

Bluestone **RESOURCES INC.**

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2020 and 2019

(Unaudited)

Bluestone Resources Inc.
Consolidated Statements of Financial Position
(Expressed in United States dollars - Unaudited)

	Notes	March 31, 2020	December 31, 2019
Current assets			
Cash and cash equivalents		\$5,232,110	\$3,030,330
Accounts receivable		130,740	77,812
Equity securities		40,981	85,052
Prepaid expenses and other current assets		705,197	216,612
Inventory		103,586	89,514
		6,212,614	3,499,320
Non-current assets			
Restricted cash		1,759,405	1,763,494
Property, plant and equipment	3	5,106,373	5,210,243
Exploration and evaluation asset		30,126,433	30,126,433
Total assets		\$43,204,825	\$40,599,490
Current liabilities			
Trade and other payables	4	\$2,050,213	\$3,621,810
Loans payable	5	10,000,000	—
		12,050,213	3,621,810
Non-current liabilities			
Lease liabilities		7,991	34,885
Rehabilitation provisions	6	8,087,715	7,952,768
Deferred income tax liabilities		1,542,252	1,665,314
Total liabilities		21,688,171	13,274,777
Shareholders' equity			
Share capital	7	97,023,428	96,107,883
Reserves		12,462,613	12,502,950
Accumulated other comprehensive income		4,779,294	4,561,233
Deficit		(92,748,681)	(85,847,353)
Total shareholders' equity		21,516,654	27,324,713
Total liabilities and shareholders' equity		\$43,204,825	\$40,599,490

Events after the reporting period (note 13)

Approved on May 20, 2020 on behalf of the Board of Directors:

"Zara Boldt"

Zara Boldt, Director

"Jack Lundin"

Jack Lundin, Director

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

Bluestone Resources Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in United States dollars - Unaudited)

	Notes	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Expenses			
Accounting and legal		\$107,773	\$127,062
Advertising and promotion		138,118	395,967
Corporate listing and filing fees		31,851	26,442
Exploration and evaluation expenses	8	4,098,352	3,487,176
Office and administration		221,414	177,308
Salaries and wages		960,236	712,479
Share-based compensation	7	238,721	361,746
		(5,796,465)	(5,288,180)
Interest income		31,994	51,985
Finance expenses		(749,933)	(32,579)
Accretion expense	6	(134,947)	(49,111)
Foreign exchange loss		(374,730)	(217,767)
Loss before income tax		(7,024,081)	(5,535,652)
Income tax recovery		122,753	360,158
Net loss		(6,901,328)	(5,175,494)
Other comprehensive (loss) income items that will not be reclassified to net loss:			
Loss on equity securities		(38,927)	—
Translation adjustment		256,988	78,892
Comprehensive loss		(\$6,683,267)	(\$5,096,602)
Weighted average number of common shares outstanding – basic and diluted		82,412,067	66,239,292
Basic and diluted loss per common share		(\$0.08)	(\$0.08)

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

Bluestone Resources Inc.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in United States dollars - Unaudited)

	Notes	Share capital		Reserves	Accumulated other comprehensive income	Deficit	Total shareholders' equity
		Shares	Amount				
Balance, January 1, 2019		63,840,560	\$81,396,001	\$10,404,099	\$4,234,556	(\$63,551,119)	\$32,483,537
Private placements, net of fees	7	17,941,321	14,488,593	1,403,278	—	—	15,891,871
Share-based compensation	7	—	47,022	314,724	—	—	361,746
Exercise of warrants		10,000	3,773	(1,111)	—	—	2,662
Comprehensive income (loss) for the period		—	—	—	78,892	(5,175,494)	(5,096,602)
Balance, March 31, 2019		81,791,881	\$95,935,389	\$12,120,990	\$4,313,448	(\$68,726,613)	\$43,643,214
Balance, January 1, 2020		81,898,123	\$96,107,883	\$12,502,950	\$4,561,233	(\$85,847,353)	\$27,324,713
Credit Facility consideration	5	85,000	98,012	—	—	—	98,012
Share-based compensation	7	—	46,531	192,190	—	—	238,721
Exercise of options		378,100	595,788	(180,815)	—	—	414,973
Exercise of warrants		466,000	175,214	(51,712)	—	—	123,502
Comprehensive income (loss) for the period		—	—	—	218,061	(6,901,328)	(6,683,267)
Balance, March 31, 2020		82,827,223	\$97,023,428	\$12,462,613	\$4,779,294	(\$92,748,681)	\$21,516,654

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

Bluestone Resources Inc.
Consolidated Statements of Cash Flows
(Expressed in United States dollars - Unaudited)

	Notes	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Cash flows used in operating activities			
Net loss for the period		(\$6,901,328)	(\$5,175,494)
Adjustments for:			
Accretion expense	6	134,947	49,111
Depreciation	3	114,216	104,456
Share-based compensation	7	238,721	361,746
Interest income		(24,905)	(44,620)
Finance expenses		43,315	25,796
Income tax recovery		(120,778)	(350,880)
Non-cash foreign exchange loss		248,699	88,924
Changes in non-cash working capital:			
Accounts receivable		(62,214)	21,144
Prepaid expenses and other current assets		6,528	64,912
Inventory		(14,072)	16,707
Trade and other payables		(1,432,103)	(956,747)
Cash used in operating activities before income taxes paid		(7,768,974)	(5,794,945)
Income taxes paid		(2,032)	(9,621)
Cash used in operating activities		(7,771,006)	(5,804,566)
Cash flows from investing activities			
Purchase of plant and equipment		(23,790)	(220,202)
Interest received		24,905	44,620
Cash generated by (used in) investing activities		1,115	(175,582)
Cash flows from financing activities			
Proceeds from private placements	7	—	16,872,293
Private placement fees	7	—	(980,422)
Funds received from Loans	5	10,000,000	—
Credit Facility fees		(409,387)	—
Lease principal repayments		(22,861)	(13,860)
Interest paid		(34,454)	(25,796)
Proceeds from exercise of options		414,973	—
Proceeds from exercise of warrants		123,502	2,662
Cash generated by financing activities		10,071,773	15,854,877
Effects of foreign exchange rate changes on cash and cash equivalents		(100,102)	(76,830)
Increase in cash and cash equivalents		2,201,780	9,797,899
Cash and cash equivalents, beginning of the period		3,030,330	6,672,318
Cash and cash equivalents, end of the period		\$5,232,110	\$16,470,217

Supplemental cash flow information (note 12)

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

1. Nature of Operations

Bluestone Resources Inc. ("Bluestone" or the "Company"), incorporated on November 7, 2000 under the Business Corporations Act (Alberta) and continued into British Columbia on June 13, 2005, is a resource company focused on the exploration and development of its 100% owned Cerro Blanco Gold project ("Cerro Blanco") and Mita Geothermal project ("Mita Geothermal"), both located in Guatemala. The Company's head and registered office is located at Suite 1020, 800 West Pender Street, Vancouver, BC, V6C 2V6. The Company is listed on the TSX Venture Exchange, trading under the symbol 'BSR', and on the OTCQB, trading under the symbol 'BBSRF'.

2. Significant Accounting Policies, Estimates and Judgments

a) Basis of presentation, principles of consolidation and statement of compliance

These condensed interim consolidated financial statements should be read in conjunction with our audited consolidated financial statements for the year ended December 31, 2019.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, *Interim financial reporting*. The comparative information has also been prepared on this basis.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on May 20, 2020.

For all periods presented, these condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries, which are wholly owned. All intercompany balances and transactions have been eliminated upon consolidation. A wholly owned subsidiary is an entity in which the Company has 100% control, directly or indirectly. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company continues to closely monitor developments in the novel coronavirus ("COVID-19") pandemic, including the potential impact on the Company's operations. The impact of COVID-19 is uncertain and COVID-19 could have a significant impact on the Company if the Company or its suppliers are not able to maintain operations.

b) Significant accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires the use of judgments and/or estimates that affect the amounts reported and disclosed in the consolidated financial statements and related notes. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements. The critical estimates and judgments applied in the preparation of the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2020 are consistent with those applied and disclosed in note 2(q) to the Company's audited consolidated financial statements for the year ended December 31, 2019.

Bluestone Resources Inc.
Notes for the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2020 and 2019
(Expressed in United States dollars - Unaudited)

3. Property, Plant and Equipment

	March 31, 2020			
	Land	Plant and equipment ⁽¹⁾	ROU assets ⁽²⁾	Total
Cost				
Balance, January 1, 2020	\$907,858	\$4,965,757	\$217,881	\$6,091,496
Additions	—	23,790	—	23,790
Translation differences	—	(3,693)	(9,751)	(13,444)
Balance, March 31, 2020	907,858	4,985,854	208,130	6,101,842
Accumulated depreciation				
Balance, January 1, 2020	—	(792,523)	(88,730)	(881,253)
Charge for the period	—	(92,062)	(22,154)	(114,216)
Balance, March 31, 2020	—	(884,585)	(110,884)	(995,469)
Net book value at March 31, 2020	\$907,858	\$4,101,269	\$97,246	\$5,106,373

	December 31, 2019			
	Land	Plant and equipment ⁽¹⁾	ROU assets ⁽²⁾	Total
Cost				
Balance, January 1, 2019	\$907,858	\$4,841,105	\$—	\$5,748,963
Adoption of IFRS 16 on January 1, 2019	—	—	199,666	199,666
Additions	—	123,358	9,870	133,228
Translation differences	—	1,294	8,345	9,639
Balance, December 31, 2019	907,858	4,965,757	217,881	6,091,496
Accumulated depreciation				
Balance, January 1, 2019	—	(446,087)	—	(446,087)
Charge for the period	—	(346,436)	(88,730)	(435,166)
Balance, December 31, 2019	—	(792,523)	(88,730)	(881,253)
Net book value at December 31, 2019	\$907,858	\$4,173,234	\$129,151	\$5,210,243

⁽¹⁾ Includes assets under construction of \$773,944 at March 31, 2020 (December 31, 2019 - \$778,862).

⁽²⁾ The ROU assets mainly relates to the Company's office lease contract.

Bluestone Resources Inc.
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(Expressed in United States dollars - Unaudited)

4. Trade and Other Payables

	March 31, 2020	December 31, 2019
Trade payables	\$941,136	\$1,892,933
Accrued liabilities	326,971	421,496
Lease liability	107,950	115,419
Payroll liabilities	673,170	1,191,282
Income taxes payable	986	680
	2,050,213	3,621,810

5. Loans Payable

On January 27, 2020, the Company entered into a \$30,000,000 credit facility (the "Credit Facility") with Natixis, a French multinational financial services firm. Loans under the Credit Facility (the "Loans") are made available through multiple borrowings. The annual interest rates on the Loans are set based on US LIBOR plus a margin equal to 0.45%. A commitment fee equal to 0.20% per annum on the unused portion of the Credit Facility is payable quarterly in arrears during the availability period. The Loans can be repaid at any time in whole or in part subject to a minimum notice period without penalty. The maturity date for the Loans and the end of the availability period for the Credit Facility is the earlier of (i) the one-year anniversary of the Credit Facility and (ii) the occurrence of certain events, including funding pursuant to a potential senior debt project financing.

The Loans are supported by a guarantee from Nemesia S.à.r.l. ("Nemesia"). The guarantee is secured by a cash collateral held with Natixis, equal to at least the principal and anticipated interest and fees through maturity of the Loans. In consideration for the guarantee from Nemesia, the Company issued 85,000 common shares to Nemesia with a fair value of \$98,012. Nemesia is an affiliate of Zebra Holdings and Investment S.à.r.l. and Lorito Holdings S.à.r.l. (collectively with Nemesia, the "Lundin Entities"), both of which are companies controlled by a trust settled by the late Adolf H. Lundin. The Lundin Entities are shareholders of the Company, making them a related party.

The Company entered into a debenture (the "Debenture") with Nemesia which provides a repayment mechanism in the event of default with Natixis. The Debenture allows for the automatic draw down of funds in an amount up to \$14,000,000 if the Company defaults on the Loans and Natixis realizes on the cash collateral provided by Nemesia. The Debenture may be increased up to \$32,000,000 (an amount equivalent to the Credit Facility plus potential interest) at the request of Nemesia but subject to approval of shareholders of the Company. If the Debenture is increased to \$32,000,000, an additional 100,000 common shares of the Company will be issued to Nemesia. An additional 3,500 common shares of the Company will be issued to Nemesia for each \$500,000 draw down per month until repayment under terms of the Debenture.

As of March 31, 2020, the Company has Loans payable of \$10,000,000. During the three months ended March 31, 2020, the Company recognized the following as finance expenses in the consolidated statement of loss relating to the Credit Facility:

Interest on Loans	\$17,081
Commitment fees	8,861
Amortization of transaction costs ⁽¹⁾	83,637
	\$109,579

⁽¹⁾ The Company incurred transaction costs of \$529,659 in connection with the Credit Facility. These transaction costs are recognized as prepaid expenses and other current assets in the consolidated statement of financial position and amortized using the straight-line method to January 27, 2021. In the event of the availability period for the Credit Facility ending prior to January 27, 2021, the remaining unamortized amount will be immediately expensed.

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6. Rehabilitation Provisions

The changes in the rehabilitation provision during the three months ended March 31, 2020 and the year ended December 31, 2019 were as follows:

	March 31, 2020	December 31, 2019
Balance, beginning of period	\$7,952,768	\$7,127,797
Accretion (unwinding of discount)	134,947	198,483
Change in estimates and rates	—	626,488
Balance, end of period	\$8,087,715	\$7,952,768

The Company has estimated the present value of future rehabilitation costs required to remediate the properties based on their current state. Although the ultimate amount of the rehabilitation liability is uncertain, the best estimate of these obligations is based on information currently available. Significant closure activities include land rehabilitation, equipment removal, demolition of buildings and other costs.

The total amount of estimated undiscounted cash flows required to settle the Company's estimated obligation as at March 31, 2020 is \$9,815,273 (December 31, 2019 - \$9,815,273). The revision in the estimated undiscounted cash flows during the year ended December 31, 2019 was due to updated quotes for the restoration of geothermal wells for Mita Geothermal and the restoration of dewatering wells and monitoring at Cerro Blanco. The calculation of present value of estimated future cash flows assumed a discount rate of 6.75% (December 31, 2019 - 6.75%) and an inflation rate of 4.50% (December 31, 2019 - 4.50%). The liabilities are expected to be settled at various dates which are currently expected to extend from 2022 to 2024.

7. Share Capital

As at March 31, 2020, the Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

a) Private placements and limited recourse loans

On March 19, 2019, the Company completed a bought deal private placement (the "Private Placement") pursuant to which the Company issued 17,941,321 units at C\$1.25 per unit, with each unit consisting of one common share of the Company and one-half of one common share purchase warrant, and received gross proceeds of \$16,872,293 (C\$22,426,651). Each whole warrant is exercisable at C\$1.65 for a period of two years. The value attributed to the common shares was \$15,382,442 based on the fair value allocation between the common shares and warrants (note 7(b)). The Company incurred \$980,422 in fees in connection with the Private Placement during the three months ended March 31, 2019.

During the three months ended March 31, 2020, the Company recognized share-based compensation expense of \$46,531 (three months ended March 31, 2019 - \$47,022) in the consolidated statement of loss relating to the limited recourse loans previously issued to certain employees.

Bluestone Resources Inc.
Notes for the Condensed Interim Consolidated Financial Statements
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7. Share Capital (cont'd)

b) Warrants

The changes in warrants outstanding during the three months ended March 31, 2020 and year ended December 31, 2019 are as follows:

	March 31, 2020		December 31, 2019	
	Number of warrants	Weighted avg. exercise price (C\$/warrant)	Number of warrants	Weighted avg. exercise price (C\$/warrant)
Outstanding, beginning of period	12,508,572	\$1.28	5,189,309	\$0.84
Issued	—	—	8,970,652	1.65
Exercised	(466,000)	(0.35)	(116,242)	(0.35)
Expired	—	—	(1,535,147)	2.00
Outstanding, end of period	12,042,572	\$1.32	12,508,572	\$1.28

As at March 31, 2020, the following warrants were outstanding:

Expiry date	Weighted avg. exercise price (C\$/warrant)	Number of warrants	Weighted avg. remaining contractual life in years
June 2, 2020	0.35	200,000	0.17
June 4, 2020	0.35	2,218,920	0.18
July 7, 2020	0.35	653,000	0.27
March 19, 2021	1.65	8,970,652	0.97
	\$1.32	12,042,572	0.77

The relative fair value of \$1,489,850 allocated to the warrants issued for the gross proceeds from the Private Placement was estimated using the Black-Scholes option pricing model with the following assumptions: Risk-free rate - 1.64%, volatility - 50%, dividend yield - 0%, expected life - 2 years.

Bluestone Resources Inc.
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7. Share Capital (cont'd)

c) Stock options

The changes in stock options outstanding during the three months ended March 31, 2020 and year ended December 31, 2019 are as follows:

	March 31, 2020		December 31, 2019	
	Number of options	Weighted avg. exercise price (C\$/option)	Number of options	Weighted avg. exercise price (C\$/option)
Outstanding, beginning of period	7,735,000	\$1.43	5,930,000	\$1.50
Granted	700,000	1.38	2,305,000	1.27
Exercised	(378,100)	(1.46)	—	—
Cancelled/forfeited	(10,000)	(1.50)	(500,000)	(1.50)
Outstanding, end of period	8,046,900	\$1.43	7,735,000	\$1.43

6,946,898 of the stock options outstanding as at March 31, 2020 are exercisable at a weighted average exercise price of C\$1.33 per option.

The weighted average fair value of the stock options granted during the three months ended March 31, 2020 (year ended December 31, 2019) was estimated to be C\$0.48 (C\$0.43) per stock option using the Black-Scholes option pricing model with the following weighted average assumptions: Risk-free rate - 1.19% (1.68%), volatility - 50.00% (50.00%), dividend yield - 0% (0%), expected life - 3.00 years (2.90 years). The stock options granted during the three months ended March 31, 2020 expire on January 24, 2025 and March 16, 2025.

During the three months ended March 31, 2020, the Company recognized share-based compensation expense of \$192,190 (three months ended March 31, 2019 - \$314,724) in the consolidated statement of loss relating to the stock options.

8. Exploration and Evaluation Expenses

	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Cerro Blanco operating expenditures	\$2,755,636	\$2,877,529
Cerro Blanco pre-development	1,099,012	305,340
Corporate social responsibility and community relations	157,063	167,653
Mita Geothermal evaluation	—	34,002
Depreciation	86,641	77,018
Other projects	—	25,634
	\$4,098,352	\$3,487,176

Bluestone Resources Inc.
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9. 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. The Company has determined that key management personnel consist of certain executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of key management personnel included in the consolidated statements of loss was as follows:

	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Salaries	\$651,532	\$433,233
Share-based compensation	191,329	251,331
	\$842,861	\$684,564

Accrued compensation due to key management as at March 31, 2020 was \$275,203 (December 31, 2019 - \$721,435).

10. Financial Instruments

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

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs that are not based on observable market data.

The Company's cash and cash equivalents, equity securities, trade and other payables and Loans payable approximate their carrying values, which are the amounts recorded on the consolidated statement of financial position due to their short-term nature.

11. Financial Risk Management

a) Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents, restricted cash and accounts receivable. Management believes that the credit risk concentration with respect to these financial instruments is remote as the balances primarily consist of amounts on deposit with a major financial institution. The maximum exposure to credit risk as at March 31, 2020 was \$7,052,138 (December 31, 2019 - \$4,793,824).

b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2020, the Company had a cash balance of \$5,232,110 (December 31, 2019 - \$3,030,330) to settle current liabilities of \$12,050,213 (December 31, 2019 - \$3,621,810). All of the Company's financial liabilities are subject to normal trade terms. Within the next twelve months, the Company's objectives center on the advancement of Cerro Blanco. There can be no assurances that the Company will be able to obtain additional financing on satisfactory terms and/or achieve profitability or positive cash flows from its future operations. Taking into account the events after the reporting period (note 13) and the Company's ability to draw on the Credit Facility (note 5), management estimates that the Company has sufficient working capital to maintain its planned operations and its activities for the foreseeable future.

c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and prices.

Interest rate risk

Interest rate risk is the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. Interest rate risk arises from the interest rate impact on cash and cash equivalents and Loans payable because these are the only financial instruments held by the Company that are impacted by interest based on variable market interest rates. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company monitors its exposure to interest rates closely and has not entered into any derivative contracts to manage its risk. As at March 31, 2020, the weighted average interest rate earned on our cash and cash equivalents was 0.40%. With other variables unchanged, a change in the annualized interest rate of a hundred basis points at March 31, 2020 would impact after-tax net loss by approximately \$49,000.

Foreign currency risk

The Company is exposed to foreign currency risk in connection with its Canadian dollar and Guatemala quetzal denominated financial instruments. A 10% fluctuation in the C\$/US\$ rate as at March 31, 2020 would result in an approximate \$30,000 increase/decrease in comprehensive loss. A 10% fluctuation in the US\$/Guatemala quetzal rate as at March 31, 2020 would result in an approximate \$89,000 increase/decrease in comprehensive loss.

11. Financial Risk Management (cont'd)

Price risk

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

d) Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to explore and develop its projects for the benefit of its shareholders and other stakeholders. The Company considers the components of shareholders' equity as capital. The Company manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company may issue new shares through private placements in order to maintain or adjust the capital structure.

There were no changes to the Company's approach to capital management during the three months ended March 31, 2020. The Company does not have any financial covenants in relation to the Credit Facility.

12. Supplemental Cash Flow Information

Cash and cash equivalents included no short-term investments as at March 31, 2020 and December 31, 2019.

Non-cash financing transactions during the three months ended March 31, 2020 and 2019 were as follows:

	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Fair value of common shares issued for the Credit Facility (note 5)	\$98,012	\$—
Transfer of reserves on exercise of options	(180,815)	—
Transfer of reserves on exercise of warrants	(51,712)	(1,111)
Fair value of warrants issued from the Private Placement, net of fees	—	1,403,278

13. Event After the Reporting Period

On May 1, 2020, the Company completed a bought deal financing (the "Financing") pursuant to which the Company issued 52,578,000 common shares of the Company at C\$1.75 per common share and received gross proceeds of \$65,414,119 (C\$92,011,500). Following the completion of the Financing, the Lundin Entities and Jack Lundin, Chief Executive Officer, hold and control 37,978,221 common shares of the Company, representing approximately 28.5% of the issued and outstanding common shares of the Company.