Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)

Consolidated Financial Statements

For the years ended March 31, 2020, and 2019

(Presented in Canadian dollars)

DeVISSER GRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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Independent Auditor's Report

To the Shareholders of Wintertide Ventures Inc. (formerly Santa Fe Metals Corporation)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Wintertide Ventures Inc. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, changes in shareholders' deficiency and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company has no source of revenue, has a working capital deficiency of $749,322 as at March 31, 2020 and has an accumulated deficit of $10,255,375 as at March 31, 2020. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist which may cast significant doubt as to the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor’s report is G. Cameron Dong.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada
March 8, 2021

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)
Consolidated Statements of Financial Position
As at
(Presented in Canadian dollars)

	March 31, 2020	March 31, 2019
	$	$
Assets		
	-	-
Liabilities		
Current liabilities		
Accounts payables and accrued liabilities (note 5)	**711,789**	699,789
Loans payable (note 5)	**37,533**	37,533
	749,322	737,322
Shareholders' Equity (Deficiency)		
Share capital (note 6)	**6,873,982**	6,873,982
Reserves	**2,632,071**	2,632,071
Deficit	**(10,255,375)**	(10,243,375)
	(749,322)	(737,322)
	-	-

Nature of operations and going concern (note 1)
Subsequent events (note 10)

Approved by the Board of Directors:

"Gordon Friesen" Director *"Scott Davis"* Director

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

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)
Consolidated Statements of Loss and Comprehensive Loss
For the Years Ended March 31, 2020 and 2019
(Presented in Canadian dollars)

	2020	2019
	$	$
Expenses		
Accounting and audit	**12,000**	-
Net loss and comprehensive loss for the year	**12,000**	-
Basic and diluted loss per share (note 6)	**0.00**	0.00
Weighted average number of shares outstanding (note 6)	**45,951,490**	45,951,490

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

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Consolidated Statements of Changes in Shareholders' Deficiency

For the Years Ended March 31, 2020 and 2019

(Presented in Canadian dollars)

	Common Shares				
	Number	**Amount**	**Reserves**	**Deficiency**	**Shareholders' Deficiency**
		$	$	$	$
Balance, March 31, 2018 and 2019	45,951,490	6,873,982	2,632,071	(10,243,375)	(737,322)
Net loss for the year	-	-	-	(12,000)	(12,000)
Balance, March 31, 2020	**45,951,490**	**6,873,982**	**2,632,071**	**(10,255,375)**	**(749,322)**

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

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Consolidated Statements of Cash Flows

For the Years Ended March 31, 2020 and 2019

(Presented in Canadian dollars)

	2020	2019
	$	$
Cash flows from operating activities		
Net loss for the year	**(12,000)**	-
Changes in non-cash working capital items		
Payables and accrued liabilities	**12,000**	-
Net cash used in operating activities	**-**	-
Change in cash	**-**	-
Cash – beginning of the year	**-**	-
Cash – end of the year	**-**	-

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

1. Nature of operations and going concern

Wintertide Ventures Inc. (formerly Santa Fe Metals Corporation) ("Wintertide" or "the Company") was incorporated on April 27, 2006 under the Business Corporations Act of British Columbia and its shares were listed on the TSX Venture Exchange ("TSX-V") on March 6, 2008. The head office, principal address and records office of the Company are located at 580 Hornby St., Suite 510, Vancouver, BC, Canada, V6C 3B6.

On July 8, 2016, trading in the shares of the Company was suspended by the TSX-V for having failed to maintain the services of a transfer agent. On October 18, 2016, the Company's listing was transferred to NEX, the Company's tier classification changed from Tier 2 to NEX, the Filing and Service Office changed from Vancouver to NEX and the trading symbol for the Company changed from SFM to SFM.H. On December 14, 2018 the Company's securities were delisted from NEX for failure to pay the NEX Listing Maintenance Fee.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at March, 2020, the Company has not generated any revenues from operations, and has a working capital deficiency of $749,322 and deficit of $10,255,375.

The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management believes that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Company's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Company's operations. The extent of the impact of this outbreak and related containment measures on the Company's operations cannot be reliably estimated at the date of these financial statements.

2. Basis of presentation

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The significant accounting policies applied in these financial statements are based on the IFRS issued and effective as of March 31, 2020.

The Board of Directors approved the consolidated financial statements on March 8, 2021.

These financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements are presented in Canadian Dollars, which is also the Company's functional currency, unless otherwise indicated.

These consolidated financial statements include the accounts of the Company and its subsidiary:

Name of Subsidiary	Ownership	Jurisdiction
Interior Gold Corp.	100%	Ontario, Canada (inactive)

Subsidiaries are entities over which the Company has control. Control is defined as where the Company is exposed to, or has rights to, variable returns from its involvement in the investee and has the ability to affect those returns through power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date that control is obtained up to the effective date of disposal or loss of control. All significant intercompany balances, transactions, revenues and expenses have been eliminated upon consolidation.

3. Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

a) Significant judgments

The preparation of the financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgment in applying the Company's accounting policies is the assessment of the Company's ability to continue as a going concern.

3. Significant accounting judgments, estimates and assumptions (continued)

b) Significant estimates and assumptions

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income/loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets and provisions for restoration and environmental obligations.

4. Significant accounting policies

a) Exploration and Evaluation Assets

The Company follows the practice of capitalizing all costs relating to the acquisition, exploration and evaluation of its mining rights and crediting all revenues received against the cost of the related interests. At such time as commercial production commences, these costs will be depleted on a units-of-production method based on proven and probable reserves. The carrying values related to abandoned interests are charged to net loss at the time of any abandonment.

Exploration and evaluation expenditures include acquisition costs of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching and sampling; and activities involved in evaluating the technical feasibility and commercial viability of extracting mineral resources. This includes the costs incurred in determining the most appropriate mining/processing methods and developing feasibility studies.

Management reviews the carrying amount of exploration and evaluation assets for impairment when facts or circumstances suggest that the carrying amount is not recoverable. This review is generally made with reference to the timing of exploration work, work programs proposed, exploration results achieved by the Company and by others in the related area of interest, and an assessment of the likely results to be achieved from performance of further exploration.

4. Significant accounting policies (continued)

a) Exploration and Evaluation Assets (continued)

When the results of this review indicate that indicators of impairment exist, the Company estimates the recoverable amount of the deferred exploration costs and related mining rights by reference to the potential for success of further exploration activity and/or the likely proceeds to be received from sale or assignment of the rights. When the carrying amount of exploration and evaluation assets are estimated to exceed their recoverable amounts, an impairment loss is recorded in the statement of comprehensive loss. If conditions that gave rise to the impairment no longer exist, a reversal of impairment may be recognized in a subsequent period, with the carrying amount of the exploration and evaluation asset increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. A reversal of an impairment loss is recognized in net loss in the period the reversal occurs.

Ownership in mineral properties involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many mineral properties. The Company has investigated ownership of its mineral properties and, to the best of its knowledge, ownership of its interests are in good standing.

b) Financial Instruments

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes a party to the contractual provisions of the instrument.

At initial recognition, financial assets are measured at fair value and classified as subsequently measured at amortized cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”). At initial recognition, financial liabilities are measured at fair value and classified as, subject to certain exceptions, subsequently measured at amortized cost. For financial assets and financial liabilities not at FVTPL, fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. Significant accounting policies (continued)

b) Financial Instruments (continued)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial Instrument	**IFRS 9 Classification**
Accounts payable and accrued liabilities	Amortized cost
Loans payable	Amortized cost

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4. Significant accounting policies (continued)

b) Financial Instruments (continued)

Financial assets at amortized cost
These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost the Company applies the expected credit loss impairment model.

c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

4. Significant accounting policies (continued)

d) Income Taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

e) Share Capital

Common shares issued for non-monetary consideration are recorded at their fair market value based upon the date of share issuance. Costs incurred to issue common shares are deducted from share capital.

f) Loss Per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

4. Significant accounting policies (continued)

g) 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.

h) Adoption of New Accounting Pronouncements and Recent Developments

<u>IFRS 16 – Leases</u>

The IASB issued IFRS 16, Leases ("IFRS 16"), which eliminates the classification of leases as either operating or finance leases for a lessee. Under IFRS 16, all leases will be recorded on the statement of financial position. The only exemptions to this will be for leases that are 12 months or less in duration or for leases of low-value assets. The requirement to record all leases on the statement of financial position under IFRS 16 will increase "right-of-use" assets and lease liabilities on an entity's financial statements. IFRS 16 will also change the nature of expenses relating to leases, as the straight-line lease expense previously recognized for operating leases will be replaced with depreciation expense for right-of-use assets and finance expense for lease liabilities. IFRS 16 includes an overall disclosure objective and requires a company to disclose (a) information about right-of-use assets and expenses and cash flows related to leases, (b) a maturity analysis of lease liabilities and (c) any additional company-specific information that is relevant to satisfying the disclosure objective.

IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The Company adopted this standard effective April 1, 2019, and it did not result in any significant differences in the financial statements.

<u>IFRS 3 – Business Combinations</u>

Narrow-scope amendments to IFRS 3 were issued in October 2018 and apply to annual reporting periods beginning on or after January 1, 2020. The amendments clarify the definition of a business, provide guidance in determining whether an acquisition is a business combination or a combination of a group of assets, emphasize that the output of a business is to provide goods and services to customers and provide supplementary guidance.

<u>IAS 1 – Presentation of Financial Statements</u>

An amendment to IAS 1 was issued in January 2020 and applies to annual reporting periods beginning on or after January 1, 2022. The amendment clarifies the criterion for classifying a liability as non-current relating to the right to defer settlement of a liability for at least 12 months after the reporting period.

(Presented in Canadian dollars)

5. Related party transactions

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

As at March 31, 2020, there was $69,066 (2019 - $69,066) of accounts payable and $37,533 (2019 - $37,533) of loans payable owing to the Company's former President and CEO. These amounts are non-interest bearing with no stated terms of payment. Subsequent to March 31, 2020, $34,533 of the accounts payable and $22,533 of the loans payable was assigned to an arm's-length third party. See Note 10.

As at March 31, 2020, there was $326,351 (2019 - $326,351) owing to the Company's former CFO. These amounts are non-interest bearing with no stated terms of payment. Subsequent to March 31, 2020, the balance payable was settled for $40,000. See Note 10.

6. Share capital

Authorized

- Unlimited number of common shares without par value
- Unlimited number of preferred shares without par value

There were no share issuances during the years ended March 31, 2020 and 2019.

No warrants were outstanding as at or during the years ended March 31, 2020 and 2019.

Transactions and the number of options outstanding are summarized as follows:

	Number of options	Weighted average exercise price
Balance, March 31, 2018	3,884,000	$0.08
Expired	(1,150,000)	0.08
Balance, March 31, 2019	2,734,000	0.08
Expired	(2,734,000)	0.08
Balance, March 31, 2020	-	$ -

7. Capital disclosure and management

The Company defines its capital as all components of shareholders' equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the year.

8. Financial instruments and risk management

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 is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

(b) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accounts payable and accrued liabilities are due within the current operating period.

(Presented in Canadian dollars)

8. Financial instruments and risk management (continued)

(c) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(d) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions.

9. Income taxes

The following table reconciles the expected income taxes expense (recovery) at Canadian statutory income tax rates to the amounts recognized in the statements of comprehensive loss for the years ended March 31, 2020 and 2019:

	March 31, 2020	March 31, 2019
Loss before income taxes	$ (12,000)	$ -
Statutory tax rate	27.00%	27.00%
Expected income tax recovery	(3,240)	-
Unrecognized tax benefits arising from temporary differences	3,240	-
Total deferred income tax recovery	$ -	$ -

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values. Deferred tax assets at March 31, 2020 and 2019 are comprised of the following:

	March 31, 2020	March 31, 2019
Non-capital loss carryforwards	$ 1,123,816	$ 1,120,576
Exploration and evaluation assets	233,500	233,500
Capital assets	4,701	4,701
Net deferred income tax assets	$ 1,362,017	$ 1,358,777
Tax benefits not recognized	(1,362,017)	(1,358,777)
Total net deferred income tax assets	$ -	$ -

(Presented in Canadian dollars)

9. Income taxes (continued)

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognized are attributable to the following:

	March 31, 2020	March 31, 2019
Non-capital loss carryforwards	$ 4,162,282	$ 4,150,282
Exploration and evaluation assets	864,815	864,815
Capital assets	17,412	17,412
	$ 5,044,509	$ 5,032,509

The Company has non-capital losses for Canadian tax purposes of approximately $4,162,282 that are available for deduction against future income and that begin to expire in 2029.

10. Subsequent events

Subsequent to March 31, 2020, the following events occurred:

- Company arm’s-length creditors assigned $298,633 collectively owed to them by the Company to a company controlled by an arm’s-length third party.
- The Company’s former President and CEO assigned $34,533 of the accounts payable and $22,533 of the loans payable balances owed to him by the Company to a company controlled by an arm's-length third party.
- $326,351 owed to the Company’s former CFO was settled for $40,000.
- The Company changed its name from Santa Fe Metals Corporation to Wintertide Ventures Inc.