim financial statements do not contain all the disclosures required by IFRS for annual financial statements and should be read in conjunction with the Company’s audited annual consolidated financial statements for the years ended November 30, 2019 and 2018 (“annual financial statements”).

The Company has reclassified certain items on the comparative consolidated statements of loss and comprehensive loss and consolidated statements of cash flows to improve clarity.

b) Basis of presentation

These interim financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS for each type of asset, liability, income and expense as set out in the accounting policies below.

c) Functional and presentation currency

These interim financial statements are presented in Canadian dollars, except as otherwise noted, which is the functional currency of the parent and the Company’s wholly owned subsidiaries Lodge Minerals Inc. (“Lodge”), 113BC, and Lower 48.

d) Basis of consolidation

These interim financial statements include the accounts of the Company, and its wholly-owned subsidiaries including Lodge Minerals Inc. (“Lodge”), 113BC, and Lower 48 (see Notes 1 and 4). Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases. All inter-company balances, transactions, revenues and expenses have been eliminated on consolidation

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of these interim financial statements are consistent with those applied and disclosed in Note 2 to the annual financial statements of the Company with exception of the following:

a) Flow-through shares

Proceeds from flow-through issuance are allocated between the offering of shares and the sale of tax benefits based on the difference between the quoted price of the existing shares and the amount the investor pays for the shares. A liability is recognized for this difference and is extinguished by crediting other income when the Company has made the required expenditures and there is a reasonable expectation of the renunciation of these expenditures to the tax authorities.

FREEMAN GOLD CORP.

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(Expressed in Canadian dollars) - Unaudited

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Leases

Effective December 1, 2019, the Company adopted all of the requirements of IFRS 16. IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. There was no material impact on the Company's consolidated financial statements upon the adoption of this new standard.

c) Significant estimates and critical judgements

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. Actual results may differ from these estimates and judgments which may cause a material adjustment to the carrying amounts of assets and liabilities.

The Company's interim results are not necessarily indicative of its results for a full year. The significant judgements and estimates applied in the preparation of these interim financial statements are consistent with those applied and disclosed in note 3 of the annual financial statements, except for the below:

- *Assessment of transactions as asset acquisitions or business combinations*

Management has had to apply judgment relating to the reverse takeover transaction between 113BC and the Company with respect to whether the acquisition was a business combination or an asset acquisition. Management applied a three-element process to determine whether a business or an asset was purchased, considering inputs, processes and outputs of each acquisition in order to reach a conclusion.

d) Accounting standards and interpretations issued but not yet adopted

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. REVERSE TAKEOVER TRANSACTION

Pursuant to the RTO Transaction, on April 16, 2020, the Company issued 33,740,000 shares in exchange for all the issued and outstanding shares of 113BC, whereby 113BC and its subsidiary Lower 48 became wholly owned subsidiaries of the Company. For accounting purposes, the RTO Transaction was considered a reverse takeover whereby the Company was deemed to be the acquiree and 113BC the acquirer. The Company did not meet the definition of a business, therefore the Transaction is outside of the scope of *IFRS 3 Business Combinations*, instead, the Transaction was accounted for under *IFRS 2 Share-based Payments*. Accordingly, no goodwill or intangible assets were recorded with respect to the RTO Transaction.

FREEMAN GOLD CORP.**(Formerly Lodge Resources Inc.)****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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(Expressed in Canadian dollars) - Unaudited

4. REVERSE TAKEOVER TRANSACTION (continued)

Under this basis of accounting, the consolidated entity is considered to be a continuation of the Company, with the net identifiable assets of the Company deemed to have been acquired by 113BC at fair value as at April 16, 2020, and the assets, liabilities and operations of 113BC are included in the financial statements at their historical value and include the results of the Company for the period from Closing through May 31, 2020.

For purposes of the RTO Transaction, the consideration paid and the fair value of the net assets (liabilities) of the Company as at April 16, 2020 is preliminarily as follows:

Net assets (liabilities) of the Company acquired	As at April 16, 2020
	\$
Cash	202,163
Prepaid and GST receivable	304,405
Exploration assets	55,208
Accounts payable and accrued liabilities	(301,158)
Flow-through share premium liability	(50,000)
Subscription receipt obligation	(266,000)
Warrant and stock option reserves	(548,136)
Net liability assumed	(608,518)
Consideration paid by the Company to 113BC:	
	\$
Common shares issued ⁽¹⁾	5,988,263
Finder's shares issued ⁽¹⁾	1,470,000
less advance towards acquisition	(1,300,000)
Total consideration paid	6,158,263
Listing expense ⁽²⁾	6,761,781

(1) The fair value of the 33,740,000 common shares issued as consideration to the 113BC shareholders was measured based on the fair value of the 14,257,770 common shares of the Company outstanding prior to the RTO Transaction at \$0.42 per common share. The 3,500,000 finder's shares issued were also measured at \$0.42 per common share.

(2) During the three and six months ended May 31, 2020, the Company incurred \$233,467 and \$238,520 of legal and professional fees relating to the RTO Transaction there were included in listing expense, in addition to the amount noted above, on the Statement of Loss and Comprehensive Loss.

5. PREPAID EXPENSES

During the six months ended May 31, 2020, the Company prepaid USD\$250,000 (\$279,143) in consulting fees to Midam Ventures LLC for consulting services.

FREEMAN GOLD CORP.**(Formerly Lodge Resources Inc.)**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

6. EXPORATION AND EVALUATION ASSETS

The Company's exploration and evaluation assets are as follows:

	Comstock Property	Soap Gulch Property	Lemhi Property I	Lemhi Property II	Total
Acquisitions:	\$	\$	\$	\$	\$
Balance, November 30, 2018	-	39,781	-	-	39,781
Additions	-	-	349,597	101,475	451,072
Disposal	-	(39,781)	-	-	(39,781)
Balance, November 30, 2019	-	-	349,597	101,475	451,072
Additions	25,000	-	1,872,002	-	1,897,002
Balance, May 31, 2020	25,000	-	2,221,599	101,475	2,348,074
Exploration expenditures:					
Balance, November 30, 2018	-	9,550	-	-	9,550
Geophysical	-	-	19,577	-	19,577
Title renewals	-	-	10,380	-	10,380
Disposal	-	(9,550)	-	-	(9,550)
Balance, November 30, 2019	-	-	29,957	-	29,957
Geophysical	30,709	-	24,289	-	54,998
Title renewals	-	-	73,819	13,429	87,248
Balance, May 31, 2020	30,709	-	128,065	13,429	172,203
Balance, November 30, 2019	-	-	379,554	101,475	481,029
Balance, May 31, 2020	55,709	-	2,349,664	114,904	2,520,277

a) Comstock Property

The Company's wholly owned subsidiary, Lodge Minerals Inc., entered into an option agreement (the "Comstock Option") dated October 31, 2018, with an arms-length party to acquire 100% of mineral claims located in British Columbia, known as the Comstock Property. Pursuant to the Comstock Option, the Company, shall issue common shares and make payments and expenditures per the table below. The optionor has also retained a 2% net smelter return royalty ("NSR") and the Company may acquire 1% of the NSR by paying a one-time sum of \$1,000,000 at any time prior to the commencement of commercial production on the property.

Date	Number of Shares	Cash Payments	Minimal Expenditures
	#	\$	\$
Paid on signing Option	-	5,000 (paid)	-
June 21, 2019	-	-	25,000 (incurred)
Listing Date, November 7, 2019	100,000 (issued)	10,000 (paid)	-
1st Anniversary	100,000	-	75,000
2nd Anniversary	100,000	20,000	100,000
3rd Anniversary	100,000	30,000	100,000
4th Anniversary	200,000	250,000	300,000
TOTAL	600,000	315,000	600,000

FREEMAN GOLD CORP.**(Formerly Lodge Resources Inc.)****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

6. EXPORATION AND EVALUATION ASSETS (continued)**b) Soap Gulch Property**

On November 1, 2017, the Company entered into an option agreement with Battis BLK Group (“BLK Group”), whereby the Company would earn a 100% interest in the Soap Gulch Property, located in Butte-Silver Bow County in Montana, USA (“Soap Gulch Property”). As consideration, the Company made the following payments:

- i) USD \$50,000 to BLK Group within seven days of signing this agreement (paid - \$64,781)
- ii) USD \$25,000 in year one (paid by Alpha Lithium)

On December 9, 2017, the Company entered into a non-binding letter of intent (“LOI”) with L2 Cobalt Inc., which was acquired by Alpha Lithium Corporation (collectively, “Alpha Lithium”), to sell its option agreement related to the Soap Gulch Property. Pursuant to the execution of the LOI, Alpha Lithium made a payment of \$25,000 to the Company. On February 26, 2018, the parties executed the underlying definitive agreement, whereby Alpha Lithium must make the following payments to the Company:

- i) pay \$150,000 (not received) and issue 500,000 Alpha Lithium common shares, at a fair value of \$112,500 (received) within 7 days of TSX Venture Exchange approval (the “Approval Date”);
- ii) pay \$50,000 and issue \$250,000 of Alpha Lithium shares on the one year from the Approval Date; and
- iii) pay \$25,000 and issue \$500,000 in value of Alpha Lithium common shares two years from of the Approval Date.

On February 1, 2020, the definitive agreement was terminated and the Company released Alpha Lithium for all outstanding payments. On February 1, 2020, the Company assigned the option agreement to acquire Soap Gulch Property to a company controlled by the CFO of the Company for \$1.

c) Lemhi Property I

On October 16, 2019, the Company entered into an option agreement to acquire 100% of the rights and interest in certain mining claims located in Lemhi County, Idaho (“Lemhi Property I”) for USD\$1,615,000. As at May 31, 2020, the Company has paid \$1,872,002 (USD \$1,615,000) to acquire the Lemhi Property.

d) Lemhi Property II

On August 19, 2019, the Company entered into an option agreement to acquire a 100% interest in 46 unpatented mining claims located in Lemhi County, Idaho (“Lemhi Property II”). In order to exercise the option, the Company is to make the following payments:

- i) USD \$75,000 within 3 days of the effective date (paid - \$101,475);
- ii) USD \$50,000 on or before the first anniversary of the effective date;
- iii) USD \$50,000 on or before the second anniversary of the effective date;
- iv) USD \$50,000 on or before the third anniversary of the effective date;
- v) USD \$75,000 on or before the fourth anniversary of the effective date;
- vi) USD \$75,000 on or before the fifth anniversary of the effective date;
- vii) USD \$75,000 on or before the sixth anniversary of the effective date; and
- viii) USD \$550,000 on or before the seventh anniversary of the effective date.

FREEMAN GOLD CORP.**(Formerly Lodge Resources Inc.)****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	May 31, 2020	November 30, 2019
	\$	\$
Accounts payable	119,322	58,004
Accrued liabilities	15,399	15,338
	134,721	73,402

8. RELATED PARTY TRANSACTIONS*Key management compensation*

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and senior corporate officers. The Company entered into the following transactions with related parties during the three and six months ended May 31, 2020 and 2019.

	Three months ended		Six months ended	
	May 31,		May 31,	
	2020	2019	2020	2019
	\$	\$	\$	\$
Consulting fees paid to a company affiliated to the Chief Financial Officer	12,000	-	12,000	-
Consulting fees paid to a company controlled by a Director	9,750	-	9,750	-
	21,750	-	21,750	-

During the three and six months ended May 31, 2020 the Company recognized share-based compensation of \$nil and \$112,000, respectively (\$nil and \$nil, respectively for the three and six months ended May 31, 2019), relating to the vesting of stock options grants with related parties.

During January 2020, the Company (BC113, prior to the RTO Transaction) granted 3,000,000 stock options to related parties with an exercise price of \$0.05/share, which were exercised during March and April 2020 (see Note 9). During May 2020, the Company granted 1,400,000 stock options to related parties with an exercise price of \$0.65/share (see Note 9).

As at November 30, 2019, shareholder loans totaling \$10,000 were due shareholders. The loans were repaid on December 4, 2019.

FREEMAN GOLD CORP.

(Formerly Lodge Resources Inc.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

9. SHARE CAPITAL

a) Authorized share capital

Unlimited number of common shares without par value.

b) Common share transactions

During the six months ended May 31, 2020, the Company had the following common share transactions:

- During December 2019, the Company issued 15,000,000 common shares for proceeds of \$750,000.
- During March and April 2020, the Company issued 3,000,000 common shares at \$0.05 per share for proceeds of \$150,000 from the exercise of stock options. Pursuant to the exercise, the Company reclassified \$112,000 from reserves to share capital.
- During April 2020, the Company issued 13,500 common shares pursuant at \$0.10 per share for proceeds of \$1,350 from the exercise of 13,500 warrants. Pursuant to the exercise, the Company reclassified \$1,157 from reserves to share capital.
- On April 16, 2020, pursuant to the RTO Transaction, 33,370,000 shares of 113BC were exchanged for 33,370,000 shares of the Company, with the original 14,257,770 shares of the Company remaining in outstanding shares. Pursuant to escrow agreements the shares are subject to a voluntary release schedule with 17.5% of the shares released on Closing, 22.5% to be released six months after Closing, 30% to be released nine months after Closing, and the balance to be released 12 months after Closing. As at May 31, 2020, 27,835,000 shares were subject to escrow provisions.
- On April 16, 2020, pursuant to the RTO Transaction, 3,500,000 shares of the Company were issued to finders which were determined to have a fair value of \$1,470,000 based on the market price of \$0.42 per share.
- During May 2020, the Company closed a private placement of 4,268,911 units for gross proceeds of \$1,494,119 (less \$266,000 of share subscription receipts previously received), whereby each unit comprises one common and one common share purchase warrant. Each common share purchase warrant is exercisable for a period of 12 months from the date of issuance and has an exercise price of \$0.50. The fair value of the common shares was determined to be \$1,000,941 and the fair value of the warrants was determined to be \$444,467. Pursuant to the unit financing, the Company incurred \$30,377 of cash finder's fees, and issued 89,900 finders' warrants with a fair value of \$18,334. See Note 9(d) for Black Scholes warrant valuation assumptions.

During the year ended November 30, 2019, the Company had the following common share transaction:

- On August 21, 2019, the Company issued 2,500,000 common shares for proceeds of \$125,000, of which 500,000 common shares were issued to the director of the Company.
- On October 21, 2019, the Company issued 200,000 common shares for proceeds of \$10,000, to the CFO of the Company.
- On October 30, 2019, the Company issued 2,540,000 common shares for proceeds of \$254,000.
- During the year ended November 30, 2019, the Company incurred \$16,380 in share issuance costs relating to the issuances above.

FREEMAN GOLD CORP.**(Formerly Lodge Resources Inc.)****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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(Expressed in Canadian dollars) - Unaudited

9. SHARE CAPITAL (continued)

- On January 21, 2019, the Company executed an escrow agreement (the “Escrow Agreement”), whereby all common shares issued to related parties are subject to escrow requirements. Pursuant to the Escrow Agreement, the shares will be released pro rata to such shareholders as to 10% on the date of final notice and 15% every six months thereafter over a 36-month period. The escrowed shares are subject to the direction and determination of the CSE. Specifically, escrowed shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the CSE. As at May 31, 2020, 2,017,500 shares (November 30, 2019, 2,421,000 shares) were held in escrow.

c) Obligation to issue shares

Pursuant to the RTO Transaction, on April 16, 2020, the Company recognized \$266,000 of share subscriptions obligations, which were applied to the May 2020 unit financing (see Note 9(b) above).

a) Warrants

The following is a summary of the Company’s warrants as at May 31, 2020:

Warrant Continuity	Number	Weighted average exercise price	Weighted average life (years)
	#	\$	
Balance, November 30, 2019 and 2018	-	-	-
Recognized on RTO (Note 4)	99,380	0.10	-
Issued	4,358,811	0.50	-
Exercised	(13,500)	0.10	-
Balance, May 31, 2020	4,444,691	0.49	0.95

The fair value of the warrants issued during the six months ended May 31, 2020 and year ended November 30, 2019 was estimated using the Black-Scholes Pricing Model with the following weighted average assumptions:

Black-Scholes assumptions	May 31, 2020	November 30, 2019
Risk-free interest rate	0.26% to 0.30%	-
Estimated life (years)	1.0	-
Expected volatility	125%	-
Expected dividend yield	0%	-

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9. SHARE CAPITAL (continued)**b) Stock options**

The following is a summary of the Company's stock options as at May 31, 2020:

Stock Option Continuity	Number	Weighted average exercise price	Weighted average life (years)
	#	\$	
Balance, November 30, 2019 and 2018	-	-	-
Recognized on RTO (Note 4)	1,350,000	0.43	-
Granted	5,690,000	0.33	
Exercised	(3,000,000)	0.05	-
Balance, May 31, 2020	4,040,000	0.58	4.82

The fair value of the stock options granted during the six months ended May 31, 2020 and year ended November 30, 2019 was estimated using the Black-Scholes Pricing Model with the following weighted average assumptions:

Black-Scholes assumptions	May 31, 2020	November 30, 2019
Risk-free interest rate	0.53% to 1.58%	-
Estimated life (years)	5	-
Expected volatility	125%	-
Expected dividend yield	0%	-
Forfeiture rate	0%	-

During the three and six months ended March 31, 2020, the Company expensed \$94,910 and \$206,910, respectively (three and six months ended March 31, 2019 - \$nil and \$nil, respectively) to share-based compensation expense relating to the vesting of stock options.

10. FINANCIAL INSTRUMENTS

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, and currency risk and price risk. The carrying value of the Company's financial instruments approximates their fair value due to their short-term nature. Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The carrying value of Company's financial assets and liabilities as at May 31, 2020 and November 30, 2019 approximate their fair value due.

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11. COMMITMENTS

The Company is subject to certain contractual obligations associated with the Comstock Property. In order to exercise the Comstock Option, the Company shall pay to the owner of the property the aggregate sum of \$315,000 and issue a total of 600,000 common shares in instalments, and complete minimum expenditures on the Property in installments equaling \$600,000. As of May 31, 2020, the Company has paid \$15,000 and issued 100,000 common shares pursuant to the Comstock Option.

During the six months ended May 31, 2020, the Company renounced exploration expenditures in relation to a flow-through private placement financing for \$100,000 and is obligated to incur the related exploration expenditures during the 2020 calendar year.

12. SUBSEQUENT EVENTS

During June 2020, the Company issued 50,000 common shares at \$0.10 per share for proceeds of \$5,000 from the exercise of stock options.

On July 28, 2020, the Company issued 20,690,000 common shares for gross proceeds of \$10,350,000. The underwriters of the offering were issued broker warrants to acquire an aggregate of 1,418,650 common shares, exercisable at any time prior to July 28, 2022 at \$0.50 per common share.