
NOBLE MINERAL EXPLORATION INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED
MAY 31, 2019 AND 2018

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim consolidated financial statements of Noble Mineral Exploration Inc. the "Company" are the responsibility of the management and Board of Directors of the Company.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide them with sufficient knowledge to support management representations that they have exercised reasonable diligence to ensure that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for ensuring that management fulfills its financial reporting responsibilities and for reviewing and approving the unaudited interim condensed consolidated financial statements together with other financial information. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of 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.

Noble Mineral Exploration Inc.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited)

As at	May 31, 2019	August 31, 2018
Assets		
Current assets		
Cash and cash equivalents	\$ 481,762	\$ 380,013
Restricted cash	-	25,000
Prepaid expenses	1,042	24,137
Sundry receivables	16,061	32,858
Marketable securities (Note 4)	567,740	798,364
Total current assets	1,066,605	1,260,372
Non-current assets		
Exploration and evaluation assets (Note 5)	3,500,997	3,025,276
Total assets	\$ 4,567,602	\$ 4,285,648
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 11)	\$ 278,533	\$ 418,756
Provision for mining land taxes (Note 13)	320,561	658,626
Total liabilities	599,094	1,077,382
Shareholders' Equity		
Share capital		
Authorized		
Unlimited number of common shares at no par value		
Issued (Note 6)	13,259,245	11,827,142
Share-based and expired warrants reserve (Note 7(b))	13,766,885	13,651,056
Warrants (Note 8)	3,567,411	3,244,682
Accumulated deficit	(26,625,033)	(25,514,614)
Total shareholders' equity	3,968,508	3,208,266
Total liabilities and shareholders' equity	\$ 4,567,602	\$ 4,285,648

Nature of Operations and Going Concern (Note 1)

See accompanying notes to these unaudited condensed interim consolidated financial statements.

Noble Mineral Exploration Inc.

Condensed Interim Consolidated Statements of Comprehensive Loss

(Expressed in Canadian Dollars Except Number of Shares)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	May 31,		May 31,	
	2019	2018	2019	2018
		<i>(Note 16)</i>		<i>(Note 16)</i>
Expenses				
General and administrative (Note 12)	\$ 72,205	\$ 481,309	\$ 879,795	\$ 950,763
Premium on flow-through shares	-	(41,495)	-	(81,245)
Write-down of exploration assets	-	15,392	-	15,392
Loss (gain) on settlement of accounts payable	-	30,000	-	6,782
Fair value adjustment on marketable securities	334,790	333,988	230,624	1,028,790
	406,995	819,194	1,110,419	1,920,482
Net earnings (loss) and comprehensive earnings (loss)	\$ (406,995)	\$ (819,194)	\$(1,110,419)	\$(1,920,482)
Basic and diluted earnings (loss) per share	\$ (0.00)	\$ (0.02)	\$ (0.01)	\$ (0.02)
Weighted average number of shares outstanding	123,852,553	95,441,206	114,185,268	90,992,756

See accompanying notes to these unaudited condensed interim consolidated financial statements.

Noble Mineral Exploration Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

(Unaudited)

	Share Capital	Equity Portion of Convertible Debentures	Share-Based and Expired Warrants Reserve	Warrants	Accumulated Deficit	Total
Balance, August 31, 2018	\$ 11,827,142	\$ -	\$ 13,651,056	\$ 3,244,682	\$(25,514,614)	\$ 3,208,266
Private placements, net of costs	874,388	-	-	-	-	874,388
Issuance of warrants - valuation	(600,177)	-	-	600,177	-	-
Issuance of broker warrants - valuation	(34,157)	-	-	34,157	-	-
Exercise of warrants - cash	556,667	-	-	-	-	556,667
Exercise of warrants - valuation	311,605	-	-	(311,605)	-	-
Stock-based compensation	-	-	493,746	-	-	493,746
Vesting and settlement of restricted share units	323,777	-	(377,917)	-	-	(54,140)
Net loss for the period	-	-	-	-	(1,110,419)	(1,110,419)
Balance, May 31, 2019	\$ 13,259,245	\$ -	\$ 13,766,885	\$ 3,567,411	\$(26,625,033)	\$ 3,968,508
Balance, August 31, 2017	\$ 10,375,394	\$ -	\$ 13,111,438	\$ 2,119,016	\$(22,975,593)	\$ 2,630,255
Private Placement, net of costs	1,637,706	-	-	-	-	1,637,706
Issuance of warrants - valuation	(3,426,791)	-	-	3,426,791	-	-
Issuance of broker warrants - valuation	(225,003)	-	-	225,003	-	-
Stock-based compensation	-	-	244,849	-	-	244,849
Exercise of warrants - cash	189,167	-	-	-	-	189,167
Exercise of warrants - valuation	74,721	-	-	(74,721)	-	-
Shares issued on vesting of restricted share units	154,125	-	-	-	-	-
Flow-through share premium	(80,050)	-	-	-	-	(80,050)
Net earnings for the period	-	-	-	-	(1,920,482)	(1,920,482)
Balance, May 31, 2018 (Note 16)	\$ 8,699,269	\$ -	\$ 13,356,287	\$ 5,696,089	\$(24,896,075)	\$ 2,701,445

See accompanying notes to these unaudited condensed interim consolidated financial statements.

Noble Mineral Exploration Inc.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

(Unaudited)

Nine Months Ended May 31,	2019	2018
Operating Activities		
Payments to suppliers	\$ (430,856)	\$ (343,668)
Payments to management	(112,746)	(69,612)
Net cash used in operating activities	(543,602)	(413,280)
Financing Activities		
Shares issued for cash	1,431,055	1,826,873
Payment of provision for mining land taxes	(600,000)	(800,000)
Net cash provided by financing activities	831,055	1,026,873
Investing Activities		
Costs of exploration and evaluation assets	(270,450)	(1,336,636)
Proceeds on property	59,746	-
Net cash used in investing activities	(210,704)	(1,336,636)
Change in cash and cash equivalents during the period	76,749	(723,043)
Cash and cash equivalents, beginning of period	405,013	873,626
Cash and cash equivalents, end of period	\$ 481,762	\$ 150,583

See accompanying notes to these unaudited condensed interim consolidated financial statements.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended May 31, 2019 and 2018

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of Operations and Going Concern

Noble Mineral Exploration Inc., ("the Company" or "Noble") is in the mineral exploration and evaluation business. Noble has a wholly-owned US subsidiary, Hawk Uranium USA, Inc. ("Hawk USA") which is inactive.

The Company is incorporated under the laws of the Province of Ontario, Canada, and its head office is located at 120 Adelaide Street West, Suite 2500, Toronto, Ontario, M5H 1T1.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration programs will result in profitable operations. The recoverability of amounts shown for exploration and evaluation assets is dependant upon completion of the acquisition of the property interests, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write-downs of the carrying values of exploration and evaluation assets.

The Company's major mineral property is Project 81 and it holds a residual NSR interest in the Holdsworth property. Unless the Company acquires or develops additional material properties, the Company will be mainly dependent upon the Project 81 property. If no additional major mineral properties are acquired by the Company, any adverse development affecting this property would have a material adverse effect on the Company's financial condition and results of its operations.

Although the Company has taken steps to verify title to the property on which it is conducting exploration and it has acquired an interest (and has obtained title insurance on most of the properties comprising Project 81), in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Title to certain properties may be subject to unregistered prior agreements, aboriginal claims, and noncompliance with regulatory requirements.

As at May 31, 2019, the Company had working capital of \$467,511 (August 31, 2018 - \$182,880) and an accumulated deficit of \$26,625,033 (August 31, 2018 - \$25,514,614). The Company is actively seeking additional sources of capital. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its exploration and evaluation assets expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. These adjustments could be material.

2. Accounting Policies

Statement of Compliance

These unaudited condensed interim consolidated 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 International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by International Financial Reporting Interpretations Committee ("IFRIC").

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments. In addition, these unaudited condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended May 31, 2019 and 2018

(Expressed in Canadian Dollars)

(Unaudited)

2. Accounting Policies (Continued)

Statement of Compliance (Continued)

In the preparation of these unaudited condensed interim consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

The condensed interim consolidated financial statements were approved by the Board of Directors on July 29, 2019.

3. Future Accounting Changes

The following standards were adopted during the period:

- (i) IFRS 15, "Revenue from Contracts with Customers" ("IFRS 15"), was issued in May 2014, and replaces IAS 11, "Construction Contracts", IAS 18, "Revenue Recognition", IFRIC 13, "Customer Loyalty Programmes", IFRIC 15, "Agreements for the Construction of Real Estate", IFRIC 18, "Transfers of Assets from Customers", and SIC-31, "Revenue – Barter Transactions Involving Advertising Services". IFRS 15 provides a single, principles-based five-step model that will apply to all contracts with customers with limited exceptions, including, but not limited to, leases within the scope of IAS 17 "Leases"; financial instruments and other contractual rights or obligations within the scope of IFRS 9, IFRS 10, "Consolidated Financial Statements", and IFRS 11, "Joint Arrangements". In addition to the five-step model, the standard specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The incremental costs of obtaining a contract must be recognized as an asset if the entity expects to recover these costs. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities. This standard was adopted on September 1, 2018, resulting in no impact on the Company's condensed interim consolidated financial statements.

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company:

- (ii) In January 2016, the IASB issued IFRS 16, Leases ("IFRS 16"). IFRS 16 is effective for periods beginning on or after January 1, 2019, with early adoption permitted. IFRS 16 eliminates the current dual model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting.

There are no other relevant IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended May 31, 2019 and 2018

(Expressed in Canadian Dollars)

(Unaudited)

4. Marketable Securities

As at May 31, 2019, the Company owned several positions in Canadian junior resource companies. These investments are classified as available-for-sale and are carried at fair value, any unrealized gains or losses are recognized as other comprehensive income until the investment is disposed of, at which time any cumulative unrealized gain or loss previously recognized in other comprehensive loss is transferred and recognized as net income for the period.

The following is a breakdown of the fair market value of marketable securities held:

	May 31, 2019	August 31, 2018
MacDonald Mines Exploration Ltd. - shares	\$ 231,750	\$ 424,875
MacDonald Mines Exploration Ltd. - warrants	19,800	91,430
Spruce Ridge Resources Ltd. - shares	120,000	105,000
Spruce Ridge Resources Ltd. - warrants	194,500	174,500
Other	1,690	2,559
	\$ 567,740	\$ 798,364

The following Black-Scholes inputs were used in determining the value of the Spruce Ridge warrants: volatility - 222.16%, expected life - 4 years, risk free interest rate - 1.38%. The following Black-Scholes inputs were used in determining the value of the MacDonald Mines warrants: volatility - 101.96%-152.89%, expected life - 0.62-1.02 years, risk free interest rate - 1.48%.

5. Exploration and Evaluation Assets

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2019	2018	2019	2018
Project 81				
Balance, beginning of period	\$ 3,357,344	\$ 2,709,952	\$ 3,025,276	\$ 1,853,405
Acquisition costs	109,942	30,000	313,219	290,391
Surveys	-	43,722	-	174,111
Geologists and consultants	30,299	179,876	217,112	395,993
Transportation and accommodation	-	33,092	1,279	58,712
Drilling	-	141,532	-	363,345
Assays	-	47,946	-	47,946
Other	3,412	3,921	3,857	6,138
Proceeds received on joint venture agreement	-	(288,000)	(59,746)	(288,000)
	143,653	192,089	475,721	1,048,636
Total Exploration and Evaluation Assets, End of period	\$ 3,500,997	\$ 2,902,041	\$ 3,500,997	\$ 2,902,041

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended May 31, 2019 and 2018

(Expressed in Canadian Dollars)

(Unaudited)

5. Exploration and Evaluation Assets (Continued)

(a) Project 81, Timmins, Ontario

The largest portion of the Company's Project 81 is comprised of patented claims located in 16 townships in the Timmins, Iroquois Falls and Smooth Rock Falls area of Northern Ontario. The patents include surface, mineral and timber rights. The Company has also staked additional mineral claims in the same general area and has added these to Project 81.

The purchase price consisted of \$6,500,000 in cash, 600,000 common shares of the Company and the grant to AbiBow of a 5% net smelter returns royalty ("NSR") from the sale of minerals produced from the property.

In 2012, the Company acquired three mining claim blocks, totalling 12 claim units, located in the Kingsmill and Aubin townships of Northern Ontario. These claim blocks are now included within the Project 81 area.

In 2013, The Company sold, for consideration of \$500,000, its purchase rights with respect to a royalty granted to AbiBow in connection with the purchase of Project 81. The proceeds were applied to pay the purchase price for Project 81.

The Company acquired mineral claims from Metals Creek Resources Corp. in Lucas Duff and Tully Townships that are contiguous to properties in Lucas Township that were acquired in 2011 and have been identified by the Company as containing a gold target. The purchase price consisted of two cash payments for a total of \$50,000, and the issuance of 75,000 common shares on closing and a further issuance of 75,000 common shares on or before June 1, 2012.

In 2012, the Company acquired three mining claim blocks, totalling 12 claim units, located in the Kingsmill and Aubin Townships in Northern Ontario. These claim blocks are within the Project 81 area.

The Company has paid \$35,000 and issued 60,000 common shares of the Company (ascribed a fair value of \$31,500) for these claims and is also required to pay the vendor an annual advance royalty payment. The annual advance royalty payment currently stands at \$10,000 ("Advance Royalty Payment") until the commencement of commercial production on the property acquired. The vendor will also retain a 2% NSR, with the Company having the right to buy back up to 1% of the NSR at a price of \$1,000,000. The Advance Royalty Payments made to the vendor will be deducted from the NSR payable by the Company. The Company also retain the rights of first refusal on the residual 1% NSR, should the vendor elect to sell this interest at anytime. During fiscal 2017, the vendor agreed to accept common shares of the Company in lieu of cash in settlement of the 2015 and 2016 advance royalty payments and agreed to reduce future advance royalty payments to \$10,000 per annum.

During the year ended August 31, 2015, the Company recognized an impairment charge of \$3,645,942 against this property, primarily reflective of the general declines seen in commodity based resource markets. The recoverable amount was determined based on fair value less cost of disposal which was calculated on the basis of the market capitalization of the Company. During the year ended August 31, 2017 and 2018, no impairment charges were recognized.

As announced on August 25, 2017, the Company entered into an Option and Joint Venture Agreement providing a group of private investors an option with respect to lands located within Carnegie Township. Subject to the terms and conditions of that agreement, the optionees can earn a 51% interest in a portion of the Company's Project 81 properties located in Carnegie township, Ontario by carrying out exploration expenditures of \$1 million within the first year of the arrangement. The optionees would then have the right to earn an additional 24% interest in those properties by carrying out additional exploration expenditures of \$1 million within one year after earning the initial 51% interest.

On May 4, 2018, the Company signed an Option and Joint Venture Agreement ("Agreement") with Spruce Ridge Resources Ltd ("Spruce Ridge") to earn up to a 75 percent interest in specific target areas in the part of Project 81 lying within Crawford Township, Ontario.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended May 31, 2019 and 2018

(Expressed in Canadian Dollars)

(Unaudited)

5. Exploration and Evaluation Assets (Continued)

(a) Project 81, Timmins, Ontario (Continued)

Pursuant to the Agreement, Spruce Ridge can earn an initial 51% interest in the subject Crawford property by making (i) a cash payment of \$50,000 (received) by an agreed deadline, and (ii) a second cash payment of \$50,000 (received) approximately six months later. In accordance with the Agreement.

As required by that Agreement, Spruce Ridge also issued 3,000,000 Class A common shares (received and ascribed a fair value of \$90,000) and must issue an additional 3,000,000 common shares not later than one (1) year after the date of the first issue of common shares.

Also, as required by that Agreement, Spruce Ridge issued 5,000,000 warrants (received and ascribed a fair value of \$148,000) having a term expiring five (5) years after issuance, and must issue an additional 5,000,000 exercisable warrants not later than one (1) year after the date for the first issue of warrants with each such warrant being exercisable at the lowest exercise price as may be permitted by the TSXV and having a term expiring five (5) years after issuance.

After having earned a 51% interest, Spruce Ridge must incur minimum of \$300,000 of expenditures in the first year following the Effective Date and an additional \$700,000 within eighteen (18) months following the Effective Date.

Spruce Ridge can earn an additional 24% undivided interest in the Crawford property by issuing 2,000,000 common shares to Noble and incurring a further \$1,000,000 of qualifying expenditures on or before the third anniversary of the execution of the Agreement.

Once 75% is earned (or 51% should Spruce Ridge elect not to acquire a 75% interest), the Crawford property will be operated as a participating Joint Venture.

On October 2, 2017, the Company signed a binding Letter of Intent (LOI) with Peat Resources Ltd ("Peat") with the right to earn up to a 75 percent interest in specific target areas located in the part of Project 81 lying within Dargavel Township, Ontario. This LOI was terminated in September 2018.

On March 19, 2019, the Company announced that it has signed a letter of intent that, upon implementation, would result in the net smelter return royalty interest (the "NSR") on the approximate 52,000 Ha of patented mineral rights of Project 81 property being reduced from 5% to 2% but no longer subject to a purchase option.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended May 31, 2019 and 2018

(Expressed in Canadian Dollars)

(Unaudited)

6. Share Capital

	Number of Shares	Stated Value
Balance, August 31, 2017	70,853,441	\$ 10,375,394
Private placements, net of costs	22,320,757	1,637,706
Exercise of warrants	1,891,666	263,888
Issuance of warrants	-	(3,426,791)
Issuance of broker warrants	-	(225,003)
Issued on vesting of restricted share units	1,141,666	154,125
Flow-through share premium	-	(80,050)
Balance, May 31, 2018	96,207,530	\$ 8,699,269
Balance, August 31, 2018	106,875,845	11,827,142
Private placement, net of costs	10,450,000	874,388
Issuance of warrants	-	(600,177)
Issuance of broker warrants	-	(34,157)
Exercise of warrants	5,566,666	868,272
Settlement of restricted share units	2,169,214	323,777
Balance, May 31, 2019	125,061,725	\$ 13,259,245

On September 7, 2018, the Company closed the second tranche of a private placement, raising \$24,000 through the issuance of 400,000 common share units. No commission was paid on this tranche.

Each common share unit in this private placement is comprised of one common share and one warrant exercisable at \$0.10 per common share for 3 years.

The warrants issued were assigned an aggregate fair value of \$14,103 using the Black-Scholes valuation model, using the relative method, with the following assumptions: dividend yield 0%, expected volatility 236.35%, risk-free rate of return 2.16% and expected life of 3 years.

On February 12, 2019, the Company closed a private placement, raising \$1,005,000 through the issuance of 10,050,000 common share units. Cash commission of \$23,150, and 308,000 broker warrants exercisable at \$0.11 for a period of three years were paid in connection with this financing.

Each common share unit in this private placement is comprised of one common share and one warrant exercisable at \$0.11 per common share for 3 years.

The 10,050,000 warrants issued were assigned an aggregate fair value of \$586,074 using the Black-Scholes valuation model, using the relative method, with the following assumptions: dividend yield 0%, expected volatility 177.70%, risk-free rate of return 1.81% and expected life of 3 years.

The 308,000 broker warrants issued were assigned an aggregate fair value of \$34,157 using the Black-Scholes valuation model, with the following assumptions: dividend yield 0%, expected volatility 177.70%, risk-free rate of return 1.81% and expected life of 3 years.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended May 31, 2019 and 2018

(Expressed in Canadian Dollars)

(Unaudited)

7. Share-Based Payments

a) Stock Options

	Number of Stock Options	Weighted Average Exercise Price
Balance, August 31, 2017	2,580,000	\$ 0.25
Options expired	1,700,000	0.13
Balance, May 31, 2018	4,280,000	\$ 0.20
Balance, August 31, 2018	4,240,000	\$ 0.20
Options granted	2,700,000	0.170
Options expired	(1,430,000)	0.25
Balance, May 31, 2019	5,510,000	\$ 0.17

As of May 31, 2019, the following options were outstanding:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (Years)	Fair Value of Options Outstanding (\$)	Fair Value per Option (\$)	Number of Options Outstanding
October 20, 2020	0.125	1.39	244,970	0.14	1,700,000
May 2, 2021	0.25	1.92	107,115	0.10	1,110,000
February 25, 2022	0.17	2.74	403,650	0.15	2,700,000
	0.17	2.42	755,735		5,510,000

Of the 5,510,000 options outstanding, all have vested and are exercisable.

On February 25, 2019, the Company granted 2,700,000 options to purchase common shares of the Company to officers, directors, service providers and consultants. Each option is exercisable at a price of \$0.17 for a three year term. 1,950,000 of the options were granted to directors and officers of the Company. A fair value of \$403,650 was assigned to these options, estimated using the Black-Scholes valuation model with the following weighted average assumptions: dividend yield 0%, share price of \$0.17 expected volatility 177.56% a risk-free rate of return 1.79% and expected life of 3 years. All options vested upon grant.

b) Share-Based and Expired Warrants Reserve

Share-based and expired warrants reserves include the accumulated fair value of options and the transferred value of expired warrants. Share-based and expired warrants reserves record items recognized as share-based payments in the form of stock option grants and vesting of such options until such time that these stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amount recorded will stay in the share-based and expired warrants reserve.

The reserve also records the fair value of expired warrants.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended May 31, 2019 and 2018

(Expressed in Canadian Dollars)

(Unaudited)

7. Share-Based Payments (Continued)

c) Supplement Equity Incentive Plan

In October 2017, the Company adopted a Supplemental Equity Incentive Plan (the "Supplemental EIP").

The Board of Directors approved the plan and reserved 8,707,010 common shares as the maximum number of common shares that may be issued under the Supplemental EIP. However, the number of shares reserved for options under the Option Plan and the number of shares reserved for other forms of equity based incentive compensation under the Supplemental EIP cannot exceed 10% of the Company's issued and outstanding common shares. The Supplemental EIP was approved at the annual shareholder meeting on February 22, 2018 (the "Meeting").

When the Supplemental EIP was approved by the Board of Directors on October 20, 2017, the Board also provisionally granted a total of 3,800,000 restricted share units ("RSU") under the Supplemental EIP, all to directors or certain officers of the Company or to the entities through which certain officers provide their services to the Company. The grant of these RSUs was subject to the Supplemental EIP being approved by the shareholders of the Company. Therefore, when the Supplemental EIP was approved by shareholders, the grant of RSUs was finalized.

The RSUs vest as to 1/3 one month after the Meeting, a second 1/3 six months thereafter and the final 1/3 on the thirteenth month after the Meeting. As restricted share units vest, the Company will have the option of issuing to the unit-holders an amount of common shares equal to the number of vested units, a cash payment equal to the market value of those shares, or some combination of cash and shares.

The Company has accounted for these RSUs as a compound instrument as they include an equity portion and a cash settled liability portion, although the amount attributed to equity is \$nil as the full value RSUs may be redeemed for cash or for shares upon vesting. The Company recorded \$87,226, (nine months ended May 31, 2018 - \$nil) of stock based compensation expense during the nine months ended May 31, 2019.

The Company has accounted for these RSUs as share based payments in equity because the option to settle the award in cash remains at the sole discretion of the Board of Directors and there is no present obligation to settle the award in cash.

The RSUs were valued at \$570,000, of which \$87,226 has been recognized and expensed during the nine months ended May 31, 2019.

During the year ended August 31, 2018, the Company settled the first 1/3 (1,266,666 RSUs) with the issuance of 1,076,666 common shares and a cash payment of \$16,875 which was withheld for remittance to the Canada Revenue Agency.

In December 2018, the Company settled the second 1/3 of the award (1,266,666 RSUs) with the issuance of 1,084,606 common shares and a cash payment of \$27,040 which was withheld for remittance to the Canada Revenue Agency.

In May 2019, the Company settled the third 1/3 of the award (1,266,666 RSUs) with the issuance of 1,084,606 common shares and a cash payment of \$27,040 which was withheld for remittance to the Canada Revenue Agency.

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(Expressed in Canadian Dollars)

(Unaudited)

8. Warrants

Type of Warrant	Number of Warrants Outstanding	Warrant Value
Regular Warrants		
Balance, August 31, 2017	23,416,662	\$ 2,046,391
Issued	21,700,751	3,426,791
Exercised	(1,891,666)	(74,721)
Balance, May 31, 2018	43,225,747	\$ 5,398,461
Balance, August 31, 2018	53,894,068	2,942,845
Issued	10,450,000	600,177
Exercised	(4,566,666)	(152,405)
Balance, May 31, 2019	59,777,402	\$ 3,390,617
Compensation Warrants		
Balance, August 31, 2017	1,088,299	\$ 72,625
Issued	1,413,333	225,003
Balance, May 31, 2018	2,501,632	297,628
Balance, August 31, 2018	2,569,982	\$ 301,837
Issued	308,000	34,157
Exercised	(1,000,000)	(159,200)
Balance, May 31, 2019	1,877,982	176,794
Total, May 31, 2019	61,655,384	\$ 3,567,411

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8. Warrants (Continued)

The following table summarizes the warrants outstanding at May 31, 2019:

Expiry Date	Exercise Price (\$)	Number of Warrants
Compensation Warrants		
January 13, 2021	0.25	350,000
February 19, 2021	0.25	10,000
November 17, 2021 ¹	0.25	33,333
April 20, 2022 ¹	0.06	208,333
April 20, 2022 ¹	0.075	136,650
August 31, 2022 ¹	0.06	333,333
February 12, 2021	0.11	308,000
September 7, 2022	0.075	413,333
August 14, 2021	0.10	85,000
Regular Warrants		
November 17, 2021	0.075	4,866,666
April 20, 2022	0.10	2,891,650
August 31, 2022	0.10	11,333,330
September 15, 2022	0.06	15,566,666
November 29, 2020	0.15	5,484,091
August 14, 2021	0.10	9,184,999
September 7, 2021	0.10	400,000
February 12, 2022	0.11	10,050,000
Total Warrants Outstanding		61,655,384

¹ each warrant is exercisable for one common share and one warrant exercisable at \$0.10 per common share for 5 years from the date of the original private placement.

9. Basic and Diluted Loss per Share

The calculation of basic and diluted loss per share for the nine months ended May 31, 2019 was based on the loss attributable to common shareholders of \$1,110,419 (nine months ended May 31, 2018 - \$1,920,482) and the weighted average number of common shares outstanding of 114,185,268 (nine months ended May 31, 2018 - 90,992,756). The basic and diluted loss per share for the six months ended May 31, 2019 and 2018 using the treasury method are the same.

10. Segmented Information

The Company's operations are comprised of a single reporting operating segment engaged in the exploration and evaluation of mineral resources. As the operations comprise a single reporting segment, amounts disclosed in the consolidated financial statements also represent a single reporting segment. As at May 31, 2019, all of the Company's exploration and evaluation assets are situated in Canada.

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11. Related Party Disclosures

During the three and nine months ended May 31, 2019, the Company incurred an aggregate of \$34,500 and \$103,500, respectively (three and nine months ended May 31, 2018 - \$28,927 and \$136,634, respectively) in management fees to three officers for administering the Company's affairs. Of these amounts, \$15,000 and \$45,000, respectively, (three and nine months ended May 31, 2018 - \$9,292 and \$77,864, respectively) were capitalized to exploration and evaluation assets, and \$19,500 and \$58,500, respectively (three and nine months ended May 31, 2018 - \$19,635 and \$58,770, respectively) were included in management fees. As at May 31, 2019, \$63,940 (August 31, 2018 - \$80,800) pertaining to fees and ancillary expense reimbursements were included in accounts payable and accrued liabilities. Officers of the Company were reimbursed for out of pocket expenses that occurred in the normal course of operations.

During the three and nine months ended May 31, 2019, the Company accrued or paid professional fees of \$59,484 and \$110,427, respectively (three and nine months ended May 31, 2018 - \$98,292 and \$173,289, respectively) for legal advice and related services to a legal firm, Ormston List Frawley LLP, from which an officer of the Company is a partner. Approximately \$10,500 and \$31,500, respectively (three and nine months ended May 31, 2018 - \$10,500 and \$31,500, respectively) of that amount is attributable to the services of the Company's Secretary and for related corporate secretarial services, and the remaining \$48,984 and \$78,927, respectively (three and nine months ended May 31, 2018 - \$87,792 and \$141,789, respectively) is attributable to services of other lawyers and legal professionals at Ormston List Frawley LLP. As at May 31, 2019, \$75,532 (August 31, 2018 - \$192,307) pertaining to legal fees were included in accounts payable and accrued liabilities.

The Company's outstanding common shares trade on the TSX Venture Exchange under the symbol NOB and to the knowledge of directors and officers of the Company, the Company's outstanding common shares are widely held.

The above noted transactions are in the normal course of business and are measured at fair value, except as noted, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

Remuneration of the key management personnel of the Company is as follows:

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2019	2018	2019	2018
Management fees and professional fees	\$ 94,695	\$ 127,219	\$ 213,927	\$ 309,923
Stock-based compensation	\$ -	\$ -	\$ 291,525	\$ 28,820
Restricted share unit compensation	\$ 2,101	\$ 241,435	\$ 87,226	\$ 250,465

Noble Mineral Exploration Inc.

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12. General and Administrative

	Three Months Ended		Nine Months Ended	
	May 31,		May 31,	
	2019	2018	2019	2018
Accounting and corporate services	\$ 9,669	\$ 11,157	\$ 32,711	\$ 36,513
Office and general	21,404	27,305	35,397	87,453
Management fees (Note 11)	19,500	19,635	58,500	58,770
Professional fees (Note 11)	(31,230)	152,268	127,074	149,611
Rent	-	-	995	1,672
Shareholder relations	50,761	22,259	131,431	87,930
Directors fees (Note 11)	-	7,250	-	33,500
Stock-based compensation ¹ (Note 11)	-	-	406,461	244,849
Restricted share unit compensation ¹ (Note 11)	2,101	241,435	87,226	250,465
	\$ 72,205	\$ 481,309	\$ 879,795	\$ 950,763

¹Stock-based and restricted share unit compensation is a non-cash expense, representing a portion of the Black-Scholes valuation recognized under the graded vesting method.

13. Provision for Mining Land Taxes

During the 2017 financial year, Ontario's Ministry of Northern Development and Mines (the "MNDM") declined the Company's request for a waiver of mining land taxes on the patented land rights currently comprising the bulk of the Company's Project 81. The Company replied to the MNDM's earlier rejection of Noble's waiver request with further submissions seeking mitigation of the mining land taxes assessed. The MNDM has now confirmed that these further submissions were rejected, and that the outstanding balance of mining land taxes owing on these properties for 2012, through 2018 approximates \$824,323. Interest on these outstanding amounts began accruing in the quarter ended August 31, 2016, having begun to accrue 60 days after the MNDM's invoice for 2016 mining land taxes was issued. Interest of \$56,000 will be waived by MNDM should all payments be made as per the agreed upon schedule.

On October 17, 2017, the Company entered into an agreement (the "Agreement") with the MNDM regarding the payment of tax arrears and accrued interest on Noble's Project 81. The Company was advised by the MNDM that mining land taxes were assessed against its Project 81 patented lands (the "Lands") beginning on January 1, 2012. Under the Agreement, Noble has confirmed that the amount it owed to the MNDM stood at approximately \$1.4 million, including taxes and interest for the period of January 2012 to September 2017 (the "Tax Arrears").

Under the terms of the Agreement, the Company is required to pay the Tax Arrears and accruing mining land taxes in 10 installments, with the first eight instalments of \$200,000 having been made. The final payment will be due in September 2019, and upon the Company having made that payment it will have paid Tax Arrears plus all current mining land taxes through to that date. Pursuant to the Agreement, Noble is required to execute surrender documents (the "Surrender Documents") for the Lands that will be held in escrow by the MNDM until all required payments have been made. If the Company defaults under the Agreement, the MNDM has the option of demanding full payment of all then outstanding taxes and interest, or terminating Noble's ownership of the Lands after the expiration of a specified notice period.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

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(Unaudited)

14. Provision for Mining Land Taxes (Continued)

Under the Agreement, Noble is entitled to enter into option, joint venture or similar agreements (the "Option Agreements") with respect to portions of the Lands (the "Optioned Lands") provided that the rights of third-parties under those Option Agreements are subordinated to the rights of the MNDM under the Agreement. In addition, the Company has a discretionary right to accelerate payment of Tax Arrears attributable to all or any Optioned Lands and, upon such payment, the MNDM will return the Surrender Documents associated with those Optioned Lands and confirm that all taxes due have been paid, after which the Optioned Lands will no longer be included as Lands.

The following is a continuity of the provision for mining land taxes:

	Nine Months Ended May 31, 2019	Year Ended August 31, 2018
Opening balance	\$ 658,626	\$ 1,434,783
Accrued levy	261,935	223,843
Payments made	(600,000)	(1,000,000)
	\$ 320,561	\$ 658,626

Under the terms of a negotiated payment plan with the Ministry of Northern Development and Mines, the Company is committed to make the following payments::

July 15, 2019	200,000
September 15, 2019	82,469
	\$ 282,469

Subsequent to May 31, 2019, the Company paid the remaining obligation under the negotiated payment plan. As of the date of this document, confirmation from the Ministry of Northern Development is pending.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

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14. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

(a) Assets and liabilities measured at fair value on a recurring basis:

As at May 31, 2019	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Aggregate fair value
Marketable securities	\$ 353,440	\$ -	\$ 214,300	\$ 567,740
	\$ 353,440	\$ -	\$ 214,300	\$ 567,740

(b) Fair values of financial assets and liabilities:

	May 31, 2019		August 31, 2018	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
<u>Financial assets</u>				
FVTPL				
Available-for-sale				
Marketable securities	\$ 567,740	\$ 567,740	\$ 798,364	\$ 798,364
	\$ 1,049,502	\$ 1,049,502	\$ 1,671,690	\$ 1,671,690
<u>Financial liabilities</u>				
Other financial liabilities				
Accounts payable and accrued liabilities	\$ 278,533	\$ 278,533	\$ 418,756	\$ 418,756
Mining land taxes payable	320,561	320,561	658,626	658,626
	\$ 599,094	\$ 599,094	\$ 1,077,382	\$ 1,077,382

The Company does not offset financial assets with financial liabilities.

Noble Mineral Exploration Inc.

Notes to Condensed Interim Consolidated Financial Statements

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15. Comparative Figures

As a result of the Company's early adoption of IFRS 9, with retrospective application as denoted in notes 2(q)(ii) and 22 of the Company's August 31, 2018 audited annual consolidated financial statements, the Company reclassified certain unrealized gains on marketable securities from accumulated other comprehensive income to fair value through profit or loss and to record a deferred tax recovery on unrealized gains recorded through comprehensive income. The Company is also early adopted IFRS 9 and applied the irrevocable initial recognition election available under IFRS 9 to classify all marketable securities as fair value through other comprehensive income.

The impact of the adoption of IFRS 9 and the restatement of comparative figures as at and for the nine months ended May 31, 2018 is as follows:

	As Previously Reported	Adjustment	As Restated
Excerpt from Statement of Financial Position			
Accumulated Deficit	\$(24,029,132)	\$ (866,943)	\$(24,896,075)
Accumulated other comprehensive Income	(798,223)	798,223	-
Excerpt From Statement of Comprehensive Income (Loss)			
Unrealized (gain) on FVTPL financial instruments	-	(1,028,790)	(1,028,790)
Total expenses	(891,790)	(1,028,790)	(1,920,580)
Income (loss) for the period	(891,692)	(1,028,790)	(1,920,482)
Comprehensive income for the period	(1,920,482)	1,920,482	-
Net income and comprehensive income for the period	(1,920,482)	-	(1,920,482)

- (i) Accumulated deficit as at May 31, 2018 increased by \$1,028,790 from a reclassification from accumulated other comprehensive loss to fair value adjustment on marketable securities on the Company's condensed interim statement of comprehensive loss, with the remaining \$161,847 pertaining to historical impact on opening deficit adopting IFRS and the effect of a restatement error, as described in Note 22 of the Company's August 31, 2018 audited consolidated annual financial statements.
- (ii) Accumulated other comprehensive loss declined to \$nil as a result of the adoption of IFRS 9, with \$1,028,790 relating to the nine months ended May 31, 2018 and the residual balance of \$230,567 relating to prior periods. See note 22 of the Company's August 31, 2018 audited consolidated annual financial statements.
- (iii) Unrealized gains on FVTPL financial instruments are presented in profit or loss and not in other comprehensive income.
- (iv) As a result of the above changes, basic and fully diluted loss per share for the nine months ended May 31, 2018 has increased to \$0.02 from \$0.01.
- (v) There was no impact on the statements of cash flows.