TILL CAPITAL CORP.

INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2020 and 2019

Notice of Non-review of Interim Unaudited Condensed Consolidated Financial Statements

The attached interim unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2020 and 2019 have been prepared by and are the responsibility of Till Capital Corp.'s ("Till") management and have been approved by the Audit Committee of Till. Till's independent auditor has not performed a review of these interim unaudited condensed consolidated financial statements.

TILL CAPITAL CORP.
Interim Unaudited Condensed Consolidated Statements of Loss
(Stated in US dollars)

	Notes	Three Months Ended September 30 2020	Three Months Ended September 30 2019	Nine Months Ended September 30 2020	Nine Months Ended September 30 2019
Revenue					
Investment loss, net	5(d)	$ (396,576)	$ (24,318)	$ (649,960)	$ (91,710)
Other revenue		—	—	100,000	50,000
		(396,576)	(24,318)	(549,960)	(41,710)
Expenses					
General and administrative expenses		97,385	144,708	394,927	428,299
Salaries and benefits		107,548	105,416	343,070	297,091
Stock-based compensation		—	145	—	43,950
Foreign exchange (gain) loss		1,864	(2,227)	10,100	4,140
Other expenses (income)		2,644	6,985	(2,373)	12,221
		209,441	255,027	745,724	785,701
Loss before income taxes and loss on equity method investments from continuing operations		**(606,017)**	**(279,345)**	**(1,295,684)**	**(827,411)**
Current income tax benefit		16,848	—	10,959	—
Equity loss in associated companies	5(b)	(212,870)	—	(358,170)	—
Loss from continuing operations		**(802,039)**	**(279,345)**	**(1,642,895)**	**(827,411)**
Income (loss) from discontinued operations	14				
Income from discontinued operations		222,208	186,858	114,735	469,286
Income tax benefit (expense)		(6,663)	1,103	(8,648)	(1,147)
Income from discontinued operations		215,545	187,961	106,087	468,139
Net loss		**$ (586,494)**	**$ (91,384)**	**$ (1,536,808)**	**$ (359,272)**
Loss attributable to:					
Shareholders of Till Capital Corp.		$ (583,474)	$ (78,432)	$ (1,503,857)	$ (301,385)
Non-controlling interests		(3,020)	(12,952)	(32,951)	(57,887)
Net loss		**$ (586,494)**	**$ (91,384)**	**$ (1,536,808)**	**$ (359,272)**
Basic and diluted loss per restricted voting share from continuing operations attributable to the shareholders of Till Capital Corp.		**$(0.25)**	**$(0.08)**	**$(0.50)**	**$(0.24)**
Basic and diluted income per restricted voting share from discontinued operations attributable to the shareholders of Till Capital Corp.		**$0.07**	**$0.06**	**$0.03**	**$0.15**
Basic and diluted loss per restricted voting share attributable to the shareholders of Till Capital Corp.		**$(0.18)**	**$(0.02)**	**$(0.47)**	**$(0.09)**
Weighted average number of restricted voting shares outstanding		**3,191,462**	**3,191,462**	**3,191,462**	**3,191,462**

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

(Stated in US dollars)

	Notes	Three Months Ended September 30 2020	Three Months Ended September 30 2019	Nine Months Ended September 30 2020	Nine Months Ended September 30 2019
Net loss		**$ (586,494)**	**$ (91,384)**	**$ (1,536,808)**	**$ (359,272)**
Other comprehensive income (loss) from continuing operations					
Change in net unrealized gain on available for sale investments	5(e)	—	(40,742)	—	(6,989)
Reclassification of realized gain from available for sale investments	5(e)	—	37,063	—	(72,649)
Item that may be reclassified subsequently to net income (loss):					
Change in cumulative foreign exchange translation adjustment		99	(7,101)	(3,822)	929,575
Other comprehensive income (loss) from continuing operations		**99**	**(10,780)**	**(3,822)**	**849,937**
Other comprehensive income (loss) from discontinued operations					
Change in net unrealized gain (loss) on available for sale investments	5(e)	22,171	(24,495)	238,390	138,860
Item that may be reclassified subsequently to net income (loss):					
Change in cumulative foreign exchange translation adjustment		170,946	(89,963)	(206,213)	(704,221)
Other comprehensive income (loss) from discontinued operations		**193,117**	**(114,458)**	**32,177**	**(565,361)**
Total comprehensive loss		**$ (393,278)**	**$ (216,622)**	**$ (1,508,453)**	**$ (74,696)**
Total comprehensive income (loss) attributable to:					
Shareholders of Till Capital Corp.		$ (397,499)	$ (206,779)	$ (1,491,878)	$ (25,127)
Non-controlling interests		4,221	(9,843)	(16,575)	(49,569)
Total comprehensive loss		**$ (393,278)**	**$ (216,622)**	**$ (1,508,453)**	**$ (74,696)**

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

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

	Notes	September 30, 2020	December 31, 2019
Assets			
Cash and cash equivalents		$ 2,352,874	$ 4,901,013
Investments	5(a)	519,920	1,494,494
Investments, equity method	5(b)	2,091,830	—
Assets held for sale	3	54,813,061	55,234,781
Royalty and mineral interests	9	552,456	504,435
Other assets	10	320,356	734,113
Total assets		**$ 60,650,497**	**$ 62,868,836**
Liabilities			
Liabilities held for sale	3	$ 41,345,811	$ 41,974,786
Accounts payable and other liabilities	11	154,972	235,883
Total liabilities		**$ 41,500,783**	**$ 42,210,669**
Shareholders' equity			
Share capital		$ 3,191	$ 3,191
Contributed surplus		40,649,665	40,649,665
Accumulated other comprehensive loss		(1,216,125)	(1,228,104)
Deficit		(20,362,744)	(18,858,887)
Equity attributable to shareholders of Till Capital Corp.		19,073,987	20,565,865
Non-controlling interests		75,727	92,302
Total shareholders' equity		**$ 19,149,714**	**$ 20,658,167**
Total liabilities and shareholders' equity		**$ 60,650,497**	**$ 62,868,836**

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

The interim unaudited condensed consolidated financial statements were approved by the Audit Committee on November 19, 2020 and signed on their behalf by:

/s/ Wayne Kauth
Wayne Kauth, Director

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

	Capital Stock			Accumulated other comprehensive income (loss)							
	Shares	Amount	Contributed surplus	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, 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**
Nine Months Ended September 30, 2019:											
Net loss	—	—	—	—	—	—	—	(301,385)	(301,385)	(57,887)	(359,272)
Other comprehensive income (loss)	—	—	—	(79,638)	921,257	138,860	(704,221)	—	276,258	8,318	284,576
Total comprehensive income (loss)	—	—	—	(79,638)	921,257	138,860	(704,221)	(301,385)	(25,127)	(49,569)	(74,696)
Stock-based compensation	—	—	28,176	—	—	—	—	—	28,176	15,774	43,950
Balance, September 30, 2019	**3,191,462**	**$ 3,191**	**$ 40,649,616**	**$ (446,555)**	**$ 1,267,602**	**$ (479,638)**	**$ (1,751,887)**	**$ (18,597,313)**	**$ 20,645,016**	**$ 130,874**	**$ 20,775,890**
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**
Nine Months Ended September 30, 2020:											
Net loss	—	—	—	—	—	—	—	(1,503,857)	(1,503,857)	(32,951)	(1,536,808)
Other comprehensive income (loss)	—	—	—	—	(20,198)	238,390	(206,213)	—	11,979	16,376	28,355
Total comprehensive income (loss)	—	—	—	—	(20,198)	238,390	(206,213)	(1,503,857)	(1,491,878)	(16,575)	(1,508,453)
Balance, September 30, 2020	**3,191,462**	**$ 3,191**	**$ 40,649,665**	**$ (446,534)**	**$ 374,702**	**$ (266,943)**	**$ (877,350)**	**$ (20,362,744)**	**$ 19,073,987**	**$ 75,727**	**$ 19,149,714**

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

(Stated in US dollars)

	Notes	Nine Months Ended September 30 2020	2019
Cash flows from operating activities			
Net loss from continuing operations		$ (1,642,895)	$ (827,411)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization expense		6,261	8,457
Stock-based compensation		—	43,950
Investment loss	5(d)	649,960	91,710
Loss on equity investments	5(b)	358,170	—
Loss on sale of property, plant, and equipment		—	4,621
Gain on property option payment		—	(50,000)
Changes in operating assets and liabilities:			
Decrease in accounts payable and other liabilities		(80,912)	(92,128)
Decrease (increase) in accounts receivable		372,724	(30,769)
Other working capital changes		54,100	(19,071)
Net cash used in continuing operating activities		(282,592)	(870,641)
Net cash provided by discontinued operating activities	14	1,787,693	596,922
Net cash provided by (used in) operating activities		1,505,101	(273,719)
Cash flows from investing activities			
Sales of investments		38,717,179	24,315,453
Purchases of investments		(38,070,083)	(24,165,318)
Sales (purchases) of equity index futures, net	5(d)	(322,481)	101,035
Purchases of equity method investments	5(b)	(2,450,000)	—
Proceeds from property option payments		—	100,000
Proceeds from receivable		—	149,953
Exploration and evaluation costs capitalized		(132,188)	(102,841)
Purchases of property, plant, and equipment, net		(4,151)	—
Net cash provided by (used in) continuing investing activities		(2,261,724)	398,282
Net cash used in discontinued investing activities	14	(1,272,355)	(972,720)
Net cash used in investing activities		(3,534,079)	(574,438)
Cash flows from financing activities			
Net cash used in discontinued financing activities	14	(49,676)	—
Net cash used in financing activities		(49,676)	—
Decrease in cash and cash equivalents		**(2,078,654)**	**(848,157)**
Effect of foreign exchange rate		**(76,375)**	**119,884**
Change in cash of discontinued operations in assets held for sale		**(393,110)**	**101,369**
Cash and cash equivalents, beginning of year		**4,901,013**	**6,955,602**
Cash and cash equivalents, end of period		**$ 2,352,874**	**$ 6,328,698**

The accompanying notes are an integral part of these interim unaudited condensed 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 as of 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 interim unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2020 and 2019 were approved and authorized for issue by Till's Audit Committee on November 19, 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These interim unaudited condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, *Interim Financial Reporting* ("IAS 34"). These interim unaudited condensed consolidated financial statements comply with IAS 34; however, they do not include all of the information required for full annual financial statements.

The accounting policies applied in these interim unaudited condensed consolidated financial statements are presented herein and are based on IFRS as issued and applicable as of November 19, 2020, the date the Audit Committee approved the financial statements. The accounting policies have been applied consistently to all periods presented in these interim unaudited condensed consolidated financial statements.

These interim unaudited condensed consolidated financial statements should be read in conjunction with Till's audited annual financial statements as of and for the year ended December 31, 2019. Those financial statements disclose information as of and for the year ended December 31, 2019 that is material to the understanding of these interim unaudited condensed consolidated financial statements.

These interim unaudited condensed consolidated financial statements have been prepared on an historical cost basis, with the exception of certain financial instruments and stock-based awards 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. During the sale process, Holdings continues to operate as normal operations of Till.

Springer Mining Company ("SMC"), a wholly-owned subsidiary of Till, 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. That property is located southwest of Winnemucca, Nevada. Till's Board of Directors and management are committed to selling SMC. As a result, pursuant to IFRS, the assets and liabilities of SMC are classified as held for sale.

There can be no assurance that that sale processes of Holdings and SMC will result in any transaction.

(c) *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 interim unaudited condensed consolidated financial statements. Amounts in the interim unaudited condensed 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 composition of deferred income tax assets and liabilities.

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 constitute 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 the estimated 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 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.

(Stated in US dollars)

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 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.

(d) Basis of consolidation

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

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 September 30, 2020 are as follows:

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

(e) Equity method investments

IG Tintic LLC ("IGT") and IG Far East LLC ("IGFE") are entities that are neither controlled nor jointly controlled by Till, and over which, pursuant to the following criteria in accordance with *IAS 28, Investments in Associates and Joint Ventures* ("IAS 28"), Till is deemed to have significant influence (see also Note 5(b) and Note 16(c)). Significant influence is presumed to exist where there is neither control nor joint control and Till has over 20 per cent of the voting rights, unless it can be clearly demonstrated that this is not the case. Significant influence can also arise where Till holds less than 20 per cent of the voting rights if it has the opportunity to participate in the financial and operating policy decisions affecting the entity. Till's investments in IGT and IGFE are accounted for using the equity method of accounting that is generally applied to investments in partnerships or partnership-like LLCs, unless the interest is so minor that there is virtually no influence.

Under the equity method of accounting, the investment is recorded initially at cost to Till. In subsequent periods, the carrying amount of each investment is adjusted for Till's share of each investment's retained post-acquisition profit or loss and other comprehensive income. If Till's share of losses in the investment equals or exceeds its interest in that investment, including any unsecured receivables, Till would not recognize any further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the investment.

(Stated in US dollars)

(f) 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 interim unaudited condensed 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:

	Three Months Ended September 30		Nine Months Ended September 30	
	2020	2019	2020	2019
Exchange rate at end of period	US$1 = Cdn$1.3339	US$1 = Cdn$1.3243	US$1 = Cdn$1.3339	US$1 = Cdn$1.3243
Average exchange rate for the period	US$1 = Cdn$1.3321	US$1 = Cdn$1.3206	US$1 = Cdn$1.3541	US$1 = Cdn$1.3292

(g) 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.

(h) 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 by Till for active trading, and principal at risk notes held by Omega. 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.

(i) Insurance contracts

(i) Product classification

An insurance policy 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 policy 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 policy 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 policy 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, adverse claim 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 policies, or a portion thereof.

When the underlying insurance policies are fully expired, the premiums are 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.

During the period when the underlying insurance policies are not fully expired, the premiums are 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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.

(n) 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 income 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.

(o) 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 period.

(p) Employee benefits

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

(q) Segment reporting

Till operates in a single segment, that being insurance.

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

(i) 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 income or loss.

(ii) 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 were issued in the second quarter of 2020, including a deferral of the effective date to annual reporting periods beginning on or after January 1, 2022, to January 1, 2023, with early adoption permitted.

3. 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 a 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 of Till's audited consolidated financial statements for the year ended December 31, 2019) and a goodwill impairment of $332,343 (see Note 12 of Till's audited consolidated financial statements for the year ended December 31, 2019) were recorded at December 31, 2019.

Due to the coronavirus pandemic, a highly qualified prospective purchaser of Holdings paused advanced negotiations and due diligence. Management remains committed to sell Holdings. The sales process with the prospective buyer and their due diligence, which had been substantially completed, may resume in the future.

(Stated in US dollars)

The assets and liabilities held for sale of Holdings are as follows:

	September 30, 2020	December 31, 2019
Holdings assets held for sale:		
Cash and cash equivalents	$ 2,481,277	$ 2,088,167
Investments	12,700,077	11,518,222
Real estate property held for sale	445,788	608,898
Unpaid losses and loss adjustment expenses ceded	7,310,322	7,108,469
Unearned premiums ceded	11,299,683	11,733,402
Premiums receivable and reinsurance recoverables	13,250,625	14,973,746
Deferred policy acquisition costs	1,971,362	1,929,492
Other assets	54,293	38,778
Total Holdings assets held for sale	$ 49,513,427	$ 49,999,174
Holdings liabilities held for sale:		
Reserve for unpaid losses and loss adjustment expenses	$ 10,935,434	$ 10,694,017
Unearned premiums	13,479,540	13,921,365
Reinsurance payables	12,538,124	12,758,965
Payables and accruals	1,640,280	1,785,171
Unearned commissions	2,205,376	2,226,143
Lease liability	136,971	187,021
Other liabilities	404,495	391,549
Total Holdings liabilities held for sale	$ 41,340,220	$ 41,964,231

Springer Mining Company

SMC, a wholly-owned subsidiary of Till, 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. That property is located southwest of Winnemucca, Nevada. In January 2017, SPD, in exchange for the full 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 by that subsidiary to Golden Predator US Holding Corp. ("GPUS"), another wholly-owned subsidiary of Till.

(Stated in US dollars)

Till's Board of Directors and management are committed to selling SMC. The SMC assets and liabilities held for sale are summarized as follows:

	September 30, 2020	December 31, 2019
SMC assets held for sale:		
Cash and accounts receivable	$ 6,778	$ 18,545
Reclamation bonds	32,401	32,401
Prepaid expenses	9,868	18,241
Mineral properties	1,252,019	1,167,852
Property, plant, and equipment	3,998,568	3,998,568
Total SMC assets held for sale	**$ 5,299,634**	**$ 5,235,607**
Total SMC liabilities held for sale	**$ 5,591**	**$ 10,555**

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

	September 30, 2020	December 31, 2019
Assets held for sale:		
Holdings	$ 49,513,427	$ 49,999,174
SMC	5,299,634	5,235,607
Total assets held for sale	$ 54,813,061	$ 55,234,781
Liabilities held for sale:		
Holdings	$ 41,340,220	$ 41,964,231
SMC	5,591	10,555
Total liabilities held for sale	$ 41,345,811	$ 41,974,786

4. 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 $5,603 (Cdn$7,474) for the first year, $5,836 (Cdn$7,785) for the second year, and $6,070 (Cdn$8,097) for the third year. The three-year lease was accounted for in accordance with IFRS 16. At September 30, 2020, Holdings was classified as discontinued operations (see Note 14) and its assets and liabilities were classified as held for sale (see Note 3).

(Stated in US dollars)

Lease liabilities maturity schedule	
2019	$ 14,923
2020	61,434
2021	67,035
2022	53,631
	$ 197,023

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

	September 30, 2020	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	$ 187,021	$ —
Addition	—	198,436
Interest on lease liabilities	5,220	1,906
Lease payments	(49,676)	(16,988)
Adjustment due to currency conversion	(5,594)	3,667
Ending balance	$ 136,971	$ 187,021

	Three Months Ended September 30		Nine Months Ended September 30	
	2020	2019	2020	2019
Depreciation expense for right-of-use asset	$ —	$ —	$ —	$ —
Interest expense on lease liabilities	$ 1,589	$ —	$ 5,220	$ —
Total cash outflow for leases	$ 16,826	$ —	$ 49,676	$ —

5. INVESTMENTS

(a) Investments

	September 30, 2020			December 31, 2019		
	Cost Basis	Unrealized Loss	Fair Value	Cost Basis	Unrealized Loss	Fair Value
Held for trading	$ 808,250	$ (288,330)	$ 519,920	$ 1,732,363	$ (237,869)	$ 1,494,494
Total	**$ 808,250**	**$ (288,330)**	**$ 519,920**	**$ 1,732,363**	**$ (237,869)**	**$ 1,494,494**

(Stated in US dollars)

Investments included in assets held for sale:

	September 30, 2020			December 31, 2019		
	Cost Basis	Unrealized Gain (Loss)	Fair Value	Cost Basis	Unrealized Loss	Fair Value
Held for trading	$ 1,619,568	$ (284,295)	$ 1,335,273	$ 1,154,912	$ (10,806)	$ 1,144,106
Available for sale	10,996,676	368,128	11,364,804	10,382,428	(8,312)	10,374,116
Total	**$ 12,616,244**	**$ 83,833**	**$ 12,700,077**	**$ 11,537,340**	**$ (19,118)**	**$ 11,518,222**

(b) Equity method investments

IG Tintic LLC

Till, through Till Management Company ("TMC"), invested $2,000,000 for a 10% ownership in IGT. That investment is accounted for under the equity method of accounting. IGT is the majority owner of Tintic Consolidated Metals LLC ("TCM") that owns a substantial consolidated land package of mineral and surface rights in the East Tintic Mining District near Provo, Utah.

For the three and nine months ended September 30, 2020, Till recorded a loss of $142,077 and $226,555, respectively, for its portion of equity method investment loss in IGT.

IG Far East LLC

Till, through TMC, invested $450,000 for a 25% ownership in IGFE. That investment is accounted for under the equity method of accounting. IGFE has a substantial interest in the Durmin gold property in east Russia, including an option to acquire 100% of the property for $7,000,000. Additional investments, if any, may be requested, but any such additional investment is at Till’s option. Soil sampling is underway and initial drill results from June 2020 showed significant lengths of mineralization.

For the three and nine months ended September 30, 2020, Till recorded a loss of $70,793 and $131,615, respectively, for its portion of equity method investment loss in IGFE.

(c) 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. Omega'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 September 30, 2020			
	Total	Level 1	Level 2	Level 3
Held for trading	$ 519,919	$ 519,919	$ —	$ —
Held for sale:				
Held for trading	1,335,272	451,698	883,574	—
Available for sale	11,364,805	4,479,346	6,885,459	—
Total investments	**$ 13,219,996**	**$ 5,450,963**	**$ 7,769,033**	**$ —**

	Fair Value at December 31, 2019			
	Total	Level 1	Level 2	Level 3
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**	**$ —**

(d) Investment loss, 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.

	Three Months Ended September 30		Nine Months Ended September 30	
	2020	2019	2020	2019
Net gain (loss) from held for trading investments:				
Equity index futures	$ (102,038)	$ 31,138	$ (322,481)	$ 101,035
All other securities	(210,071)	(17,910)	(57,835)	69,134
Net realized gain from available for sale investments	—	(69)	—	70,508
Net interest and dividends	—	22,946	5,484	73,348
Investment related expenses	(84,467)	(60,423)	(275,128)	(405,735)
Investment loss, net	**$ (396,576)**	**$ (24,318)**	**$ (649,960)**	**$ (91,710)**

(Stated in US dollars)

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2020	2019	2020	2019
Equity securities	$ —	$ (40,742)	$ —	$ (6,989)
Discontinued operations:				
Canadian government bonds and provincial bonds	(1,830)	(2,576)	121,875	73,099
Equity securities - bond funds	24,002	(21,919)	116,515	65,761
	22,172	(65,237)	238,390	131,871
Reclassification of realized gain from available for sale investments	—	37,063	—	(72,649)
Total included in other comprehensive income (loss)	**$ 22,172**	**$ (28,174)**	**$ 238,390**	**$ 59,222**

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

The September 30, 2020 and December 31, 2019 unpaid losses, loss adjustment expenses, and reinsurance amounts ceded were classified as held for sale. (See Note 3 and 14 for more details.)

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

	September 30, 2020		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Undiscounted amounts	$ 10,556,845	$ 7,060,678	$ 3,496,167
Adjustment for discount rate	(537,522)	(203,164)	(334,358)
Adjustment for provision for adverse developments	916,111	452,808	463,303
Reserve for unpaid losses and LAE	**$ 10,935,434**	**$ 7,310,322**	**$ 3,625,112**

	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**

(Stated in US dollars)

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

	Nine Months Ended September 30					
	2020			2019		
	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net	Unpaid Losses and LAE	Reinsurance Amounts Ceded	Net
Balance, beginning of period	**$ 10,694,017**	**$ 7,108,469**	**$ 3,585,548**	**$ 14,411,889**	**$ 9,879,699**	**$ 4,532,190**
Losses and LAE incurred for insured events related to:						
Current period	35,868,331	35,712,814	155,517	31,055,585	30,972,648	82,937
Prior period	116,989	139,698	(22,709)	924,289	695,887	228,402
Total incurred	35,985,320	35,852,512	132,808	31,979,874	31,668,535	311,339
Losses and LAE paid:						
Current period events	(33,619,484)	(33,610,289)	(9,195)	(28,888,004)	(28,886,783)	(1,221)
Prior period events	(1,850,819)	(1,859,120)	8,301	(3,180,984)	(2,535,199)	(645,785)
Total paid	(35,470,303)	(35,469,409)	(894)	(32,068,988)	(31,421,982)	(647,006)
Adjustment due to currency conversion	(273,600)	(181,250)	(92,350)	433,888	298,579	135,309
Balance, end of period	**$ 10,935,434**	**$ 7,310,322**	**$ 3,625,112**	**$ 14,756,663**	**$ 10,424,831**	**$ 4,331,832**

(c) Effects of discounting

For the nine months ended September 30, 2020, Till has discounted its best estimate of claims provisions at a rate of 2.85% (nine months ended September 30, 2019 - 3.02%) based on the yield on its insurance-related 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:

	September 30, 2020			
	Undiscounted	Effect of discounting	Effect of PFADs	Discounted
Insurance contract liabilities	$ 10,556,845	$ (537,522)	$ 916,111	$ 10,935,434
Reinsurance asset	7,060,678	(203,164)	452,808	7,310,322
Provision for outstanding claims	**$ 3,496,167**	**$ (334,358)**	**$ 463,303**	**$ 3,625,112**

(Stated in US dollars)

	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**

7. UNEARNED PREMIUMS AND UNEARNED PREMIUMS CEDED

The following table is a summary of changes in unearned premiums and unearned premiums ceded. (The September 30, 2020 and December 31, 2019 unearned premiums and unearned premiums ceded were classified as held for sale. See Note 3 for details.)

	Nine Months Ended September 30, 2020			Year Ended December 31, 2019		
	Unearned Premiums	Unearned Premiums Ceded	Net	Unearned Premiums	Unearned Premiums Ceded	Net
Balance, beginning of period	**$13,921,365**	**$11,733,402**	**$ 2,187,963**	**$13,714,347**	**$11,814,767**	**$ 1,899,580**
Premiums written	61,803,653	61,223,166	580,487	71,797,266	70,824,585	972,681
Premiums earned	(61,878,028)	(61,346,270)	(531,758)	(72,270,582)	(71,486,551)	(784,031)
Adjustment due to currency conversion	(367,450)	(310,615)	(56,835)	680,334	580,601	99,733
Balance, end of period	**$13,479,540**	**$11,299,683**	**$ 2,179,857**	**$13,921,365**	**$11,733,402**	**$ 2,187,963**

8. DEFERRED POLICY ACQUISITION COSTS

The following table is a summary of changes in deferred policy acquisition costs. (The September 30, 2020 and December 31, 2019 unearned premiums and unearned premiums ceded were classified as held for sale. See Note 3 for details.)

	Nine Months Ended September 30, 2020	Year Ended December 13, 2019
Balance, beginning of period	**$ 1,929,492**	**$ 1,939,853**
Acquisition costs deferred	17,472,889	20,633,237
Amortization of deferred policy acquisition costs	(17,431,019)	(20,643,598)
Balance, end of period	**$ 1,971,362**	**$ 1,929,492**

(Stated in US dollars)

9. ROYALTY AND MINERAL INTERESTS

Royalty and mineral interests are summarized as follows:

	Balance December 31, 2019	Capitalized exploration costs	Option payments received	Balance September 30, 2020
Carlin Vanadium Property	$ 126,315	$ —	$ —	$ 126,315
Other properties	169,692	—	—	169,692
SPD properties	164,270	48,021	—	212,291
Royalty interests	44,158	—	—	44,158
Total	**$ 504,435**	**$ 48,021**	**$ —**	**$ 552,456**

	Balance December 31, 2018	Capitalized exploration costs	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**

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 Nevada, 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% Net Smelter Return ("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

(Stated in US dollars)

Property. All required payments and expenditures have been made and the option is in good standing as of September 30, 2020.

10. OTHER ASSETS

Other assets are summarized as follows:

	September 30, 2020	December 31, 2019
Accounts receivable	$ 7,441	$ 382,213
Property, plant, and equipment	7,645	9,755
Prepaid expenses and deposits	132,234	148,759
Reclamation bonds	63,166	63,166
Receivable from IG Copper, LLC	5,087	20,350
Other	104,783	109,870
Total other assets	**$ 320,356**	**$ 734,113**

11. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities are summarized as follows:

	September 30, 2020	December 31, 2019
Accounts payable	$ 67,396	$ 161,418
Accrued payroll	43,826	30,716
Other liability	43,750	43,750
Total accounts payable and other liabilities	**$ 154,972**	**$ 235,884**

12. 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 September 30, 2020 and 2019, there were 3,191,462 of issued and outstanding Till restricted voting shares.

(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 three and nine months ended September 30, 2020, Till did not recognize stock-based compensation related to options (three and nine months ended September 30, 2019 - $43,950). At September 30, 2020, Till has 11,000 stock options outstanding with an exercise price of Cdn$7 (US$5.25) expiring December 1, 2021.

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 September 30, 2020, 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. At September 30, 2020, 2,125,000 of the 2,275,000 stock options remain outstanding.

(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. Till made no purchases of its restricted voting shares under that renewed NCIB. The NCIB was again renewed in May 2020.

On May 7, 2020, Till announced that the TSX Venture Exchange (TSXV) accepted Till’s notice of intention to renew its NCIB. Under the renewed NCIB, Till intends to repurchase for cancellation up to 236,300 common shares, representing 10% of the 2,363,003 shares forming Till's public float. The purchases are to be made through the facilities of TSX Venture Exchange by Haywood Securities Inc., on behalf of Till.

(d) Treasury shares

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

13. 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 11,000 restricted voting shares were outstanding at September 30, 2020 (December 31, 2019 - 17,500). Those stock options were excluded in the calculation of diluted earnings per share because the exercise price of the options was greater than the weighted average market value of the restricted voting shares in the three and nine months ended September 30, 2020 and 2019.

14. 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.

(Stated in US dollars)

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2020	2019	2020	2019
Revenue from discontinued operations:				
Insurance premiums written	$ 21,205,398	$ 17,870,389	$ 61,803,653	$ 52,934,863
Insurance premiums ceded to reinsurers	(21,030,102)	(17,731,479)	(61,223,166)	(52,249,283)
Change in unearned premiums	83,517	88,836	(48,729)	120,399
Net insurance premiums earned	258,813	227,746	531,758	805,979
Fees - Chief agency	70,913	71,564	209,364	213,286
Fees - Consulting	—	55	—	16,595
Rent revenue	—	1	—	300
Investment income (loss)	146,720	65,597	(41,412)	186,218
Total revenue	476,446	364,963	699,710	1,222,378
Expenses from discontinued operations:				
Losses and loss adjustment expenses, net	127,875	30,288	132,808	311,339
General and administrative expenses	(25,606)	(3,527)	4,867	(18,136)
Salaries and benefits	151,969	151,344	447,300	459,889
Total expenses	254,238	178,105	584,975	753,092
Income (loss) from discontinued operations before income taxes	222,208	186,858	114,735	469,286
Income tax recovery (expense)	(6,663)	1,103	(8,648)	(1,147)
Income from discontinued operations	$ 215,545	$ 187,961	$ 106,087	$ 468,139

(Stated in US dollars)

The summary of cash flows presented on the basis of discontinued operations is summarized as follows:

	Nine Months Ended September 30	
	2020	2019
Cash flows from discontinued operating activities		
Net income from discontinued operations	$ 106,087	$ 468,139
Non-cash items:		
Amortization of Capital Assets	928	3,036
(Gain) loss on investments	41,412	(186,218)
Loss on fair value measurement of real estate property held for sale	144,937	—
Income tax expense	8,648	1,147
	302,012	286,104
Net loss adjusted for non-cash items		
Decrease in premiums receivable and reinsurance recoverables	1,309,277	254,488
Increase (decrease) in unpaid losses, LAE, and amounts ceded	131,914	(335,667)
Increase (decrease) in reinsurance payables	(155,676)	884,493
Decrease in deferred policy acquisition costs	(91,260)	(31,211)
Increase in deferred income tax asset	(4,956)	(1,142)
Increase (decrease) in unearned premiums	48,729	(120,398)
Increase (decrease) in accounts payable and other liabilities	261,195	(327,189)
Other working capital changes	(13,542)	(12,556)
Total working capital changes	1,485,681	310,818
Total operating cash flows provided by discontinued operations	1,787,693	596,922
Investing cash flows from discontinued operations		
Sales of investments	5,209,621	17,787,258
Purchases of investments	(6,474,502)	(18,740,231)
Purchases of equity index futures, net	—	(19,747)
Purchases of property, plant, and equipment	(7,474)	—
Total investing cash flows used in discontinued operations	(1,272,355)	(972,720)
Financing cash flows from discontinued operations		
Lease payments	(49,676)	—
Total financing cash flows used in discontinued operations	$ (49,676)	$ —

(Stated in US dollars)

15. SEGMENT INFORMATION

Till operates in a single segment, that being insurance.

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2020	2019	2020	2019
Bermuda	$ —	$ 23,419	$ —	$ 174,273
Canada	(2,286)	—	(57,040)	—
United States	(394,290)	(47,737)	(492,920)	(215,983)
Total	**$ (396,576)**	**$ (24,318)**	**$ (549,960)**	**$ (41,710)**

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

	September 30, 2020	December 31, 2019
Canada	$ 24,158	$ 105,870
United States	535,943	513,190
Total	**$ 560,101**	**$ 619,060**

16. 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 three and nine months ended September 30, 2020, total compensation amounted to $0.14 million and $0.42 million, respectively (three and nine months ended September 30, 2019 - $0.16 million and $0.43 million respectively). One of Till's non-independent directors also serves as the CEO of SPD and receives $12,000 a year from SPD for his services.

(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 $15,000 and $45,000 for the three and nine months ended September 30, 2020, respectively (three and nine months ended September 30, 2019 - $15,000 and $45,000, respectively) for those services.

(c) Common management with TCM

Dr. John (“Terry”) Rickard, a Till director, is the Chairman of the Management Committee of TCM, a company over which Till is deemed to have significant influence. He is also a board member of IG Far East, a company over which Till is deemed to have significant influence.

Mr. William Lupien, Till's Chief Investment Officer and a director, independently accepted a role as an adviser to TCM in December 2019. That advisory role involves assisting TCM with the raising of private investment capital to support TCM’s business as it advances from mineral exploration to production. See also Note 2(e) and Note 5(b).

(d) Common management with SPD

One of Till's directors is SPD's CEO and director, Till's Chief Investment Officer and director is a director of SPD, and one other Till director is also a director of SPD.

17. 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 September 30, 2020, Omega had total capital available of Cdn$10.7 (US$8.0) million (December 31, 2019 - Cdn$10.0 (US$7.7) million) and a total capital required of Cdn$2.6 (US$1.9) million (December 31, 2019 - Cdn$2.5 (US$1.9) million) resulting in a MCT of 407% (December 31, 2019 of 397%). As of September 30, 2020 and December 31, 2019, Omega is in compliance with OSFI's MCT requirements.

18. 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 policies, 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 policies 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 policies 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, Omega is also exposed to inflation risk. Omega'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.

Risk exposure is mitigated by diversification across a portfolio of insurance policies 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.

(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.

(d) Investment risk

Till is exposed to investment risk to the extent that changes in market conditions impact the value of its investments. To mitigate that risk, Till actively monitors and manages its investments to limit losses.

(e) 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, its stock valuation, employee health and productivity, significant reduction in the market value of Till's investments, including its mining investments and assets held for sale, restrictions or delays to SPD's planned exploration activities, and other factors, including those related to market demand for precious metals that are beyond Till’s control.