

---

**CONDENSED INTERIM FINANCIAL STATEMENTS OF  
PROBE METALS INC.  
FOR THE THREE AND NINE MONTHS ENDED  
SEPTEMBER 30, 2021  
(EXPRESSED IN CANADIAN DOLLARS)  
(UNAUDITED)**

---

**NOTICE TO READER**

The accompanying unaudited condensed interim financial statements of Probe Metals Inc. (the "Company") have been prepared by, and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

# Probe Metals Inc.

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

	As at September 30, 2021	As at December 31, 2020
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 25,375,655	\$ 30,739,058
Trade accounts receivable and other receivables (note 3)	1,102,656	827,983
Marketable securities (note 4)	3,318,935	3,823,240
Prepaid expenses	104,511	105,252
Income tax receivable	-	862,322
<b>Total current assets</b>	<b>29,901,757</b>	<b>36,357,855</b>
<b>Non-current assets</b>		
Reclamation bonds (note 5)	413,050	413,050
Property and equipment (note 6)	523,182	588,870
Rights-of-use asset (note 7)	136,940	186,239
<b>Total non-current assets</b>	<b>1,073,172</b>	<b>1,188,159</b>
<b>Total assets</b>	<b>\$ 30,974,929</b>	<b>\$ 37,546,014</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Amounts payable and other liabilities (notes 8 and 18)	\$ 613,891	\$ 981,051
Current portion of lease liability (note 9)	82,407	60,196
Flow-through share liability (note 10)	841,352	3,954,139
<b>Total current liabilities</b>	<b>1,537,650</b>	<b>4,995,386</b>
<b>Non-current liabilities</b>		
Lease liability (note 9)	138,431	203,553
Restoration liabilities (note 5)	997,068	889,239
<b>Total non-current liabilities</b>	<b>1,135,499</b>	<b>1,092,792</b>
<b>Total liabilities</b>	<b>2,673,149</b>	<b>6,088,178</b>
<b>Equity</b>		
Share capital (note 11)	114,436,399	106,772,946
Warrants (note 12)	2,275,965	2,281,758
Contributed surplus (notes 13 and 14)	6,453,181	9,222,400
Accumulated deficit	(94,863,765)	(86,819,268)
<b>Total equity</b>	<b>28,301,780</b>	<b>31,457,836</b>
<b>Total liabilities and equity</b>	<b>\$ 30,974,929</b>	<b>\$ 37,546,014</b>

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

Nature of operations (note 1)  
Commitments (note 19)  
Subsequent event (note 21)

## Probe Metals Inc.

### Condensed Interim Statements of Loss and Comprehensive Loss (Expressed in Canadian Dollars) (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
<b>Operating expenses</b>				
Exploration and evaluation expenditures (note 16)	\$ 3,244,803	\$ 3,943,916	\$ 8,276,072	\$ 11,512,899
General and administrative expenses (note 17)	1,297,392	1,146,514	3,803,659	4,203,591
<b>Operating loss before interest and other income, accretion expense, premium on flow-through shares, realized (loss) gain on sale of marketable securities, and unrealized (loss) gain on marketable securities</b>	<b>(4,542,195)</b>	<b>(5,090,430)</b>	<b>(12,079,731)</b>	<b>(15,716,490)</b>
Interest and other income	53,712	45,192	140,215	276,880
Accretion expense (notes 5 and 9)	(28,137)	(31,906)	(88,069)	(96,215)
Premium on flow-through shares (note 10)	1,091,259	1,718,691	3,112,787	3,966,762
Realized (loss) gain on sale of marketable securities (note 4)	-	(9,825)	2,871,131	(9,825)
Unrealized (loss) gain on marketable securities (note 4)	(571,125)	609,418	(2,224,457)	713,578
<b>Loss and comprehensive loss for the period</b>	<b>\$ (3,996,486)</b>	<b>\$ (2,758,860)</b>	<b>\$ (8,268,124)</b>	<b>\$(10,865,310)</b>
<b>Basic and diluted loss per share (note 15)</b>	<b>\$ (0.03)</b>	<b>\$ (0.02)</b>	<b>\$ (0.06)</b>	<b>\$ (0.09)</b>
<b>Weighted average number of common shares outstanding - basic and diluted</b>	<b>131,173,287</b>	<b>125,791,559</b>	<b>130,547,750</b>	<b>125,649,934</b>

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

# Probe Metals Inc.

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

	Nine months ended September 30,	
	2021	2020
<b>Operating activities:</b>		
Net loss for the period	\$ (8,268,124)	\$ (10,865,310)
Adjustments for:		
Share-based payments (notes 13 and 14)	1,890,997	2,518,131
Depreciation (notes 6 and 7)	118,766	106,241
Accrued interest receivable	12,369	13,843
Realized (gain) loss on sale of marketable securities (note 4)	(2,871,131)	9,825
Shares issued to acquire mineral property (note 16(i)(iii)(iv))	55,976	1,632,847
Unrealized loss (gain) on marketable securities (note 4)	2,224,457	(713,578)
Premium on flow-through share (note 10)	(3,112,787)	(3,966,762)
Accretion expense (notes 5 and 9)	88,069	96,215
Restoration fees (note 5)	98,244	874,548
RSUs reclassified to liability (note 14)	(873,705)	-
Changes in non-cash working capital items:		
Trade accounts receivable and other receivables	(287,042)	(564,010)
Prepaid expenses	741	(19,822)
Income tax receivable	862,322	68,598
Amounts payable and other liabilities	(367,160)	467,474
<b>Net cash used in operating activities</b>	<b>(10,428,008)</b>	<b>(10,341,760)</b>
<b>Investing activities:</b>		
Marketable securities acquisition through statutory plan of arrangement (note 4(i))	(3,264,551)	-
Proceeds from sale of marketable securities	4,415,530	56,775
Purchase of property and equipment (note 6)	(3,779)	(145,042)
Purchase of reclamation bonds	-	(389,358)
<b>Net cash provided by (used in) investing activities</b>	<b>1,147,200</b>	<b>(477,625)</b>
<b>Financing activities:</b>		
Share issue costs	-	(34,963)
Exercise of warrants	33,800	-
Exercise of stock options	4,005,000	846,000
Lease payments (note 9)	(121,395)	(119,025)
<b>Net cash provided by financing activities</b>	<b>3,917,405</b>	<b>692,012</b>
<b>Net change in cash</b>	<b>(5,363,403)</b>	<b>(10,127,373)</b>
<b>Cash, beginning of period</b>	<b>30,739,058</b>	<b>34,697,148</b>
<b>Cash, end of period</b>	<b>\$ 25,375,655</b>	<b>\$ 24,569,775</b>

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

## Probe Metals Inc.

### Condensed Interim Statements of Changes in Shareholders' Equity (Expressed in Canadian Dollars) (Unaudited)

#### Equity attributable to shareholders

	Share capital	Warrants	Contributed surplus	Accumulated deficit	Total
<b>Balance, December 31, 2019</b>	<b>\$ 98,195,843</b>	<b>\$ 3,689,463</b>	<b>\$ 7,084,983</b>	<b>\$ (74,768,684)</b>	<b>\$ 34,201,605</b>
Shares issued to acquire mineral property (note 16(i)(iii)(iv))	1,632,847	-	-	-	1,632,847
Share issue costs	(34,963)	-	-	-	(34,963)
RSUs vested (note 14)	29,822	-	(29,822)	-	-
Exercise of stock options	1,618,563	-	(772,563)	-	846,000
Warrants expired	-	(2,481,664)	-	2,481,664	-
Share-based payments (notes 13 and 14)	-	-	2,518,131	-	2,518,131
Loss and comprehensive loss	-	-	-	(10,865,310)	(10,865,310)
<b>Balance, September 30, 2020</b>	<b>\$101,442,112</b>	<b>\$ 1,207,799</b>	<b>\$ 8,800,729</b>	<b>\$ (83,152,330)</b>	<b>\$ 28,298,310</b>
<b>Balance, December 31, 2020</b>	<b>\$106,772,946</b>	<b>\$ 2,281,758</b>	<b>\$ 9,222,400</b>	<b>\$ (86,819,268)</b>	<b>\$ 31,457,836</b>
Shares issued to acquire mineral property (note 16(iv))	55,976	-	-	-	55,976
RSUs vested (note 14)	378,810	-	(378,810)	-	-
RSUs reclassified to liability (note 14)	-	-	(873,705)	-	(873,705)
Exercise of warrants	39,593	(5,793)	-	-	33,800
Exercise of stock options	7,189,074	-	(3,184,074)	-	4,005,000
Stock options expired	-	-	(223,627)	223,627	-
Share-based payments (notes 13 and 14)	-	-	1,890,997	-	1,890,997
Loss and comprehensive loss	-	-	-	(8,268,124)	(8,268,124)
<b>Balance, September 30, 2021</b>	<b>\$114,436,399</b>	<b>\$ 2,275,965</b>	<b>\$ 6,453,181</b>	<b>\$ (94,863,765)</b>	<b>\$ 28,301,780</b>

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

---

# Probe Metals Inc.

## Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

---

### 1. Nature of Operations

Probe Metals Inc. (the "Company" or "Probe Metals") was incorporated pursuant to the *Business Corporations Act* (Ontario) under the name "2450260 Ontario Inc." on January 16, 2015. Articles of amendment were subsequently filed on February 3, 2015 to change the name of the Company to "Probe Metals Inc.". The Company's head office is located at 56 Temperance Street, Suite 1000, Toronto, Ontario, Canada, M5H 3V5. The Company's common shares started trading on the TSX Venture Exchange ("TSXV") on March 17, 2015 under the trading ticker symbol "PRB". The Company, a Canadian precious metal exploration company, was formed following the acquisition of Probe Mines Limited by Goldcorp Inc. pursuant to the arrangement announced on January 19, 2015. With a strong treasury, the Company is focused on executing a business model, namely the acquisition and growth of quality projects through effective exploration and development.

The financial year end of the Company is December 31st.

On June 10, 2016, Probe Metals completed the plan of arrangement with Adventure Gold Inc. ("Adventure") pursuant to which Probe Metals acquired all of the outstanding shares of Adventure (the "Transaction"). Adventure became a private company following the transaction.

Pursuant to the Transaction, Adventure became a wholly-owned subsidiary of Probe Metals. Pursuant to the completion of the Transaction, the Company acquired an additional portfolio of projects in Quebec and Ontario. The acquired portfolio consisted of fifteen (15) properties, the Pascalis, Senore, Beaufor North, Lapaska, Bonnefond North and Megiscane-Tavenir properties, collectively forming the Val-d'Or East Project, Detour East and North properties, forming part of the Detour Project, the Casagasic, KLM, Bell-Vezza, Sinclair-Bruneau, Florence and Céré-113 properties, comprising the Casa-Cameron Project and the Granada Extension Project, and three (3) Option and/or Joint Venture ("JV") properties, the Meunier-144 JV (50/50 JV with Tahoe Resources), the Dubuisson JV with Agnico Eagle Mines Limited ("Agnico") (46.5% Probe Metals/53.5% Agnico) and the Detour Quebec Option with SOQUEM Inc. ("SOQUEM") (SOQUEM earning 50% interest). On May 14, 2020, the Company acquired 100% of the Detour Quebec Project by purchasing SOQUEM's remaining interest.

Effective July 21, 2016, Probe Metals completed an internal reorganization with its wholly-owned subsidiary, Adventure, pursuant to which Probe Metals amalgamated with Adventure under the *Business Corporations Act* (Ontario) to continue as Probe Metals Inc. The internal reorganization did not affect the existing common shares of Probe Metals held by shareholders.

The Company continues to actively monitor the impact of the COVID-19 pandemic, including the impact on economic activity and financial reporting. During the nine months ended September 30, 2021, the Company has taken a number of measures to safeguard the health of its employees and their local communities while continuing to operate safely and responsibly. To date, our operations have remained stable as the pandemic continues to progress and evolve but it is difficult to predict the full extent and duration of resulting operational and economic impacts for the Company, which are expected to impact a number of reporting periods. This uncertainty impacts judgements made by the Company, including those relating to determining the recoverable values of the Company's non-current assets.

### 2. Significant Accounting Policies

#### Statement of Compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations issued by the IFRS Interpretations Committee. These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

# Probe Metals Inc.

## Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

### 2. Significant Accounting Policies (Continued)

#### *Statement of Compliance (Continued)*

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of November 29, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2020. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2021 could result in restatement of these unaudited condensed interim financial statements.

### 3. Trade Accounts Receivable and Other Receivables

	As at September 30, 2021	As at December 31, 2020
Sales tax receivable - (Canada)	\$ 509,704	\$ 753,222
Accrued interest receivable	12,369	16,490
Receivable from Midland Exploration Inc. ("Midland")	580,583	29,852
Receivable from stock options exercised	-	28,419
	<b>\$ 1,102,656</b>	<b>\$ 827,983</b>

### 4. Marketable Securities

September 30, 2021	Number of shares	Cost	Unrealized loss	Fair market value
Eldorado Gold Corp. ("Eldorado") (i)	228,450	\$ 3,264,551	\$ (1,025,741)	\$ 2,238,810
GFG Resources Inc. ("GFG")	7,077,883	3,538,942	(2,618,817)	920,125
Opus One Resources Inc. ("Opus")	4,000,000	444,000	(284,000)	160,000
		<b>\$ 7,247,493</b>	<b>\$ (3,928,558)</b>	<b>\$ 3,318,935</b>

  

December 31, 2020	Number of shares	Cost	Unrealized (loss) gain	Fair market value
GFG	7,077,883	\$ 3,538,942	\$ (2,335,702)	\$ 1,203,240
Opus	4,400,000	488,400	(268,400)	220,000
QMX Gold Corporation ("QMX") (i)	15,000,000	1,500,000	900,000	2,400,000
		<b>\$ 5,527,342</b>	<b>\$ (1,704,102)</b>	<b>\$ 3,823,240</b>

During the three and nine months ended September 30, 2021, the Company recorded an unrealized loss on marketable securities of \$571,125 and \$2,224,457, respectively (three and nine months ended September 30, 2020 - unrealized gain of \$609,418 and \$713,578, respectively) in the unaudited condensed interim statements of loss and comprehensive loss and recorded realized gain on marketable securities of \$nil and \$2,871,131, respectively (three and nine months ended September 30, 2020 - realized loss of \$9,825).

(i) During the nine months ended September 30, 2021, Eldorado completed the acquisition of QMX by way of a statutory plan of arrangement. Under the terms of the arrangement, each holder of QMX common shares was entitled to receive, for each QMX common share held immediately prior to the effective time, (i) \$0.075 in cash and (ii) 0.01523 of a common share of Eldorado, for total consideration of \$0.30 per QMX common share.

# Probe Metals Inc.

## Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

### 5. Reclamation Bonds and Restoration Liabilities

#### Reclamation Bonds

	As at September 30, 2021	As at December 31, 2020
Insurance bond - Monique Property	\$ 402,757	\$ 402,757
Insurance bond - Pascalis Property	10,293	10,293
<b>Total reclamation bonds</b>	<b>\$ 413,050</b>	<b>\$ 413,050</b>

#### Restoration Liabilities

	September 30, 2021	December 31, 2020
<b>Val d'Or East Project (Monique Property) restoration liabilities</b>		
Balance, beginning of period	\$ 878,946	\$ -
Additions during the period	98,244	869,465
Accretion	9,585	9,481
Balance, end of period	\$ 986,775	\$ 878,946
<b>Val d'Or East Project (Pascalis Property) restoration liabilities</b>		
Balance, beginning of period	\$ 10,293	\$ -
Additions during the period	-	10,293
Balance, end of period	\$ 10,293	\$ 10,293
<b>Total restoration liabilities</b>	<b>\$ 997,068</b>	<b>\$ 889,239</b>

### 6. Property and Equipment

Cost	Artwork	Computer equipment	Field equipment	Site building	Building	Total
<b>Balance, December 31, 2020</b>	\$ 121,776	\$ 81,600	\$ 372,855	\$ 15,833	\$ 341,211	\$ 933,275
Additions	-	3,779	-	-	-	3,779
<b>Balance, September 30, 2021</b>	<b>\$ 121,776</b>	<b>\$ 85,379</b>	<b>\$ 372,855</b>	<b>\$ 15,833</b>	<b>\$ 341,211</b>	<b>\$ 937,054</b>
<b>Balance, December 31, 2020</b>	<b>\$ -</b>	<b>\$ 49,005</b>	<b>\$ 177,776</b>	<b>\$ 15,833</b>	<b>\$ 101,791</b>	<b>\$ 344,405</b>
Depreciation during the period	-	7,617	43,894	-	17,956	69,467
<b>Balance, September 30, 2021</b>	<b>\$ -</b>	<b>\$ 56,622</b>	<b>\$ 221,670</b>	<b>\$ 15,833</b>	<b>\$ 119,747</b>	<b>\$ 413,872</b>
<b>Balance, December 31, 2020</b>	<b>\$ 121,776</b>	<b>\$ 32,595</b>	<b>\$ 195,079</b>	<b>\$ -</b>	<b>\$ 239,420</b>	<b>\$ 588,870</b>
<b>Balance, September 30, 2021</b>	<b>\$ 121,776</b>	<b>\$ 28,757</b>	<b>\$ 151,185</b>	<b>\$ -</b>	<b>\$ 221,464</b>	<b>\$ 523,182</b>



---

**Probe Metals Inc.****Notes to Condensed Interim Financial Statements****September 30, 2021****(Expressed in Canadian Dollars)****(Unaudited)**

---

**7. Rights-of-use Asset**

	<b>Building</b>
<b>Balance, December 31, 2020</b>	<b>\$ 186,239</b>
Depreciation	(49,299)
<b>Balance, September 30, 2021</b>	<b>\$ 136,940</b>

---

**8. Amounts Payable and Other Liabilities**

	<b>As at September 30, 2021</b>	<b>As at December 31, 2020</b>
Amounts payables	<b>\$ 462,204</b>	\$ 568,337
Accrued liabilities	<b>151,687</b>	412,714
	<b>\$ 613,891</b>	\$ 981,051

---

**9. Lease Liability**

	<b>Building</b>
<b>Balance, December 31, 2020</b>	<b>\$ 263,749</b>
Accretion expense	78,484
Lease payments	(121,395)
<b>Balance, September 30, 2021</b>	<b>\$ 220,838</b>

---

<b>Lease maturity</b>	<b>Under 1 year</b>	<b>Between 1 - 2 years</b>	<b>Between 3 - 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
Building	\$ 82,407	\$ 125,412	\$ 13,019	\$ -	\$ 220,838

---

**10. Flow-Through Share Liability**

Other liability includes the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability of the flow-through shares issuance:

<b>Balance, December 31, 2020</b>	<b>\$ 3,954,139</b>
Settlement of flow-through share liability on incurring expenditures (i)(ii)	(3,112,787)
<b>Balance, September 30, 2021</b>	<b>\$ 841,352</b>

---

(i) The flow-through common shares issued in the brokered private placement completed on December 10, 2019 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$6,158,000.

The flow-through premium is derecognized through income as the eligible expenditures are incurred. For nine months ended September 30, 2021, the Company satisfied \$954,139 of the commitment by incurring eligible expenditures of approximately \$2,147,000 and as a result the flow-through premium has been reduced to \$Nil.

---

# Probe Metals Inc.

## Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

---

### 10. Flow-Through Share Liability (Continued)

(ii) The flow-through common shares issued in the brokered private placement completed on November 25, 2020 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$3,000,000.

The flow-through premium is derecognized through income as the eligible expenditures are incurred. For nine months ended September 30, 2021, the Company satisfied \$2,158,648 of the commitment by incurring eligible expenditures of approximately \$5,037,000 and as a result the flow-through premium remains at \$841,352.

### 11. Share Capital

#### a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

#### b) Common shares issued

As at September 30, 2021 the issued share capital amounted to \$114,436,399. Changes in issued share capital are as follows:

	Number of common shares	Amount
<b>Balance, December 31, 2019</b>	<b>121,510,195</b>	<b>\$ 98,195,843</b>
Share issue costs	-	(34,963)
Shares issued for mineral properties (note 16(i)(iii)(iv))	1,912,748	1,632,847
Exercise of stock options	2,350,000	1,618,563
RSUs vested (note 14)	24,444	29,822
<b>Balance, September 30, 2020</b>	<b>125,797,387</b>	<b>\$101,442,112</b>
<b>Balance, December 31, 2020</b>	<b>130,220,387</b>	<b>\$106,772,946</b>
Shares issued for mineral properties (note 16(iv))	32,544	55,976
Exercise of warrants	26,000	39,593
Exercise of stock options	2,670,000	7,189,074
RSUs vested (note 14)	310,500	378,810
<b>Balance, September 30, 2021</b>	<b>133,259,431</b>	<b>\$114,436,399</b>

## Probe Metals Inc.

### Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

#### 12. Warrants

	Number of warrants	Grant date fair value
<b>Balance, December 31, 2019</b>	<b>13,734,783</b>	<b>\$ 3,689,463</b>
Expired	(8,313,783)	(2,481,664)
<b>Balance, September 30, 2020</b>	<b>5,421,000</b>	<b>\$ 1,207,799</b>
<b>Balance, December 31, 2020</b>	<b>7,617,500</b>	<b>\$ 2,281,758</b>
Exercised	(26,000)	(5,793)
<b>Balance, September 30, 2021</b>	<b>7,591,500</b>	<b>\$ 2,275,965</b>

The following table reflects the warrants issued and outstanding as of September 30, 2021:

Expiry date	Exercise price (\$)	Warrants outstanding	Valuation (\$)
December 10, 2021	1.30	5,391,500	1,201,226
November 25, 2022	2.10	2,200,000	1,074,739
	1.53	<b>7,591,500</b>	<b>2,275,965</b>

#### 13. Stock Options

	Number of stock options	Weighted average exercise price
<b>Balance, December 31, 2019</b>	<b>8,711,300</b>	<b>\$ 1.05</b>
Stock options granted (i)	2,950,000	1.17
Exercise of stock options	(2,350,000)	0.36
<b>Balance, September 30, 2020</b>	<b>9,311,300</b>	<b>\$ 1.26</b>
<b>Balance, December 31, 2020</b>	<b>9,216,800</b>	<b>\$ 1.26</b>
Stock options granted (ii)(iii)(iv)	1,750,000	1.48
Exercise of stock options	(2,670,000)	1.50
Stock options expired	(150,000)	1.67
<b>Balance, September 30, 2021</b>	<b>8,146,800</b>	<b>\$ 1.22</b>

(i) On February 20, 2020, 2,950,000 stock options were granted to employees, officers, directors and consultants at the exercise price of \$1.17, expiring February 20, 2025. Vesting of the stock options is as follows: one-third on day of grant, one-third after one year and one-third after two years. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$1.17; expected dividend yield of 0%; risk-free interest rate of 1.33%; volatility of 120% and an expected life of 5 years. The fair value assigned to these options was \$2,849,110. For the three and nine months ended September 30, 2021, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$119,689 and \$485,260, respectively (three and nine months ended September 30, 2020 - \$359,066 and \$1,820,048, respectively).

# Probe Metals Inc.

## Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

### 13. Stock Options (Continued)

(ii) On February 24, 2021, 1,475,000 stock options were granted to officers, directors, key employees and consultants at the exercise price of \$1.42, expiring February 24, 2026. Vesting of the stock options is as follows: one-third after one year, one-third after two years and one-third after three years. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$1.38; expected dividend yield of 0%; risk-free interest rate of 0.73%; volatility of 64% and an expected life of 5 years. The fair value assigned to these options was \$1,075,874. For the three and nine months ended September 30, 2021, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$165,721 and \$392,686, respectively.

(iii) On June 7, 2021, 200,000 stock options were granted to a director at the exercise price of \$1.72, expiring June 7, 2026. Vesting of the stock options is as follows: one-third after one year, one-third after two years and one-third after three years. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$1.72; expected dividend yield of 0%; risk-free interest rate of 0.88%; volatility of 63% and an expected life of 5 years. The fair value assigned to these options was \$181,861. For the three and nine months ended September 30, 2021, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$28,013 and \$35,016, respectively.

(iv) On September 14, 2021, 75,000 stock options were granted to an officer at the exercise price of \$1.96, expiring September 14, 2026. Vesting of the stock options is as follows: one-third after one year, one-third after two years and one-third after three years. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$2.03; expected dividend yield of 0%; risk-free interest rate of 0.79%; volatility of 60% and an expected life of 5 years. The fair value assigned to these options was \$78,737. For the three and nine months ended September 30, 2021, the impact on the unaudited condensed interim statement of loss and comprehensive loss was \$2,109.

(v) The portion of the estimated fair value of options granted in the prior years and vested during the three and nine months ended September 30, 2021, amounted to \$nil (three and nine months ended September 30, 2020 - \$229 and \$155,068, respectively).

The following table reflects the actual stock options issued and outstanding as of September 30, 2021:

Expiry date	Exercise price (\$)	Options outstanding	Weighted average remaining contractual life (years)	Options exercisable	Valuation (\$)
June 15, 2022	1.36	100,000	0.71	100,000	110,451
February 26, 2023	0.75	97,500	1.41	97,500	88,182
June 22, 2023	1.22	2,910,000	1.73	2,910,000	1,852,796
February 14, 2024	0.49	173,550	2.38	173,550	163,320
February 20, 2025	1.17	2,950,000	3.39	1,966,667	2,664,374
March 19, 2025	0.26	165,750	3.47	165,750	159,741
February 24, 2026	1.42	1,475,000	4.41	-	392,686
June 7, 2026	1.72	200,000	4.69	-	35,016
September 14, 2026	1.96	75,000	4.96	-	2,109
		<b>8,146,800</b>	<b>2.95</b>	<b>5,413,467</b>	<b>5,468,675</b>

# Probe Metals Inc.

## Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

### 14. Restricted Stock Unit ("RSU") Plan

During the three and nine months ended September 30, 2021, the Company granted 50,000 and 1,000,000 RSUs (three and nine months ended September 30, 2020 - 1,145,000) to officers, directors and key employees of the Company under the terms of the Company RSU Plan. The RSUs will vest in full three years from the date of grant. Compensation for the three and nine months ended September 30, 2021 was \$113,912 and \$265,744, respectively (three and nine months ended September 30, 2020 - \$111,638 and \$272,213, respectively) and was recorded as share-based payments in the unaudited condensed interim statement of loss and comprehensive loss.

The portion of the compensation of RSUs granted in the prior years and vested during the three and nine months ended September 30, 2021, amounted to \$111,638 and \$710,182, respectively (three and nine months ended September 30, 2020 - \$93,477 and \$283,593, respectively).

During the nine months September 30, 2021, 860,000 RSUs vested. 310,500 of these RSUs converted to common shares with a value of \$378,810, 364,500 RSUs were settled in cash for withholding taxes with a value of \$579,555 and 185,000 RSUs settled in cash with a value of \$294,150.

During the nine months ended September 30, 2020, 24,444 RSUs vested and converted to common shares with a value of \$29,822 and 15,556 RSUs were cancelled and therefore, \$12,791 of share-based payments was reversed related to the unvested portion of the RSUs cancelled.

As at September 30, 2021, there were 2,145,000 RSUs outstanding (December 31, 2020 - 2,005,000).

### 15. Net Loss Per Share

The calculation of basic and diluted loss per share for the three and nine months ended September 30, 2021 was based on the loss attributable to common shareholders of \$3,996,486 and \$8,268,124, respectively (three and nine months ended September 30, 2020 - \$2,758,860 and \$10,865,310, respectively) and the weighted average number of common shares outstanding of 131,173,287 and 130,547,750, respectively (three and nine months ended September 30, 2020 - 125,791,559 and 125,649,934, respectively). Diluted loss per share did not include the effect of stock options, warrants and RSUs as they are anti-dilutive.

### 16. Exploration and Evaluation Expenditures

	Three months ended September 30, 2021		Nine months ended September 30, 2021	
	2021	2020	2021	2020
<b>Transaction properties</b>				
Val-d'Or East Project (i)(ii)	\$ 2,396,946	\$ 3,133,080	\$ 6,616,967	\$ 9,279,960
Detour Project (iii)(iv)(v)	800,064	769,872	1,541,474	1,882,238
Casa-Cameron Project	5,555	35,517	71,452	340,105
	\$ 3,202,565	\$ 3,938,469	\$ 8,229,893	\$ 11,502,303
<b>Arrangement properties</b>				
Black Creek Property	\$ 6,507	\$ 4,132	\$ 7,889	\$ 4,830
Tamarack-McFauld's Lake Property	30,068	998	30,068	2,790
Victory Property	3,489	117	4,123	1,340
	\$ 40,064	\$ 5,247	\$ 42,080	\$ 8,960
<b>Acquired properties</b>				
Millen Mountain Property	\$ -	\$ 200	\$ -	\$ 200
<b>Other</b>				
Project Generation	\$ 2,174	\$ -	\$ 4,099	\$ 1,436
<b>Exploration and evaluation expenditures</b>	<b>\$ 3,244,803</b>	<b>\$ 3,943,916</b>	<b>\$ 8,276,072</b>	<b>\$ 11,512,899</b>

# Probe Metals Inc.

## Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

### 16. Exploration and Evaluation Expenditures (Continued)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
<b>Transaction properties</b>				
<b>Val-d'Or East Project</b>				
Advanced exploration	\$ 61,015	\$ 59,588	\$ 296,679	\$ 172,271
Drilling	1,266,953	2,349,017	4,317,307	5,569,431
Environment	19,043	34,820	44,496	42,481
General field expenses	9,695	24,601	28,083	80,974
Geochemical	36,556	136,253	61,622	243,668
Geology	130,947	95,565	506,462	366,732
Geophysics	277,381	276,682	332,848	744,698
Metallurgical testwork	21,484	155,757	108,952	290,435
Modelling	96,000	-	96,000	-
Option payment and staking claims (i)(ii)	1,184	525	38,340	902,245
Preliminary economic assessment	475,802	-	686,733	-
Restoration fees (notes 5 and 16(i))	-	-	98,245	864,255
Social and community	886	272	1,200	2,770
	<b>\$ 2,396,946</b>	<b>\$ 3,133,080</b>	<b>\$ 6,616,967</b>	<b>\$ 9,279,960</b>
<b>Detour Project</b>				
Drilling	\$ 968,189	\$ -	\$ 998,860	\$ 704
Geochemical	4,292	401,888	385,285	439,355
Geology	11,078	6,323	30,253	32,661
Geophysics	260,035	301,169	803,437	617,578
Option payment and staking claims (iii)(iv)(v)	61,435	60,492	75,083	792,992
Operator of exploration project	(504,965)	-	(751,444)	(1,052)
	<b>\$ 800,064</b>	<b>\$ 769,872</b>	<b>\$ 1,541,474</b>	<b>\$ 1,882,238</b>
<b>Casa-Cameron Project</b>				
Drilling	\$ -	\$ -	\$ -	\$ 431
Geochemical	1,464	32,683	52,588	158,377
Geology	2,331	2,729	10,183	21,212
Geophysics	-	-	-	154,256
Option payment and staking claims	1,760	105	8,681	5,829
	<b>\$ 5,555</b>	<b>\$ 35,517</b>	<b>\$ 71,452</b>	<b>\$ 340,105</b>
<b>Arrangement properties</b>				
<b>Black Creek Property</b>				
Geochemical	\$ 3,018	\$ 2,561	\$ 3,018	\$ 2,561
Geology	3,489	817	4,117	1,515
Other	-	754	754	754
	<b>\$ 6,507</b>	<b>\$ 4,132</b>	<b>\$ 7,889</b>	<b>\$ 4,830</b>

## Probe Metals Inc.

### Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

#### 16. Exploration and Evaluation Expenditures (Continued)

	Three months ended September 30, 2021		2020		Nine months ended September 30, 2021		2020	
<b>Arrangement properties (continued)</b>								
<b>Tamarack-McFauld's Lake Property</b>								
General field expenses	\$	-	\$	182	\$	-	\$	182
Geochemical		<b>30,068</b>		-		<b>30,068</b>		-
Geology		-		816		-		2,608
	\$	<b>30,068</b>	\$	998	\$	<b>30,068</b>	\$	2,790
<b>Victory Property</b>								
Geology	\$	<b>3,489</b>	\$	117	\$	<b>4,123</b>	\$	1,340
	\$	<b>3,489</b>	\$	117	\$	<b>4,123</b>	\$	1,340
<b>Acquired properties</b>								
<b>Millen Mountain Property</b>								
Geology	\$	-	\$	200	\$	-	\$	200
	\$	-	\$	200	\$	-	\$	200
<b>Other</b>								
<b>Project Generation</b>								
Consulting	\$	<b>2,174</b>	\$	-	\$	<b>3,624</b>	\$	1,436
Staking claims		-		-		<b>475</b>		-
	\$	<b>2,174</b>	\$	-	\$	<b>4,099</b>	\$	1,436
<b>Exploration and evaluation expenditures</b>	\$	<b>3,244,803</b>	\$	3,943,916	\$	<b>8,276,072</b>	\$	11,512,899

(i) In January 2017, the Company entered into an option agreement with Richmond Mines Inc. (which agreement was subsequently acquired by Monarch Gold Corporation ("Monarch")) pursuant to which the Company had the right to earn a 60% interest in the property by spending an aggregate of \$2 million on exploration expenditures over 4 years. On February 28, 2020, the Company completed a definitive agreement of purchase and sale (the "Agreement") with Monarch. Pursuant to the Agreement, the Company acquired a 100% interest in the property by issuing 1,275,510 common shares (issued on March 24, 2020 and valued at \$854,592) to Monarch.

Following the acquisition of the Monique Property, the closure plan responsibilities have been transferred to Probe Metals. As a result, Probe Metals now has a closure liability of \$947,663 for which it took financing and an insurance bond. The insurance bond with an insurance company amounts to \$379,065 while the financing is 2.5% per annum on the total closure liability. Refer to note 5.

(ii) On May 5, 2020, the Company announced that it staked an additional 179 claims contiguous to the Pascalis and Megiscane-Tavernier properties on its Val-d'Or East Project in Quebec. The new claims add 101 square kilometres to the current project land package, increasing it from 334 square kilometres to 435 square kilometres and extend the Megiscane-Tavernier property to the southeast (146 claims) and the Pascalis property to the northwest (33 claims).

---

# Probe Metals Inc.

## Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

---

### 16. Exploration and Evaluation Expenditures (Continued)

(iii) On May 14, 2020, the Company announced the completion of the acquisition of SOQUEM 25% interest in the Company's Detour Joint-Venture Project (the "Acquisition"). Pursuant to the Acquisition, Probe Metals owns 100% of the Detour Project. As previously disclosed in September 2017, Probe Metals entered into a 75-25 joint venture agreement with SOQUEM on its Detour Project.

The Company acquired SOQUEM's interest for total consideration of i) 599,359 common shares to SOQUEM (issued on May 14, 2020 and valued at \$725,224); and ii) subject to regulatory approval, one milestone payment of \$1,000,000 if a positive Preliminary Economic Assessment (as defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects) is released including mineral resources of at least 1,000,000 ounces of gold. Probe Metals would have the option to pay the milestone payment in cash, in shares of the Company or a combination of both at the sole discretion of the Company.

(iv) On July 20, 2020, the Company announced that it closed the option agreement with Midland, whereby Probe Metals may earn up to a 65% interest in the La Peltrie gold property (the "La Peltrie Property"). The La Peltrie Property is comprised of 435 claims representing 240 square kilometres and is contiguous with the Company's Detour Quebec gold project.

The Company can acquire an undivided 50% interest (the "First Option") in the La Peltrie Property by incurring aggregate expenditures of \$3,500,000 as follows:

- An aggregate amount of \$500,000 on or before July 31, 2021 (incurred);
- an aggregate amount of at least \$1,200,000 on or before July 31, 2022;
- an aggregate amount of at least \$2,400,000 on or before July 31, 2023; and
- an aggregate amount of at least \$3,500,000 on or before July 31, 2024.

In addition, the Company shall make cash or share payments to Midland in the aggregate amount of \$400,000 as follows:

- \$50,000 on closing (37,879 common shares issued and valued at \$53,031 on July 15, 2020);
- \$55,000 on or before July 31, 2021 (32,544 common shares issued and valued at \$55,976 on July 27, 2021);
- \$70,000 on or before July 31, 2022;
- \$100,000 on or before July 31, 2023; and
- \$125,000 on or before July 31, 2024.

Upon exercise of the First Option, Probe may, at its sole discretion, increase its undivided interest in the La Peltrie Property to 65% (the "Second Option"), by incurring additional expenditures and/or cash payments, at the sole election of the Company, of \$5,000,000 within a period two years from the date of exercise of the First Option.

The Company will be the operator of exploration programs on the property.

(v) On July 30, 2020, the Company announced that it entered a joint venture agreement (the "JV Agreement") with Midland on the Detour Gaudet-Fenelon Project (the "JV Project"). Under the terms of the JV Agreement, Probe Metals and Midland will each have a 50% participating interest in the JV Project. The JV Project includes 226 claims and covers a surface area of 125 square kilometres. This includes 65 claims covering 37 square kilometres from the Company's Detour Fenelon-Nantel property and 161 claims covering 88 square kilometres from Midland's Gaudet and Samson properties located east and southwest of the Company's Fenelon-Nantel property. The JV Project is contiguous with the Company's Detour Quebec 100% owned project and its consolidated package, which now stands at 1,330 claims representing 724 square kilometres along the prolific and highly prospective Detour Gold Belt. The Company will remain the operator and each party will be responsible for funding its proportionate share of expenditures on the JV Project.



## Probe Metals Inc.

### Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

#### 17. General and Administrative Expenses

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Share-based payments (notes 13, 14 and 18)	\$ 541,082	\$ 562,103	\$ 1,890,997	\$ 2,518,131
Salaries and benefits (note 18)	430,376	151,852	992,160	579,134
Director fees (note 18)	83,750	78,750	241,250	233,878
Administrative costs	59,705	22,386	137,074	68,574
Professional fees (note 18)	70,022	222,341	159,450	366,241
Shareholder information	11,109	27,351	124,701	139,678
Travel and promotion costs	56,944	38,763	122,797	178,358
Depreciation (notes 6 and 7)	39,636	38,515	118,766	106,241
Occupancy costs	4,768	4,453	16,464	13,356
	\$ 1,297,392	\$ 1,146,514	\$ 3,803,659	\$ 4,203,591

#### 18. Related Party Balances and Transactions

Related parties include the Board of Directors and management, close family and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The below noted transactions are approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) The Company entered into the following transactions with related parties:

	Notes	Three months ended September 30,		Nine months ended September 30,	
		2021	2020	2021	2020
Peterson McVicar LLP ("Peterson")	(i)	\$ 2,644	\$ 8,992	\$ 16,361	\$ 23,379
Marrelli Support Services Inc. ("Marrelli Support")	(ii)	\$ 13,504	\$ 13,578	\$ 54,648	\$ 54,388
DSA Corporate Services Inc. ("DSA Corp")	(ii)	\$ 4,050	\$ 3,075	\$ 10,471	\$ 9,935
DSA Filing Services Limited ("DSA Filing")	(ii)	\$ 3,133	\$ 2,482	\$ 7,576	\$ 9,425

(i) Dennis H. Peterson, a director of the Company, controls Peterson which provided legal services to the Company. The amounts charged by Peterson are based on what Peterson usually charges its clients. The Company expects to continue to use Peterson for an indefinite period. As at September 30, 2021, Peterson was owed \$nil (December 31, 2020 - \$24,405) and this amount was included in amounts payable and other liabilities.

(ii) During the three and nine months ended September 30, 2021, the Company paid professional fees of \$13,504 and \$54,648, respectively (three and nine months ended September 30, 2020 - \$13,578 and \$54,388, respectively) to Marrelli Support, an organization of which Carmelo Marrelli is Managing Director. Mr. Marrelli is the Chief Financial Officer of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. Marrelli Support also provides bookkeeping services to the Company. As at September 30, 2021, Marrelli Support was owed \$3,390 (December 31, 2020 - \$11,394) and this amount was included in amounts payable and other liabilities.

---

## Probe Metals Inc.

### Notes to Condensed Interim Financial Statements

September 30, 2021

(Expressed in Canadian Dollars)

(Unaudited)

---

#### 18. Related Party Balances and Transactions (Continued)

(a) The Company entered into the following transactions with related parties (continued):

(ii) (continued) During the three and nine months ended September 30, 2021, the Company paid professional fees of \$4,050 and \$10,471, respectively (three and nine months ended September 30, 2020 - \$3,075 and \$9,935, respectively) to DSA Corp, an organization of which Mr. Marrelli controls. Mr. Marrelli is also the corporate secretary and sole director of DSA Corp. These services were incurred in the normal course of operations for corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at September 30, 2021, DSA Corp was owed \$2,317 (December 31, 2020 - \$1,215) and this amount was included in amounts payable and other liabilities.

During the three and nine months ended September 30, 2021, the Company paid professional fees of \$3,133 and \$7,576, respectively (three and nine months ended September 30, 2020 - \$2,482 and \$9,425, respectively) to DSA Filing, an organization of which Mr. Marrelli controls. Mr. Marrelli is also the corporate secretary and sole director of DSA Filing. These services were incurred in the normal course of operations for corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at September 30, 2021, DSA Filing was owed \$1,600 (December 31, 2020 - \$3,041) and this amount was included in amounts payable and other liabilities.

The above noted transactions are in the normal course of business and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(b) Remuneration of directors and key management personnel, other than consulting fees, of the Company was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Salaries and benefits <sup>(i)(ii)</sup>	\$ 706,000	\$ 364,500	\$ 1,438,500	\$ 1,091,128
Share-based payments	\$ 374,706	\$ 410,734	\$ 1,211,080	\$ 2,139,298

(i) For the three and nine months ended September 30, 2021, \$441,530 and \$909,530, respectively of these costs (three and nine months ended September 30, 2020 - \$234,000 and \$699,628, respectively) are included in general and administrative expenses and \$264,470 and \$528,970, respectively (three and nine months ended September 30, 2020 - \$130,500 and \$391,500, respectively) are included in exploration and evaluation expenditures.

(ii) The directors do not have employment or service contracts with the Company. Directors are entitled to director fees, stock options and RSUs for their services. As at September 30, 2021, officers and directors were owed \$2,656 (December 31, 2020 - \$421,006) and this amount was included in amounts payable and other liabilities.

#### 19. Commitments

Pursuant to the terms of flow-through share agreement, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of September 30, 2021, the Company is committed to incurring approximately \$2.0 million in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2022 arising from the flow-through offerings.

---

## **Probe Metals Inc.**

### **Notes to Condensed Interim Financial Statements**

**September 30, 2021**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

---

#### **20. Segmented Information**

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

#### **21. Subsequent Event**

Subsequent to September 30, 2021, 1,514,499 warrants with an exercise price of \$1.30 and expiry date of December 10, 2021 were exercised for gross proceeds of \$1,968,849.