

GOLD BASIN RESOURCES CORPORATION

CONDENSED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

For the three and nine months ended September 30, 2020 and 2019

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of unaudited condensed interim financial statements and are in accordance with International Accounting Standard 34 - Interim Financial Reporting.

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

GOLD BASIN RESOURCES CORPORATION
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(Expressed in Canadian Dollars)
Three and nine months ended September 30, 2020 and 2019

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GOLD BASIN RESOURCES CORPORATION
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
As at September 30, 2020 and December 31, 2019

	September 30 2020	December 31 2019
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 3,159,489	\$ 162,950
Trade and other receivables	16,296	7,608
Prepaid expenses	<u>66,465</u>	-
	3,242,250	170,558
EXPLORATION AND EVALUATION ASSET (Note 3)	3,106,488	106,488
PREPAID DEPOSIT	30,000	30,000
FIXED ASSETS	<u>2,408</u>	-
	<u>\$ 6,381,146</u>	<u>\$ 307,046</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT		
Accounts payable and accrued liabilities	<u>\$ 278,931</u>	<u>\$ 5,328</u>
Share capital (Note 4)	9,721,546	477,058
Contributed surplus	612,417	93,301
Deficit	<u>(4,231,748)</u>	<u>(268,641)</u>
	<u>6,102,215</u>	<u>301,718</u>
	<u>\$ 6,381,146</u>	<u>\$ 307,046</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

GOLD BASIN RESOURCES CORPORATION
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

Three and nine months ended September 30, 2020 and 2019

	3 months ended September 30 2020	3 months ended September 30 2019	9 months ended September 30 2020	9 months ended September 30 2019
EXPENSES				
Exploration expenses	101,872	-	112,666	-
Consulting fees	34,750	-	34,750	-
Insurance	13,300	-	13,300	-
Management fees	79,000	-	101,000	5,000
Office expenses	7,066	503	18,338	6,963
Listing fees	-	-	7,143	3,500
Filing and transfer agent fees	7,320	-	11,685	4,278
Accounting and audit fees	8,365	-	24,540	6,662
Corporate advisory fees	41,790	-	41,790	-
Legal fees	333,158	-	387,565	3,153
Rent	2,250	-	6,750	3,750
Share-based compensation	235,435	-	235,435	25,573
	864,306	503	994,962	58,879
LOSS FROM OPERATIONS	(864,306)	(503)	(994,962)	(58,879)
Consideration for Relinquishment (Note 3)	(2,968,090)	-	(2,968,090)	-
NET LOSS	(3,832,396)	(503)	(3,963,052)	(58,879)
Currency translation adjustment	(55)	-	(55)	-
	(55)	-	(55)	-
COMPREHENSIVE LOSS	\$ (3,832,451)	\$ (503)	\$ (3,963,107)	\$ (58,879)
EARNINGS PER SHARE	\$ (0.09)	\$ -	\$ (0.17)	\$ (0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	43,340,472	9,192,001	23,735,619	9,192,001

The accompanying notes are an integral part of these Financial Statements

GOLD BASIN RESOURCES CORPORATION

STATEMENT OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

Nine months ended September 30, 2020 and the years ended December 31, 2019 and 2018

	Common Shares		Contributed surplus		Deficit		Total equity
	Number of shares	Amount					
As at January 1, 2018	1,500,001	\$ 1	\$ 22,500	\$ -	\$ -	\$ (22,500)	\$ 1
Units issued for cash (flow-through)	3,825,000	76,500	-	-	-	-	76,500
Units/Shares issued for cash	3,750,000	123,750	-	-	-	-	123,750
Units issued for finders fees	117,000	5,850	-	-	-	-	5,850
Share subscriptions received	-	7,500	-	-	-	-	7,500
Share issuance costs	-	(5,850)	-	-	-	-	(5,850)
Share-based payments	-	-	11,250	-	-	-	11,250
Net loss for the year	-	-	-	-	-	(62,508)	(62,508)
As at December 31, 2018	9,192,001	\$ 207,751	\$ 33,750	\$ -	\$ -	\$ (85,008)	\$ 156,493
As at January 1, 2019	9,192,001	\$ 207,751	\$ 33,750	\$ -	\$ -	\$ (85,008)	\$ 156,493
Shares issued for cash	4,006,000	400,600	-	-	-	-	400,600
Shares issuance costs	-	(141,293)	27,000	-	-	-	(114,293)
Shares issued for mineral property	100,000	10,000	-	-	-	-	10,000
Share-based payments	-	-	32,551	-	-	-	32,551
Net loss for the year	-	-	-	-	-	(183,633)	(183,633)
As at December 31, 2019	13,298,001	477,058	93,301	-	-	(268,641)	301,718
As at January 1, 2020	13,298,001	477,058	93,301	-	-	(268,641)	301,718
Shares issued for cash	23,647,826	4,508,819	-	-	-	-	4,508,819
Shares issued as settlement	10,000,001	2,000,000	-	-	-	-	2,000,000
Shares issued for property	15,000,000	3,000,000	-	-	-	-	3,000,000
Share issue costs	-	(38,150)	-	-	-	-	(38,150)
Brokers warrants issued	-	(283,681)	283,681	-	-	-	-
Warrants exercised	375,000	37,500	-	-	-	-	37,500
Options issued	-	-	235,435	-	-	-	235,435
Options exercised	200,000	20,000	-	-	-	-	20,000
Net loss for the period	-	-	-	-	-	(3,963,107)	(3,963,107)
As at September 30, 2020	62,520,828	\$ 9,721,546	\$ 612,417	\$ -	\$ -	\$ (4,231,748)	\$ 6,102,215

The accompanying notes are an integral part of these Financial Statements

GOLD BASIN RESOURCES CORPORATION
STATEMENT OF CASH FLOW
(Expressed in Canadian Dollars)
Nine months ended September 30, 2020 and 2019

	2020	2019
OPERATING ACTIVITIES		
Net loss for the period	\$ (3,963,107)	\$ (58,879)
Items not affecting cash:		
Shares issued for settlement	2,000,000	-
Shares issued for property	3,000,000	-
Share-based payments	235,435	25,573
	<u>1,272,328</u>	<u>(33,306)</u>
Changes in non-cash working capital:		
GST receivable	(8,688)	680
Trade and other payables	273,603	73,418
Prepaid expenses	(66,465)	-
	<u>198,450</u>	<u>74,098</u>
Cash flow from operating activities	<u>1,470,778</u>	<u>40,792</u>
INVESTING ACTIVITIES		
Exploration and evaluation asset	(3,000,000)	-
Purchases of equipment	(2,408)	-
Cash flow from (used by) investing activities	<u>(3,002,408)</u>	<u>-</u>
FINANCING ACTIVITIES		
Shares issued for cash	4,566,319	-
Share issue costs costs	(38,150)	-
Share issue costs	-	(67,792)
Cash flow from (used by) financing activities	<u>4,528,169</u>	<u>(67,792)</u>
INCREASE IN CASH	2,996,539	(27,000)
CASH AND CASH EQUIVALENT - BEGINNING OF PERIOD	162,950	36,524
CASH AND CASH EQUIVALENT - END OF PERIOD	\$ 3,159,489	\$ 9,524

GOLD BASIN RESOURCES CORPORATION
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
Three and Nine Months Ended September 30, 2020 and 2019

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated as Fiorentina Minerals Inc. on November 24, 2017 under the laws of British Columbia. Subsequently on September 11, 2020 the Company changed its name to "Gold Basin Resources Corporation". The Company's shares were approved for listing on the Canadian Securities Exchange on October 16, 2019 and are traded under the symbol "GXX".

The address of the Company's corporate office and its principal place of business is 200 - 551 Howe Street, Vancouver, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at September 30, 2020, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a deficit of \$4,231,748 as at September 30, 2020, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance and basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue by the Board of Directors on November 26, 2020.

The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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GOLD BASIN RESOURCES CORPORATION
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
Three and Nine Months Ended September 30, 2020 and 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(b) Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant areas requiring the use of estimates include fair value of share-based payments and unrecognized deferred income tax assets. Actual results could differ from those estimates.

Judgments made by management include the factors used to determine the assessment of whether the going concern assumption is appropriate. The assessment of the going concern assumption requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

3. EXPLORATION AND EVALUATION ASSETS

	Acquisition costs	Exploration costs	Total
Year 2018 additions	\$ 5,000	\$ 86,488	\$ 91,488
Balance, December 31, 2018	5,000	86,488	91,488
Year 2019 additions	15,000	-	15,000
Balance, December 31, 2019	20,000	86,488	106,488
Year 2020 additions	3,000,000	-	3,000,000
Balance, September 30, 2020	<u>\$ 3,020,000</u>	<u>\$ 86,488</u>	<u>\$ 3,106,488</u>

Consortium Project

Pursuant to an option agreement dated January 5, 2018 (the "Agreement"), with Rich River Exploration and Craig A. Lynes, collectively, the "Optionors", the Company was granted an option to acquire a 100% undivided interest in the Consortium Project (the "Property") located south of Sayward area in the Nanaimo Mining Division, Nanaimo, British Columbia.

In accordance with the Agreement, the Company has acquired first 51% undivided interest (earned) in the Property by paying \$5,000. The Company has the option to earn the remaining 49% interest in the Property by issuing a total of 600,000 common shares of the Company to the Optionors, making cash payments totaling \$155,000, and incurring a total of \$500,000 in exploration expenditures as follows:

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GOLD BASIN RESOURCES CORPORATION
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
Three and Nine Months Ended September 30, 2020 and 2019

3. EXPLORATION AND EVALUATION ASSETS *(continued)*

	Common Shares	Cash	Exploration Expenditures
	#	\$	\$
Upon closing of the IPO described in Note 12	100,000	-	-
Upon listing of the Company's common shares on a Canadian Stock Exchange (the "Listing")	-	5,000	-
On or before the first anniversary of the Listing	100,000	20,000	100,000
On or before the second anniversary of the Listing	100,000	30,000	100,000
On or before the third anniversary of the Listing	300,000	100,000	300,000
Total	600,000	155,000	500,000

The Optionors will retain a 3% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for \$750,000 and the remaining 2% for \$1,000,000 at any time prior to the commencement of commercial production.

On September 28, 2020 the Company has completed a 10 day exploration program on the Property. The 2020 Exploration Program included detailed geological mapping and prospecting, as well as the collection of 25 rock and 40 soil samples on selected parts of the Property.

Gold Basin Property Assignment and Assumption Agreements

The Company entered into two assignment and assumption agreements dated June 16, 2020 with Centric Minerals Corporation ("Centric"), an arm's length private British Columbia corporation, whereby Centric has assigned to the Company all of its rights under two letter agreements with third party vendors that are at arm's length to the Company. Pursuant to the Letter Agreements, the Company was assigned the right to acquire an approximate aggregate 75% interest in and to the Gold Basin property located in the Gold Basin Mining District, Mohave County, Arizona, which comprises five mineral rights (2,389.34 acres) and 290 unpatented mining claims (5,280 acres), totalling 7,669.34 acres (the "Property"). The Property is an oxide-gold project and was fully-permitted as a heap leach gold operation in the mid-1990's. Subsequently, the Company negotiated the acquisition of a 100% interest in the Property.

Following the Assignment, the Company entered into a relinquishment of rights and release deed, and a relinquishment of rights agreement and termination, whereby certain third parties with existing rights to the Property (the "Vendors") agreed to relinquish all of their right, title and interest in the Property (the "Relinquishment") in favour of the underlying owner of the Property, Aurum Exploration Inc. ("Aurum"), effective September 3, 2020. As consideration for the Relinquishment, the Company made a cash payment of AU\$1,000,000 and issued an aggregate of 10,000,001 common shares in its capital, valued at \$2,000,000, to the Vendors (collectively, the "Relinquishment Transaction"). The total value of the Relinquishment consideration was CA\$2,968,090.

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GOLD BASIN RESOURCES CORPORATION
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
Three and Nine Months Ended September 30, 2020 and 2019

3. EXPLORATION AND EVALUATION ASSETS *(continued)*

The Company entered into a definitive purchase and sale agreement made as of September 3, 2020 (the "Purchase Agreement") among the Company, a wholly-owned subsidiary of the Company ("Gold Basin (Arizona)") and Aurum, whereby Aurum agreed to sell, transfer, assign, set over and convey to Gold Basin (Arizona), and Gold Basin (Arizona) agreed to purchase from Aurum, 100% of its interest in the Gold Basin Property (the "Property Acquisition"; together with the Relinquishment Transaction, the "Gold Basin Transaction").

Pursuant to the Purchase Agreement, the Company issued an aggregate of 15,000,000 common shares in its capital to Aurum or its nominees (the "Aurum Shares") with the value of \$3,000,000. The closing of the Property Acquisition took place on September 18, 2020.

All securities issued in connection with the Gold Basin Transaction will be subject to a four-month and one day hold period in Canada.

On September 3, 2020 the Company incorporated its Australia subsidiary.

4. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Escrow shares

On May 13, 2019 the Company entered into an escrow agreement, whereby common shares will be held in escrow and are scheduled for release at 10% on the listing date and 15% on every six month from date of listing. At September 30, 2020, there were 2,625,001 common shares held in escrow.

c) Issued and outstanding:

As at September 30, 2020 there were 70,901,528 common shares issued and outstanding.

On July 31, 2020 the Company closed a non-brokered private placement of 23,647,826 units in the capital of the Company at a price of \$0.20 per unit for aggregate gross proceeds of \$4,729,565.

Each Unit consists of one common share in the capital of the Company (each, a "Common Share") and one-half of one common share purchase warrant, with each whole warrant (each, a "Warrant") entitling the holder thereof to purchase one Common Share at a price of \$0.40 per Common Share for a period of 12 months from the closing of the Financing. In the event the closing price of the Common Shares on the Canadian Securities Exchange (the "Exchange") is equal to or greater than \$0.60 per Common Share for a minimum of ten consecutive trading days commencing four months and one day after the closing of the Financing, the Company may accelerate the expiry date of the Warrants by providing notice to the holders thereof and, in such case, the Warrants will expire on the 30th day after the date on which such notice is given by the Company (the "Acceleration Provisions").

In connection with the closing of the Financing, the Company also announced that the terms of the Financing were amended from those previously announced (see news release dated June 18, 2020). The Company paid aggregate finder's fees consisting of \$138,100 in cash and issued 690,500 non-transferrable finder's warrants (each, a "Finder's Warrant") to certain finders including Haywood Securities Inc., Canaccord Genuity Corp. and Leede Jones Gable Inc. (collectively, the "Finders") in connection with the introduction by the Finders to the Company of eligible investors in the Financing. Each Finder's Warrant entitles the holder thereof to purchase one Common Share on the same terms as the Warrants and subject to the Acceleration Provisions.

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GOLD BASIN RESOURCES CORPORATION
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
Three and Nine Months Ended September 30, 2020 and 2019

4. SHARE CAPITAL (*continued*)

During the three months ended September 30, 2020 the Company issued 200,000 shares for proceeds of \$20,000 as options were exercised by a director of the Company, and 375,000 shares were issued for proceeds of \$37,500 as warrants were exercised.

As at December 31, 2019 there were 13,298,001 common shares issued and outstanding.

During the year ended December 31, 2019, the Company had the following share capital transactions:

(i) The Company issued 4,006,000 common shares at a price of \$0.10 per share for gross proceeds of \$400,600. The Company also incurred cash share issue costs of \$114,293. Pursuant to the IPO, the Company issued 400,600 warrants as finder fees, exercisable at a price of \$0.10 per share for a period of two years. The fair value of the warrants was estimated to be \$27,000.

(ii) The Company issued 100,000 common shares at a price of \$0.10 per share with fair value of \$10,000 pursuant to the Consortium project described in Note 5.

During the year ended December 31, 2018, the Company had the following share capital transactions:

(iii) The Company issued 750,000 common shares at a price of \$0.005 per share for gross proceeds of \$3,750. The fair value of the 750,000 common shares was estimated to be \$15,000. Accordingly, the Company recorded share-based payments of \$11,250 and a corresponding increase to contributed surplus.

(iv) The Company issued 3,825,000 flow-through units at a price of \$0.02 per unit for gross proceeds of \$76,500, which the Company was committed to spend in Qualifying Canadian Exploration Expenditures ("CEE"). None of the Qualifying CEE will be available to the Company for future deduction from taxable income. Each unit is comprised of one flow-through common share and one common share purchase warrant. Each purchase warrant entitles the holder to purchase one common share of the Company at \$0.05 for a period of 3 years.

(v) The Company issued 3,000,000 units at a price between \$0.02 to \$0.05 per unit for gross proceeds of \$120,000 and 117,000 units with a fair value of \$5,850 as finder's fees. Each unit is comprised of one common share and one common share purchase warrant. Each purchase warrant entitles the holder to purchase one common share of the Company at \$0.05 for a period of 3 years.

As at December 31, 2018, the Company had fulfilled its commitment to incur CEE.

For the purposes of the calculating the tax effect of any premium related to the issuance of the flow-through shares, the Company reviewed recent financings and compared it to determine if there was a premium paid on the shares. As a result of the review the Company did not recognize any premium on the flow-through shares issued.

(*continues*)

GOLD BASIN RESOURCES CORPORATION
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
Three and Nine Months Ended September 30, 2020 and 2019

4. SHARE CAPITAL *(continued)*

d) Warrants

The continuity of the share purchase warrants outstanding is as follows:

	Number of warrants	Weighted average exercise price
Balance, December 31, 2017	-	-
Issued	6,942,000	\$ 0.05
Balance, December 31, 2018	6,942,000	\$ 0.05
Issued	-	\$ -
Balance, December 31, 2019	6,942,000	\$ 0.05
Issued	12,932,663	\$ 0.40
Cancelled	- 1,640,000	\$ 0.05
Exercised	- 750,000	\$ 0.05
Balance, September 30, 2020	17,484,663	\$ 0.31

As at September 30, 2020 the Company had the following outstanding warrants:

Number of warrants	Weighted average exercise price	Weighted average years outstanding	Expiry date
3,475,000	\$ 0.05	0.74	June 27, 2021
1,077,000	\$ 0.05	1.10	November 6, 2021
4,055,750	\$ 0.40	0.81	July 23, 2021
8,876,913	\$ 0.40	0.83	July 31, 2021
17,484,663	\$ 0.31	0.83	

The inputs used in Black-Scholes calculation for the warrants issued on July 31, 2020 were as follows:

	31/07/2020
Share price	\$ 0.45
Risk-free interest rate	0.22%
Expected life	1 year
Dividend rate	0%
Annualized volatility	162%

(continues)

GOLD BASIN RESOURCES CORPORATION
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
Three and Nine Months Ended September 30, 2020 and 2019

4. SHARE CAPITAL *(continued)*

e) Stock options

During the year ended December 31, 2019, the Company adopted a Stock Option Plan ("Plan") for directors, officers, employees and consultants of the Company. The Company may grant options to individuals, options are exercisable over periods of up to ten years, as determined by the Board of Directors of the Company, to buy shares of the Company at the fair market value on the date the option is granted. The maximum number of shares which may be issuable under the Plan can not exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

On January 22, 2019 the Company granted 800,000 stock options to the directors and officers of the Company. The options vested on grant date and are exercisable at \$0.10 per share until January 22, 2024. The fair value of these options was calculated to be \$32,551 or \$0.04 per option.

On July 10, 2020 the Company granted 1,300,000 stock options to certain directors and an officer of the Company. The options vested on grant date and are exercisable at \$0.22 per share until July 10, 2023.

The continuity of the options outstanding is as follows:

	Number of options	Weighted average exercise price
Balance, December 31, 2017 and 2018	-	-
Granted	800,000	\$ 0.10
Balance, December 31, 2019	800,000	\$ 0.10
Granted	1,300,000	\$ 0.22
Exercised	- 200,000	\$ 0.10
Balance, September 30, 2020	1,900,000	\$ 0.18

200,000 options were exercised on July 16, 2020 for proceeds of \$20,000.

As at September 30, 2020 the Company had the following outstanding options:

Number of options	Weighted average exercise price	Weighted average years outstanding	Expiry date
600,000	\$ 0.10	3.31	January 22, 2024
1,300,000	\$ 0.22	2.78	July 10, 2023
1,900,000	\$ 0.18		

The inputs used in Black-Scholes calculation for the options granted in 2019 were as follows:

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GOLD BASIN RESOURCES CORPORATION
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
Three and Nine Months Ended September 30, 2020 and 2019

4. SHARE CAPITAL *(continued)*

	2019
Share price	\$ 0.05
Risk-free interest rate	1.89%
Expected life	5 years
Dividend rate	0%
Annualized volatility	132%

The inputs used in Black-Scholes calculation for the options granted on July 10, 2020 were as follows:

	2020
Share price	\$ 0.22
Risk-free interest rate	0.30%
Expected life	3 years
Dividend rate	0%
Annualized volatility	156%

5. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

During the year ended December 31, 2018, the Company issued 750,000 common shares with estimated fair value of \$15,000 to directors and officers of the Company. The Company recorded an amount of \$11,250 as share-based payments for the year ended December 31, 2018 for the difference between the consideration received and the fair value of those shares.

During the year ended December 31, 2019, the Company granted stock options to directors of the Company and recorded \$25,573 as share-based payments. During the nine months ended September 30, 2019, the Company granted stock options to certain directors and an officer of the Company and recorded \$235,435 as share-based payments.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). During the three and nine months ended September 30, 2020, the Company paid management fees of \$9,000 and \$27,000 (same periods in 2019 - \$nil and \$5,000) and rent of \$2,250 and \$6,750 (2019 - \$nil and \$3,750) to the CEO and President of the Company. In the three months ended September 30, 2020 the Company paid management fees of \$35,000 to its President and director, and \$35,000 to another director. In the nine months ended September 30, 2020 the Company accrued management fees of \$4,000 to its CFO.

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GOLD BASIN RESOURCES CORPORATION
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
Three and Nine Months Ended September 30, 2020 and 2019

5. RELATED PARTY TRANSACTIONS *(continued)*

During the three and nine months ended September 30, 2020, the Company incurred \$207,407 and \$232,263 (same periods in 2019 - \$nil and \$3,153) in legal fees to a firm controlled by a family member of the CFO and director.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property.

The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

6. CAPITAL MANAGEMENT

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7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of financial instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at September 30, 2020 and December 31, 2019 were as follows:

(continues)

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Three and Nine Months Ended September 30, 2020 and 2019

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK *(continued)*

	Carrying amount	Fair value measurements using		
		Level 1	Level 2	Level 3
September 30, 2020				
Cash	\$ 3,159,489	\$ 3,159,489	\$ -	\$ -
December 31, 2019				
Cash	162,950	162,950	-	-

The fair value of the Company's financial instruments approximates their carrying value as at September 30, 2020 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

Interest Rate Risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

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8. COMMITMENTS

The Company is committed to certain cash payments, common share issuances and exploration expenditures as described in Note 3.

9. SUBSEQUENT EVENTS

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the Company's business, the continued spread of COVID-19 and the measures taken by the federal, provincial and municipal governments to contain its impact could adversely impact the Company's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the Company's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

On November 6, 2020 the Company granted an aggregate of 4,800,000 incentive stock options to certain directors, officers and consultants of the Company. The stock options vested immediately and will be exercisable to purchase one common share in the capital of the Company on or before November 6, 2023, at a price of \$0.40 per share.

On November 9, 2020 the Company entered into an amendment to the Consortium Project property option agreement, whereby the Company has been granted an extension until the end of November with respect to certain obligations under the agreement. This will allow the Company additional time to consider and evaluate the exploration potential of the Consortium Project and the Company's exploration focus going forward.

On November 11, 2020 the Company formed an advisory board with John Robins and Jim Paterson as its initial members. The advisory board was created to make advisors with expertise in business development, capital markets and the natural resource sector available to the Company's management and board of directors.

On November 19, 2020 the Company announced that exploration drilling has commenced at its Gold Basin oxide gold project in Arizona (the "Gold Basin Project"). The initial drilling program will consist of an 89 hole, ~6000m reverse-circulation ("RC") program that will target and verify the Cyclopic Zone of gold mineralisation identified in historic drilling on the Gold Basin Project.

By November 30, 2020 the Company abandoned the Consortium Property for a final payment of \$5,000 to the Optionor.