SILVER TIGER METALS INC

Consolidated Financial Statements

March 31, 2020 and 2019

July 29, 2020

Management's Report

The accompanying consolidated financial statements of Silver Tiger Metals Inc. (previously Oceanus Resources Corporation) (the "Company") are the responsibility of management and have been approved by the Board of Directors. The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). The consolidated financial statements include certain amounts and assumptions that are based on management's best estimates and have been derived with careful judgment.

In fulfilling its responsibilities, management has developed and maintains a system of internal accounting controls. These controls are designed to provide reasonable assurance that the financial records are reliable for preparation of the consolidated financial statements. The Audit Committee of the Board of Directors reviewed and approved the Company's consolidated financial statements and recommended their approval by the Board of Directors.

(signed) "*Glenn Jessome*"
President and Chief Executive Officer
Halifax, Nova Scotia

(signed) "*Glenn Holmes*"
Chief Financial Officer
Halifax, Nova Scotia

Independent auditor's report

To the Shareholders of Silver Tiger Metals Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Silver Tiger Metals Inc. and its subsidiaries (together, 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 as issued by the International Accounting Standards Board (IFRS).

What we have audited
The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at March 31, 2020 and 2019;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
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. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

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 identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Maxime Lessard.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Professional Accountants

Halifax, Nova Scotia
July 29, 2020

SILVER TIGER METALS INC

Consolidated Statements of Financial Position

As at March 31, 2020 and 2019

	2020 $	2019 $
Assets		
Current assets		
Cash	89,438	22,364
Sales tax recoverable	38,782	55,225
Prepaid expenses	19,647	29,596
	147,867	107,185
Right-of-use asset (note 4)	46,000	-
Resource properties (note 6)	19,039,807	17,966,648
	19,233,674	18,073,833
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	2,827,137	2,511,435
Current portion of lease liability (note 4)	31,000	-
	2,858,137	2,511,435
Lease liability (note 4)	16,000	-
	2,874,137	2,511,435
Equity (note 9)	16,359,537	15,562,398
	19,233,674	18,073,833

Commitments (note 15)
Subsequent events (note 16)

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

SILVER TIGER METALS INC

Consolidated Statements of Changes in Equity

For the years ended March 31, 2020 and 2019

	Number of shares	Share capital $	Contributed surplus $	Warrants $	Deficit $	Total $
Balance – March 31, 2018	136,388,798	30,760,267	2,257,417	288,100	(17,944,974)	15,360,810
Net loss and comprehensive loss for the year	-	-	-	-	(1,219,141)	(1,219,141)
Shares issued for cash, net of issue costs	5,769,227	744,729	-	-	-	744,729
Exercise of stock options	100,000	19,000	(9,000)	-	-	10,000
Exercise of warrants	1,658,332	398,000	-	-	-	398,000
Expiration of broker warrants and warrants	-	-	288,100	(288,100)	-	-
Stock-based compensation	-	-	268,000	-	-	268,000
Balance – March 31, 2019	143,916,357	31,921,996	2,804,517	-	(19,164,115)	15,562,398
Net loss and comprehensive loss for the year	-	-	-	-	(370,889)	(370,889)
Shares issued for cash, net of issue costs	18,749,996	1,115,028	-	-	-	1,115,028
Exercise of stock options	100,000	19,000	(9,000)	-	-	10,000
Stock-based compensation	-	-	43,000	-	-	43,000
Balance – March 31, 2020	162,766,353	33,056,024	2,838,517	-	(19,535,004)	16,359,537

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

SILVER TIGER METALS INC

Consolidated Statements of Loss and Comprehensive Loss

For the years ended March 31, 2020 and 2019

	2020 $	2019 $
Expenses		
Consulting fees (note 8)	411,695	457,620
Dues and fees	70,659	42,864
Foreign exchange gain	(261,635)	(9,426)
Insurance	80,651	67,171
Office and other	79,939	115,855
Professional fees	39,086	64,794
Shareholder communication	75,870	73,105
Stock-based compensation	43,000	246,000
Travel	49,033	25,268
Wages and benefits	65,520	135,890
	653,818	1,219,141
Other expenses (income)		
Depreciation expense (note 4)	31,000	-
Gain on settlement of accounts payable (note 8)	(86,938)	-
Gain on sale of subsidiary company (note 12)	(226,991)	-
Net loss and comprehensive loss for the years	370,889	1,219,141
Loss per share – Basic and diluted	(0.002)	(0.01)
Weighted average outstanding common shares – Basic and diluted	151,788,479	140,859,109

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

Consolidated Statements of Cash Flows

For the years ended March 31, 2020 and 2019

	2020 $	2019 $
Cash provided by (used in)		
Operating activities		
Net loss and comprehensive loss for the years	(370,889)	(1,219,141)
Changes to net and comprehensive loss not affecting cash		
Stock-based compensation	43,000	246,000
Depreciation expense (note 4)	31,000	-
Gain on settlement of accounts payable (note 8)	(86,938)	-
Gain on sale of subsidiary company (note 12)	(226,991)	-
Interest expense on lease liability (note 4)	3,000	-
	(607,818)	(973,141)
Net changes in non-cash working capital balances related to operations		
Decrease (increase) in sales tax recoverable	16,443	(17,622)
Decrease in prepaid expenses	9,949	14,522
Increase in accounts payable and accrued liabilities	290,796	284,457
	(290,630)	(691,784)
Investing activities		
Expenditures on resource properties	(734,324)	(456,425)
Financing activities		
Proceeds from issuance of common shares	1,125,000	750,000
Share issue costs paid	(9,972)	(5,271)
Proceeds from exercise of stock options and warrants	10,000	408,000
Repayments of lease liability	(33,000)	-
	1,092,028	1,152,729
Change in cash during the years	67,074	4,520
Cash – Beginning of years	22,364	17,844
Cash – End of years	89,438	22,364

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

1 Nature of operations

Nature of operations

Silver Tiger Metals Inc. (previously Oceanus Resources Corporation) (the “Company”) was incorporated under the Canada Business Corporations Act on June 14, 2010 and its common shares are listed on the TSX Venture Exchange (the “Exchange”) under the trading symbol SLVR. Subsequent to March 31, 2020, the Company’s common shares commenced trading on the OTCQB under the trading symbol SLVTF (note 16). The Company’s registered office is located at Suite 2108, 1969 Upper Water Street, Halifax, Nova Scotia. The Company has one reportable and one geographic segment.

The Company is a mineral exploration company engaged in locating and acquiring high quality projects and exploring for gold and base metals. To date, the Company has not generated any revenue and is considered to be in the exploration stage. The Company is in the process of exploring and evaluating its resource properties in Mexico. The recoverability of amounts spent for the acquisition, exploration and development of the resource properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licenses and permits from governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects. Failure to comply with these conditions may render the licenses liable to forfeiture.

COVID-19

On March 11, 2020, the World Health Organization declared a pandemic following the emergence and rapid spread of a novel strain of coronavirus (“COVID-19”). The continued spread of COVID-19 and the actions being taken by governments, businesses and individuals may adversely impact the Company’s operations and its financial results. This has resulted in significant economic uncertainty, of which the potential impact on the Company’s future financial results is difficult to reliably measure.

2 Basis of presentation

Statement of compliance

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

The Board of Directors approved the consolidated financial statements for issue on July 29, 2020.

Basis of measurement

These consolidated financial statements have been prepared under a historical cost basis.

2 Basis of presentation (continued)

Use of estimates and judgments

The preparation of the consolidated financial statements requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of expenses during the reporting period. The determination of estimates requires the exercise of judgment based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results may differ from these estimates. The more significant areas requiring the use of management estimates and judgements are discussed below.

- Going concern

  The Company's assessment of whether material uncertainties exist in relation to the Company's ability to continue as a going concern requires significant judgment. Management prepares detailed cash flow projections, considering expected spending on its resource properties and general and administrative expenses and assesses whether it has the ability to meet its obligations as they come due, for a minimum of a twelve-month period from the consolidated statements of financial position date.

- Recoverability of resource properties

  At the end of each reporting period, the Company assesses its mineral resource properties to determine whether any indication of impairment exists. Judgment is required in determining whether indicators of impairment exist, including factors such as the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of resource properties are budgeted and results of exploration and evaluation activities on the exploration and evaluation assets.

  Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less cost of disposal and value in use. The impairment analysis requires the use of estimates and assumptions, such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance. Fair value of mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. If the Company does not have sufficient information about a particular mineral resource property to meaningfully estimate future cash flows, the fair value is estimated by management through the use of, where available, comparison to similar market assets and, where available, industry benchmarks. Actual results may differ materially from these estimates.

2 Basis of presentation (continued)

Use of estimates and judgments (continued)

- Recoverability of sales tax

  Management's assumptions regarding the recoverability of Value Added Tax ("VAT") receivable in Mexico, at the end of each reporting period, are made using all relevant facts available, including past collectability, the development of VAT policies and the general economic environment of the country to determine if a write-down of the VAT is required. Collection of the amount receivable depends on processing and payment of the claims by the government in Mexico. The Company has approximately $651,613 of VAT receivable at March 31, 2020 (2019 - $746,000). While the Company is still pursuing collection, with the delay in processing and collection, management determined that it is appropriate to classify this amount to the resource property to which the VAT paid is related. The timing and amount of the VAT ultimately collectible could be materially different from the amount recorded in the consolidated financial statements.

- Deferred taxes

  Deferred income tax assets and liabilities are computed based on differences between the carrying amounts of assets and liabilities on the consolidated statements of financial position and their corresponding tax values. Deferred income tax assets also result from unused loss carry-forwards and other deductions. To the extent the Company does not consider it probable that a deferred income tax asset will be recovered, the deferred income tax asset is not recognized.

- Share-based payments

  The Company issues equity-settled share-based payments to certain employees and third parties outside the Company. Equity-settled share-based payments are measured at fair value, excluding the effect of non-market based vesting conditions, at the date of grant. Fair value is measured using the Black-Scholes option pricing model and requires the exercise of judgment in relation to variables such as the expected life and expected volatilities, which are based on information available at the time the fair value is measured.

3 Summary of significant accounting policies

The consolidated financial statements have been prepared in accordance with IFRS. The consolidated financial statements have been prepared within the framework of the accounting policies summarized below.

Consolidation

The financial statements of the Company consolidate the accounts of the Company and the following subsidiaries:

Company	Activity	Country of incorporation
El Tigre Silver Corp.	Holding company	Canada
Lunar Gold	Holding company	Canada
LGHI Holdings Incorporated	Holding company	Canada
Pacemaker Silver Mining S.A. de C.V.	Mineral exploration company	Mexico
Compañia Minera Talaman S.A. de C.V.	Holding company	Mexico
0874346 B.C. Ltd.	Holding company	Canada

All subsidiaries are 100% owned.

During the year ended March 31, 2020, the Company disposed of its 100% ownership of Minera Pueblo de Oro S.A. de C.V. ("MPO") (note 12).

All intercompany transactions, balances and unrealized gains and losses from intercompany transactions are eliminated on consolidation. There are no non-controlling interests, therefore, all loss and comprehensive loss is attributable to the shareholders of the Company.

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, the assets recoverable amount is estimated.

Resource properties

Once the Company has obtained the legal right to explore, initial acquisition costs and exploration costs related to resource properties are deferred until such time as the properties are put into commercial production, sold or abandoned or management determines that the resource properties are not economically viable, at which time the resource properties are written down to their recoverable amount.

3 Summary of significant accounting policies (continued)

Resource properties (continued)

If any properties are put into commercial production, the carrying values of the properties will be depleted following the unit of production method.

The carrying values of resource properties, on a property-by-property basis, will be reviewed by management at least annually to determine if there are indicators of impairment. If impairment is deemed to exist, the resource properties will be written down to their recoverable amount through a charge to the consolidated statements of loss and comprehensive loss. The ultimate recoverability of the amounts capitalized for the resource properties is dependent upon obtaining the necessary financing to complete their development and realize profitable production or proceeds from the disposition thereof.

Management's estimate of recoverability of the Company's resource property has been based on current conditions. However, it is reasonably possible that changes could occur in the near term that could adversely affect management's estimates and may result in future write-downs of the resource property.

All borrowing costs including interest charges associated with resource property expenditures have been capitalized.

Income taxes

Current tax assets and liabilities for the current and prior periods are measured at the amounts expected to be paid or recovered, using tax rates and laws that have been enacted or substantively enacted by the end of the year.

Deferred tax assets and liabilities are recognized for all future tax consequences attributable to the differences between the consolidated financial statement carrying amounts of assets and liabilities and their respective tax bases, except for the initial recognition of goodwill and the initial recognition of an asset or liability, which at the time of the transaction, affects neither accounting profit nor taxable profit or loss. Deferred tax assets are also recognized for unused tax losses and unused tax credits. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against the deductible temporary differences, unused tax losses and unused tax credits can be utilized. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates and tax laws expected to apply when the carrying amount of the assets or liabilities are recovered or settled or the unused losses are expected to be utilized.

Current and deferred income tax expense is recognized in the consolidated statements of loss and comprehensive loss for the year, except to the extent that the income taxes related to a transaction or event that is recognized, in the same or different period, either in other comprehensive loss or directly in equity.

3 Summary of significant accounting policies (continued)

Stock-based compensation

The Company grants stock options to certain officers and directors. Stock options vest in accordance with the individual option granting contracts and expire after ten years or as determined by the Board of Directors when granted. Each grant is considered a separate award with its own vesting period and grant date fair value. Fair value of each grant is measured at the date of grant using Black-Scholes option pricing model. Compensation expense is recognized over the grant's vesting period by increasing contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately. Consideration paid by the directors and officers upon exercise of the stock options and the amount previously recognized in contributed surplus are recorded as share capital.

Share issuance costs

Costs directly attributable to the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred share issuance costs.

Warrants

Proceeds on the issuance of warrants are recorded in a separate component of equity as the warrants give right to a fixed number of the Company's common shares. Costs incurred on the issuance of warrants are recognized as a deduction from warrant proceeds. Warrants issued with common shares are measured using the residual fair value method. The fair value is included as a component of equity and is transferred from warrants to share capital on exercise.

Loss per share

Loss per share is calculated based on the weighted average number of shares outstanding during the year. The Company follows the treasury method of calculating diluted earnings per share. This method assumes that any proceeds from the exercise of stock options and other dilutive instruments would be used to purchase common shares at the average market price during the year. Diluted loss per share for the periods presented is the same as basic loss per share, as the Company has incurred losses and the exercise of options and warrants would be anti-dilutive.

3 Summary of significant accounting policies (continued)

Functional and presentation currency and foreign currency translation

Items included in the consolidated financial statements are measured using the currency of the primary economic environment, in which the entity operates and the consolidated financial statements are presented in Canadian dollars.

The functional currency of all subsidiaries and the parent company is Canadian dollars. Foreign currency transactions are recorded at the foreign exchange rate in effect on the date of the transaction and gains and losses resulting from the settlement of such transactions are recorded in the consolidated statements of loss and comprehensive loss.

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument. Financial assets and financial liabilities are initially measured at fair value. Financial assets are classified into one of the following specified categories: amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI"). Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified as FVTPL) are added to, or deducted from, the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the consolidated statements of loss and comprehensive loss.

All of the Company's financial instruments are recognized at amortized cost.

4 Change in accounting policies

IFRS 16, Leases ("IFRS 16")

IFRS 16 is effective for annual periods beginning on or after January 1, 2019. IFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. As a lessee, an entity recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company adopted IFRS 16 as of April 1, 2019, using the modified retrospective approach. On adoption of IFRS 16, the only lease in place related to the Company's head office lease, which resulted in the recognition of a right-of-use asset and a corresponding lease liability of $77,000 on the consolidated statements of financial position.

During the year ended March 31, 2020, depreciation expense on the right-of-use asset of $31,000 was recognized, decreasing the carrying value of the right-of use asset to $46,000 as at March 31, 2020. The associated lease liability at March 31, 2020 is $47,000, of which the current portion is $31,000.

5 Capital management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Company considers capital to be total equity, which as at March 31, 2020 totaled $16,359,537 (2019 - $15,562,398). The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to externally imposed capital requirements.

6 Resource properties

	$
Balance – March 31, 2018	16,731,855
Exploration and property costs incurred	1,234,793
Balance – March 31, 2019	17,966,648
Exploration and property costs incurred	1,073,159
Balance – March 31, 2020	19,039,807

On September 15, 2015, the Company entered into an arrangement agreement with El Tigre Silver Corp. ("El Tigre") to combine the respective companies by way of a statutory plan of arrangement pursuant to the Business Corporations Act (British Columbia), under which the Company acquired all of the outstanding common shares of El Tigre in exchange for common shares of the Company on the basis of 0.2839 of one share of the Company for every one El Tigre share (the "Transaction"). The Transaction was completed on November 13, 2015.

El Tigre holds nine Mexican federal mining concessions, located in north eastern Sonora State, of which eight are collectively referred to as the El Tigre Property ("El Tigre Property"). The concessions are 100% held by El Tigre through its wholly owned subsidiary, Pacemaker Silver Mining S.A. de C.V. and its wholly owned subsidiary, Compañia Minera Talaman S.A. de C.V.

Pursuant to certain land access agreements, at such time as the El Tigre Property is put into production, the Company is required to make the following payments to the land owners; US$3 per ounce of gold produced if the gold price is below US$1,200, US$5 per ounce of gold produced if the gold price is between US$1,201 and US$1,500 and US$7 per ounce of gold produced if the gold price is above US$1,501. Additionally, pursuant to an agreement to acquire 6,283 hectares of land within the boundaries of the El Tigre Property (the "Agreement"), the Company is required to make a payment of US$500,000 to the vendor upon establishing commercial production subject to completing the purchase agreement, which has 48 monthly payments of US$10,952 remaining at March 31, 2020. The monthly payments paid to date have been recorded to resource properties.

7 Accounts payable and accrued liabilities

	2020 $	2019 $
Accounts payable		
El Tigre property fees	1,828,026	1,391,000
La Lajita termination payments	-	98,191
Other	905,439	776,762
Accrued liabilities	93,672	245,482
	2,827,137	2,511,435

As at March 31, 2020, $16,330 (2019 - $111,000) of accounts payable and accrued liabilities is due to the Chief Executive Officer, Chief Financial Officer and Vice President Exploration.

8 Related party transactions

Administrative consulting services were provided during the year ended March 31, 2020 by a corporation owned by the Chief Executive Officer of the Company. The cost of these consulting services during the year was $250,000 (2019 - $250,000). The Company recorded these costs to consulting fees.

Administrative consulting services were provided during the year ended March 31, 2020 by a corporation owned by the Chief Financial Officer of the Company. The cost of these consulting services during the year was $36,000 (2019 - $105,000). The Company recorded these costs to consulting fees. During the year ended March 31, 2020, the Chief Financial Officer and the Company agreed to the forgiveness of unpaid consulting fees, including HST, aggregating to $46,250.

Geological consulting services were provided during the year ended March 31, 2019 by a corporation owned by the Vice President Exploration of the Company. The cost of these consulting services during the year was $69,750. The Company recorded these costs to resource properties. During the year ended March 31, 2020, the Vice President Exploration and the Company agreed to the forgiveness of unpaid consulting fees, including HST, aggregating to $40,688.

During the year ended March 31, 2020, officers and directors subscribed to an aggregate of 2,083,332 common shares (2019 - 504,615 units) issued by the Company pursuant to equity financings for aggregate subscription proceeds of $125,000 (2019 - $65,600).

9 Equity

Capital stock

Authorized
Unlimited number of common shares, without nominal or par value

	Number of shares	Amount $
Balance – March 31, 2018	136,388,798	30,760,267
Shares issued for cash net of issue costs	5,769,227	744,729
Exercise of warrants	1,658,332	398,000
Exercise of stock options	100,000	19,000
Balance – March 31, 2019	143,916,357	31,921,996
Shares issued for cash net of issue costs	18,749,996	1,115,028
Exercise of stock options	100,000	19,000
Balance – March 31, 2020	162,766,353	33,056,024

During the year ended March 31, 2020, the Company completed a non-brokered private placement financing and issued 12,500,000 common shares at a price of $0.06 per share, for aggregate gross proceeds of $750,000. The capital stock value of the common shares issued as at March 31, 2020 is net of share issue costs of $5,000.

During the year ended March 31, 2020, the Company completed a non-brokered private placement financing and issued 6,249,996 common shares at a price of $0.06 per share, for aggregate gross proceeds of $375,000. The capital stock value of the common shares issued as at March 31, 2020 is net of share issue costs of $4,972.

During the year ended March 31, 2019, the Company completed a non-brokered private placement financing and issued 5,769,227 units at a price of $0.13 per unit, for aggregate gross proceeds of $750,000. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole share purchase warrant entitles the holder to acquire one common share of the Company for $0.17 for a period of 24 months from the closing date of the offering. The capital stock value of the common shares issued as at December 31, 2018 is net of share issue costs of $5,271.

9 Equity (continued)

Stock options

The Company has a common share purchase option plan (the "Plan") for directors, officers, employees and consultants. The total number of options issued and outstanding at any time cannot exceed 10% of the issued and outstanding common shares of the Company unless shareholder and regulatory approvals are obtained. Options granted under the Plan have a ten-year term. Options are granted at a price no lower than the market price of the common shares less any discounts allowed by the Exchange at the time of the grant. In determining the stock-based compensation expense, the fair value of options issued is estimated using the Black-Scholes option pricing model. Expected volatility is based on actual volatility of similar companies.

There were no options issued during the year ended March 31, 2020. The following weighted average assumptions were used in the Black-Scholes option pricing model for the year ended March 31, 2019:

Risk-free interest rate	2.25%
Expected volatility	105%
Expected dividend yield	-
Expected life	10 years

The following table summarizes the changes in the Company's stock options during the years ended March 31, 2020 and 2019:

	Weighted average exercise price $	Number of options	Weighted average remaining life (years)
Balance – March 31, 2018	0.22	11,890,000	4.8
Granted	0.10	2,600,000	
Forfeited	0.27	(250,000)	
Exercised	0.10	(100,000)	
Balance – March 31, 2019	0.20	14,140,000	5.5
Exercised	0.10	(100,000)	
Balance – March 31, 2020	0.20	14,040,000	5.5

As at March 31, 2020, 2,236,635 options remained available for future grants under the Plan. Options vested and exercisable as at March 31, 2020 totaled 14,040,000 with an average exercise price of $0.20 per share.

The Company capitalized $nil (2019 - $22,000) in stock-based compensation expense to resource properties during the year ended March 31, 2020, with the balance of $nil (2019 - $236,000) charged to the consolidated statements of loss and comprehensive loss.

9 Equity (continued)

Contributed surplus

	$
Balance – March 31, 2018	2,257,417
Expiration of broker warrants and warrants	288,100
Exercise of stock options	(9,000)
Stock-based compensation	268,000
Balance – March 31, 2019	2,804,517
Exercise of stock options	(9,000)
Stock-based compensation	43,000
Balance – March 31, 2020	2,838,517

Warrants

The following table summarizes the changes in the Company's warrants for the years ended March 31, 2020 and 2019:

	Expiry date	Exercise price $	Number	Ascribed value $
Balance – March 31, 2018			34,616,362	288,100
Warrants exercised		0.24	(1,658,332)	-
Warrants expired		0.24	(14,166,668)	-
Broker warrants expired		0.23	(1,082,725)	(178,100)
Warrants expired		0.39	(12,708,637)	(110,000)
Warrants expired		0.40	(5,000,000)	-
Warrants issued pursuant to September 2018 private placement financing	September 17, 2020	0.17	2,884,612	-
Balance – March 31, 2019 and 2020	September 17, 2020	0.17	2,884,612	-

The fair value of the 2,884,612 warrants issued pursuant to the September 2018 private placement financing have an estimated value of $nil at the issue date using the residual method of valuation.

9 Equity (continued)

Deferred share units

The Company has a deferred share unit plan (the “DSU Plan”) whereby Participants may elect to receive all or a portion of their annual compensation or bonus compensation, if any, in deferred share units (“DSUs”). The election, if it is made, must be for a minimum of 10%, or a multiple thereof, of such compensation in DSUs. The number of DSUs received is equal to the amount of compensation elected to be received in DSUs, divided by the volume-weighted average trading price of the common shares on the TSX for the five trading days immediately prior to the payment date. DSUs awarded under the DSU Plan in lieu of annual or bonus compensation will vest immediately.

In addition, the Board of Directors has the authority to make discretionary awards of DSUs to Participants under the DSU Plan. DSUs granted pursuant to discretionary awards will vest in accordance with the vesting schedule determined by the Board of Directors. Generally, DSUs will vest equally over three years, with one-third of the awarded DSUs vesting on each of the first, second and third anniversaries of the date of the award.

All unvested DSUs will vest immediately in the case of a change of control of the Company. In addition, in the event of the death or termination without cause of a Participant that received DSUs, the Participant’s DSUs will vest immediately. The Board of Directors may at any time shorten the vesting period of any or all DSUs.

The maximum number of common shares issuable under the DSU Plan is 7,500,000. Each DSU held by a Participant must be redeemed by the Company within ten years of grant for DSU Plan shares issued from treasury. Each vested DSU held by a Participant who ceases to be an eligible employee, director or officer shall be redeemed by the Company effective as of the separation date for DSU Plan shares issued from treasury.

In determining the stock-based compensation expense, the fair value of options issued is estimated using the Black-Scholes option pricing model. Expected volatility is based on actual volatility of similar companies.

There were no DSUs granted during the year ended March 31, 2020. The following weighted average assumptions were used in the Black-Scholes option pricing model for the year ended March 31, 2019:

Risk-free interest rate	2.25%
Expected volatility	105%
Expected dividend yield	-
Expected life	10 years

On January 4, 2019, the Board of Directors approved the issuance of 900,000 DSUs to officers of the Company. This was the initial grant of DSUs under the DSU Plan. The 900,000 DSUs are priced at $0.10 per common share and vest over a period of three years. The fair value per DSU granted was $0.09.

The Company recognized $43,000 (2019 - $8,000) in stock-based compensation expense during the year ended March 31, 2020, in relation to the outstanding DSUs, to the consolidated statements of loss and comprehensive loss.

10 Income taxes

Losses

The Company has Canadian non-capital tax losses of approximately $15.4 million available for carry-forward to reduce future years' taxable income in its Canadian entities. These non-capital tax losses expire as follows:

	$
Year ending March 31, 2027	11,000
2028	198,000
2029	395,000
2030	740,000
2031	1,279,000
2032	1,960,000
2033	1,990,000
2034	2,016,000
2035	1,472,000
2036	905,000
2037	1,291,000
2038	1,379,000
2039	1,228,000
2040	530,000

The Company also has Mexican non-capital tax losses of approximately $13.4 million available to carry-forward to reduce future years' taxable income in its Mexican subsidiaries.

As at March 31, 2020, the Company's effective income tax rate differs from the amount that would be computed from applying the federal and provincial statutory rate of 31% (2019 - 31%) to the pre-tax net loss for the year. The reasons for the difference are as follows:

	2020 $	2019 $
Loss before income taxes	370,889	1,219,141
Income tax recovery based on statutory rates	115,000	378,000
Gain on sale of subsidiary	(57,000)	-
Non-deductible stock option expense	(13,000)	(76,000)
Unutilized losses	(45,000)	(302,000)
Recovery of income taxes	-	-

10 Income taxes (continued)

Losses (continued)

The following reflects deferred tax assets at March 31, 2020 and 2019:

	2020 $	2019 $
Non-capital losses	4,464,000	5,173,000
Deductible share issuance costs	46,000	106,000
Tax value in excess of accounting value of resource properties	2,202,000	2,326,000
	6,712,000	7,605,000
Portion of deferred tax assets unrecognized	(6,712,000)	(7,605,000)
	-	-

11 Compensation of key management

Key management includes the Company's directors, President and Chief Executive Officer, Chief Financial Officer, Vice President Exploration and Vice President Investor Relations. Compensation awarded to key management is summarized as follows:

	2020 $	2019 $
Cash and accrued compensation and other benefits	286,000	539,750
Stock-based compensation	43,000	246,000
	329,000	785,750

Cash compensation and other benefits are included in consulting fees and wages and benefits on the consolidated statements of loss and comprehensive loss.

12 Gain on disposal of a subsidiary

On September 3, 2019, Lunar Gold Holding Inc., and LGHI Holding Inc. entered into a Stock Transfer Agreement and sold 100% of the outstanding shares of MPO to a third party in an exchange for the settlement of an outstanding liability for services rendered in the amount of $142,871 and the assumption of other liabilities. A gain on sale on the disposal of MPO of $226,991 was recognized on the consolidated statements of loss and comprehensive loss.

13 Supplemental cash flow information

As at March 31, 2020, the Company's accounts payable included expenditures on resource properties of $2,206,143 (2019 - $1,867,308).

14 Financial instruments and other

Credit risk

The Company manages credit risk by holding its cash and cash equivalents with high quality financial institutions in Canada, where management believes the risk of loss to be low. The Company also has approximately $651,613 of Mexican VAT receivable at March 31, 2020 (2019 - $742,000). The Company has recorded the VAT to resource properties. While the Company is still pursuing collection, with the delay in processing and collection, management determined that it was appropriate to reclassify this amount to the resource property to which the VAT paid is related. The timing and amount of the VAT ultimately collectible could be materially different from the amount recorded in the consolidated financial statements.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. Subsequent to March 31, 2020, the Company raised gross proceeds of $11.675 million through two non-brokered private placements (note 16). The funds will be primarily used for further exploration of the Company's El Tigre property and for general and administrative purposes. The Company expects to have sufficient working capital to carry out all budgeted programs in fiscal 2021.

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 commodity and equity prices.

a) Interest rate risk

The Company has no interest-bearing debt and is not exposed to any significant interest rate risk.

14 Financial instruments and other (continued)

Market risk (continued)

b) Foreign currency risk

The Company operates in Mexico, giving rise to foreign currency risk. To limit the Company's exposure to this risk, cash is primarily held with high quality financial institutions in Canada.

As at March 31, 2020, the Company held the following financial instruments in foreign currencies:

	US $	Pesos $
Cash	2,901	21,677
Accounts payable and accrued liabilities	142,233	34,749,745

c) Price risk

The Company is not exposed to any direct price risk other than that associated with commodities and how fluctuations impact companies in the mineral exploration and mining industries as the Company has no significant revenues.

15 Commitments

The minimum annual payments in relation to the Company's El Tigre Agreement (note 6) are as follows:

	$
Year ending March 31, 2021	174,905
2022	174,905
2023	174,905
2024	174,905

16 Subsequent events

Name change

Subsequent to March 31, 2020, the Company changed its name to Silver Tiger Metals Inc. and on May 22, 2020 its common shares commenced trading on the TSX Venture Exchange under the trading symbol SLVR. Effective May 26, 2020, the Company's common shares commenced trading on the OTCQB under the trading symbol SLVTF.

16 Subsequent events (continued)

Government assistance

On May 6, 2020, the Company received a $40,000 emergency business loan from Bank of Montreal under the federal government Canada Business Emergency Account ("CEBA") initiative. In the event the Company repays the $30,000 by December 31, 2022, there will be no interest payable on the loan and the remaining $10,000 will be forgiven. In the event there is a loan balance outstanding on January 1, 2023, the loan will be renewed for a three-year term with a fixed annual rate of interest of 5%.

Discharge of debt

In May 2020, the Company issued 6,535,336 shares in order to settle outstanding accounts payable of $392,112 due to a third-party.

Private placements

On May 22, 2020, the Company completed a non-brokered private placement, raising gross proceeds of $675,000 through the issuance of 9,642,857 units at a price of $0.07 per unit. Each unit consists of one common share and one-half common share purchase warrant. Each full common share purchase warrant entitles the subscriber to acquire one common share at a price of $0.10 until May 22, 2022. The common shares issued pursuant to this private placement are subject to a four-month hold period that expires on September 23, 2020.

On July 28, 2020, the Company completed a non-brokered private placement, raising gross proceeds of $11,000,000 through the issuance of 36,666,667 units at a price of $0.30 per unit. Each unit consists of one common share and one-half common share purchase warrant. Each full common share purchase warrant entitles the subscriber to acquire one common share at a price of $0.50 until July 28, 2023. The common shares issued pursuant to this private placement are subject to a four-month hold period that expires on November 28, 2020.

Option and DSU grants

On May 22, 2020, the Company granted 1,450,000 DSUs at a deemed price of $0.17 and 3,275,000 stock options having an exercise price of $0.17 each and a ten-year expiry period to certain directors, officers and consultants.