TILL CAPITAL CORP.

CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended December 31, 2019 and 2018

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Till Capital Corp. ("Till") were prepared by management in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS"). Where necessary, management has made informed judgments and estimates in accounting for transactions that were not complete at the balance sheet date.

Management has established processes, which are in place, to provide them with sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the 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 consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, financial performance, and cash flows of Till, as of the dates of and for the periods presented by the consolidated financial statements.

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

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

Till's independent auditors, PricewaterhouseCoopers LLP, are appointed by Till's shareholders to conduct an audit in accordance with generally accepted auditing standards in Canada, and their report follows.

"Brian P. Lupien" *"Weiying Zhu"*

Brian P. Lupien
Chief Executive Officer

Weiying Zhu
Chief Financial Officer

Vancouver, BC

April 23, 2020

Independent auditor's report

To the Shareholders of Till Capital Corp.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Till Capital Corp. and its subsidiaries (together, the Company) as at December 31, 2019 and 2018, 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 loss for the years December 31, 2019 and 2018;
- the consolidated statements of comprehensive loss for the years then ended;
- the consolidated statements of financial position as at December 31, 2019 and 2018;
- the consolidated statements of shareholders' equity 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.

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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 Dean Larocque.

(signed) PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 23, 2020

(Stated in US dollars)

	Notes	Years Ended December 31 2019	2018
Revenue			
Investment income, net	6(c)	$ 109,642	$ 1,226,849
Other revenue		50,000	50,000
		159,642	**1,276,849**
Expenses			
General and administrative expenses		600,602	800,550
Salaries and benefits		400,392	399,150
Stock-based compensation	16	44,026	1,599
Exploration expense recovery		—	(242,093)
Write-down of exploration asset		—	30,102
Foreign exchange (gain) loss		43,884	(11,710)
Loss on sale of property, plant, and equipment		2,621	—
Other expenses		9,732	9,974
		1,101,257	**987,572**
Share of net losses of equity method investment		—	(97,525)
Income (loss) from continuing operations before income tax		**(941,615)**	**191,752**
Current income tax expense	15	(77,736)	—
Deferred income tax benefit (expense)	15	(37,000)	30,054
Income (loss) from continuing operations		**(1,056,351)**	**221,806**
Income (loss) from discontinued operations	18		
Income (loss) from discontinued operations		324,190	(1,815,306)
Income tax benefit (expense)	15	66,678	(27,685)
Income (loss) from discontinued operations		390,868	(1,842,991)
Net loss		**$ (665,483)**	**$ (1,621,185)**
Income (loss) attributable to:			
Shareholders of Till Capital Corp.		$ (562,959)	$ (1,641,703)
Non-controlling interests		(102,524)	20,518
Net loss		**$ (665,483)**	**$ (1,621,185)**
Basic and diluted loss per restricted voting share from continuing operations attributable to the shareholders of Till Capital Corp.		**$(0.30)**	**$0.06**
Basic and diluted income (loss) per restricted voting share from discontinued operations attributable to the shareholders of Till Capital Corp.		**$0.12**	**$(0.56)**
Basic and diluted loss per restricted voting share attributable to the shareholders of Till Capital Corp.		**$(0.18)**	**$(0.50)**
Weighted average number of restricted voting shares outstanding		**3,191,462**	**3,285,981**

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

(Stated in US dollars)

	Notes	Years Ended December 31 2019	2018
Net loss		**$ (665,483)**	**$ (1,621,185)**
Other comprehensive income (loss) from continuing operations			
Change in net unrealized gain (loss) on available for sale investments	6(d)	29,999	(51,299)
Reclassification of realized (gain) loss from available for sale investments	6(d)	(109,616)	29,976
Item that may be reclassified subsequently to net income (loss):			
Change in cumulative foreign exchange translation adjustment		62,911	(205,558)
Other comprehensive loss from continuing operations		**(16,706)**	**(226,881)**
Other comprehensive income (loss) from discontinued operations			
Change in net unrealized gain (loss) on available for sale investments	6(d)	113,165	(56,552)
Reclassification of realized loss from available for sale investments	6(d)	—	179,491
Item that may be reclassified subsequently to net income (loss):			
Change in cumulative foreign exchange translation adjustment		376,529	(597,156)
Other comprehensive income (loss) from discontinued operations		**489,694**	**(474,217)**
Total comprehensive loss		**$ (192,495)**	**$ (2,322,283)**
Total comprehensive income (loss) attributable to:			
Shareholders of Till Capital Corp.		$ (104,327)	$ (2,382,591)
Non-controlling interests		(88,168)	60,308
Total comprehensive loss		**$ (192,495)**	**$ (2,322,283)**

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

TILL CAPITAL CORP.
Consolidated Statements of Financial Position
(Stated in US dollars)

	Notes	December 31 2019	2018
Assets			
Cash and cash equivalents		$ 4,901,013	$ 10,251,114
Investments	6(a)	1,494,494	10,541,452
Unpaid losses and loss adjustment expenses ceded	4,7	—	9,879,699
Unearned premiums ceded	4,8	—	11,814,767
Premiums receivable and reinsurance recoverables	4	—	14,042,266
Deferred policy acquisition costs	4,9	—	1,939,853
Assets held for sale	4	55,234,781	5,119,702
Property, plant, and equipment	10	9,755	44,457
Royalty and mineral interests	11	504,435	506,180
Deferred income tax asset	15	—	275,619
Goodwill	12	—	316,411
Other assets	13	724,358	681,162
Total assets		**$ 62,868,836**	**$ 65,412,682**
Liabilities			
Reserve for unpaid losses and loss adjustment expenses	4,7	$ —	$ 14,411,889
Unearned premiums	4,8	—	13,714,347
Reinsurance payables	4	—	14,133,878
Unearned commissions	4	—	2,091,136
Liabilities held for sale	4	41,974,786	23,425
Accounts payable and other liabilities	14	235,883	231,371
Total liabilities		**$ 42,210,669**	**$ 44,606,046**
Shareholders' equity			
Share capital		$ 3,191	$ 3,191
Contributed surplus		40,649,665	40,621,440
Accumulated other comprehensive loss		(1,228,104)	(1,686,736)
Deficit		(18,858,887)	(18,295,928)
Equity attributable to shareholders of Till Capital Corp.		20,565,865	20,641,967
Non-controlling interests		92,302	164,669
Total shareholders’ equity		**$ 20,658,167**	**$ 20,806,636**
Total liabilities and shareholders' equity		**$ 62,868,836**	**$ 65,412,682**

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

The consolidated financial statements were approved by the Board of Directors on April 23, 2020 and signed on their behalf by:

/s/ Wayne Kauth
Wayne Kauth, Director

TILL CAPITAL CORP.
Consolidated Statements of Shareholders' Equity
(Stated in US dollars)

	Capital Stock				Accumulated other comprehensive income (loss)							
	Shares	**Amount**	**Contributed surplus**	**Treasury stock**	**Continuing operations available for sale investments**	**Continuing operations currency translation adjustment**	**Discontinued operations available for sale investments**	**Discontinued operations currency translation adjustment**	**Deficit**	**Equity attributable to shareholders of Till Capital Corp.**	**Non-controlling interests**	**Total**
Balance, December 31, 2017	**3,290,884**	**$ 3,291**	**$ 40,619,841**	**$ —**	**$ (345,594)**	**$ 591,693**	**$ (741,437)**	**$ (450,510)**	**$(16,505,928)**	**$ 23,171,356**	**$ 104,361**	**$ 23,275,717**
Year Ended December 31, 2018:												
Net income (loss)	—	—	—	—	—	—	—	—	(1,641,703)	(1,641,703)	20,518	(1,621,185)
Other comprehensive income (loss)	—	—	—	—	(21,323)	(245,348)	122,939	(597,156)	—	(740,888)	39,790	(701,098)
Total comprehensive income (loss)	—	—	—	—	(21,323)	(245,348)	122,939	(597,156)	(1,641,703)	(2,382,591)	60,308	(2,322,283)
Purchase of treasury shares	—	—	—	(148,397)	—	—	—	—	—	(148,397)	—	(148,397)
Cancellation of treasury shares	(99,422)	(100)	—	148,397	—	—	—	—	(148,297)	—	—	—
Stock-based compensation	—	—	1,599	—	—	—	—	—	—	1,599	—	1,599
Balance, December 31, 2018	**3,191,462**	**$ 3,191**	**$ 40,621,440**	**$ —**	**$ (366,917)**	**$ 346,345**	**$ (618,498)**	**$ (1,047,666)**	**$(18,295,928)**	**$ 20,641,967**	**$ 164,669**	**$ 20,806,636**
Year Ended December 31, 2019:												
Net loss	—	—	—	—	—	—	—	—	(562,959)	(562,959)	(102,524)	(665,483)
Other comprehensive income (loss)	—	—	—	—	(79,617)	48,555	113,165	376,529	—	458,632	14,356	472,988
Total comprehensive income (loss)	—	—	—	—	(79,617)	48,555	113,165	376,529	(562,959)	(104,327)	(88,168)	(192,495)
Stock-based compensation	—	—	28,225	—	—	—	—	—	—	28,225	15,801	44,026
Balance, December 31, 2019	**3,191,462**	**$ 3,191**	**$ 40,649,665**	**$ —**	**$ (446,534)**	**$ 394,900**	**$ (505,333)**	**$ (671,137)**	**$(18,858,887)**	**$ 20,565,865**	**$ 92,302**	**$ 20,658,167**

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

(Stated in US dollars)

	Notes	Years Ended December 31 2019	2018
Cash flows from operating activities			
Net loss from continuing operations		$ (1,056,351)	$ 221,806
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization expense		10,519	154,592
Stock-based compensation	16	44,026	1,599
Loss on sale of property, plant, and equipment		2,621	—
Exploration expense recovery		—	(242,093)
Write-off of intangible asset		—	340,203
Write-off of exploration asset		—	30,102
Investment income	6(c)	(109,642)	(1,226,849)
Loss on equity method investment		—	97,525
Gain on property option payment		(50,000)	(50,000)
Changes in operating assets and liabilities:			
Decrease in accounts payable and other liabilities		4,514	(267,644)
Other working capital changes		(384,718)	(150,802)
Net cash used in continuing operating activities		(1,539,031)	(1,091,561)
Net cash provided by (used in) discontinued operating activities	18	(585,014)	162,846
Net cash used in operating activities		(2,124,045)	(928,715)
Cash flows from investing activities			
Sales of investments		28,879,988	46,882,319
Purchases of investments		(29,698,043)	(48,019,282)
Sales (purchases) of equity index futures, net	6(c)	20,316	(1,348,626)
Purchases of equity method investment		—	(141,423)
Proceeds from sale of equity method investment		—	4,999,321
Proceeds from property option payments		100,000	275,000
Proceeds from receivable		280,663	—
Exploration and evaluation costs capitalized		(146,239)	(121,964)
Sales (purchases) of property, plant, and equipment, net		776	(15,650)
Development costs capitalization		—	(162,009)
Net cash provided by (used in) continuing investing activities		(562,539)	2,347,686
Net cash used in discontinued investing activities	18	(785,331)	(257,004)
Net cash provided by (used in) investing activities		(1,347,870)	2,090,682
Cash flows from financing activities			
Purchases of treasury shares		—	(148,397)
Net cash used in continuing financing activities		—	(148,397)
Net cash used in discontinued financing activities	18	(16,988)	—
Net cash used in financing activities		(16,988)	(148,397)
Increase (decrease) in cash and cash equivalents		**(3,488,903)**	**1,013,570**
Effect of foreign exchange rate		**226,969**	**(311,518)**
Change of cash of discontinued operations in assets held for sale		**1,207,345**	**353,922**
Cash and cash equivalents, beginning of year	18	**6,955,602**	**5,899,628**
Cash and cash equivalents, end of year	18	**$ 4,901,013**	**$ 6,955,602**

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

1. NATURE OF OPERATIONS

Till was incorporated under the laws of Bermuda on August 20, 2012 under the name Resource Holdings Ltd. On March 19, 2014, Resource Holdings Ltd. changed its name to Till Capital Ltd. On November 22, 2019, Till Capital Ltd. redomiciled to British Columbia, Canada under the Business Corporations Act and was renamed Till Capital Corp. ("Till"). Till's registered office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia, Canada.

Till was formed to respond to the market need for more capacity for certain types of insurance and reinsurance. Resource Re Ltd. ("RRL") was incorporated in Bermuda as a wholly-owned subsidiary of Till in August 2012 and licensed as a Class 3A insurance company in Bermuda by the Bermuda Monetary Authority ("BMA") in August 2013. In July 2019, RRL submitted an application to the BMA to deregister as a Class 3A Insurer. That deregistration became effective August 9, 2019. On October 9, 2019, Till was issued a Certificate of Merger in accordance with the provisions of Section 108 of the Bermuda Companies Act 1981, as amended, thereby merging RRL into Till effective September 17, 2019.

On May 15, 2015, Till acquired all of the issued and outstanding shares of Omega Insurance Holdings, Inc. ("Holdings"), a privately-held Toronto, Canada based holding company, including its subsidiaries, Omega General Insurance Company ("Omega"), a fully licensed insurance company, and Focus Group Inc. ("Focus"), an insurance consulting and services company. The business strategy for Holdings is to produce underwriting profits and investment-related returns by investing reinsurance premiums and corporate capital. During 2019, Till initiated a plan to sell Holdings, see Note 2(b).

These consolidated financial statements for the years ended December 31, 2019 and 2018 were approved and authorized for issue by Till's Board of Directors on April 23, 2020.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with IFRS.

(a) Statement of compliance

In the opinion of management, the accompanying consolidated financial statements contain all normal and recurring adjustments necessary to fairly present the consolidated financial position of Till and its subsidiaries at December 31, 2019 and 2018 and the results of operations and cash flows for the years then ended.

These consolidated financial statements have been prepared on an historical cost basis except for certain financial instruments, stock-based awards, and assets held for sale that have been measured at fair value.

(b) Held for sale and discontinued operation

During the year ended December 31, 2019, Till initiated a plan to sell Holdings and its subsidiaries, Omega and Focus, all of which operate, and are based, in Canada. As a result of that decision, pursuant to IFRS that are the basis for Till's financial reporting practices, Holdings is required to be classified as held for sale and be considered a discontinued operation. However, during the sale process, Holdings continues to operate as a normal operation of Till.

Holdings was acquired by Till in May 2015. Till has engaged an investment adviser to facilitate the sale of Holdings. There can be no assurance that that sale process will result in any transaction.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts and other disclosures in these consolidated financial statements. Amounts in the consolidated financial statements represent Till's best estimates and assumptions; however, the actual amounts could differ materially from those estimates. Till's principal use of estimates and assumptions include the valuation of royalty and mineral interests, valuation of intangibles, assessment of goodwill impairment, projection of unpaid loss and loss expense adjustment reserves, assessment of reinsurance recoverables, including any provision for uncollectible reinsurance, and valuation of deferred income tax assets.

Insurance Claim Reserves:
Estimates are made for both the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred but not yet reported at the reporting date ("IBNR"). A significant amount of time may pass before the ultimate claim costs can be established with certainty, and, for some types of insurance policies, IBNR claim reserves form the majority of the liability in the accompanying consolidated statements of financial position.

The ultimate cost of outstanding claims is estimated by using a range of actuarial claim projection techniques. The principal assumption underlying those techniques is that a company's past claims development experience can be used to project future claims development and, hence, the ultimate claim costs. Those techniques extrapolate the development of paid and incurred losses based on the observed development of earlier years and expected loss ratios. Large claims are usually separately addressed either by being reserved at the value based on loss adjuster estimates or are separately projected to estimate their future development. Additional qualitative judgment is used to assess the extent to which past trends may not apply in the future when estimating the ultimate cost of claims.

Estimates are also made for the portion of the ultimate cost of outstanding claims that will be recoverable from reinsurers.

Income Taxes:
Till estimates the provision for income taxes and the composition of its deferred income tax assets and deferred income tax liabilities. Till's operations are, in part, subject to foreign tax laws where interpretations, regulations, and legislation are complex and subject to change. As a result, there are usually some tax matters in question that may, on resolution in the future, result in adjustments to the amount of current or deferred income tax assets or liabilities, and those adjustments could be material to Till's financial position and results of operations.

The determination of the ability of Till to utilize tax losses carried forward to offset income taxes payable in the future and to utilize temporary differences that will reverse in the future requires management to exercise judgment and make assumptions about Till's future performance. Management is required to assess whether Till is more likely, than not able, to benefit from those tax losses and temporary differences. Changes in the timing of revenue, economic conditions, metal prices, and other factors having an impact on future taxable income streams could result in revisions to the estimates of benefits to be realized or Till's assessments of its ability to utilize tax losses before expiry. Those revisions could be material to Till's financial position and results of operation.

Classification and valuation of assets held for sale:
Till follows the guidance of IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations,* ("IFRS 5") for the classification of assets held for sale. Non-current assets classified as held for sale are measured at the lower of its carrying amount and fair value less costs to dispose ("FVLCD"). Estimates are made in the measurement of FVLCD. In assessing classification, Till considers all currently available information including results of ongoing sales processes.

(b) Basis of consolidation

The accompanying consolidated financial statements include the accounts of Till, its wholly-owned subsidiaries, and its majority interest in Silver Predator Corp. ("SPD"), which is deemed to be a controlled subsidiary.

All intercompany transactions and balances between Till and its subsidiaries have been eliminated in consolidation. Where necessary, adjustments are made to the results of the subsidiaries to bring their accounting policies in sync with those used by Till.

(i) Subsidiaries

Subsidiaries are entities that Till owns, either directly or indirectly. Till's wholly-owned subsidiaries and any entity in which Till has a majority investment interest at December 31, 2019 are as follows:

(Stated in US dollars)

Name of wholly-owned subsidiary or majority investment interest	Country of Incorporation	Functional Currency	Proportion of Ownership Interest	Principal Activity
Omega Insurance Holdings Inc.	Canada	Canadian	100%	Holding company
Omega General Insurance Company	Canada	Canadian	100%	Insurance
Focus Group Inc.	Canada	Canadian	100%	Insurance consulting
Till Capital US Holding Corp.	USA	US	100%	Holding company
Till Management Company	USA	US	100%	Investment management
Golden Predator US Holding Corp.	USA	US	100%	Management services
Springer Mining Company	USA	US	100%	Mineral exploration
Silver Predator Corp.	Canada	Canadian	64%	Mineral exploration

(c) Currency translation and foreign exchange

Till has determined the US dollar to be its functional currency. Transactions denominated in currencies other than the functional currency are reported using the exchange rates prevailing on the dates of the transactions. At each financial statement date, monetary items denominated in foreign currencies are translated at the rates prevailing on the financial statement date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognized in the period in which they occur.

For the purpose of presenting these consolidated financial statements, the assets and liabilities of Till's foreign operations, being those entities that have a functional currency different from that of Till, are translated into US dollars at the rate of exchange prevailing at the end of the reporting period. Opening balances in shareholders' equity are translated at their historic rates. Transactions in shareholders' equity and income and expenses are translated at the average exchange rates for the period where those rates approximate the rates on the dates of transactions, and, where exchange differences occur, they are recognized as a component of equity.

The exchange rates used in converting Canadian dollars to US dollars were as follows:

	Years Ended December 31	
	2019	2018
Exchange rate at year end	US$1 = Cdn$1.2988	US$1 = Cdn$1.3642
Average exchange rate for the year	US$1 = Cdn$1.3269	US$1 = Cdn$1.2957

(d) Cash and cash equivalents

For the purposes of the consolidated statements of financial position, cash and cash equivalents comprise cash on hand, demand deposits, and short-term highly-liquid investments with an initial maturity of three months or less that are readily convertible into cash and that are subject to an insignificant risk of change in value.

(e) Financial instrument contracts

Till classifies or designates all of its financial assets as either available for sale ("AFS"), held for trading ("HFT"), loans, or receivables. Till classifies or designates all of its financial liabilities as other financial liabilities.

AFS financial assets include government debt securities, corporate bond exchange traded funds, and equity securities, all of which are intended to be held for an indefinite period of time, and which may be sold in response to needs for liquidity or in response to changes in market conditions. AFS financial assets are reported at fair value on the consolidated statements of financial position from the trade date (i.e., the date that Till commits to purchase or sell the financial asset). Any subsequent changes in fair values are reported, net of income taxes, in Other Comprehensive Income ("OCI") until the financial asset is disposed of or has become impaired. When an AFS financial asset is disposed of, or has become impaired, the accumulated fair value adjustments recognized in Accumulated Other Comprehensive Income ("AOCI") are transferred to net investment income and a corresponding adjustment (net of income taxes) is made to OCI.

A provision for impairment for AFS financial assets is established when there is objective evidence that the investment is impaired. Objective evidence of impairment for debt securities would include one or more loss events that occurred after initial recognition and that has an impact on the estimated future cash flows of the debt security. Objective evidence of impairment for corporate bond exchange traded funds includes a significant, a prolonged, or a significant and prolonged decline in the fair value of an investment below cost. Till considers an unrealized loss of 5.0% or more to be significant, an unrealized loss of 18 consecutive months to be prolonged, and an unrealized loss of 2.5% or more for 12 consecutive months to be significant and prolonged.

HFT financial assets include equity securities, all of which are held for active trading, and principal at risk notes. HFT financial assets are reported at fair value on the consolidated statements of financial position from the trade date (i.e., the date that Till commits to purchase or sell the financial asset). Any subsequent changes in fair values are reported in the consolidated statements of loss.

Financial assets classified or designated as loans or receivables are reported at fair value on the consolidated statements of financial position from the issuance date and are subsequently reported at amortized cost using the effective interest rate method. A provision for impairment for loans or receivables is established when there is objective evidence that a loan or receivable is impaired.

Financial liabilities classified or designated as other financial liabilities are reported at fair value on the consolidated statements of financial position from the issuance date and are subsequently reported at amortized cost using the effective interest rate method.

(f) Insurance contracts

(i) Product classification

An insurance contract is a contract where an insurance company (the insurer) has accepted insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. As a general guideline, the insurance company determines whether it has insurance risk by comparing expected benefits payable if the insured event occurs with expected benefits payable if the insured event does not occur. An insurance contract generally transfers financial risk.

Once a contract has been classified as an insurance contract, it remains classified as an insurance contract for the remainder of its lifetime, even if the insurance risk reduces during that period.

(ii) Premium revenue and unearned premiums

Insurance premiums written are recognized on the date that coverage begins. For the types of short-term insurance contracts written by Till's insurance subsidiary, Omega, with fixed expiry dates, those written premiums are deferred as unearned premiums and recognized in earned premiums on a pro rata basis over the term of the contracts.

Insurance premiums written and insurance premiums earned also include any adjustments arising in the accounting period for premiums receivable with respect to business written in prior accounting periods.

Insurance premiums ceded to reinsurers are recorded, deferred as reinsurance assets, and recognized in earned premiums on the same basis as the underlying insurance contracts being reinsured.

Reinsurance premiums are included in income calculated on a pro rata basis over the term of the underlying insurance policies. The reinsurers' share of unearned premiums are recognized as assets using principles consistent with the method for establishing the related unearned premium liability.

(iii) Unpaid claims and adjustment expenses

The provision for unpaid claims includes loss adjustment expenses and represents the estimated amount required to settle all reported claims incurred. Provision is also made for claims incurred but not reported based on the type of business written. Those amounts are discounted to recognize the time value of money, and are also reviewed and updated periodically, with resulting adjustments, if any, included in the current results of operations.

The computation of unpaid claims takes into account the time value of money using market discount rates based on the underlying investment portfolio.

The process of determining the provision for unpaid claims necessarily involves risks that the actual results may deviate from the reported best estimates. Those risks vary in proportion to the length of the estimation period and the volatility of each component comprising the liabilities. To recognize the uncertainty in establishing those best estimates and to allow for possible deterioration in experience, actuaries are required to use explicit margins for adverse deviation in assumptions for asset defaults, reinvestment risk, claims development, and recoverability of reinsurance balances.

The reinsurers' shares of unpaid claims, net of any required provisions for doubtful amounts, are recognized as assets using principles consistent with the method for establishing the related unpaid claim liability.

(iv) Acquisition expenses

Commissions, premium taxes, and other expenses relating directly to the acquisition of premiums are deferred and amortized over the terms of the related policies to the extent they are considered recoverable from unearned premiums.

At the end of each reporting period, a liability adequacy test is performed to determine whether unearned premiums, net of deferred policy acquisition costs, are sufficient to cover the estimated future costs associated with the unexpired period of the insurance policies. Any deficiencies are recognized immediately as a reduction in deferred acquisition expenses. Any portion of the estimated future costs in excess of the deferred policy acquisition costs would be accrued as a liability.

(v) Reinsurance

Reinsurance balances are reported on the consolidated statements of financial position and in the consolidated statements of loss on a gross basis to recognize the credit risk related to reinsurance and related obligations to policyholders.

(vi) Assumption reinsurance transactions

A premium is charged to other insurance companies for assuming the liabilities on an accepted portfolio of insurance contracts, or a portion thereof.

When the underlying insurance policies are fully expired, the premium is recognized as income on the date when it is determined that the risks and rewards relating to the portfolio liabilities have transferred to Till. At the same time, Till records the actuarially determined estimate of unpaid claims, including loss adjustment expenses, the impact of any existing reinsurance on the portfolio transferred and other costs of the transaction are recorded.

During the period when the underlying insurance policies are not fully expired, the premium is recognized as income on a pro rata basis over the term of the remaining underlying insurance policies. The impact of any reinsurance ceded on the portfolio is recognized as an expense at the time the reinsurance contract is entered into.

(g) Mineral interests

Costs directly related to the exploration and evaluation of mineral properties are capitalized once the legal rights to explore the mineral properties are acquired or obtained. When the technical and commercial viability of a mineral resource have been demonstrated and a development decision has been made, the capitalized costs of the related property are transferred to mining assets and depreciated using the units-of-production method on commencement of production.

If it is determined that capitalized acquisition, exploration, and evaluation costs are not recoverable, or the property is abandoned, or management has determined there is an impairment in value, the property is written down to its recoverable amount. Mineral properties are reviewed for impairment when facts and circumstances suggest that the carrying amounts may exceed their recoverable amounts.

From time to time, Till acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After all costs relating to a property have been recovered, further payments received are reported as an exploration expense recovery in the current results of operations.

(h) Property, plant, and equipment

Property, plant, and equipment are carried at cost less accumulated depreciation and any impairment charges. Depreciation is recorded on a straight-line basis over the estimated useful life of the asset. Residual values and useful lives are reviewed annually. Impairment losses and gains and losses on disposals of property, plant, and equipment are reported in the current results of operations.

(i) Impairment of assets

Assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Impairment is assessed at the level of cash-generating units ("CGU") that are identified as the smallest identifiable group of assets that generates cash inflows and that are largely independent of the cash inflows from other assets. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of value in use and FVLCD.

The value in use is the net present value of expected future cash flows of the relevant CGU in its current condition, both from continuing use and ultimate disposal. For value in use, recent cost levels are considered, together with expected changes in costs that are compatible with the current condition of the business and that meet the requirements of IFRS.

The best evidence of FVLCD is the value obtained from an active market or binding sale agreement. Where neither exists, FVLCD is based on the best information available to correlate with the amount a market participant would pay for the CGU in an arm's length transaction. That amount is often estimated using discounted cash flow techniques.

(j) Revenue from contracts with customers

Revenue from contracts with customers is based on the principle that revenue is recognized when control of goods or services are transferred to a customer. For consulting and management services revenue, Till recognizes revenue over the term of the relevant agreements as customers simultaneously receive and utilize the benefits provided by Till's services and performance.

(k) Taxation

Income tax expense comprises current and deferred income tax. Current income tax and deferred income tax are recognized in income or loss except to the extent that they relate to items recognized directly in equity or in OCI.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted as of the reporting date.

Deferred income tax is recognized in respect of unused tax losses and credits, as well as temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on enacted or substantively enacted laws as of the reporting date. The carrying amounts of deferred income tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be realized.

A deferred income tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences, only to the extent that it is probable that future taxable income will be available against which they can be utilized.

Deferred income tax is not recognized for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries, associates, and joint arrangements to the extent it is probable those differences will not reverse in the foreseeable future.

(l) Loss per share

Basic and diluted loss per restricted voting share are calculated on Till's loss attributed to Till's shareholders divided by the weighted average number of Till restricted voting shares outstanding during the year.

(m) Employee benefits

Wages, salaries, and related benefits are accrued in the period in which the employees provide the associated services.

(n) Segment reporting

Till operates in a single segment, that being insurance.

(o) New standard adopted and standards and interpretations not yet adopted

(i) IFRS 16, *Leases* ("IFRS 16")

IFRS 16, under which all leases are to be included on the balance sheets of lessees, except for those that meet the limited exception criteria set forth therein, was adopted by Till on January 1, 2019.

(ii) IFRS 9, *Financial Instruments* (“IFRS 9”)

IFRS 9 is a three-part standard that replaces IAS 39, *Financial Instruments: Recognition and Measurement,* (“IAS 39”). IFRS 9 became effective for fiscal years beginning on or after January 1, 2018. However, Till meets the eligibility criteria of the temporary exemption from IFRS 9 as provided by IFRS 4, *Insurance Contracts,* (“IFRS 4”) and has elected to defer the application of IFRS 9 until the January 1, 2022 effective date of the new insurance contracts standard, IFRS 17, *Insurance Contracts,* ("IFRS 17"). Till is currently evaluating the impact that IFRS 9, in conjunction with IFRS 17, will have on its consolidated financial statements in future periods.

In accordance with the requirements of the temporary deferral, Till is required to present additional disclosure related to the classification and fair value of financial assets, as well as their credit rating.

Following the adoption of IFRS 9, the measurement of the group of assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding will be determined based on either Till’s business model objectives, or whether Till has elected to apply the fair value option to eliminate an accounting mismatch. That determination will be made at a later date. The assets in the other than SPPI group will be required to be measured at fair value through profit or loss.

Information about the credit risk exposure for Till's SPPI investments in Government debt securities is disclosed in Note 19.

(iii) IFRS 17, *Insurance Contracts*

In May 2017, the IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure that replaces IFRS 4 and introduces consistent accounting for all insurance contracts.

IFRS 17 provides a general model for the recognition of insurance contracts, as well as a simplified model (premium allocation approach) for short-duration contracts, that will be applicable for most property and casualty insurance contracts. The standard requires a company to measure insurance contracts using updated estimates and assumptions that give effect to the timing of cash flows and any uncertainty relating to the underwritten insurance contracts. Additionally, IFRS 17 requires a company to recognize income as it delivers insurance services.

The main features of the simplified new accounting model for property and casualty insurance contracts are summarized as follows:

- A portfolio is a group of contracts covering similar risks managed together as a single pool. As such, contracts are to be grouped for allocation of deferred policy acquisition costs, the calculation of risk adjustment, the determination of onerous contracts, and the application of the discount rate.

- Insurance liabilities are to be discounted at a rate that takes into consideration the characteristics of the liabilities (as opposed to a rate based on asset returns) and the duration of each portfolio. Entities are to report the effect of changes in discount rates either in net income or in OCI, according to their accounting policy choice.

- Changes in balance sheet presentation where unearned premiums are to correspond to premiums received in advance, while accounts receivable are to be comprised of amounts not received when revenue is recognized. In the consolidated statement of loss, direct premiums written are no longer to be presented (only earned premiums). Also, insurance results are to be presented without the impact of discounting. Amounts relating to financing and changes in discount rates are to be shown separately.

- Extensive disclosures are to be made to provide information on the recognized amounts from insurance contracts and the nature and extent of risks arising from those contracts.

In November 2018, the IASB proposed to delay the implementation of IFRS 17 by one year to January 1, 2022. Earlier application is permitted if IFRS 9 is also applied. Retrospective application is required. However, if full retrospective application for a group of insurance contracts is impractical, the entity is required to select either a modified retrospective approach or a fair value approach. Till plans to adopt the new standard on the required effective date together with IFRS 9 (see above). Till expects the new standard will result in significant changes to accounting policies for insurance contract liabilities, however, the impact on Till's consolidated financial statements has not yet been determined.

In June 2019, the IASB issued an exposure draft to amend IFRS 17. The amendments are expected to be issued in the second quarter of 2020, including a proposed deferral of the effective date to annual reporting periods beginning on or after January 1, 2022, to January 1, 2023, with early adoption permitted. In March 2020, the IASB tentatively decided to defer the effective date of IFRS 17 incorporating the amendments to annual reporting periods beginning on or after January 1, 2023.

(p) Reclassification

Certain 2018 amounts have been reclassified in the accompanying financial statements and notes thereto as a result of the classification to held for sale

(Stated in US dollars)

4. ASSETS AND LIABILITIES HELD FOR SALE

Omega Insurance Holdings, Inc.

During the year ended December 31, 2019, Till initiated a plan to sell Holdings, including its subsidiaries, Omega and Focus, all of which operate and are based in Canada. Pursuant to IFRS 5, Holdings was classified as discontinued operation and Holding's assets and liabilities were classified as held for sale. A fair value measurement was performed assessing the fair value of Holdings' assets and liabilities less costs to sell. As a result, a loss of $689,458 (see Note 18) and a goodwill impairment of $332,343 (see Note 12) was recorded at December 31, 2019.

The assets and liabilities held for sale of Holdings as of December 31, 2019 were as follows:

		December 31, 2019
Holdings assets held for sale:		
Cash and cash equivalents	$	2,088,167
Investments		11,518,222
Real estate property held for sale		608,898
Unpaid losses and loss adjustment expenses ceded		7,108,469
Unearned premiums ceded		11,733,402
Premiums receivable and reinsurance recoverables		14,973,746
Deferred policy acquisition costs		1,929,492
Other assets		38,778
Total Holdings assets held for sale	$	49,999,174
Holdings liabilities held for sale:		
Reserve for unpaid losses and loss adjustment expenses	$	10,694,017
Unearned premiums		13,921,365
Reinsurance payables		12,758,965
Payables and accruals		1,785,171
Unearned commissions		2,226,143
Lease liability		187,021
Other liabilities		391,549
Total Holdings liabilities held for sale	$	41,964,231

Springer Mining Company

Springer Mining Company ("SMC"), a private company, owns the Springer underground mine and mill complex, various water rights, a current tungsten mineral resource, approximately 3,700 acres of private land, unpatented claims, and substantially all permits required for mining operations. The property is located southwest of Winnemucca, Nevada. In January 2017, SPD, in exchange for the release of a related party debt owed to a subsidiary of Till, gave 100% of its full ownership of SMC to that subsidiary. Full ownership of SMC was, in turn, transferred to Till's other wholly-owned subsidiary, Golden Predator US Holding Corp. ("GPUS").

(Stated in US dollars)

Till's Board of Directors and management are committed to a plan to sell SMC. The SMC assets and liabilities held for sale as of December 31, 2019 and 2018 are summarized as follows:

	December 31 2019	December 31 2018
SMC assets held for sale:		
Cash and accounts receivable	$ 18,545	$ 1,345
Reclamation bonds	32,401	32,401
Prepaid expenses	18,241	17,520
Mineral properties	1,167,852	1,069,868
Property, plant, and equipment	3,998,568	3,998,568
Total SMC assets held for sale	**$ 5,235,607**	**$ 5,119,702**
Total SMC liabilities held for sale	**$ 10,555**	**$ 23,425**

At December 31, 2019, Till performed an impairment assessment of the SMC assets held for sale. Based on a previous appraisal and updated for more recent market activity, Till has concluded that the FVLCD of the SMC assets held for sale exceed their carrying value. The FVLCD of the SMC assets held for sale is subject to significant estimation uncertainty and changes in the market could materially impact the FVLCD.

Total assets and liabilities held for sale

	December 31 2019	December 31 2018
Assets held for sale:		
Holdings	$ 49,999,174	$ —
SMC	5,235,607	5,119,702
Total assets held for sale	$ 55,234,781	$ 5,119,702
Liabilities held for sale:		
Holdings	$ 41,964,231	$ —
SMC	10,555	23,425
Total liabilities held for sale	$ 41,974,786	$ 23,425

5. LEASES

Till leases its office in Hayden, ID U.S. on a month-to-month basis. Till elected not to apply IFRS 16 for that short-term lease.

In the third quarter of 2019, Focus, a subsidiary of Till’s wholly-owned held for sale subsidiary Holdings, entered into an agreement to lease its office for three years, effective October 1, 2019, with a monthly lease payment of $5,663 (Cdn$7,474) for the first year, $5,994 (Cdn$7,785) for the second year, and $6,234 (Cdn$8,097) for the third year. The three-year lease was accounted for in accordance with IFRS 16. At December 31, 2019, Holdings was classified as discontinued operations (see Note 18) and its assets and liabilities were classified as held for sale (see Note 4).

(Stated in US dollars)

The right-of-use asset, lease liabilities, and related expenses are summarized as follows:

		December 31 2019
Right-of-use asset		
Beginning balance	$	—
Addition		198,436
Depreciation		(16,593)
FVLCD		(185,485)
Adjustment due to currency conversion		3,642
Ending balance	$	—
Lease liabilities		
Beginning balance	$	—
Addition		198,436
Interest on lease liabilities		1,906
Lease payments		(16,988)
Adjustment due to currency conversion		3,667
Ending balance	$	187,021
Lease liabilities maturity schedule		
2019	$	15,030
2020		61,874
2021		67,516
2022		54,016
	$	198,436

		Year Ended December 31, 2019
Depreciation expense for right-of-use asset	$	16,593
Interest expense on lease liabilities	$	1,906
Total cash outflow for leases	$	16,988

(Stated in US dollars)

6. INVESTMENTS

(a) Investments

	December 31, 2019			December 31, 2018		
	Cost Basis	Unrealized Loss	Fair Value	Cost Basis	Unrealized Loss	Fair Value
Held for trading	$ 1,732,363	$ (237,869)	$ 1,494,494	$ 726,056	$ (260,058)	$ 465,998
Available for sale	—	—	—	10,116,158	(40,704)	10,075,454
Total	**$ 1,732,363**	**$ (237,869)**	**$ 1,494,494**	**$ 10,842,214**	**$ (300,762)**	**$ 10,541,452**

Investments included in assets held for sale:

	December 31, 2019		
	Cost Basis	Unrealized Loss	Fair Value
Held for trading	$ 1,154,912	$ (10,806)	$ 1,144,106
Available for sale	10,382,428	(8,312)	10,374,116
Total	**$ 11,537,340**	**$ (19,118)**	**$ 11,518,222**

(b) Fair value measurement

The fair value of securities in Till's investment portfolio is estimated using the following techniques:

Level 1 - Assets or liabilities with quoted prices in active markets. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry company, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 - Assets or liabilities that are measured using observable market data and are not allocable to Level 1. Measurements are based, in particular, on prices for comparable assets and liabilities that are traded on active markets, prices on markets that are not considered active, as well as inputs derived from such prices or market data.

Level 3 - Assets or liabilities that cannot be measured or can only be partially measured using observable market inputs. The measurement of such instruments draws principally on valuation models and methods.

Till determines the estimated fair value of each individual security utilizing the highest level inputs available.

Till's investments in exchange traded bond funds, guaranteed investment certificates, and public companies are classified as Level 1 investments because the fair values are based on quoted prices in active markets for identical assets that are reported at fair value. Till's investments in government bonds and principle at risk notes are classified as Level 2 investments because the fair value is measured using observable market data but identical assets are not quoted in active markets. Till has had no Level 3 investments during the last two years.

(Stated in US dollars)

The fair value hierarchy of Till's investment holdings is as follows:

	Fair Value at December 31, 2019			
	Total	Level 1	Level 2	Level 3
Continuing operations:				
Held for trading	$ 1,494,494	$ 1,494,494	$ —	$ —
Held for sale:				
Held for trading	1,144,106	—	1,144,106	—
Available for sale	10,374,116	4,483,008	5,891,108	—
Total investments	**$ 13,012,716**	**$ 5,977,502**	**$ 7,035,214**	**$ —**

	Fair Value at December 31, 2018			
	Total	Level 1	Level 2	Level 3
Held for trading	$ 465,998	$ 465,998	$ —	$ —
Available for sale	10,075,454	3,679,212	6,396,242	—
Total investments	**$ 10,541,452**	**$ 4,145,210**	**$ 6,396,242**	**$ —**

(c) *Investment income, net*

Till calculates the gain or loss realized on the sale of investments by comparing the sales price (fair value) to the cost or amortized cost of the security sold. Till determines the cost or amortized cost of the bonds sold using the specific-identification method and all other securities sold using the average cost method.

	Years Ended December 31	
	2019	2018
Net gain (loss) from held for trading investments:		
Equity index futures	$ 20,316	$ (1,348,626)
All other securities	13,484	(344,114)
Net realized gain (loss) from available for sale investments	107,481	(29,975)
Net interest and dividends	92,957	21,857
Gain on sale of royalty	379,579	—
Gain on sale of equity method investment	—	3,987,330
Impairment of intangible asset	—	(340,203)
Investment related expenses	(504,175)	(719,420)
Investment income, net	**$ 109,642**	**$ 1,226,849**

(Stated in US dollars)

(d) Net change in unrealized gain or loss on available for sale investments:

	Years Ended December 31 2019	2018
Equity securities	$ 29,999	$ (51,299)
Discontinued operations:		
Canadian government bonds and provincial bonds	$ 55,755	$ (3,028)
Equity securities - bond funds	57,410	(53,524)
	143,164	(107,851)
Reclassification of realized (gain) loss from available for sale investments	(109,616)	29,976
Reclassification of realized loss from available for sale investments held for sale	—	179,491
Total included in other comprehensive income (loss)	**$ 33,548**	**$ 101,616**

7. UNPAID LOSSES, LOSS ADJUSTMENT EXPENSES, AND REINSURANCE AMOUNTS CEDED

The December 31, 2019 unpaid losses, loss adjustment expenses, and reinsurance amounts ceded were classified as held for sale. (See Note 4 and 18 for more details.)

(a) Reserve for unpaid losses and loss adjustment expenses ("LAE")

	December 31, 2019		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Undiscounted amounts	$ 10,305,196	$ 6,852,078	$ 3,453,118
Adjustment for discount rate	(552,048)	(208,654)	(343,394)
Adjustment for provision for adverse developments	940,869	465,045	475,824
Reserve for unpaid losses and LAE	**$ 10,694,017**	**$ 7,108,469**	**$ 3,585,548**

	December 31, 2018		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Undiscounted amounts	$ 14,037,311	$ 9,669,320	$ 4,367,991
Adjustment for discount rate	(1,033,573)	(568,832)	(464,741)
Adjustment for provision for adverse developments	1,408,151	779,211	628,940
Reserve for unpaid losses and LAE	**$ 14,411,889**	**$ 9,879,699**	**$ 4,532,190**

(Stated in US dollars)

(b) *Summary of changes in outstanding losses and LAE and amounts ceded*

	Years Ended December 31					
	2019			2018		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Balance, beginning of year	**$14,411,889**	**$ 9,879,699**	**$4,532,190**	**$16,081,794**	**$10,094,946**	**$5,986,848**
Losses and LAE incurred for insured events related to:						
Current period	43,264,588	43,018,057	246,531	36,736,920	36,427,469	309,451
Prior period	(2,207,391)	(1,013,419)	(1,193,972)	1,302,227	1,046,687	255,540
Total incurred	41,057,197	42,004,638	(947,441)	38,039,147	37,474,156	564,991
Losses and LAE paid:						
Current period events	(40,515,890)	(40,514,336)	(1,554)	(33,822,442)	(33,815,961)	(6,481)
Prior period events	(4,890,776)	(4,689,794)	(200,982)	(4,613,333)	(3,030,136)	(1,583,197)
Total paid	(45,406,666)	(45,204,130)	(202,536)	(38,435,775)	(36,846,097)	(1,589,678)
Adjustment due to currency conversion	631,597	428,262	203,335	(1,273,277)	(843,306)	(429,971)
Balance, end of year	**$10,694,017**	**$ 7,108,469**	**$3,585,548**	**$14,411,889**	**$ 9,879,699**	**$4,532,190**

(c) *Effects of discounting*

For the year ended December 31, 2019, Till has discounted its best estimate of claims provisions at a rate of 2.85% (year ended December 31, 2018 - 3.02%) based on the yield on its investments.

To recognize the uncertainty in establishing those best estimates, to allow for possible deterioration in experience, and to provide greater comfort that the actuarial liabilities are adequate to pay future costs, Till includes Provisions for Adverse Deviations ("PFADs") in some assumptions relating to claim development, reinsurance recoveries, and future investment income. The PFADs selected are in the mid-range of those recommended by the Canadian Institute of Actuaries for claim development and future investment income and are in the low range of those recommended by the Canadian Institute of Actuaries for reinsurance recoveries.

The effects of discounting and PFADs on unpaid claims and adjustment expenses are as follows:

	December 31, 2019			
	Undiscounted	Effect of discounting	Effect of PFADs	Discounted
Insurance contract liabilities	$ 10,305,196	$ (552,048)	$ 940,869	$ 10,694,017
Reinsurance asset	6,852,078	(208,654)	465,045	7,108,469
Provision for outstanding claims	**$ 3,453,118**	**$ (343,394)**	**$ 475,824**	**$ 3,585,548**

	December 31, 2018			
	Undiscounted	Effect of discounting	Effect of PFADs	Discounted
Insurance contract liabilities	$ 14,037,311	$ (1,033,573)	$ 1,408,151	$ 14,411,889
Reinsurance asset	9,669,320	(568,832)	779,211	9,879,699
Provision for outstanding claims	**$ 4,367,991**	**$ (464,741)**	**$ 628,940**	**$ 4,532,190**

(d) *Cumulative incurred claims, including existing claims, reported claims, and IBNR for each successive underwriting year at each reporting date, together with cumulative payments to date for the year ended December 31, 2019*

The following tables are presented on an underwriting year basis as opposed to an accident year basis. As a result, the reserves at the "one year later" point can normally be expected to increase. Assuming the reserves develop as expected, there will be premium earned in the subsequent year to offset the incurred claims.

Gross ($000's omitted)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
End of year	$ 6,761	$ 8,871	$ 11,287	$ 13,981	$ 17,064	$ 17,626	$ 25,363	$ 33,421	$ 36,468	$ 44,014	$ 44,014
One year later	7,791	9,447	11,089	14,065	17,722	18,067	25,398	34,018	36,569	—	36,569
Two years later	7,411	9,092	10,955	14,046	17,539	17,720	25,338	34,207	—	—	34,207
Three years later	2,252	8,762	11,086	13,880	17,496	18,027	25,327	—	—	—	25,327
Four years later	8,313	8,966	11,126	13,840	17,502	16,091	—	—	—	—	16,091
Five years later	8,810	8,932	11,301	13,802	17,425	—	—	—	—	—	17,425
Six years later	8,757	10,638	11,200	13,720	—	—	—	—	—	—	13,720
Seven years later	9,276	11,232	11,203	—	—	—	—	—	—	—	11,203
Eight years later	9,453	11,065	—	—	—	—	—	—	—	—	11,065
Nine years later	9,421	—	—	—	—	—	—	—	—	—	9,421
Cumulative payments to date	(9,175)	(9,635)	(11,101)	(13,516)	(17,326)	(14,167)	(24,694)	(32,803)	(35,388)	(41,393)	(209,198)
Current reserve	246	1,430	102	204	99	1,924	633	1,404	1,181	2,621	9,844

Current reserve for underwriting years prior to 2010	248
Unallocated adjustment expense reserve	213
Adjustment for discount rate	(552)
Adjustment for provision for adverse developments	941
Total gross outstanding claim liabilities at December 31, 2019	**$ 10,694**

Net of reinsurance ($000's omitted)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
End of year	$ 4,898	$ 6,283	$ 7,608	$ 7,977	$ 10,432	$ (520)	$ 234	$ 306	$ 207	$ 153	$ 153
One year later	5,776	7,428	8,117	8,532	11,145	(731)	438	644	427	—	427
Two years later	5,871	7,254	8,168	8,537	11,145	(764)	441	805	—	—	805
Three years later	5,626	7,222	8,295	8,536	11,146	(740)	440	—	—	—	440
Four years later	5,496	7,449	8,439	8,536	11,146	(1,015)	—	—	—	—	(1,015)
Five years later	5,700	7,492	8,630	8,534	11,148	—	—	—	—	—	11,148
Six years later	5,918	7,993	8,599	8,534	—	—	—	—	—	—	8,534
Seven years later	6,453	7,924	8,579	—	—	—	—	—	—	—	8,579
Eight years later	6,548	7,758	—	—	—	—	—	—	—	—	7,758
Nine years later	6,026	—	—	—	—	—	—	—	—	—	6,026
Cumulative payments to date	(5,898)	(6,336)	(8,527)	(8,466)	(11,148)	1,229	(199)	(454)	(60)	(2)	(39,861)
Current reserve	128	1,422	52	68	—	214	241	351	367	151	2,994

Current reserve for underwriting years prior to 2010	246
Unallocated adjustment expense reserve	213
Adjustment for discount rate	(343)
Adjustment for provision for adverse developments	476
Total net outstanding claim liabilities at December 31, 2019	**$ 3,586**

(e) Reconciliation of net to gross reserve for unpaid loss and loss adjustment expenses

	December 31 2019	December 31 2018
Unpaid Loss and Loss Adjustment Expense, net of ceded amounts	$ 3,585,548	$ 4,532,190
Ceded Unpaid Loss and Loss Adjustment Expense	7,108,469	9,879,699
Unpaid Loss and Loss Adjustment Expense	**$ 10,694,017**	**$ 14,411,889**

8. UNEARNED PREMIUMS AND UNEARNED PREMIUMS CEDED

The following table is a summary of changes in unearned premiums and unearned premiums ceded (The December 31, 2019 unearned premiums and unearned premiums ceded were classified as held for sale. See Note 4 for details):

	December 31, 2019			December 31, 2018		
	Unearned Premiums	Unearned Premiums Ceded	Net	Unearned Premiums	Unearned Premiums Ceded	Net
Balance, beginning of year	**$ 13,714,347**	**$ 11,814,767**	**$ 1,899,580**	**$ 16,145,047**	**$ 13,850,156**	**$ 2,294,891**
Premiums written	71,797,266	70,824,585	972,681	61,518,819	60,718,077	800,742
Premiums earned	(72,270,582)	(71,486,551)	(784,031)	(62,699,427)	(61,688,452)	(1,010,975)
Adjustment due to currency conversion	680,334	580,601	99,733	(1,250,092)	(1,065,014)	(185,078)
Balance, end of year	**$ 13,921,365**	**$ 11,733,402**	**$ 2,187,963**	**$ 13,714,347**	**$ 11,814,767**	**$ 1,899,580**

(Stated in US dollars)

9. DEFERRED POLICY ACQUISITION COSTS

The changes in deferred policy acquisition costs are summarized as follows (The December 31, 2019 unearned premiums and unearned premiums ceded were classified as held for sale. See Note 4 for details):

	December 31 2019	December 31 2018
Balance, beginning of year	**$ 1,939,853**	**$ 2,140,591**
Acquisition costs deferred	20,633,237	17,278,539
Amortization of deferred policy acquisition costs	(20,643,598)	(17,479,277)
Balance, end of year	**$ 1,929,492**	**$ 1,939,853**

10. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment is summarized as follows:

	Computer equipment	Leasehold improvements and furniture	Right-of-use asset	Total
Cost:				
Balance, December 31, 2017	$ 243,039	$ 128,368	$ —	$ 371,407
Additions and other	15,650	1,383	—	17,033
Currency translation adjustment	(1,865)	(3,994)	—	(5,859)
Balance, December 31, 2018	$ 256,824	$ 125,757	$ —	$ 382,581
Additions and other	1,824	—	198,436	200,260
Disposals	(13,077)	—	—	(13,077)
FVLCD	(22,398)	(48,520)	(202,347)	(273,265)
Currency translation adjustment	1,074	2,325	3,911	7,310
Balance, December 31, 2019	$ 224,247	$ 79,562	$ —	$ 303,809
Accumulated depreciation:				
Balance, December 31, 2017	$ 221,637	$ 100,436	$ —	$ 322,073
Depreciation	13,547	6,513	—	20,060
Currency translation adjustment	(1,563)	(2,446)	—	(4,009)
Balance, December 31, 2018	$ 233,621	$ 104,503	$ —	$ 338,124
Depreciation and other	9,184	5,578	16,593	31,355
Disposals	(5,856)	—	—	(5,856)
FVLCD	(21,637)	(33,885)	(16,862)	(72,384)
Currency translation adjustment	1,011	1,535	269	2,815
Balance, December 31, 2019	$ 216,323	$ 77,731	$ —	$ 294,054
Net carrying amounts:				
As of December 31, 2018	$ 23,203	$ 21,254	$ —	$ 44,457
As of December 31, 2019	$ 7,924	$ 1,831	$ —	$ 9,755

(Stated in US dollars)

11. ROYALTY AND MINERAL INTERESTS

Royalty and mineral interests are summarized as follows:

	Balance December 31, 2018	Capitalized exploration costs	Write-down	Option payments received	Balance December 31, 2019
Carlin Vanadium Property	$ 176,315	$ —	$ —	$ (50,000)	$ 126,315
Other properties	169,692	—	—	—	169,692
SPD properties	116,015	48,255	—	—	164,270
Royalty interests	44,158	—	—	—	44,158
Total	**$ 506,180**	**$ 48,255**	**$ —**	**$ (50,000)**	**$ 504,435**

	Balance December 31, 2017	Capitalized exploration costs	Write-down	Option payments received	Balance December 31, 2018
Carlin Vanadium Property	$ 201,315	$ —	$ —	$ (25,000)	$ 176,315
Other properties	169,692	—	—	—	169,692
SPD properties	124,915	21,202	(30,102)	—	116,015
Royalty interests	44,158	—	—	—	44,158
Total	**$ 540,080**	**$ 21,202**	**$ (30,102)**	**$ (25,000)**	**$ 506,180**

(a) Taylor property option

In April 2017, SPD, an entity in which Till has a majority investment interest (64%), entered into an option agreement (the "Taylor Agreement") with Montego Resources Inc. ("Montego") pursuant to which Montego had the right to acquire from SPD certain mining claims located in Nevada, USA, commonly referred to as the Taylor Silver Property (the "Taylor Property").

Under the terms of the Taylor Agreement, Montego could acquire the Taylor Property upon completion of a series of cash payments totaling $1,200,000, issuance of 2,500,000 common shares of Montego to SPD, and expenditures of at least $700,000 on the Taylor Property. Upon completion of the payments, share issuances, and expenditures, Montego would have held a 100% interest in the Taylor Property, subject to a 2% net smelter returns royalty ("NSR") and a 1% net profit royalty that would be retained by SPD.

The payments, share issuances, and expenditures were to be completed in accordance with the following schedule based on the closing date set forth in the Taylor Agreement:

- At closing: $200,000 cash and 500,000 common shares
- 6 months from closing: $100,000 cash and 300,000 common shares
- 12 months from closing: $200,000 cash and 400,000 common shares and expenditures of $100,000
- 24 months from closing: $300,000 cash and 500,000 common shares and expenditures of $250,000
- 36 months from closing: $400,000 cash and 800,000 common shares and expenditures of $350,000

The closing occurred on April 20, 2017 on which date SPD had received $200,000 cash and 500,000 common shares of Montego initially valued at $156,309. On October 19, 2017, SPD received the second installment due from Montego, i.e., $100,000 cash and 300,000 common shares of Montego, initially valued at $45,655. On April 19, 2018, SPD received the third installment due from Montego, i.e., $200,000 cash and 400,000 common shares of Montego, initially valued at $65,973. As of April 19, 2018, Montego had also completed the required $100,000 expenditures.

Option payments were credited against the carrying value of the Taylor Property. Option payments received in excess of the carrying value of the Taylor Property totaled $242,093 for the year ended December 31, 2018 and were recorded as an exploration expense recovery.

Montego did not make the fourth installment due on April 20, 2019. SPD delivered a letter dated April 30, 2019 to the board of directors of Montego, noting that the payment due on April 20, 2019 pursuant to the Agreement had not been received, and that the expenditures required to have been incurred by that date had not been met.

On December 4, 2019, after formally notifying Montego of their default of the Agreement and receiving no remedy, SPD terminated the Agreement with Montego in accordance with the terms of the Agreement.

(b) Carlin Vanadium property option

In June 2017, GPUS, Till's wholly-owned subsidiary, entered into an option agreement (the "Carlin Vanadium Agreement") with a privately-held unrelated company ("Initial Optionee") pursuant to which Initial Optionee has the right to acquire from GPUS certain mining claims located in Idaho, US, commonly referred to as the Carlin Vanadium/ Black Kettle Property (the "Carlin Vanadium Property"). In September 2017, Initial Optionee assigned its rights, interest, obligations, and benefits to and in the Carlin Vanadium Agreement to First Vanadium Corp. ("Optionee").

Under the terms of the Carlin Vanadium Agreement, Optionee can acquire the Carlin Vanadium Property upon completion of a series of cash payments totaling $2,000,000, expenditures of at least $475,000 on the Carlin Vanadium Property, and the granting of a 2% NSR to GPUS on the Carlin Vanadium Property. Upon completion of the payments, expenditures, and issuance of the 2% NSR, Optionee will hold a 100% interest in the Carlin Vanadium Property. Optionee has the right to purchase the NSR for $4 million for the entire 2% NSR or $2 million for 1% (half of the NSR). That right expires at the end of the option period in June 2022.

The payments, expenditures, and NSR grant are to be completed in accordance with the following schedule:

- At closing: $15,000 cash
- On or before December 15, 2017: Expenditures of $50,000
- 12 months from closing: $25,000 cash
- On or before December 15, 2018: Expenditures of an aggregate of $125,000
- 24 months from closing: $50,000 cash
- On or before December 15, 2019: Expenditures of an aggregate of $225,000
- On or before December 15, 2020: Expenditures of an additional $250,000
- On or before December 15, 2021: Expenditures of an additional $250,000 (unless option is exercised)
- On or before 60 months from closing: Expenditures of an additional $122,000 (unless option is exercised)
- On or before 60 months from closing: $2,000,000 cash less any cash payments, not including expenditures
- On or before 60 months from closing: Grant of 2% NSR to GPUS subject to purchase by Optionee

The closing occurred on June 14, 2017 by which date GPUS had received $15,000. By June 14, 2019, GPUS had received an additional $75,000 and Optionee had completed expenditures in excess of $600,000 on the Carlin Vanadium Property. All required payments and expenditures have been made and the option is in good standing as of December 31, 2019.

12. GOODWILL

Goodwill represents the excess of the cost of acquisitions over the fair value of net assets acquired and is not amortized. Goodwill is subject to evaluation for impairment using a recoverable amount based test. That evaluation is performed annually, during the fourth quarter or more frequently if facts and circumstances warrant. The goodwill impairment test involves comparing the recoverable amount of the CGU to the carrying value of the CGU. If the carrying value of the CGU exceeds the recoverable amount of the CGU, Till is required to record an impairment loss as a reduction to the carrying amount of any goodwill associated with that CGU.

(Stated in US dollars)

A goodwill impairment test was performed at December 31, 2018 and December 31, 2019. Till determined the recoverable amount of the CGU based on FVLCD.

At December 31, 2018, the FVLCD was based on a price-to-book value multiple of 1.15 less cost to dispose. The recoverable amount was lower than the carrying value of the CGU and, therefore, Till recorded an impairment of $604,141 against the carrying value of goodwill in the fourth quarter 2018. That impairment was in addition to an impairment to goodwill of $1,097,612 previously recorded in the third quarter of 2018.

At December 31, 2019, the FVLCD was based on a price-to-book value multiple of 1.0 less cost to dispose. The recoverable amount was lower than the carrying value of the CGU and, therefore, Till recorded an impairment of $332,343 against the carrying value of goodwill and a loss of $689,458 (see Note 18) in the fourth quarter 2019.

The goodwill relating to Holdings is presented in the following table:

	December 31	
	2019	2018
Balance, beginning of year	**$ 316,411**	**$ 2,218,634**
Impairment	(332,343)	(1,701,753)
Foreign currency adjustment	15,932	(200,470)
Balance, end of year	**$ —**	**$ 316,411**

13. OTHER ASSETS

Other assets are summarized as follows:

	December 31	
	2019	2018
Accounts receivable	$ 380,165	$ 2,166
Prepaid expenses and deposits	148,759	203,840
Reclamation bonds	63,166	63,166
Receivable from IG Copper, LLC	22,398	302,120
Other	109,870	109,870
Total other assets	**$ 724,358**	**$ 681,162**

14. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities are summarized as follows:

	December 31	
	2019	2018
Accounts payable	$ 161,418	$ 139,057
Accrued payroll	30,716	48,564
Other liabilities	43,750	43,750
Total accounts payable and other liabilities	**$ 235,884**	**$ 231,371**

(Stated in US dollars)

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year Ended December 31	
	2019	2018
Loss from continuing operations for the year before income tax	$ (941,615)	$ 191,752
Income (loss) from discontinued operations for the year before income tax	324,190	(1,815,306)
Loss for the year before income tax	(617,425)	(1,623,554)
Expected income tax recovery	$ (166,705)	$ —
Impact of different foreign statutory tax rates on earnings of subsidiaries	6,972	(283,000)
Permanent difference	59,546	69,000
Impact of future tax rate changes	(1,365,023)	(267,000)
True-up of prior-year provision to statutory tax returns	(281,381)	562,000
Write-down of assets held for sale	186,154	—
Change in unrecognized deductible temporary differences and other	1,608,495	(83,369)
Total income tax expense (recovery)	**$ 48,058**	**$ (2,369)**
Consisting of:		
Current income tax expense	$ 77,736	$ —
Deferred income tax recovery	(29,678)	(2,369)
Total income tax expense (recovery)	**$ 48,058**	**$ (2,369)**
Income tax expense (benefit) from continuing operations	$ 114,736	$ (30,054)
Income tax expense (benefit) from discontinued operations	(66,678)	27,685
Total income tax expense (recovery)	**$ 48,058**	**$ (2,369)**

(Stated in US dollars)

The significant components of Till's deferred income tax assets (liabilities) recognized are as follows:

	December 31 2019	December 31 2018
Deferred income tax assets:		
Reserves	$ 350,009	$ 275,619
Losses available for future periods	25,961	180,536
Property and equipment	8,784	—
Deferred income tax assets	$ 384,754	$ 456,155
Deferred income tax liabilities:		
Exploration and evaluation assets	$ (23,997)	$ (141,983)
Marketable securities	—	(36,769)
Property and equipment	(1,964)	(1,784)
Deferred income tax liabilities	$ (25,961)	$ (180,536)
Net deferred income tax asset before fair value measurement	$ 358,793	$ 275,619
FVLCD	(358,793)	—
Net deferred income tax asset	**$ —**	**$ 275,619**

The significant components of Till's unrecognized temporary differences and tax losses are as follows:

	December 31, 2019	Expiry Date Range	December 31, 2018	Expiry Date Range
Temporary differences:				
Non-capital losses available for future period	$ 60,529,000	2022 to indefinitely	$ 58,749,000	2022 to indefinitely
Exploration and evaluation assets	$ 18,257,000	No expiry date	$ 20,389,000	No expiry date
Property and equipment	$ 5,378,000	No expiry date	$ 5,235,000	No expiry date
Intangible assets	$ —	No expiry date	$ 340,000	No expiry date
Marketable securities	$ 85,000	No expiry date	$ 37,000	No expiry date
Investment tax credits	$ 31,000	2030	$ 29,000	2030
Reserves and other	$ 1,465,000	No expiry date	$ 1,929,000	No expiry date

Tax attributes are subject to review, and potential adjustment, by tax authorities.

16. SHARE CAPITAL AND RESERVES

(a) Authorized share capital

Till is authorized to issue 12,000,000 shares of restricted voting stock at a par value of $0.001. Shares of Till have restricted voting rights, whereby no single shareholder of Till is able to exercise voting rights for more than 9.9% of the voting rights of the total issued and outstanding Till shares. However, if any one shareholder of Till beneficially owns, or exercises control or direction over, more than 50% of the issued and outstanding Till shares, the 9.9% restriction will no longer apply to the Till shares. At December 31, 2019 and 2018, there were 3,191,462 of issued and outstanding Till restricted voting shares.

(Stated in US dollars)

(b) Stock options and warrants

Till's Board of Directors may, from time to time and in its sole discretion, award options to acquire shares of the restricted voting stock of Till to directors, employees, and consultants. During the years ended December 31, 2019, Till recognized stock-based compensation related to options of $44,026 (years ended December 31, 2018 - $1,599) as a result of consolidating SPD. At December 31, 2019, Till has 17,500 stock options outstanding with a weighted average exercise price of Cdn$7 (US$5.39) and a weighted average remaining term of 1.34 years.

Till's Board of Directors may, from time to time and in its sole discretion, issue warrants to acquire shares of the restricted voting stock of Till. At December 31, 2019, Till has no warrants outstanding.

In May 2019, SPD granted 2,275,000 incentive stock options to directors, officers, and a consultant to purchase up to 2,275,000 common shares of SPD. Those incentive stock options, which vested on the grant date, have an exercise price of Cdn$0.10 per share and expire three years from the date of grant.

The warrants and options outstanding in the following table are shown with historical amounts:

	Warrants		Stock Options	
	Number	Weighted average exercise price (Canadian $)	Number	Weighted average exercise price (Canadian $)
Outstanding, December 31, 2017	179,500	$9.92	117,500	$9.55
Expired	(8,500)	18.27	—	—
Outstanding, December 31, 2018	171,000	$9.50	117,500	$9.55
Expired	(171,000)	$9.50	(100,000)	$10.00
Outstanding, December 31, 2019	—	—	17,500	$7.00
Exercisable, December 31, 2019	—	—	17,500	$7.00

The intrinsic value of outstanding Till warrants and stock options at December 31, 2018 is nil.

(c) Normal course issuer bid

On May 6, 2019, Till announced that it had renewed its normal course issuer bid ("NCIB"). Under the renewed NCIB, Till has approval to bid for up to 236,300 of its restricted voting shares, representing 10% of the 2,363,003 restricted voting shares that represented Till's public float at that date. Till's Board of Directors believes that market prices for Till's restricted voting shares do not give full effect to their underlying value and that the purchase of restricted voting shares under the NCIB will increase the proportionate share interest of, and be advantageous to, all remaining shareholders. Till also believes the NCIB purchases will provide increased liquidity to shareholders who would like to sell their restricted voting shares. Purchases subject to the NCIB will be carried out pursuant to open market transactions through the facilities of the TSXV by Haywood Securities Inc. on behalf of Till. During 2019, Till made no purchases of its restricted voting shares.

On April 5, 2018, Till announced that it had renewed its NCIB. Under that NCIB, Till had approval to bid for up to 246,240 of its restricted voting shares, representing 10% of the 2,462,425 restricted voting shares that represented Till's public float at that date. Purchases subject to the NCIB were carried out pursuant to open market transactions through the facilities of the TSXV by Canaccord Genuity Corp. on behalf of Till. During 2018, Till purchased 99,422 restricted voting shares, for $148,397, through the NCIB program all of which were returned to treasury and canceled in 2018.

(d) Treasury shares

Pursuant to an NCIB program approved by Till's directors in September 2014, treasury shares are canceled at cost through retained earnings (deficit).

17. LOSS PER SHARE

Till uses the treasury stock method to calculate diluted loss per share. Following the treasury stock method, the numerator for Till's diluted loss per share calculation remains unchanged from the basic loss per share calculation, as the assumed exercise of Till's stock options and warrants does not result in an adjustment to income or loss.

Stock options to purchase 17,500 restricted voting shares were outstanding at December 31, 2019 (December 31, 2018 - 117,500). There were no warrants to purchase restricted voting shares outstanding at December 31, 2019 (December 31, 2018 - 171,000). Those stock options and warrants were excluded in the calculation of diluted earnings per share because the exercise prices of the options and warrants were greater than the weighted average market value of the restricted voting shares in the years ended December 31, 2019 and 2018.

18. DISCONTINUED OPERATIONS

During the year ended December 31, 2019, Till initiated a plan to sell Holdings and its wholly-owned subsidiaries, Omega and Focus, all of which operate, and are based, in Canada. As a result of that decision, pursuant to IFRS, Holdings is considered to be a discontinued operation and is reported as discontinued operations on Till's Consolidated Statements of Loss, Consolidated Statements of Comprehensive Loss, and Consolidated Statements of Cash Flows for the years ended December 31, 2019 and 2018.

(Stated in US dollars)

The summary of the income (loss) presented on the basis of discontinued operations is summarized as follows:

	Years Ended December 31	
	2019	2018
Revenue from discontinued operations:		
Insurance premiums written	$ 71,797,266	$ 61,518,819
Insurance premiums ceded to reinsurers	(70,824,585)	(60,718,077)
Change in unearned premiums	(188,650)	210,233
Net insurance premiums earned	784,031	1,010,975
Fees - Chief agency	284,875	291,734
Fees - Consulting	21,086	105,080
Rent revenue	301	30,166
Investment income (loss)	234,778	(73,377)
Total revenue	1,325,071	1,364,578
Expenses from discontinued operations:		
Losses and loss adjustment expenses, net	(947,440)	564,991
General and administrative expenses	315,188	222,669
Salaries and benefits	611,332	690,471
FVLCD	1,021,801	1,701,753
Total expenses	1,000,881	3,179,884
Income (loss) from discontinued operations before income taxes	324,190	(1,815,306)
Income tax benefit (expense)	66,678	(27,685)
Income (loss) from discontinued operations	$ 390,868	$ (1,842,991)

Other comprehensive income (loss) attributed to Holdings includes changes in cumulative foreign exchange translation adjustment of $376,529 and ($597,156) for the years ended December 31, 2019 and 2018, respectively. Other comprehensive income attributed to Holdings also includes net unrealized gains, net of reclassification adjustments, on available for sale investments of $113,165 and $122,939 for the years ended December 31, 2019 and 2018, respectively.

(Stated in US dollars)

	Years Ended December 31 2019	2018
Cash flows from discontinued operating activities		
Net income (loss) from discontinued operations	$ 390,868	$ (1,842,991)
Non-cash items:		
Amortization of Capital Assets	20,748	7,724
Receipt of real estate property from reinsurance settlement	(738,682)	—
(Gain) loss on investments	(234,778)	73,377
Income tax (benefit) expense	(66,678)	27,685
Interest expense	1,906	—
FVLCD	1,021,801	1,701,753
Net loss adjusted for non-cash items	395,185	(32,452)
(Increase) decrease in premiums receivable and reinsurance recoverables	(219,641)	2,115,498
Decrease in unpaid losses, LAE, and amounts ceded	(1,149,977)	(1,024,687)
Increase (decrease) in reinsurance payables	306,777	(1,711,922)
Decrease in deferred policy acquisition costs	108,041	30,118
Increase in deferred income tax asset	(1,515)	(10,705)
Increase (decrease) in unearned premiums	188,650	(210,233)
Increase (decrease) in accounts payable and other liabilities	(212,687)	786,630
Other working capital changes	153	220,599
Total working capital changes	(980,199)	195,298
Total operating cash flows provided by (used in) discontinued operations	(585,014)	162,846
Investing cash flows from discontinued operations		
Sales of investments	19,766,995	34,343,598
Purchases of investments	(20,532,734)	(34,473,109)
Purchases of equity index futures, net	(19,592)	(127,493)
Total investing cash flows used in discontinued operations	(785,331)	(257,004)
Financing cash flows from discontinued operations		
Lease payments	(16,988)	—
Total financing cash flows used in discontinued operations	$ (16,988)	$ —

(Stated in US dollars)

19. SEGMENT INFORMATION

Till operates in a single segment, that being insurance.

Till's revenue (loss) is attributable to the following geographical areas:

	Years Ended December 31	
	2019	2018
Bermuda	$ 140,489	$ 2,051,330
Canada	384,347	—
United States	(365,194)	(774,481)
Total	**$ 159,642**	**$ 1,276,849**

The non-current assets (other than financial instruments and deferred income tax assets) are accounted for in the following geographical areas:

	December 31	
	2019	2018
Bermuda	$ —	$ 104,870
Canada	105,870	340,196
United States	513,190	531,852
Total	**$ 619,060**	**$ 976,918**

20. RELATED PARTY DISCLOSURES

(a) Compensation of key management personnel

Key management personnel comprise all members of Till's Board of Directors and executive officers. The compensation of key management personnel includes fees, salaries, share-based awards, and other employee benefits. During the year ended December 31, 2019, total compensation amounted to $0.57 million (2018 - $0.55 million). One of Till's directors also serves as the CEO of SPD and receives $12,000 a year from SPD for his services.

Not included in the compensation amounts disclosed in the preceding paragraph, are significant compensation amounts that were received by a then Till Officer and current Director (“TOD”) for serving, in 2018, as a director of IG Copper LLC (“IGC”), a private company in which Till has a substantial investment. Till was given the opportunity to have a representative on IGC’s board of directors; the Till Board of Directors authorized TOD to serve in that capacity. As a member of the IGC board of directors, TOD was granted units and warrants, similar to grants made to other members of that board. In addition, in the fourth quarter of 2018, upon the successful completion of a property-sale transaction, TOD, similar to other members of the IGC board, received significant additional compensation in the form of a cash bonus and proceeds from his IGC units and warrants related to IGC's Malmyzh property sale. That TOD continues to serve as a director of IGC and Tintic Consolidated Metals LLC ("TCM").

(b) Service agreements

Till is party to service agreements with SPD whereby Till provides administration, accounting, and corporate communications services on a cost-plus recovery basis. Till charged SPD $60,000 for the year ended December 31, 2019 (2018 - $36,000) for those services.

21. CAPITAL MANAGEMENT

(a) Regulatory capital

Till manages capital on an aggregate basis, as well as separately for each regulated entity. Till's insurance subsidiary Omega is subject to the regulatory capital requirements defined by the Office of Superintendent of Financial Institutions (Canada) ("OSFI") and is subject to minimum capital requirements, which amounts are not available to satisfy liabilities of Till or other subsidiaries.

Till's objectives when managing capital consist of:

- Ensuring that policyholders in the insurance subsidiary are protected while complying with regulatory capital requirements.
- Complying with regulatory capital requirements.
- Maintaining a strong liquidity position that provides a reasonable return on invested assets.
- Maximizing long-term shareholder value by optimizing capital generated and used by Till.

Till views capital as a scarce and strategic resource. That resource protects the financial well-being of the organization, and is critical in enabling Till to pursue strategic business opportunities. Adequate capital also acts as a safeguard against possible unexpected losses, and as a basis for confidence in Till by shareholders, policyholders, creditors, and others. For the purpose of capital management, Till has defined capital as shareholders' equity, excluding AOCI. Capital is monitored by Till's Board of Directors.

(b) Omega

OSFI has set out expectations of a 100% Minimum Capital Test ("MCT") as the minimum and 150% MCT as the supervisory target for Canadian property and casualty insurance companies. As of December 31, 2019, Omega had total capital available of Cdn$10.0 (US$7.7) million (December 31, 2018 - Cdn$8.2 (US$6.0) million) and a total capital required of Cdn$2.5 (US$1.9) million (December 31, 2018 - Cdn$2.3 (US$1.7) million) resulting in a MCT of 397% (December 31, 2018 of 361%). As of December 31, 2019 and December 31, 2018, Omega is in compliance with OSFI's MCT requirements.

22. FINANCIAL RISK MANAGEMENT

(a) Insurance risk

Omega principally underwrites insurance lines of business that include personal property, commercial property, and liability lines of business. The various coverages underwritten have specific insurance contracts that set forth the specific insurance risk exposures, including the duration of the coverage. Omega is exposed to risks defined in the insurance contracts.

In addition to underwriting general insurance contracts, Omega has also assumed portfolios of existing business that are in run-off from other insurers through reinsurance assumption transactions. Those portfolios could be from any line of business that the transferring insurer underwrote up through the assumption. Under those reinsurance assumption transactions, Omega is exposed to certain risks defined in the underlying insurance contracts that were originally written by the transferring insurer.

The principal risk that Omega faces under both general insurance contracts and reinsurance assumption transactions is that the actual claims and benefit payments, or the timing thereof, differs from the assumptions and/or expectations used to price the general insurance contracts or reinsurance assumption transactions. That insurance risk is influenced by the frequency of claims, severity of claims, emergence of unknown claims, actual benefits paid, and subsequent development of claims, in particular long-tail claims. For long-tail claims that take years to settle, Till is also exposed to inflation risk. Till's objective is to ascertain, based on the business insured and other factors, that sufficient reserves are available to cover known and unknown liabilities related to the business written and assumed.

(Stated in US dollars)

Risk exposure is mitigated by diversification across a portfolio of insurance contracts and geographical areas and by the use of various underwriting and claim review strategies. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities. Omega also purchases reinsurance as part of its risk mitigation strategies. Reinsurance is placed on both a proportional and non-proportional basis. The use of proportional and non-proportional reinsurance varies by line of business.

Amounts recoverable from reinsurers are estimated in a manner consistent with the underlying claim liabilities and in accordance with the reinsurance contracts. Although Omega has reinsurance arrangements in effect, Omega is not relieved of its obligations to its policyholders and, thus, a credit risk exposure exists with respect to such reinsurance arrangements.

The key assumption underlying the valuation of the reserve for unpaid losses and LAE is that the future loss development will follow a similar pattern to past loss development experience, including average claim costs, claim handling costs, and other claim factors for each loss year. Additional qualitative judgments are used to assess the extent to which past trends may not apply in the future. Consideration is also given to available industry data/information. Judgment is further used to assess the extent to which external factors, such as inflation, court decisions, and government legislation, may affect the estimates. Other factors that may affect the reliability of loss and LAE assumptions include any variation in interest rates, claim settlement delays, and changes in foreign exchange rates.

(b) *Liquidity risk*

Liquidity risk is the risk that Till is unable to meet its financial obligations as they come due. Till manages that risk by continuous monitoring of its working capital to determine that its cash, cash equivalents, and investments exceed its estimated obligations.

The following tables summarize the maturity profile of Till's financial assets and financial liabilities. For insurance contract liabilities and reinsurance assets, maturity profiles are based on the estimated timing of cash outflows.

December 31, 2019	Up to 1 year	1 - 5 years	5 - 10 years	10+ years	No specific maturity	Total
Financial assets:						
Cash and cash equivalents	$ 4,901,012	$ —	$ —	$ —	$ —	$ 4,901,012
Held for trading securities	—	—	—	—	1,494,494	1,494,494
Total financial assets	**$ 4,901,012**	**$ —**	**$ —**	**$ —**	**$ 1,494,494**	**$ 6,395,506**
Financial liabilities:						
Payables and accruals	$ 192,133	$ —	$ —	$ —	$ 43,750	$ 235,883
Total financial liabilities	**$ 192,133**	**$ —**	**$ —**	**$ —**	**$ 43,750**	**$ 235,883**

(Stated in US dollars)

December 31, 2019	Up to 1 year	1 - 5 years	5 - 10 years	10+ years	No specific maturity	Total
Held for sale						
Financial assets:						
Cash and cash equivalents	$ 2,088,167	$ —	$ —	$ —	$ —	$ 2,088,167
Held for trading securities	—	—	1,144,106	—	—	1,144,106
Available for sale:						
Government debt securities	1,879,466	3,998,154	—	—	—	5,877,620
Corporate bond funds	—	—	—	—	4,468,398	4,468,398
Loans and receivables:						
Accrued investment income	28,098		—	—	—	28,098
Premium and reinsurance receivables	5,213,968	—	—	—	9,759,778	14,973,746
Reinsurance assets	4,465,259	1,896,366	664,460	82,384	—	7,108,469
Total financial assets held for sale	**$13,674,958**	**$ 5,894,520**	**$ 1,808,566**	**$ 82,384**	**$14,228,176**	**$35,688,604**
Held for sale						
Financial liabilities:						
Payables and accruals	$ 6,603,729	$ 756,083	$ —	$ —	$ 7,184,324	$14,544,136
Insurance contract liabilities	5,710,186	3,303,819	1,343,548	336,464	—	10,694,017
Other liabilities	457,038	121,532	—	—	—	578,570
Total financial liabilities held for sale	**$12,770,953**	**$ 4,181,434**	**$ 1,343,548**	**$ 336,464**	**$ 7,184,324**	**$25,816,723**

(Stated in US dollars)

December 31, 2018	Up to 1 year	1 - 5 years	5 - 10 years	10+ years	No specific maturity	Total
Financial assets:						
Cash and cash equivalents	$ 10,251,114	$ —	$ —	$ —	$ —	$ 10,251,114
Held for trading securities	—	—	—	—	465,998	465,998
Available for sale:						
Government debt securities	2,390,171	3,424,886	567,071	—	—	6,382,128
Corporate bond funds	—	—	—	—	3,464,784	3,464,784
Equity securities	—	—	—	—	205,734	205,734
Loans and receivables:						
Accrued investment income	22,808	—	—	—	—	22,808
Premium and reinsurance receivables	3,847,280	—	—	—	10,194,986	14,042,266
Reinsurance assets	5,480,494	2,611,959	1,141,404	645,842	—	9,879,699
Total financial assets	**$21,991,867**	**$ 6,036,845**	**$ 1,708,475**	**$ 645,842**	**$14,331,502**	**$44,714,531**
Financial liabilities:						
Payables and accruals	$ 5,529,860	$ 962,469	$ —	$ —	$ 7,430,729	$ 13,923,058
Insurance contract liabilities	6,980,517	4,532,719	1,834,934	1,063,719	—	14,411,889
Other liabilities	421,828	—	—	—	80,787	502,615
Total financial liabilities	**$12,932,205**	**$ 5,495,188**	**$ 1,834,934**	**$ 1,063,719**	**$ 7,511,516**	**$28,837,562**

(c) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its obligations. Till's credit risk is primarily attributable to cash and cash equivalents, investments, premiums receivable, and reinsurance recoverables. Till has policies in place to limit and monitor its exposure to individual issuers and classes of issuers of investments. Till's insurance and reinsurance policies are distributed by brokers and agents who manage cash collection on its behalf and Till monitors its exposure as regards of the activities of those brokers and agents. Till has policies in place that limit its exposure to individual reinsurers, and Till conducts regular review processes to assess the creditworthiness of reinsurers with whom it transacts business. Till also holds collateral for certain of its reinsurance arrangements.

The following tables show the exposure to credit risk for Till's financial assets, shown gross of any collateral arrangements, by credit rating according to Dominion Bond Rating Service for financial assets and according to A.M. Best Company rating service for reinsurance assets:

December 31, 2019 Dominion Bond Rating Service: A.M. Best Company:	AAA A++	AA A+	A A, A-	BBB B++	Less than BBB B++	Not rated	Total
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ —	$ 4,901,012	$ 4,901,012
Held for sale securities	—	—	—	—	—	1,494,494	1,494,494
Total	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 6,395,506**	**$ 6,395,506**

(Stated in US dollars)

December 31, 2019 Dominion Bond Rating Service: A.M. Best Company:	AAA A++	AA A+	A A, A-	BBB B++	Less than BBB B++	Not rated	Total
Held for sale							
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ —	$ 2,088,167	$ 2,088,167
Held for sale securities	—	—	—	—	—	1,144,106	1,144,106
Available for sale:							
Government debt securities	710,097	3,180,496	1,987,027	—	—	—	5,877,620
Corporate bond funds	64,975	1,577,265	1,612,007	1,214,151	—	—	4,468,398
Loans and receivables:							
Accrued investment income	—	—	—	—	—	28,098	28,098
Premium and reinsurance receivables	—	—	—	—	—	14,973,746	14,973,746
Reinsurance assets	1,408,223	43,887	131,660	—	—	5,524,699	7,108,469
Total held for sale	**$ 2,183,295**	**$ 4,801,648**	**$ 3,730,694**	**$ 1,214,151**	**$ —**	**$23,758,816**	**$35,688,604**

December 31, 2018 Dominion Bond Rating Service: A.M. Best Company:	AAA A++	AA A+	A A, A-	BBB B++	Less than BBB B++	Not rated	Total
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ —	$10,251,114	$10,251,114
Held for sale securities	—	—	—	—	—	465,998	465,998
Available for sale:							
Government debt securities	1,279,355	2,492,817	2,609,956	—	—	—	6,382,128
Corporate bond funds	155,915	1,372,055	814,224	1,122,590	—	—	3,464,784
Equity securities	—	—	—	—	—	205,734	205,734
Loans and receivables:							
Accrued investment income	—	—	—	—	—	22,808	22,808
Premium and reinsurance receivables	—	—	—	—	—	14,042,266	14,042,266
Reinsurance assets	—	—	—	—	—	9,879,699	9,879,699
Total	**$ 1,435,270**	**$ 3,864,872**	**$ 3,424,180**	**$ 1,122,590**	**$ —**	**$34,867,619**	**$44,714,531**

23. SUBSEQUENT EVENTS

(a) Equity investment

In January 2020, Till invested $2 million for a 10% ownership interest in the privately held company IG Tintic LLC ("IGT"). IGT is the majority owner of TCM and IGT management includes certain parties that are affiliated with IG Copper LLC which sold its Malmyzh project in 2018. TCM owns a substantial consolidated land package of surface and mineral rights in the East Tintic Mining District near Provo, Utah, and is currently working to re-commission the Trixie gold and silver mine in that district.

(b) Emerging risk

The recent outbreak of the coronavirus (COVID-19) may affect our business and operations. In December 2019, a novel strain of the coronavirus emerged that has spread to Canada and the U.S. The extent to which the coronavirus impacts Till's business, including its operations and the market for its securities, will depend on future developments that are highly uncertain and cannot be predicted at this time. In particular, the continued spread of the coronavirus could materially and adversely impact Till’s operations and business, including without limitation, employee health and productivity, significant reduction in the market value of Till's investments and assets held for sale, restrictions or delays to its planned exploration activities, ability to raise financing, and other factors, including those related to market demand for precious metals that are beyond Till’s control.