TOMBILL MINES LIMITED
(Formerly Bluerock Ventures Corp.)

Condensed Consolidated Interim Financial Statements

For the Three Months Ended January 31, 2021 and 2020

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

TOMBILL MINES LIMITED

(FORMERLY BLUEROCK VENTURES CORP.)

Index	Page

TOMBILL MINES LIMITED

(FORMERLY BLUEROCK VENTURES CORP.)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed consolidated 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 consolidated interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditors.

April 1, 2021

TOMBILL MINES LIMITED
(FORMERLY BLUEROCK VENTURES CORP.)

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

	Notes	**January 31, 2021**	October 31, 2020
		(unaudited)	(audited)
Assets			
Current assets:			
Cash and cash equivalent	5	**$ 3,573,971**	$ 47,670
Investment	6	**2,000,000**	–
Receivables	7	**75,847**	10,675
Prepaid expenses		**226,597**	–
		5,876,415	58,345
Exploration and evaluation assets	10	**264,458**	1
		$ 6,140,873	$ 58,346
Liabilities and Shareholders' Equity (Deficit)			
Current liabilities:			
Trade payables and accrued liabilities	8	**$ 254,345**	$ 196,780
Due to related parties	12	**–**	140,001
Flow-through premium liability	9	**215,853**	–
		470,198	336,781
Shareholders' Equity (Deficit):			
Share capital	11	**10,108,375**	2
Reserve	11(f)	**477,205**	–
Deficit		**(4,914,905)**	(278,437)
		5,670,675	(278,435)
		$ 6,140,873	$ 58,346

Nature and continuance of operations (Note 1)
Reverse takeover (Note 4)
Subsequent event (Note 14)

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

Tombill Mine Limited
(FORMERLY BLUEROCK VENTURES CORP.)

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

			Three months ended January 31,		
	Note		**2021**		2020
Expenses:					
Administrative fees		**$**	**15,833**	$	–
Consulting	12		**62,777**		–
Marketing			**45,428**		–
Office and miscellaneous			**5,792**		117
Professional fees			**44,017**		6,671
Property tax			**267**		1,657
Regulatory and transfer agent fees			**4,071**		–
Rent			**–**		1,258
Share-based compensation	11(d)		**157,406**		–
Share-based payments	11(b),12		**3,305,075**		–
			3,640,666		9,703
LOSS BEFORE OTHER ITEMS			**(3,640,666)**		(9,703)
Other Items:					
Interest income			**1,399**		–
Other income	10		**750,000**		–
Listing expense	4		**(1,771,098)**		–
			(1,019,699)		–
LOSS BEFORE INCOME TAXES			**(4,660,365)**		(9,703)
Deferred income tax recovery	9		**23,897**		–
NET AND COMPREHENSIVE LOSS FOR THE PERIOD		**$**	**(4,636,468)**	$	(9,703)
Loss per common share - basic and diluted		**$**	**(0.04)**	$	(0.00)
Weighted average number of common shares outstanding - basic and diluted			**108,331,489**		71,186,169

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

Tombill Mine Limited
(FORMERLY BLUEROCK VENTURES CORP.)

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

		Share capital				
	Note	Shares	Amount	Reserve	Deficit	Total Equity (Deficiency)
Balance, October 31, 2019		**71,186,169**	**$ 2**	**$ –**	**$ (24,932)**	**$ (24,930)**
Net loss for the period		–	–	–	(9,702)	(9,702)
Balance, January 31, 2020		**71,186,169**	**2**	**–**	**(34,634)**	**(34,632)**
Net loss for the period		–	–	–	(243,803)	(243,803)
Balance, October 31, 2020		**71,186,169**	**2**	**–**	**(278,437)**	**(278,435)**
Shares issued for services	11 (b)	22,033,831	3,305,075	–	–	3,305,075
Recapitalization transaction:						
Equity of Tombill Mines Limited	4, 11(b)	10,113,333	5,928,213	477,205	–	6,405,418
Elimination of Tombill Mines Limited equity	4	–	(5,928,213)	(477,205)	–	(6,405,418)
Shares acquired by legal parent	4	(93,220,000)	–	–	–	–
Shares issued on RTO	4	93,220,000	1,517,000	–	–	1,517,000
Shares and warrants issued in subscription receipts financing and flow-through subscription receipts	11(b)	41,733,934	6,499,840	160	–	6,500,000
Flow-through premium liability	9	–	(239,750)	–	–	(239,750)
Share issuance costs	11(b)	–	(654,153)	–	–	(654,153)
Agents' warrants	11(e)	–	(319,639)	319,639	–	–
Share-based compensation	11(d)	–	–	157,406	–	157,406
Net loss for the period		–	–	–	(4,636,468)	(4,636,468)
Balance, January 31, 2021		**145,067,267**	**$ 10,108,375**	**$ 477,205**	**$ (4,914,905)**	**$ 5,670,675**

The accompanying notes form an integral part of these condensed interim financial statements

Tombill Mines Limited
(FORMERLY BLUEROCK VENTURES CORP.)

Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars - Unaudited)

		Three months ended January 31,	
	Notes	**2021**	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net and comprehensive loss for the period		**$ (4,636,468)**	$ (9,703)
Items not affecting cash:			
Interest accrued on investments	7	**(1,110)**	–
Share-based compensation	11(d)	**157,406**	–
Share-based payments issued for services	11(b)	**3,305,075**	–
Listing expense		**1,529,904**	–
Deferred income tax recovery	(9)	**(23,897)**	–
		330,910	(9,703)
Changes in non-cash working capital items:			
Receivables		**(64,033)**	(434)
Prepaid expenses		**(226,552)**	1,162
Trade payables and accrued liabilities		**(130,268)**	–
Due to related parties	12	**(140,001)**	–
Cash used in operating activities		**(229,944)**	(8,975)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment	6	**(2,000,000)**	–
Exploration and evaluation asset costs		**(170,692)**	–
Cash used in investing activities		**(2,170,692)**	–
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of capital stock, net		**5,845,687**	–
Proceeds from issuance of warrants		**160**	–
Net cash acquired on reverse takeover	4	**81,090**	–
Cash used in financing activities		**5,926,937**	–
Change in cash during the period		**3,526,301**	(8,975)
Cash, beginning of period		**47,670**	45,277
Cash, end of period		**$ 3,573,971**	$ 36,302

Supplemental cash flow information:

Significant non-cash transactions for the three months ended January 31, 2021 included:

- exploration and evaluation assets of $93,765 in trade payables (Note 8);
- an allocation of $239,750 from share capital to flow-through premium liability on the issuance of the flow-through common shares (Note 9); and
- fair value of agents' warrants of $319,639 recorded as share issuance cost (Note 11(e)).

There were no significant non-cash transactions during the three months ended January 31, 2020.

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

1. Nature and continuance of operations

Tombill Mines Limited (Formerly Bluerock Ventures Corp. or the "Company") was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia) on February 3, 2011.

The head office of the Company is located at Suite 2050 – 1055 West Georgia Street, Vancouver, BC, V6E 3P3 and the registered office of the Company is located at Suite 400 – 725 Granville Street, Vancouver, BC, V7Y 1G5.

On December 9, 2020, the Company completed a reverse takeover ("RTO") transaction (the "Transaction") with Tombill Mines Ltd. The Company acquired 100% of the issued and outstanding common shares of Tombill Mines Ltd. in exchange for the issuance of common shares of the Company pursuant to an Amalgamation Agreement (the "Agreement") dated December 4, 2020 (Note 4). The Company completed a name change from "Bluerock Ventures Corp." to "Tombill Mines Limited" and will continue the business which was previously conducted by Tombill Mines Ltd. (the "Resulting Issuer"). Tombill commenced trading on the TSX Venture Exchange (the "TSXV") under the trading symbol "TBLL" on December 15, 2020, the Resulting Issuer is a Tier 2 resource Issuer.

Upon completion of the Transaction, the Company owns various mineral exploration and past-producing gold properties in the Geraldton and Beardmore region, Ontario. Tombill Mines' primary business is mineral exploration, primarily gold. It has 74 claims; of which 60 are owned and patented; 5 leased; and 9 where it owns the mineral rights. Of these, Tombill Mines Main Group (the "Property") comprises 54 owned patents, and 4 mineral rights. See Note 4 for details of the Transaction.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations.

The Company's ability to continue operations in the normal course of business is dependent on several factors, including its ability to secure additional funding. Management is actively exploring all available options to secure additional funding, including equity financing and strategic partnerships.

These material uncertainties may cast significant doubt as to the ability of the Company to continue operations into the foreseeable future as a going concern and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern.

These financial statements do not include any additional adjustments to the recoverability and classification of certain recorded asset amounts, classification of certain liabilities and changes to the statement of loss and comprehensive loss that might be necessary if the Company was unable to continue as a going concern.

1. Nature and continuance of operations (cont'd)

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in a widespread health crisis that has affected economies and financial markets around the world resulting in an economic downturn. This outbreak may also cause resource shortages, increased difficulty in raising capital, increased government regulations or interventions, all of which may negatively impact the business, financial condition or results of operations of the Company. The duration and impact of the COVID-19 outbreak is unknown at this time and it is not possible to reliably estimate the length and severity of these developments.

2. Statement of compliance and significant accounting policies

Statement of compliance with IFRS

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these interim financial statements comply with International Accounting Standards ("IAS") 34 "Interim Financial Reporting".

These condensed consolidated interim financial statements were authorized for issue on April 1, 2021 by the directors of the Company.

Basis of presentation

These condensed consolidated interim financial statements of the Company have been prepared on an accrual basis except for certain cash flow information, and are based on historical costs. The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company and its subsidiary unless otherwise noted.

These condensed consolidated interim financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended October 31, 2020.

Functional and Presentation Currency

The Company's functional currency is the Canadian dollar as this is the principal currency of the economic environment in which it operates. Judgment is required to determine the functional currency of the Company. These judgments are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances

2. Statement of compliance and significant accounting policies (cont'd)

<u>Functional and Presentation Currency</u> *(cont'd)*

Transactions in foreign currencies are initially recorded in the respective entity's functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at each reporting date. The translation gain/(loss) is recognized in the statement of loss and comprehensive loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the exchange rate on the date of the transaction.

<u>Critical accounting judgments and estimates</u>

The preparation of consolidated financial statements require management to make judgments regarding the Company's ability to continue as a going concern as discussed in Note 1.

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates that the Company has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

<u>Exploration and evaluation assets</u>

Mineral property acquisition costs and related exploration costs are capitalized on an individual area of interest basis until the properties are brought into production, at which time they will be amortized on a unit-of-production basis, or until the properties are abandoned, sold or management determines that the mineral property is not economically viable, at which time the unrecoverable deferred costs are written off. Property taxes on land owned are expensed as incurred.

The Company records its capitalized exploration and evaluation expenditures at cost. The capitalized cost is based on cash paid, the value of share consideration given, and exploration costs incurred. The recoverable values are not always readily determinable and are dependent on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

Management reviews the carrying value of capitalized exploration and evaluation costs at least annually. In the case of undeveloped projects, there may be only inferred resources to form a basis for the impairment review. The review is based on a status report regarding the Company's intentions for development of the undeveloped property.

2. Statement of compliance and significant accounting policies (cont'd)

<u>Critical accounting judgments and estimates</u> *(cont'd)*

<u>Exploration and evaluation assets</u> (cont'd)

Once an economically viable reserve has been determined for an area and the decision to proceed with development has been approved, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to mining interests within property, plant and equipment.

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment 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. Estimates and assumptions made may change if new information becomes available. There are a few circumstances that would warrant a test for impairment, which include: the expiry of the right to explore; substantive expenditure on further exploration is not planned; exploration for and evaluation of the mineral resources in the area have not led to discovery of commercially viable quantities; and/or sufficient data exists to show that the carrying amount of the asset is unlikely to be recovered in full from successful development or by sale. If information becomes available suggesting impairment, the amount capitalized is written off in the statement of loss and comprehensive loss during the period the new information becomes available.

<u>Financial instruments</u>

The following is the Company's accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive loss ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

<u>Financial assets and liabilities at amortized cost</u>

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

2. Statement of compliance and significant accounting policies (cont'd)

Financial instruments (cont'd)

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive loss.

Financial assets through other comprehensive income ("FVTOCI")

Financial assets that meet the following conditions are measured at FVTOCI:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments designated as FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in Other Comprehensive Income ("OCI"). The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity instrument, instead, it is transferred to retained earnings.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

2. Statement of compliance and significant accounting policies (cont'd)

Financial instruments (cont'd)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss and comprehensive loss.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of loss and comprehensive loss.

Provisions

The Company recognizes provisions when a legal or constructive obligation exists as a result of past events, when it is probable that there will be an outflow of economic benefits from the entity, and a reliable estimate of the amount of the obligation can be made. When a provision is expected to settle beyond the immediate term, the provision is measured at the present value of future cash flows, discounted at prevailing market interest rates. With the passage of time, additional expenses are recorded as the provision increases.

Impairment of assets

The carrying amount of the Company's long-lived assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of loss and comprehensive loss.

The recoverable amount is the greater of an asset's fair value, less cost to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows, largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2. Statement of compliance and significant accounting policies (cont'd)

Impairment of assets (cont'd)

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Flow-through shares

Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. The Company accounts for flow-through shares whereby the premium, if any, paid for the flow-through share in excess of the market value of the shares without a flow-through feature at the time of issue is initially recorded to flow-through premium liability and then included in profit or loss, as a deferred income tax recovery, at the same time the qualifying expenditures are made.

Income and Deferred Taxes

Income tax expense comprises current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the reporting date. As the Company is in a loss position there is no current tax payable.

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2. Statement of compliance and significant accounting policies (cont'd)

Loss per Share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per common share is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per common share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options and warrants and assumes the receipt of proceeds upon exercise of the dilutive securities to determine the number of shares assumed to be purchased at the average market price during the year.

3. Accounting standards issued but not yet effective

Certain 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 of Tombill Mines Ltd.

The Company's RTO Transaction (Note 1) was done by way of a three-cornered amalgamation among the Company, Tombill Mines Ltd, and Tombill Exploration Ltd. ("Subco"), which had been incorporated as a wholly-owned subsidiary of the Company for purposes of facilitating the Transaction. Pursuant to the Agreement, each shareholder of the Tombill Mines Ltd. received 1 Resulting Issuer share for each share of Tombill Mines Ltd. held. Accordingly, an aggregate of 93,220,000 Resulting Issuer shares were issued to the shareholders of Tombill Mines Ltd. Pursuant to the Agreement, the shareholders of the Tombill Mines Ltd. owned 64% of the Company and, as a result, the Transaction is considered a reverse acquisition of the Company by Tombill Mines Ltd. Following the Transaction, the Reporting Issuer will continue Tombill Mines Ltd's business whose name was changed to "Tombill Mines Limited", with the Amalco operating under the name "Tombill Exploration Ltd."

For accounting purposes, the acquisition was considered to be a reverse acquisition under IFRS 3 *Business Combinations* ("IFRS 3") as the shareholders of Tombill Mines Ltd. obtained control of the Company. However, as the Company does not meet the definition of a business as defined by IFRS 3, it has been accounted for as a share-based payment transaction in accordance with IFRS 2. The accounting for this transaction resulted in the following:

(i) The consolidated financial statements of the combined entity are issued under the legal parent, the Company, but are considered a continuation of the financial statements of the legal subsidiary, Tombill Exploration Ltd.

(ii) As Tombill Exploration Ltd. is deemed to be the acquirer for accounting purposes, its assets and liabilities are included in the consolidated financial statements at their historical carrying values.

(Expressed in Canadian Dollars - Unaudited)

4. Reverse Takeover of Tombill Mines Ltd. (cont'd)

(iii) Since the shares allocated to the former shareholders of Tombill Exploration Ltd. on closing the Transaction is considered within the scope of IFRS 2, and the Company cannot identify specifically some or all of the goods or service received in return for the allocation of the shares, the value in excess of the net identifiable assets or obligations of Tombill Exploration Ltd. acquired on closing was expensed in the consolidated statement of loss and comprehensive loss as a listing expense.

The fair value of the 10,113,333 common shares for all of the Company was determined to be $1,517,000 or $0.15 per common share.

(iv) The fair value of all the consideration given and charged to listing expense was comprised of:

Fair value of the common shares at Transaction Date	$	1,517,000
Identifiable assets acquired – At December 9, 2020		
Cash	$	81,090
Prepaid		45
Receivables		30
Trade payables		(94,069)
		(12,904)
Unidentified assets acquired		
Listing expense		1,529,904
Total net identifiable assets and transaction costs	$	1,517,000

(v) The Company incurred additional expenses related to the Transaction of $241,194 which have been recorded in listing expenses.

(vi) In connection to the RTO, the Company completed two concurrent financings (Note 11(b)) of:

a) 25,739,934 common shares and 12,869,967 share purchase warrants with an exercise price of $0.23 per warrant expiring December 9, 2022 for total proceeds of $3,860,990; and
b) 15,994,000 flow-through common shares and 7,997,000 share purchase warrants with an exercise price of $0.23 per warrant expiring December 9, 2022 for total proceeds of $2,639,010.

The Company paid a finder's fee of $467,200 in cash and 3,338,714 share purchase warrants at an exercise price of $0.15 per common share with an expiry of December 9, 2022. The Company recorded a fair value of $319,639 on the finder's warrants. The Company also incurred $186,952 in other related share issuance costs.

(Expressed in Canadian Dollars - Unaudited)

5. Cash and cash equivalents

	January 31, 2021	October 31, 2020
Cash and cash equivalents	$ 810,121	$ 47,670
Restricted cash for flow-through exploration (Note 9)	2,638,850	–
Funds held in trust	125,000	–
	$ 3,573,971	$ 47,670

6. Investment

On December 17, 2020, the Company invested $2,000,000 in highly liquid Canadian dollar denominated redeemable guaranteed investment certificates (“GIC”) yielding an interest rate of 0.45% per annum with a maturity date within one year. The investment is classified as a “fair value through profit or loss” financial asset. The counter-party is a financial institution.

At January 31, 2021, the Company held a GIC investment totaling $2,000,000 (October 31, 2020 - $Nil) and accrued interest of $1,110 (October 31, 2020 - $Nil), which has been included in receivables (Note 7).

7. Receivables

	January 31, 2021	October 31, 2020
Government Sales Tax credits	$ 74,737	$ 10,675
Accrued interest (Note 6)	1,110	–
	$ 75,847	$ 10,675

8. Trades payable and accrued liabilities

	January 31, 2021	October 31, 2020
Exploration payables	$ 93,765	$ –
Trade payables	124,687	134,969
Accrued liabilities	35,893	61,811
	$ 254,345	$ 196,780

9. Flow-through premium liability

	January 31, 2021	October 31, 2020
Balance, beginning of period	$ –	$ –
Recorded	239,750	–
Amortized	(23,897)	–
Balance, end of period	$ 215,853	$ –

9. Flow-through premium liability (cont'd)

In December 2020, in connection to the RTO Transaction, the Company completed a flow-through private placement of 15,994,000 units (Note 11(b)). Each unit consisted of one flow-through share valued at \$0.16499 per flow-through share and one-half share purchase warrant valued at \$0.0001 per one-half share purchase warrant for total gross proceeds of \$2,639,010. The Company recorded a flow-through liability of \$239,750 in connection with the flow-through private placement which was calculated based on an estimated premium of approximately \$0.01499 per flow-through common share issued.

During the three months ended January 31, 2021, the Company recorded partial amortization of \$23,897 (October 31, 2020 - \$Nil) after incurring \$263,032 (October 31, 2020 - \$Nil) in qualifying exploration expenditures. The Company has fully renounced exploration expenditures of \$2,638,850 (Note 5) to the flow-through subscribers for calendar 2020 using the "look back" rule for income tax purposes and is required to incur the qualified exploration expenditures by December 31, 2021.

The flow-through premium liability does not represent a cash liability to the Company, and is to be fully amortized to the statement of operations and comprehensive loss pro-rata with the amount of qualifying flow-through expenditures incurred. The flow-through agreements require the Company to renounce certain deductions for Canadian exploration expenditures incurred on the Company's resource properties.

When the Company uses the "look-back" rule to renounce exploration expenditures to investors before the Company actually incurs them, the Company is liable for the flow-through Part XII.6 tax ("FT Tax"). The FT Tax related to the 2020 flow-through renunciations is payable on or before February 28, 2022. As at January 31, 2021, \$Nil (2020 - \$Nil) FT Tax has been accrued.

10. Exploration and evaluation assets

The Company has 74 claims; of which 60 are owned and patented; 5 leased; and 9 where it owns the mineral rights. The Property is located within the amalgamated Town of Greenstone, about 4 km southwest of Geraldton, Ontario. The closest major city is Thunder Bay located 285 km to the southwest.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims, as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

On January 11, 2021, the Company started its drilling program at the Property, following the appointment of Forage M3 Drilling Services Inc. ("Forage M3") and Nordmin Engineering Ltd. ("Nordmin") to undertake drilling and exploration. The program focuses on defining extension and continuity and additional zones that may continue onto the Tombill Main group property. The initial drill holes are directly adjacent to the Hardrock Project claim border.

The following table summarizes the Company's exploration and evaluation expenditures with respect to its projects.

(Expressed in Canadian Dollars - Unaudited)

10. Exploration and evaluation assets (cont'd)

Acquisition costs:		
Balance, October 31, 2019 and 2020	**$**	**1**
Deferred exploration costs:		
Camp and site costs	$	14,070
Drilling		164,559
Geochemical		2,877
Geological		54,895
Geophysical		14,325
Other consultation costs		5,948
Travel		7,783
Balance, January 31, 2021	**$**	**264,457**
Total:		
Total, October 31, 2020	**$**	**1**
Total, January 31, 2021	**$**	**264,458**

In November 2020, the Company received $750,000 as a recovery on its exploration and evaluation assets relating to easements granted to an arm's length party. This amount has been recorded in the statements of net and comprehensive loss.

11. Share capital

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

During the three months ended January 31, 2021, the Company completed the following transactions:

(i) On December 4, 2020, Bluerock Ventures completed a forward split of its issued and outstanding common shares on a basis of four new post-split shares for every three outstanding shares. Following completion of the forward split, Bluerock had 10,113,333 common shares outstanding prior to the completion of the RTO.

(ii) Prior to the completion of the RTO, Tombill Mines Ltd completed a forward split of its issued and outstanding common shares resulting in 71,186,169 common shares outstanding.

(iii) Issued 22,033,831 common shares to management and directors of the Company for services rendered with a fair value of $3,305,075;

11. Share capital (cont'd)

(b) Issued and outstanding (cont'd)

(iv) Completed a flow-through private placement of 15,994,000 units for total gross proceeds of $2,639,010 (Note 4). Each unit consists of one flow-through common share and one-half share purchase warrant. Each whole share purchase warrant is exercisable at $0.23 per common share until December 9, 2022;

A flow-through premium liability of $239,750 was recorded in connection to the private placement (Note 9).

(v) Completed a private placement of 25,739,934 units for total gross proceeds of $3,860,990. Each unit consists of one common share and one-half share purchase warrant (Note 4). Each whole share purchase warrant is exercisable at $0.23 per common share until December 9, 2022;

(vi) The Company paid a finder's fee of $467,200 in cash and issued an aggregate of 3,338,714 share purchase warrants ("Agent's Warrants") at an exercise price of $0.15 per common share with an expiry of December 9, 2022 to two agents (Note 4, Note 11(e)) on the flow-through and non-flow-through private placements. The Company recorded a fair value of $319,639 on the finder's warrants. The Company also incurred $186,953 in other related share issuance costs.

During the year ended October 31, 2020, Tombill Mines Ltd. had no transactions affecting share capital.

During the year ended October 31, 2020, Bluerock Ventures completed a non-brokered private placement of 2,500,000 common shares at a price of $0.11 per common share for total gross proceeds of $275,000.

(c) Escrow shares

Pursuant to an escrow agreement dated February 25, 2011, as at January 31, 2021, 702,000 (October 31, 2020 – 780,000) common shares issued are held in escrow. Under the escrow agreement, 10% of the escrowed common shares was released from escrow on December 11, 2020 and, 15% of the escrowed shares will be released every 6 months thereafter over a period of 36 months for the remaining 90% of the escrowed shares.

Pursuant to a value security escrow agreement dated December 9, 2020, as at January 31, 2021, 83,898,001 (October 31, 2020 – Nil) common shares issued are held in escrow. Under the value security escrow agreement, 10% of the escrowed shares were released from escrow on December 11, 2020, and 15% of the escrowed shares will be released every 6 months thereafter over a period of 36 months for the remaining 90% of the escrowed shares.

(Expressed in Canadian Dollars - Unaudited)

11. Share capital (cont'd)

(d) Share options

The Company adopted a 10% share option plan (the "Plan") that enables the Company to grant options to directors, officers, employees and other service providers. The Company follows the policies of the TSXV where the number of common shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding shares of the Company from time to time at the date of granting of options. The terms of any options granted under the plan may not exceed ten years from date of grant. Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price, expiry date, and the vesting conditions of the options as determined by the Board of Directors.

Share option transactions are summarized as follows:

	Options Outstanding	Weighted Average Exercise Price
Outstanding, October 31, 2019 and 2020	–	$ –
Granted	11,474,817	0.15
Outstanding, January 31, 2021	11,474,817	$ 0.15

During the three months ended January 31, 2021, the Company granted an aggregate of 11,474,817 (2020 – Nil) share options to certain directors, officers, and consultants of the Company and recorded share-based compensation of $157,406 (2020 - $Nil) (Note 11(f)).

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock options granted. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values.

The following weighted average assumptions were used to estimate the following weighted average grant date fair values:

Three months ended	January 31, 2021	January 31, 2020
Risk free interest rate	0.24%	–
Expected dividend yield	0%	–
Stock price volatility	121.63%	–
Weighted average expected life	2.55 years	–
Weighted average fair value	$ 0.099	–

(Expressed in Canadian Dollars - Unaudited)

11. Share capital (cont'd)

(d) Share options

Share options outstanding and exercisable at January 31, 2021 are summarized as follows:

Number of Options	Exercise Price	Expiry Date	Remaining Life of Options (Years)	Number of Options Exercisable
1,147,481	$ 0.15	December 31, 2022	1.92	1,147,481
1,721,223	$ 0.15	December 31, 2023	2.92	–
3,786,690	$ 0.15	December 31, 2024	3.92	–
4,819,423	$ 0.15	December 31, 2025	4.92	–
11,474,817	$ 0.15		3.99	1,147,481

(e) Warrants

During the three months ended January 31, 2021, the Company issued the following warrants:

(i) 7,997,000 share purchase warrants at an exercise price of $0.23 per common share until December 9, 2022 in connection to the flow-through private placement of 15,994,000 units for total gross proceeds of $2,639,010 (Note 11(b)(iv)). Included in the gross proceeds of the flow-through private placement was proceeds of $160 for the share purchase warrants which is included in reserves (Note 11 (f));

(ii) 12,869,967 share purchase warrants at an exercise price of $0.23 per common share until December 9, 2022 in connection to the private placement of 25,739,934 units for total gross proceeds of $3,860,990 (Note 11(b)(v)); and

(iii) 3,338,714 non-transferable Agents' Warrants at an exercise price of $0.15 per common share until December 9, 2022 in connection to the flow-through and non flow-through private placements (Note 11(b)(iv) and (v)). The Company recorded $319,639 (2020 - $Nil) in reserves on the Agent's Warrants (Note 11(f)).

As at January 31, 2021, the following warrants were outstanding:

	Expiry Date	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Life
Agent's Warrants	December 9, 2022	3,338,714	$0.15	1.85 years
Warrants	December 9, 2022	20,866,967	$0.23	1.85 years

(Expressed in Canadian Dollars - Unaudited)

11. Share capital (cont'd)

(e) Warrants (cont'd)

The fair value of the agent's warrants granted was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Three months ended January 31,	2021	2020
Risk free rate	0.27%	–
Dividend yield	0%	–
Weighted average volatility	128.72%	–
Weighted average expected life	2 years	–
Weighted average fair value	$ 0.096	–

(f) Reserves

	Options and agent warrants	Finance warrants	Total
Balance, October 31, 2019 and 2020	$ –	$ –	$ –
Warrants issued (Note 11(e))	–	160	160
Agents' warrants (Note 11(e))	319,639	–	319,639
Options (Note 11(d))	157,406	–	157,406
Balance, January 31, 2021	$ 477,045	$ 160	$ 477,205

12. Related party transactions

Key management personnel includes persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. Key management personnel comprise of the directors of the Company, executive and non-executive, and officers.

The remuneration of the key management personnel during the three months ended January 31, 2021 and 2020 were as follows:

January 31,	2021	2020
Chief Executive Officer	$ 20,679	$ –
Chief Financial Officer	14,648	–
Total	$ 35,327	$ –

12. Related party transactions (cont'd)

During the three months ended January 31, 2021, the Company:

(i) Paid or accrued $24,000 (2020 - $Nil) for consulting services provided by Ian Stalker, a director of the Company.

(ii) Prior to the completion of the Transaction, 7,236,001 common shares were issued for consulting services at a fair value of $1,085,400 to a Trust in which Adam Horne, a director and officer of the Company, is a beneficiary of.

(iii) Prior to the completion of the Transaction, 4,932,610 common shares were issued for consulting services at a fair value of $739,892 to a company controlled by Ian Stalker, a director and officer of the Company.

(iv) Recognized an aggregate of $151,947 (2020 - $Nil) in share based compensation on the vested portion of stock options granted to directors and officers of the Company.

During the three months ended January 31, 2020, the Company was inactive until the completion of the Transaction.

As at January 31, 2021, $Nil (October 31, 2020 - $140,001) is owed to shareholders of the Company. These balances are non-interest bearing with no specific terms of repayment and are unsecured.

13. Financial and capital risk management objectives and policies and fair value

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure.

These risks include liquidity risk, credit risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

a) Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and cash equivalents. As at January 31, 2021, the Company was holding cash deposits of $3,573,971 to settle current liabilities of $470,198. Management believes it has sufficient funds to meet its current obligations as they become due and to fund its exploration projects and administrative costs.

13. Financial and capital risk management objectives and policies and fair value (cont'd)

b) Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and investments. The Company maintains its cash with high-credit quality financial institutions, thus limiting its exposure to credit risk on such financial assets.

The Company's secondary exposure to credit risk is on its receivables. This risk is minimal as receivables consist primarily of refundable government sales taxes and interest accrued on GIC investments.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant and the Company, has exposure to these risks.

i) Interest Rate Risk

The Company's exposure to interest rate risk arises from the interest rate impact on its cash and investments. The Company's practice has been to invest cash at floating rates of interest, in cash equivalents, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates and cash as they are generally held with large financial institutions.

ii) Currency Risk

The Company operates in Canada and is therefore not exposed to significant foreign exchange risk arising from transactions denominated in a foreign currency.

iii) Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors certain commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

(Expressed in Canadian Dollars - Unaudited)

13. Financial and capital risk management objectives and policies and fair value (cont'd)

Fair Value Hierarchy

The statements of financial position carrying amounts for cash and cash equivalents, investments, and trades payable approximate fair value due to their short-term nature.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and
Level 3 - Inputs that are not based on observable market data.

The Company's financial instruments at January 31, 2021 are classified as follows:

		FVTPL		Amortized cost
Financial assets				
Cash	$	3,573,971		–
Investment		2,000,000		–
Financial Liabilities				
Trade payables		–	$	218,452
	$	5,573,971	$	218,452

Capital Management

The Company manages its capital to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through short-form prospectuses, private placements, sell assets, incur debt, or return capital to shareholders. There were no changes in the Company's approach to capital management during the period. In the management of capital, the Company includes the components of shareholders' equity, as well as cash. As at January 31, 2021, the Company is not subject to externally imposed capital requirements. There have been no changes to the Company's approach to capital management during the period.

14. Subsequent events

Subsequent to January 31, 2021, the Company:

(i) granted a total of 950,000 stock options to consultants and officers of the Company at an exercise price of $0.245 expiring between February 19, 2023 to February 19, 2026; and

(ii) completed a non-brokered private placement of 8,695,652 units at a price of $0.23 per unit for aggregate proceeds of $2,000,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.32 for a period of 18 months after closing. No finders' fees were paid in connection to this financing.