

AMENDED AND RESTATED

FREEMAN GOLD CORP.
(Formerly Lodge Resources Inc.)

CONDENSED CONSOLIDATED INTERIM 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 Consolidated Interim 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 consolidated interim financial statements of Freeman Gold Corp. (formerly Lodge Resources Inc.). (“the Company”) for the interim period ended May 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 have not performed a review of these condensed consolidated interim financial statements.

February 24, 2021

AMENDED AND RESTATED

FREEMAN GOLD CORP.

(Formerly Lodge Resources Inc.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars) - Unaudited

	Note	May 31, 2020 (Restated - Note 12)	November 30, 2019
		\$	\$
ASSETS			
Current assets			
Cash		650,848	541
GST receivable		28,447	-
Prepaid expenses	5	382,932	-
Total current assets		1,062,227	541
Non-current assets			
Exploration and evaluation assets	6	2,515,160	481,029
		2,515,160	481,029
TOTAL ASSETS		3,577,387	481,570
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	7	89,743	74,795
Due to former shareholders	8	-	10,000
Total Liabilities		89,743	84,795
SHAREHOLDERS' EQUITY			
Share capital	9	9,890,748	432,620
Reserves	9	1,057,474	-
Deficit		(7,460,578)	(35,845)
Total Shareholders' Equity		3,487,644	396,775
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,577,387	481,570

Nature of operations and going concern (Note 1)

Commitments (Note 11)

Subsequent events (Note 13)

Approved by the Board of Directors on February 24, 2021:

"Simon Marcotte"
Simon Marcotte, Director

"Ron Stewart"
Ron Stewart, Director

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

AMENDED AND RESTATED

FREEMAN GOLD CORP.

(Formerly Lodge Resources Inc.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

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

		Three months ended May 31,		Six months ended May 31,	
		2020	2019	2020	2019
		(Restated -		(Restated -	
	Note	Note 12)		Note 12)	
		\$	\$	\$	\$
EXPENSES					
Bank charges		847	18	1,107	84
Consulting	8	13,215	-	13,215	-
General and administrative		4,833	-	5,004	-
Listing expense	4	6,882,364	-	6,887,417	-
Marketing fees		295,426	-	295,426	-
Regulatory and filing fees		15,654	-	15,654	-
Share-based compensation	8,9	94,910	-	206,910	-
Loss and comprehensive loss		(7,307,249)	(18)	(7,424,733)	(84)
Basic and diluted loss per common share		(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 consolidated interim financial statements.

FREEMAN GOLD CORP.

(Formerly Lodge Resources Inc.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

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

	Note	Share Capital		Reserves	Deficit	Total shareholders' equity
		Number of shares outstanding	Amount			
			\$	\$	\$	\$
Balance at November 30, 2018		10,500,000	60,000	-	(33,113)	26,887
Net loss		-	-	-	(84)	(84)
Balance at May 31, 2019		10,500,000	60,000	-	(33,197)	26,803
Issuance of common shares pursuant to private placement		5,240,000	372,620	-	-	372,620
Net loss		-	-	-	(2,648)	(2,648)
Balance at November 30, 2019		15,740,000	432,620	-	(35,845)	396,775
Issuance of common shares pursuant to private placement	9	15,000,000	750,000	-	-	750,000
Share-based compensation prior to RTO transaction	9	-	-	112,000	-	112,000
Exercise of stock options prior to RTO transaction	9	3,000,000	262,000	(112,000)	-	150,000
Recognition of equity on RTO transaction	9	14,257,770	5,988,263	504,435	-	6,492,698
Finder's shares issued on RTO transaction	9	3,500,000	1,470,000	-	-	1,470,000
Elimination of 113BC shares on RTO	9	(33,740,000)	-	-	-	-
Replacement of shares of 113BC on RTO	9	33,740,000	-	-	-	-
Issuance of common shares and warrants pursuant to private placement	9	4,268,911	1,049,652	444,467	-	1,494,119
Share issuance costs	9	-	(49,475)	-	-	(49,475)
Issuance of finders' warrants	9	-	(18,334)	18,334	-	-
Exercise of warrants	9	13,500	6,022	(4,672)	-	1,350
Share-based compensation	9	-	-	94,910	-	94,910
Net loss		-	-	-	(7,424,733)	(7,424,733)
Balance at May 31, 2020		55,780,181	9,890,748	1,057,474	(7,460,578)	3,487,644

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

AMENDED AND RESTATED

FREEMAN GOLD CORP.

(Formerly Lodge Resources Inc.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars) - Unaudited

	Six months ended May 31, 2020 (Restated - Note 12)	2019
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	(7,424,733)	(84)
Items not affecting cash:		
Listing expense	6,887,417	-
Share-based compensation	206,910	-
Changes in non-cash working capital items:		
Receivables	(15,866)	-
Prepaid expenses	(48,789)	-
Due to former shareholders	(10,000)	-
Accounts payable and accrued liabilities	(317,424)	-
Cash used in operating activities	(722,485)	(84)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash acquired on RTO transaction	199,821	-
Transaction costs incurred in connection with RTO	(228,101)	-
Expenditures for exploration and evaluation assets	(1,978,923)	-
Cash used in investing activities	(2,007,203)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements (net of share issuance costs)	2,194,644	-
Repayment of advances	(266,000)	-
Proceeds from exercise of stock options	150,000	-
Proceeds from exercise of warrants	1,350	-
Advance received on RTO transaction	1,300,000	-
Cash provided by financing activities	3,379,994	-
Change in cash during the period	650,306	(84)
Cash, beginning of period	541	9,089
Cash, end of period	650,847	9,005
Supplemental Cash Flow Information:		
Shares issued in connection with RTO	7,458,263	-

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

FREEMAN GOLD CORP.**(Formerly Lodge Resources Inc.)****NOTES TO THE CONDENSED CONSOLIDATED INTERIM 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 shares are listed on the Canadian Securities Exchange ("CSE") under the symbol "FMAN".

On April 16, 2020, (the "Closing Date"), the Company completed a share exchange transaction (the "RTO") with 1132144 B.C. Ltd. ("113BC"), the parent company of Lower 48 Resources Inc. ("Lower 48 BC") and 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 10) 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 RTO. Prior to the Closing Date, 14,257,770 common shares of the Company were outstanding. Following the Closing Date, 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.

These unaudited condensed consolidated 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 \$7,460,578. 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.

On March 11, 2020, the World Health Organization declared the global outbreak of a novel coronavirus identified as "COVID-19" a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

FREEMAN GOLD CORP.

(Formerly Lodge Resources Inc.)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

2. BASIS OF PREPARATION

a) Statement of compliance

These condensed consolidated interim financial statements were approved by the Board of Directors and authorized for issue on February 24, 2021.

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.

b) Basis of presentation

These condensed consolidated 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 condensed consolidated 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, Lower 48 and Lower 48 BC.

d) Basis of consolidation

These interim financial statements include the accounts of the Company, and its wholly-owned subsidiaries including Lodge, 113BC, Lower 48 and Lower 48 BC (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 condensed consolidated interim financial statements are consistent with those applied and disclosed in Note 2 to the audited annual financial statements of the Company with exception of the following:

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.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) 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 audited 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.

b) 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 subsidiaries Lower 48 BC and Lower 48 became wholly owned subsidiaries of the Company. For accounting purposes, the acquisition 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 acquisition is outside of the scope of *IFRS 3 Business Combinations*, instead, the RTO was accounted for under *IFRS 2 Share-based Payments*. Accordingly, no goodwill or intangible assets were recorded with respect to the RTO transaction.

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 Date through May 31, 2020.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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(Expressed in Canadian dollars) - Unaudited

4. REVERSE TAKEOVER TRANSACTION (Continued)

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

Net assets (liabilities) of the Company acquired (assumed)	April 16, 2020
	\$
Cash	199,821
Prepaid expenses and GST receivable	296,725
Exploration assets	55,208
Receivable from 113BC	1,300,000
Accounts payable and accrued liabilities	(282,372)
Advances payable	(266,000)
Net assets (liabilities) aquired (assumed)	1,303,382

Consideration paid	\$
Common shares issued (1)	5,988,263
Finder's shares issued	1,470,000
Warrants and stock options issued	504,435
Total consideration paid	7,962,698
Add: Professional fees incurred for RTO	228,101
Purchase price	8,190,799
Listing expense	6,887,417

(1) The fair value of common shares of the Company issued as consideration was determined based on the fair value of the 14,257,770 common shares outstanding prior to the RTO Transaction of \$0.42 per common share.

5. PREPAID EXPENSES

Prepaid expenses consist of prepayments of marketing contracts entered into with several consultants in the current period.

FREEMAN GOLD CORP.

(Formerly Lodge Resources Inc.)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

6. EXPORATION AND EVALUATION ASSETS

The Company's exploration and evaluation assets for the period ended May 31, 2020 and the year ended November 30, 2019 are as follows:

Period ended May 31, 2020	Comstock	Lehmi	Total
	\$	\$	\$
Property acquisition costs			
Balance at December 1, 2019	-	451,072	451,072
Additions	25,000	1,959,250	1,984,250
	25,000	2,410,322	2,435,322
Exploration and evaluation costs			
Balance at December 1, 2019	-	29,957	29,957
Costs incurred during period:			
Geological	30,709	19,172	49,881
	30,709	49,129	79,838
Balance at May 31, 2020	55,709	2,459,451	2,515,160

Year ended November 30, 2019	Soap Gulch	Lehmi	Total
	\$	\$	\$
Property acquisition costs			
Balance at December 1, 2018	39,781	-	39,781
Additions	-	451,072	451,072
Disposal	(39,781)	-	(39,781)
	-	451,072	451,072
Exploration and evaluation costs			
Balance at December 1, 2018	9,550	-	9,550
Costs incurred during year:			
Geological	-	19,577	19,577
Title renewals	-	10,380	10,380
Disposal	(9,550)	-	(9,550)
	-	29,957	29,957
Balance at November 30, 2019	-	481,029	481,029

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

May 31, 2020 and 2019

(Expressed in Canadian dollars) - Unaudited

6. EXPORATION AND EVALUATION ASSETS (Continued)

a) Comstock Property

Lodge 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, is required to 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 making a one-time payment 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

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 was required to make 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 Corporation)

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 was required to 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 in value of Alpha Lithium shares 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 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.

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(Expressed in Canadian dollars) - Unaudited

6. EXPORATION AND EVALUATION ASSETS (Continued)

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 US \$1,615,000. As at May 31, 2020, the Company has paid \$1,872,002 (US \$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 required 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.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	May 31, 2020	November 30, 2019
	\$	\$
Accounts payable (Note 8)	85,626	67,863
Accrued liabilities	4,117	6,932
	89,743	74,795

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.

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(Expressed in Canadian dollars) - Unaudited

8. RELATED PARTY TRANSACTIONS (Continued)

The Company entered into the following transactions with related parties during the six months ended May 31, 2020 and 2019.

Period ended	May 31, 2020	May 31, 2019
	\$	\$
Consulting fees paid to the former CEO	2,100	-
Consulting fees paid to a company controlled by the CEO	84,750	-
Consulting fees paid to a company controlled by the former CFO	10,000	-
Consulting fees paid to the VP, Development	4,000	-
Consulting fees paid to a company controlled by a director	84,750	-
Share-based compensation paid to officers and directors	112,000	-
	297,600	-

During January 2020, the Company (BC113, prior to the RTO) granted 3,000,000 stock options with an exercise price of \$0.05 per share to directors, which were exercised during March and April 2020 (see Note 9).

During May 2020, the Company granted 2,050,00 stock options with an exercise price of \$0.60 per share to officers and directors (see Note 9).

Shareholder loans in the amount of \$10,000, outstanding at November 30, 2019, were repaid on December 4, 2019.

Included in accounts payable at May 31, 2020 is \$14,270 (November 30, 2019 - \$25,144) owing to related parties. Amounts due to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

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 at \$0.10 per share for proceeds of \$1,350 from the exercise of 13,500 warrants. Pursuant to the exercise, the Company reclassified \$4,672 from reserves to share capital.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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(Expressed in Canadian dollars) - Unaudited

9. SHARE CAPITAL (Continued)

b) Common share transactions (continued)

- On April 16, 2020, pursuant to the RTO transaction (Note 4), 33,740,000 shares of 113BC were exchanged for 33,740,000 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 Date, 22.5% released six months after Closing Date, 30% released nine months after Closing Date, and the balance to be released 12 months after Closing Date. As at May 31, 2020, 27,835,000 shares were subject to escrow provisions.
- On April 16, 2020, pursuant to the RTO transaction (Note 4), 3,500,000 shares of the Company with a fair value of \$1,470,000 were issued to finders.
- During May 2020, the Company closed a private placement of 4,268,911 units at \$0.35 per unit for gross proceeds of \$1,494,119 whereby each unit comprised one common share 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 \$1,049,652 and the fair value of the warrants was determined to be \$444,467. In connection with the financing, the Company incurred \$31,709 in finders' fees, \$17,766 in other share issuance costs and issued 89,900 finders' warrants with a fair value of \$18,334.

c) Warrants

The following is a summary of the Company's warrant transactions for the period ended May 31, 2020:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance at November 30, 2019	-	-
Recognized on RTO (Note 4)	99,380	0.10
Issued	4,358,811	0.50
Exercised	(13,500)	0.10
Balance at May 31, 2020	4,444,691	0.49

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

	May 31, 2020	May 31, 2019
Risk-free interest rate	0.29%	-
Expected life of warrants	1 year	-
Annualized volatility	125.00%	-
Dividend rate	0%	-

Volatility assumptions for the valuation of warrants were derived by reference to the volatility of comparable companies.

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9. SHARE CAPITAL (Continued)

c) Warrants (continued)

Warrants outstanding at May 31, 2020 are as follows:

Exercise Price (\$)	Number of Warrants	Expiry Date
0.50	3,094,011	May 6, 2021
0.50	1,264,800	May 11, 2021
0.10	85,880	November 8, 2021
	4,444,691	

The weighted average remaining life of warrants is 0.95 years.

d) Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with Exchange policies, grant to directors, officers and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the common shares issued and outstanding from time to time. Such options are non-transferable and are exercisable at a price per share not below the closing traded price on the date of grant for a period of up to ten years from the date of grant.

The following is a summary of the Company's stock option transactions for the period ended May 31, 2020:

	Number of Options	Weighted Average Exercise Price \$
Balance at November 30, 2019	-	-
Recognized on RTO (Note 4)	1,350,000	0.43
Granted	5,690,000	0.33
Exercised	(3,000,000)	0.05
Balance at March 31, 2020	4,040,000	0.58
Exercisable at May 31, 2020	1,540,000	0.45

Pursuant to the RTO (Note 4), the Company recognized \$470,040 of share-based compensation reserve related to 1,350,000 stock options outstanding. Of the stock options granted during the period ended May 31, 2020, 2,500,000 options vest after one year and the remaining options vested upon grant.

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9. SHARE CAPITAL (Continued)*d) Stock options (continued)*

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

	May 31, 2020	May 31, 2019
Risk-free interest rate	1.02%	-
Expected life of options	5 years	-
Annualized volatility	125.00%	-
Dividend rate	0%	-

Volatility assumptions for the valuation of stock options were derived by reference to the volatility of comparable companies.

During the six months ended May 31, 2020 the Company incurred \$206,910 (2019 - \$Nil) in share-based compensation related to the vesting of stock options.

Stock options outstanding at May 31, 2020 are as follows:

Exercise Price (\$)	Number of Shares Issuable on Exercise	Expiry Date
0.10	200,000	November 15, 2023
0.49	1,000,000	January 23, 2025
0.49	150,000	February 3, 2025
0.60	2,690,000	May 27, 2025
	4,040,000	

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 the Company's financial assets and liabilities at May 31, 2020 and November 30, 2019 approximates 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 is required to 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. RESTATEMENT

At November 30, 2020, it was determined that the interim financial statements as at and for the period ended May 31, 2020 contained a number of misstatements consisting of overstatement of the fair value of options and warrants included as consideration for the RTO and resulting overstatement of listing expense, overstatement of professional fees in connection with the RTO, misstatement of accounts payable and prepaid expenses and consulting and regulatory expenses, misstatement of cash related to foreign currency transactions and overstatement of the flow through share premium liability. In addition, there were typographical errors which resulted in the reserves per the condensed consolidated interim statement of financial position at May 31, 2020 to differ from the balance per the condensed consolidated interim statement of shareholders' equity for the period ended May 31, 2020 and for total assets to differ from total liabilities and shareholders' equity in the condensed consolidated interim statements of financial position at May 31, 2020.

The effect of the restatement is as follows:

Three Months Ended May 31, 2020

	Original Amount	Adjustment	Restated Amount
	\$	\$	\$
Condensed Consolidated Interim Statement of			
Loss and Comprehensive Loss			
Bank charges	818	29	847
Consulting	34,164	(20,949)	13,215
General and administrative	4,755	78	4,833
Listing expense	6,995,248	(112,884)	6,882,364
Marketing fees	289,938	5,488	295,426
Regulatory and filing fees	13,596	2,058	15,654
Loss and comprehensive loss for the period	7,433,429	(126,180)	7,307,249

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12. RESTATEMENT (Continued)

Six Months Ended May 31, 2020

	Original Amount	Adjustment	Restated Amount
	\$	\$	\$
Condensed Consolidated Interim Statement of Loss and Comprehensive Loss			
Bank charges	1,078	29	1,107
Consulting	34,164	(20,949)	13,215
General and administrative	4,926	78	5,004
Listing expense	7,000,301	(112,884)	6,887,417
Marketing fees	289,938	5,488	295,426
Regulatory and filing fees	13,596	2,058	15,654
Loss and comprehensive loss for the period	7,550,913	(126,180)	7,424,733

May 31, 2020

	Original Amount	Adjustment	Restated Amount
	\$	\$	\$
Condensed Consolidated Interim Statement of Financial Position			
Cash	669,908	(19,060)	650,848
GST receivable	21,618	6,830	28,448
Prepaid expenses	387,831	(4,899)	382,932
Exploration and evaluation assets	2,520,277	(5,117)	2,515,160
Accounts payable and accrued liabilities	(134,721)	44,978	(89,743)
Flow-through share premium	(50,000)	50,000	-
Share capital	(9,906,331)	15,583	(9,890,748)
Equity reserves	(1,014,690)	(42,784)	(1,057,474)
Deficit	7,586,758	(126,180)	7,460,578

AMENDED AND RESTATED

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12. RESTATEMENT (Continued)

Six Months Ended May 31, 2020

	Original Amount	Adjustment	Restated Amount
	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period	(7,550,913)	126,180	(7,424,733)
Items not affecting cash:			
Listing expense	6,761,781	125,636	6,887,417
Share-based compensation	206,910	-	206,910
Changes in non-cash working capital items:			
GST receivable	(9,356)	(6,510)	(15,866)
Prepaid expenses	(95,688)	46,899	(48,789)
Due to former shareholders	(10,000)	-	(10,000)
Accounts payable and accrued liabilities	(241,232)	(76,192)	(317,424)
Cash (used in) provided by operating activities	(938,498)	216,013	(722,485)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash acquired on RTO transaction	202,163	(2,342)	199,821
Transaction costs incurred in connection with RTO	-	(228,101)	(228,101)
Expenditures for exploration and evaluation assets	(1,993,390)	14,467	(1,978,923)
Cash used in investing activities	(1,791,227)	(215,976)	(2,007,203)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from private placements (net)	1,947,742	246,902	2,194,644
Repayment of advances	-	(266,000)	(266,000)
Proceeds from exercise of stock options	150,000	-	150,000
Proceeds from exercise of warrants	1,350	-	1,350
Advance received on RTO transaction	1,300,000	-	1,300,000
Cash provided by financing activities	3,399,092	(19,098)	3,379,994
Change in cash during the period	669,367	(19,061)	650,306
Cash, beginning of period	541	-	541
Cash, end of period	669,908	(19,061)	650,847

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13. SUBSEQUENT EVENTS

- During July 2020, the Company closed a private placement of 20,690,000 common shares at \$0.50 per share for gross proceeds of \$10,345,000. In connection with the financing, the Company incurred \$896,450 in finders' fees, \$8,875 in other share issuance costs and issued 1,418,650 finders' warrants with a fair value of \$536,002.
- On September 8, 2020, the Company acquired and extinguished a back-in right from Yamana Gold Inc. over the Lemhi Project for the issuance of 4,035,273 common shares with a fair value of \$2,098,342. In connection with the transaction the Company issued finder's fees consisting of 260,000 common shares of the Company with a fair value of \$135,200.
- On September 15, 2020, Freeman acquired 100% ownership of the Moon #100 and Moon #101 unpatented mining claims located within the Lemhi project for cash consideration of \$199,950 (US \$150,000) and the issuance of 375,000 common shares of the Company with a fair value of \$225,000.
- On November 7, 2020, the Company decided not to proceed further with the Comstock Property and therefore relinquished the option and recorded an impairment of \$169,599.
- The Company issued 200,000 common shares for proceeds of \$20,000 pursuant to the exercise of stock options.
- The Company issued 112,716 common shares for proceeds of \$54,358 pursuant to the exercise of 112,716 warrants.