



Condensed Interim Consolidated Financial Statements

FOR THE THREE MONTHS ENDED

MARCH 31, 2020

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Notice of No Auditor Review

In accordance with National Instrument 51-102, the Company discloses that the accompanying condensed interim consolidated financial statements have been prepared by and are the responsibility of the Company's management. They have been reviewed and approved by the Company's Audit Committee and the Board of Directors.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Professional Accountants of Canada.

COMMANDER RESOURCES LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
AS AT

	Note	March 31, 2020 \$	December 31, 2019 \$
ASSETS			
Current assets			
Cash and cash equivalents		417,539	708,740
Receivables		9,517	14,950
Prepaid expenses		55,953	50,478
Marketable securities	3	841,640	1,240,520
		1,324,649	2,014,688
Non-current assets			
Reclamation bond	4	18,000	18,000
Exploration and evaluation assets	4	189,856	174,166
Equipment	5	82,755	96,326
		290,611	288,492
TOTAL ASSETS		1,615,260	2,303,180
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		47,586	53,376
Lease liability	5	16,860	28,745
Advance from optionee	4(b)	37,771	41,089
		102,217	123,210
SHAREHOLDERS' EQUITY			
Share capital	6	41,143,735	41,143,735
Reserves	6	871,396	868,981
Accumulated other comprehensive loss		(2,569,484)	(2,170,604)
Deficit		(37,932,604)	(37,662,142)
		1,513,043	2,179,970
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,615,260	2,303,180
Nature of operations and going concern	1		
Commitment	8		

Approved on behalf of the Board of Directors on May 6, 2020:

"Eric Norton"

Director

"Brandon Macdonald"

Director

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

COMMANDER RESOURCES LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

		2020	(Restated) 2019
	Note	\$	\$
Expenses			
Accounting and audit	7	20,291	22,441
Administration		12,117	21,453
Amortization	5	13,571	12,653
Consulting	7	17,100	16,500
Exploration and evaluation expenditures	2, 4	32,147	52,331
Filing fees and transfer agent		7,490	8,939
Finance costs	5	708	1,833
Investor and shareholder relations		111,388	76,427
Legal		2,517	2,761
Project evaluation		10,234	11,495
Salary and benefits	7	40,337	40,301
Share-based compensation	6	2,415	1,865
Loss from operating expenses		(270,315)	(268,999)
Foreign exchange (loss) and gain		(1,326)	465
Interest and management fee income	4(b)	1,179	2,060
Loss for the period		(270,462)	(266,474)
Other comprehensive loss			
<i>Item that will not be reclassified to profit or loss</i>			
Change in fair value of marketable securities at FVOCI	3	(398,880)	(93,751)
Loss and comprehensive loss for the period		(669,342)	(360,225)
Loss per share			
Weighted average number of common shares outstanding			
- Basic #		35,650,772	33,691,094
- Diluted #		35,650,772	33,691,094
Basic loss per share \$		(0.01)	(0.01)
Diluted loss per share \$		(0.01)	(0.01)

(i) Certain comparative figures have been reclassified to conform to the current period's presentation.

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

COMMANDER RESOURCES LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

	Number of Shares #	Share capital \$	Reserves \$	Accumulated other comprehensive income (loss) \$	Deficit \$	Total shareholders' equity \$
January 1, 2019, as previously reported	35,300,772	41,112,235	865,673	(2,478,566)	(36,535,215)	2,964,127
Impact of change in accounting policy	-	-	-	-	(523)	(523)
January 1, 2019, adjusted balance	35,300,772	41,112,235	865,673	(2,478,566)	(36,535,738)	2,963,604
Shares issued for exploration and evaluation assets	350,000	31,500	-	-	-	31,500
Share-based compensation	-	-	1,865	-	-	1,865
Reclassification on expiry of options	-	-	(48,025)	-	48,025	-
Fair value adjustment on marketable securities	-	-	-	(93,751)	-	(93,751)
Loss for the period	-	-	-	-	(266,474)	(266,474)
March 31, 2019	35,650,772	41,143,735	819,513	(2,572,317)	(36,754,187)	2,636,744
January 1, 2020	35,650,772	41,143,735	868,981	(2,170,604)	(37,662,142)	2,179,970
Share-based compensation	-	-	2,415	-	-	2,415
Fair value adjustment on marketable securities	-	-	-	(398,880)	-	(398,880)
Loss for the period	-	-	-	-	(270,462)	(270,462)
March 31, 2020	35,650,772	41,143,735	871,396	(2,569,484)	(37,932,604)	1,513,043

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

COMMANDER RESOURCES LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019

	2020	2019
	\$	\$
Operating activities		
Loss for the period	(270,462)	(266,474)
Items not affecting cash:		
Amortization	13,571	12,653
Finance costs	708	-
Share-based compensation	2,415	1,865
Changes in non-cash working capital:		
Receivables	5,433	6,541
Prepaid expenses	(5,475)	-
Accounts payable and accrued liabilities	(5,790)	(51,120)
Advance from optionee	(3,318)	-
	(262,918)	(296,535)
Investing activities		
Acquisition costs on exploration and evaluation assets	(15,690)	(36,800)
Lease payments	(12,593)	(12,593)
	(28,283)	(49,393)
Change in cash and cash equivalents	(291,201)	(345,928)
Cash and cash equivalents, beginning of period	708,740	1,687,263
Cash and cash equivalents, end of period	417,539	1,341,335
Cash and cash equivalents comprise:		
Cash at bank - Canadian dollars	112,672	795,808
Cash at bank - Mexican pesos	939	7,346
Money market funds - Canadian dollars	303,928	538,181
Cash and cash equivalents in Canadian dollars	417,539	1,341,335

Supplemental cash flow information (Note 9)

(i) Certain comparative figures have been reclassified to conform to the current period's presentation.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(EXPRESSED IN CANADIAN DOLLARS)

1. NATURE OF OPERATIONS AND GOING CONCERN

Commander Resources Ltd. (“Commander” or the “Company”) was incorporated in Canada and its records and registered office are at Suite 1100 - 1111 Melville Street, Vancouver, British Columbia, V6E 3V6.

The Company is in the business of acquisition and exploration of mineral resource properties in Canada and Mexico. Commander pursues the prospect generator model and focuses on building a portfolio of early stage exploration projects. For the ongoing exploration of the projects, the Company aims to option interests in the projects to joint venture partners.

These condensed interim consolidated financial statements (the “financial statements”) have been prepared on a going concern basis which assumes that the Company will be able to continue in operation for the foreseeable future and meet its obligations in the normal course of business. The Company has incurred ongoing losses and will continue to incur further losses in the course of exploring its mineral properties. As at March 31, 2020, the Company had a deficit of \$37,932,604 (December 31, 2019 - \$37,662,142) and working capital of \$1,222,432 (December 31, 2019 - \$1,891,478). Commander has historically relied on the issuance of share capital to fund its operations. Although the Company has been successful in raising equity financing in the past, there is no assurance that such financing will continue to be available with acceptable terms. These uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

In March 2020, the World Health Organization declared COVID-19 a global pandemic. The outbreak has severely impacted global economies, commodity prices, financial markets and leading to downturn of international economies. It is not possible to forecast the duration or magnitude of the adverse impacts of the pandemic and its effect on the Company’s continued operations and its ability to raise financing. The Company continues to work on regional compilations and target generation programs utilizing in house and public domain data. A program of cost cutting has been initiated and salary reductions are anticipated.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Company prepares these financial statements in accordance with International Financial Reporting Standards and Interpretations (collectively, “IFRS”), as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”). These financial statements comply with International Accounting Standards 34, *Interim Financial Reporting*.

These financial statements do not include all the information and notes to the annual financial statements as required by IFRS and should be read together with the Company’s most recent annual consolidated financial statements for the year ended December 31, 2019.

These financial statements have been prepared on the historical cost basis, except for financial instruments measured at fair value. Additionally, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries.

Principles of consolidation

These financial statements include the accounts of the Company and the following wholly-owned subsidiaries:

- BRZ Mex Holdings Ltd. (“BRZM”); and
- Minera BRG SA de CV (“Minera BRG”).

The Company consolidates these subsidiaries on the basis that it controls these subsidiaries. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. All intercompany transactions and balances have been eliminated on consolidation.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(EXPRESSED IN CANADIAN DOLLARS)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Critical accounting estimates, assumptions, and judgments

The preparation of financial statements in accordance with IFRS requires management to make estimates, assumptions and judgments that impact the Company's reported financial results. Estimates, assumptions, and judgments are based on historical experiences and expectations of future events. Actual results could result in material differences from those estimates, assumptions, and judgments.

The significant estimates and judgments that affect these financial statements are as follows:

Recoverability of exploration and evaluation ("E&E") assets

The Company formerly capitalized E&E expenditures until December 31, 2018. Effective January 1, 2019, the Company expenses its E&E expenditures. However, the Company continues to capitalize acquisition costs related to E&E assets which comprise staking costs, and option payments, based on the judgment that the carrying amounts will be recoverable. Their recoverability depends on various factors such as the discovery of economically viable reserves, the Company's ability to obtain the financing to continue exploration and development efforts, or from disposition of the E&E assets. If new information becomes available suggesting the recovery of these expenditures is unlikely, the capitalized costs are written-off to profit or loss for the period.

Share-based compensation

The Company uses the Black-Scholes option pricing model to determine the fair value of stock options and compensatory finders' warrants. The Black-Scholes' fair value calculation requires management to make estimates and assumptions on future volatility of the stock price, risk-free interest rate, expected life, expected dividend yield, and future forfeiture rates of stock options and finders' warrants. Changes in any of these input assumptions could materially impact reserves, share issue costs, and share-based compensation expense.

Going concern

The Company applies judgment in assessing its ability to continue as a going concern. In making this assessment, the Company considers the facts and circumstances disclosed in Note 1. The Company concludes that there is a material uncertainty that may cast significant doubt about its ability to continue as a going concern.

Change in Accounting Policy

In April 2019, with an effective date of January 1, 2019, the Company adopted a voluntary change in accounting policy, as permitted and accepted under IFRS 6 - *Exploration and Evaluation of Mineral Resources* ("IFRS 6"), with respect to exploration and evaluation ("E&E") expenditures. Previously under IFRS 6, the Company capitalized both the acquisition and exploration costs on its E&E assets. After adopting the policy change, Commander expenses the exploration costs until such time as the technical feasibility and commercial viability has been established that supports the future development of the property.

The accounting policy change on the E&E expenditures taking effect on January 1, 2019 had resulted in the reclassification of exploration expenditures of \$34,781 in the E&E assets to E&E expenditures in profit or loss of 2019.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(EXPRESSED IN CANADIAN DOLLARS)

3. MARKETABLE SECURITIES

		March 31, 2020 \$	December 31, 2019 \$
<i>Common shares of public companies:</i>			
Fair value, beginning of period		1,240,520	1,072,899
Additions	4(d)	-	18,000
Net proceeds from sales		-	(158,341)
Unrealized (loss) gain		(398,880)	307,962
Fair value, end of period		841,640	1,240,520

Commander does not hold significant influence in any of its investments in publicly traded companies. The fair values of the marketable securities are determined at each reporting date by referencing to the closing market prices of these common shares. Certain common shares with trade restriction dates more than a year from the reporting date are classified as non-current assets. All of the Company's marketable securities are classified as FVOCI because these investment are not held for trading.

The Company's holdings in marketable securities comprise common shares of publicly traded companies received as option payments on the sale of exploration and evaluation assets. The significant holding or transaction as at March 31, 2020 is as follows:

Aston Bay Holdings Ltd. ("Aston")

On February 18, 2016, Aston issued 11,000,000 common shares to Commander with a fair value of \$2,640,000 for the acquisition of the former Storm Property. The 11,000,000 common shares are held in a four-year escrow and will be released in four equal tranches of 2,750,000 shares on each anniversary date starting February 18, 2017 to 2020.

As at March 31, 2020, Commander held less than 10% (2019 – less than 10%) of Aston's total outstanding common shares.

4. EXPLORATION AND EVALUATION ASSETS

In January 2019, the Company adopted a voluntary change in accounting policy with respect to expenditures on exploration and evaluation ("E&E") assets (Note 2). Previously, the Company capitalized costs relating to both the acquisition and exploration, of E&E assets, net of recoveries received.

The Company's new accounting policy for E&E expenditures is to expense these costs until such time as the technical feasibility and commercial viability has been established that supports future development of the property, and such development receives appropriate board approvals.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(EXPRESSED IN CANADIAN DOLLARS)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

As at March 31, 2020, the cumulative expenditures on exploration and evaluation assets were as follows:

	(Restated) December 31, 2018 \$	Acquisition costs \$	Option proceeds \$	Cost recoveries/ write-offs \$	December 31, 2019 \$	Acquisition costs \$	March 31, 2020 \$
British Columbia projects							
October Dome and Mt. Polley	174	-	(45,000)	45,000	174	-	174
Henry Lee	3,164	58,904	-	-	62,068	-	62,068
Burn	28,308	3,007	(25,000)	-	6,315	-	6,315
Omineca	3,140	-	-	-	3,140	-	3,140
	34,786	61,911	(70,000)	45,000	71,697	-	71,697
Other Canadian projects							
South Voisey's Bay (Labrador)	123,667	-	(33,000)	-	90,667	-	90,667
First Loon and Staunton (Ontario)	-	-	-	-	-	15,690	15,690
Sabin (Ontario)	1	11,800	-	-	11,801	-	11,801
Flume (Yukon)	1	-	-	(1)	-	-	-
Olympic and Rob (Yukon)	1	-	-	(1)	-	-	-
Nepisiguit (New Brunswick)	1	-	-	(1)	-	-	-
Storm (Nunavut)	1	-	-	(1)	-	-	-
	123,672	11,800	(33,000)	(4)	102,468	15,690	118,158
Mexico project							
Pedro	1	-	-	-	1	-	1
	1	-	-	-	1	-	1
Total	158,459	73,711	(103,000)	44,996	174,166	15,690	189,856

Exploration and Evaluation Expenditures

During the three months ended March 31, 2020, the Company's E&E expenditures were as follows:

	British Columbia			Ontario		Mexico	Total \$
	Oct. Dome \$	Henry Lee \$	Burn \$	Sabin \$	First Loon \$	Pedro \$	
Claim maintenance	-	-	-	1,122	1,575	13,137	15,834
Data, maps and reports	2,625	963	3,325	525	4,850	175	14,738
Geological	-	-	-	1,575	-	-	1,575
Total	2,625	963	3,325	3,222	6,425	13,312	32,147

During the three months ended March 31, 2019, the Company's E&E expenditures were as follows:

	British Columbia			Yukon	Ontario	Mexico	Total \$
	Oct. Dome \$	Henry Lee \$	Burn \$	Flume \$	Sabin \$	Pedro \$	
Claim maintenance	2,362	-	-	1,225	1,946	9,548	15,081
Data, maps and reports	-	4,350	-	-	16,350	-	22,187
Geological	-	5,088	2,012	-	7,963	-	15,063
Geophysical survey	-	-	-	-	-	-	-
Total	2,362	9,438	2,012	1,225	26,259	9,548	52,331

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(EXPRESSED IN CANADIAN DOLLARS)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

a. Mount Polley Property, BC

On October 25, 2019, Commander entered into an option agreement with a wholly-owned subsidiary of Imperial Metals Corporation (“Imperial”) granting Imperial the option to earn a 100% interest in certain mineral claims within the Mount Polley copper-gold property. Commander has a 100% interest in the property except a certain portion which is 90% owned by Commander and 10% by an arm’s length private company.

Total cash consideration receivable by Commander is \$250,000 with 90% due to Commander, and 10% to the private company staged in three payments:

- 1) \$50,000 upon signing (\$45,000 received, representing Commander’s 90% interest);
- 2) \$100,000 on or before December 31, 2021; and
- 3) \$100,000 on or before December 31, 2022.

In addition to cash payments, a production royalty of \$1.25 per tonne-milled will be due to Commander and the private company. At any time after exercise of the option, Imperial shall have the right upon payment of \$1,000,000 to Commander, to reduce the production royalty to 50% of the production royalty.

b. Burn Property, BC

The Burn copper property was acquired by staking during the year ended December 31, 2018.

On July 11, 2019, the Company entered an earn-in agreement with Freeport-McMoRan Mineral Properties Canada Inc. (“Freeport”) allowing Freeport to earn a 75% interest in the Burn property as follows:

Earn-in Option	Committment Timeline	Cash	Exploration
First Option (51%)	Earn-in agreement signed on July 11, 2019	\$25,000 (received)	-
	On or before July 11, 2020	\$35,000	-
	On or before July 11, 2021	\$50,000	-
	On or before July 11, 2022	\$50,000	-
	On or before July 11, 2023	\$100,000	\$1,000,000
Second Option (24%)	On or before July 11, 2024	\$100,000	-
	On or before July 11, 2025	\$100,000	-
	On or before July 11, 2026	\$100,000	\$1,500,000
Total interest (75%)	Total cash and exploration amounts	\$560,000	\$2,500,000

The completion of the earn-in conditions will result in a Joint Venture of 75% for Freeport and 25% for the Company. If either party dilutes to less than a 10% interest, that interest would be replaced with a 1% NSR. The Company is the project operator until Freeport earns a 51% interest.

As the operator of the project, Commander earned management fees of \$158 included within interest and management fee income during the three months ended March 31, 2020 (2019 - \$nil). As at March 31, 2020, the advance from Freeport on the Burn project was \$37,771 within advance from optionee, classified as a current liability.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(EXPRESSED IN CANADIAN DOLLARS)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

c. Henry Lee Property, BC

The Company has a 100% interest in the Henry Lee copper project.

On March 1, 2019, the Company entered into a purchase agreement to acquire a 100% interest in two mineral claims adjacent to the Company's Henry Lee property. The total consideration was \$56,500 (\$25,000 in cash (paid) and 350,000 shares at fair value of \$0.09 per share for \$31,500 (issued)).

The vendor retains a 1% net smelter return royalty ("NSR") and is entitled to receive a one-time advance royalty payment of \$1,000,000 upon the commencement of commercial production.

d. South Voisey's Bay, Labrador

The Company has a 65% interest in the South Voisey's Bay nickel property, with Fjordland Exploration Inc., ("Fjordland") holding a 35% interest in the project. At the commencement of the earn-in schedule below, Fjordland had earned a 15% interest in the property. The earn-in schedule below details Fjordland's option to earn the remaining 85% interest.

As at December 31, 2019, Fjordland had earned a 35% interest in the property.

Earn-in Option	Completion Date	Cash	Common Shares	Exploration
First Option (20%) (completed)	On or before July 26, 2017	-	200,000 (received, fair valued at \$28,000)	-
	On or before October 31, 2017	-	-	\$600,000
Second Option (40%)	On or before July 26, 2018	\$10,000 (received)	250,000 (received, fair valued at \$50,000)	-
	On or before July 26, 2019	\$15,000 (received)	300,000 (received, fair valued at \$18,000)	-
	On or before July 26, 2020	\$25,000	350,000	-
	On or before October 31, 2021	\$40,000	400,000	\$2,400,000
Third Option (25%)	On or before October 31, 2024	\$200,000	3,000,000	\$5,000,000
	Total	\$290,000	4,500,000	\$8,000,000

Upon Fjordland earning a 100% interest, Commander will retain a 2% NSR. Fjordland has the right to buy 1% of the NSR for \$5,000,000 in cash or \$2,500,000 in cash and \$2,500,000 in common shares of Fjordland. Upon Fjordland's commencement of commercial production, Commander will receive a \$10,000,000 advance royalty payment.

e. First Loon and Staunton Properties, Ontario

In February 2020, the Company acquired by staking two gold properties in Ontario - the First Loon property and the Staunton property. The acquisition costs totalled \$15,690.

f. Sabin Property, Ontario

The Company's ownership interest on the Sabin base-precious metal property varies from 58.5% to 100%.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(EXPRESSED IN CANADIAN DOLLARS)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

g. Flume Property, Yukon

During the year ended December 31, 2017, the Company entered into an option agreement with K2 Gold Corporation ("K2") granting K2 the option to acquire a 100% interest in the Flume gold property.

During the year ended December 31, 2018, K2 terminated the option agreement. As K2 had only partially met its 2018 exploration commitment, K2 issued 285,238 common shares with a value of \$65,615 to the Company, to settle remaining unspent exploration expenditure amounts. Additionally, the Company received option payments from K2 comprising \$35,000 in cash, and 100,000 common shares of K2 with a fair value of \$27,500, totaling aggregate option proceeds received of \$128,115 during the year ended December 31, 2018.

h. Other Properties

i) Baffin, Nunavut

The Company holds a royalty interest of 0.25% to 0.5% NSR on the Baffin gold project.

During the year ended December 31, 2018, the Company received 25,000 common shares of ValOre Metals Corp. ("ValOre") (formerly Kivalliq Energy Corporation) pursuant to an option agreement entered into during the year ended December 31, 2017. The common shares of ValOre were received at a fair value of \$18,750. As a result, ValOre had fulfilled the terms of the option agreement and earned a 100% interest in the property.

ii) Omineca, BC

The Company owns 100% of the property within the Quesnel Trough of BC.

In 2018, the Company conducted geological mapping and rock sampling. During the year ended December 31, 2019, the Company received a BC mining exploration tax credit of \$6,187 relating to the project's 2018 qualifying exploration expenditures. The exploration credit was recorded as a reduction to the exploration and evaluation expenditures.

iii) Tam, BC

The Company holds a 1.5% NSR on the Tam property. Teck Resources Ltd. and its partner, Lorraine Copper Corp., now own 100% of the property subject to a 3% NSR, which is subject to a buy-down to 1% for \$2,000,000. An annual advance royalty payment of \$25,000 receivable by the Company began on December 31, 2012 and is capped at \$250,000. As at March 31, 2020, the Company had received a total of \$200,000 in advance royalty payments which are recorded as royalty income (March 31, 2019 - \$nil).

Reclamation bond

In July 2018, Bearing Lithium Corp. (formerly Bearing Resources) assigned to the Company the right to its reclamation bond with the BC Government on the October Dome and Mt. Polley properties for cash consideration of \$18,000.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(EXPRESSED IN CANADIAN DOLLARS)

5. EQUIPMENT

	Computer equipment	Office furniture	Field equipment	Right-of-use asset	Total
	\$	\$	\$	\$	\$
Cost					
December 31, 2018	6,930	-	55,254	-	62,184
Adoption of IFRS 16 on January 1, 2019	-	-	-	72,913	72,913
Addition	1,926	15,820	-	-	17,746
As at December 31, 2019 and March 31, 2020	8,856	15,820	55,254	72,913	152,843
Accumulated amortization					
December 31, 2018	(808)	-	(2,763)	-	(3,571)
Amortization	(1,611)	(2,110)	(5,525)	(43,700)	(52,946)
December 31, 2019	(2,419)	(2,110)	(8,288)	(43,700)	(56,517)
Amortization	(443)	(791)	(1,382)	(10,955)	(13,571)
March 31, 2020	(2,862)	(2,901)	(9,670)	(54,655)	(70,088)
Net book value					
December 31, 2019	6,437	13,710	46,966	29,213	96,326
March 31, 2020	5,994	12,919	45,584	18,258	82,755

Right-of-use asset and lease liability

The Company adopted IFRS 16 *Lease* ("IFRS 16") on January 1, 2019. Under IFRS 16, the Company assesses whether a contract is, or contains, a lease. For contracts that contain leases, the Company recognizes a right-of-use asset and lease liability at the commencement date.

The Company identified a single contract that is a lease as defined under IFRS 16. In analyzing the identified agreements in relation to its office space in Vancouver, BC, the Company applied the lessee accounting model pursuant to IFRS 16 and considered all of the facts and circumstances surrounding the inception of the contract (but not future events that are not likely to occur). Lease liabilities were calculated with a discount rate of 10%.

A reconciliation of the carrying amount of the lease liability recognized on initial adoption of IFRS 16 on January 1, 2019, and for the three months ended March 31, 2020 is as follows:

	March 31, 2020
Lease liability	\$
January 1, 2019	73,436
Lease payments	(50,370)
Lease interest (finance costs)	5,679
December 31, 2019	28,745
Lease payments	(12,593)
Lease interest (finance costs)	708
March 31, 2020	16,860
Current portion of lease liability	16,860
Non-current portion of lease liability	-
Maturity analysis - contractual undiscounted cash flows	
Less than one year	20,988
One to five years	-
More than five years	-
Total undiscounted lease liability	20,988

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6. SHARE CAPITAL

Authorized – unlimited number of common shares without par value

Shares issued during the year ended December 31, 2019:

On March 15, 2019, 350,000 common shares with a fair value of \$31,500 were issued on the acquisition of additional mineral claims adjacent to the Company's Henry Lee property (Note 4(c)).

Shares issued during the year ended December 31, 2018:

On May 18, 2018, 12,240,258 units were issued at \$0.17 per unit for gross proceeds of \$2,080,844. Each unit consisted of one common share and one share purchase warrant with each warrant entitling the holder to purchase an additional common share at \$0.25 per share until May 18, 2020.

Finders' fees were incurred on the financing: 1) \$105,650 in cash commission; and 2) 517,883 finders' warrants were issued with a fair value of \$35,364, entitling the holder to purchase a common share at \$0.25 per share until May 18, 2020. Other share issue costs of \$38,617 were also incurred relating to legal and regulatory filings.

The Company uses the residual value method with respect to the measurement of the fair values allocated to common shares and share purchase warrants attached to units associated with private placements. As such, the gross proceeds of \$2,080,844 were allocated as follows: \$1,591,234 to share capital and \$489,610 to reserves

Warrants

The fair value of the finders' warrants issued on May 18, 2018 was calculated as \$35,364 using the Black-Scholes pricing model with the following assumptions: expected life of 2 years, risk-free interest rate of 2.03%, historical volatility of 130% and zero expected dividend yield.

There were no warrant activities for the three months ended March 31, 2020 and during the fiscal year 2019.

As at March 31, 2020, the Company has warrants outstanding and exercisable as follows:

Warrants outstanding #	Warrants exercisable #	Exercise price \$	Expiry date
12,758,141	12,758,141	0.25	May 18, 2020

Stock options

The Company has a 10% rolling stock option plan. Stock options granted to directors, employees, and consultants with a term of up to ten years. The vesting period for stock options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price of the Company's common shares.

A summary of the Company's stock options as at March 31, 2020 and December 31, 2019 were as follows:

	March 31, 2020		December 31, 2019	
	Option #	Weighted average exercise price	Option #	Weighted average exercise price
		\$		\$
Options outstanding, beginning of period	3,226,000	0.19	2,840,000	0.25
Granted	-	-	760,000	0.07
Expired	-	-	(374,000)	(0.25)
Options outstanding, end of period	3,226,000	0.19	3,226,000	0.19

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6. SHARE CAPITAL (CONTINUED)

Stock options (continued)

As at March 31, 2020, the Company's outstanding and exercisable stock options were as follows:

Options outstanding #	Options exercisable #	Exercise price \$	Expiry date	Weighted average remaining life (years)
520,000	520,000	0.25	July 17, 2020	0.29
800,000	800,000	0.25	March 16, 2021	0.96
260,000	260,000	0.25	June 9, 2021	1.19
886,000	886,000	0.17	July 12, 2023	3.28
760,000	735,000	0.07	June 12, 2024	4.20
3,226,000	3,201,000			2.27

Share-based compensation

During the three months ended March 31, 2020, no stock options expired (2019 – 374,000) and \$nil was reclassified to deficit (2019 - \$48,025). For the first quarter ended March 31, 2020, the Company recognized share-based compensation expense of \$2,415 (2019 - \$1,865).

Reserves

Reserves includes the accumulated fair value of stock options recognized as share-based compensation and the fair value of finder's warrants. Reserves is increased by the fair value of these items on vesting and is reduced by corresponding amounts when the options or warrants are exercised.

	Stock option reserve \$	Warrant reserve \$	Total \$
December 31, 2018	340,699	524,974	865,673
Stock options granted	51,333	-	51,333
Reclassification on expiry of options	(48,025)	-	(48,025)
December 31, 2019	344,007	524,974	868,981
Stock options granted	2,415	-	2,415
March 31, 2020	346,422	524,974	871,396

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7. RELATED PARTY TRANSACTIONS

Compensation of key management

Key management includes the Company's Directors, the President and Chief Executive Officer ("CEO"), VP Exploration, VP Corporate Development, Chief Financial Officer and Corporate Secretary. Their remuneration was as follows:

	Nature of Compensation	Transactions		Balances	Balances
		For the three months ended		outstanding	outstanding
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
		\$	\$	\$	\$
President and CEO	Salary and benefits and projects	40,337	40,301	-	-
Vice President, Exploration	Consulting and project evaluation	50,829	24,850	13,156	10,818
Vice President, Corp Development	Consulting	7,500	7,500	-	-
Corporate Secretary	Consulting	9,600	9,000	-	-
Chief Financial Officer	Accounting	16,000	16,800	-	-
		124,266	98,451	13,156	10,818

Other related party transactions

During the three months ended March 31, 2020, office rent of \$12,938 (2019 - \$12,842) was paid to a company related by way of a common director.

8. COMMITMENT

The Company has a remaining commitment of \$20,988 for its office lease in Vancouver, BC expiring on August 31, 2020 (Note 5).

9. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred the following non-cash investing and financing activities during the three months ended March 31, 2020 and 2019:

	For the three months ended	
	March 31, 2020	2019
	\$	\$
Financing activities:		
Fair value of shares issued for exploration and evaluation assets	-	31,500
Reclassification of fair value on expired options from reserves to deficit	-	48,025
Investing activities:		
Equipment addition: right-of-use asset recognized on transition to IFRS 16	-	72,913
Other cash flow information:		
Interest received (paid)	1,021	2,060
Income tax recovered (paid)	-	-

10. SEGMENTED INFORMATION

The Company operates in one single reportable segment, being the acquisition and exploration of resource properties. As at March 31, 2020, the carrying value of the Company's non-current assets were:

- \$189,855 (December 31, 2019 - \$174,165) located in Canada; and
- \$1 (December 31, 2019 - \$1) located in Mexico.

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11. CAPITAL MANAGEMENT

The Company defines its capital as all components of equity. The Company manages its capital structure by maintaining adequate funds to support the acquisition and exploration of minerals assets. The Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

There were no changes in the Company's approach to capital management for the three months ended March 31, 2020. The Company is not subject to externally imposed capital requirements.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets are classified according to their contractual cash flow characteristics and the business models under which they are held. On initial recognition, a financial asset is classified as: amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI").

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

- it is held with the objective of collecting contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVOCI whereby changes in the investment's fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is made on an investment-by-investment basis.

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

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as FVTPL, directly attributable transaction costs. Measurement of financial assets in subsequent periods depends on whether the financial asset has been classified as amortized cost, FVTPL or FVOCI. Measurement of financial liabilities subsequent to initial recognition depends on whether they are classified as amortized cost or FVTPL. Financial assets and financial liabilities classified as amortized cost are measured subsequent to initial recognition using the effective interest method.

Loss allowances for 'expected credit losses' are recognized on financial assets measured at amortized cost. A loss event is not required to have occurred before a credit loss is recognized.

The Company has classified and measured its financial instruments as below:

Financial assets	Classification	Subsequent measurement
Cash and cash equivalents	Amortized cost	Amortized cost
Receivables	Amortized cost	Amortized cost
Marketable securities	FVOCI	Fair value
Reclamation bond	Amortized cost	Amortized cost
Financial assets	Classification	Subsequent measurement
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Lease liability	Amortized cost	Amortized cost

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12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Fair value

The carrying values of receivables, reclamation bond, accounts payable and accrued liabilities approximate their fair values due to the short-term to maturity of these financial instruments. The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value. The Company's marketable securities are classified as a level 1 financial asset. The fair value hierarchy is as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Liquidity risk

Liquidity risk is the risk that the Company's financial assets are insufficient in meeting its financial obligations as they become due. The Company manages this risk by forecasting cash flows from operations and anticipated investing and financing activities to ensure there is sufficient liquidity to meet the obligations. As at March 31, 2020, the Company had cash and cash equivalents of \$417,539 to settle its current liabilities of \$102,217. The Company will require additional funding to continue as a going concern (Note 1).

Credit risk

Credit risk is the risk that if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is equal to the carrying value of cash and cash equivalents and receivables. Receivables primarily comprises sales tax recoverable due from the Government of Canada. To minimize the credit risk, Commander deposits its cash and cash equivalents with a high credit-rating financial institution.

Price risk and foreign currency risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The Company is exposed to price risk with respect to its marketable securities. A 10% change in the share prices would affect their fair values and comprehensive loss (income) by approximately \$84,164 (March 31, 2019 - \$97,915).



Management's Discussion and Analysis

For the Three Months Ended

March 31, 2020

FORWARD-LOOKING STATEMENTS

This Management Discussion and Analysis ("MD&A") contains forward-looking information within the meaning of National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators that involve risks and uncertainties.

Such forward-looking statements include statements of the Company's future plans, estimation of mineral resources, government regulations of the mining industry, requirements for operational funding, environmental risks, and anticipated timing of completion of property dispositions or acquisitions. These known or unknown risks and uncertainties could cause actual performance of the Company to differ materially from results implied by such forward-looking information. These uncertainties include future commodity pricing, capital market access, global economy and politics, government regulations, environmental restrictions, exploration results, permitting timelines, as well as those factors discussed in the section entitled "Risks and Uncertainties" in this MD&A.

This MD&A has been prepared based on available information up to the date of this report, May 6, 2020 (the "Report Date") and should be read in conjunction with the Company's condensed interim consolidated financial statements for the three months ended March 31, 2020. The financial information disclosed in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") and comply with International Accounting Standard, IAS 34, *Interim Financial Reporting*. Additional information is available on SEDAR at www.sedar.com and the Company's website www.commandersources.com.

DESCRIPTION OF BUSINESS

The Company is in the business of acquisition and exploration of resource properties in Canada and Mexico. The Company pursues the prospect generator model and focuses on building a portfolio of early stage exploration projects. For the ongoing exploration of the projects, the Company aims to option interest in the projects to joint venture partners. The approach has allowed the Company to accumulate a royalty portfolio, generate cash resources from the proceeds received on option payments and accumulate holdings of marketable securities which are also received as option payments.

Robert Cameron, P.Geol., President and Chief Executive Officer and a Qualified Person under National Instrument 43-101, has reviewed and approved the technical information presented in this MD&A.

FIRST QUARTER HIGHLIGHTS

Acquisition of Two Gold Properties in Ontario

On February 28, 2020, the Company acquired by staking two gold properties in Ontario - the First Loon property ("First Loon") and the Staunton ("Staunton") property.

First Loon (5,507 ha) is in the Pickle Lake Gold Belt and is located south and east of the main concentration of past producing mines that include the Pickle Crow, Central Patricia and Dona Lake mines with total reported historical production of 2,300,000 ounces.

Staunton (801 ha) is located at the north end of the Sturgeon Lake belt, 120 km south of Pickle Lake and covers a cluster of elevated gold values in lake sediments collected in 2003 by the Ontario Geological Survey.

Geophysics Survey Results on Pedro Gold Property in Mexico

In February 2020, the Company reported results from a 70-kilometre Induced Polarization survey completed on its Pedro gold project in Mexico in late 2019. The Pedro property is located 100 Km from Torreon, Mexico in the northeastern part of the State of Durango and approximately 30 km west of the town of Mapimi.

Highlights of the results:

- Epithermal gold target measuring 4 km by 1 km defined by gold in soil and rocks
- Deep vertical feeder veins identified
- Numerous additional zones identified beneath post-mineral cover

Hammerdown Royalty, Maritime Resources project update with PEA, Newfoundland and Labrador

On March 2 Maritime Resources Corp. ("Maritime") released the results from a Preliminary Economic Assessment ("PEA") completed for their Hammerdown gold project ("Hammerdown"), including the satellite Orion deposit, located in the Baie Verte mining district of Newfoundland and Labrador. Commander retains a 2% Net Smelter Return Royalty ("NSR") in which Maritime has the right to reduce to 1% for a one-time payment of \$1,000,000. Commander's royalty does not apply to the satellite Orion Deposit. Allowed deductions include transportation costs and toll milling charges. The PEA provides an updated resource estimate and a base-case assessment of developing the project as a combined open-pit and underground ramp-access mine with an on-site gold preconcentration plant and mineral processing through the Nugget Pond mill gold circuit (a toll milling facility). Details of the PEA are summarized in Maritime's news release dated March 2 and within the PEA document filed on Sedar.

Going Concern with respect to COVID-19 the global pandemic

In March 2020, the World Health Organization declared coronavirus "COVID-19" a world-wide pandemic. This contagious disease outbreak as of this report date has continued to spread around the world, and adversely affected public health, workforces, businesses, and financial markets, leading to a downturn of international economies. It is not possible to forecast the duration or magnitude of the adverse impacts of the pandemic and its effect on the Company's continued operations and its ability to raise financing. The company continues to work on regional compilations and target generation programs utilizing in house and public domain data. A program of cost cutting has been initiated and salary reductions are anticipated.

EXPLORATION AND EVALUATION ASSETS

CANADA

October Dome, British Columbia

The October Dome gold property is in central BC, near the town of Likely. The October Dome property is located 10km north of Imperial Metals Corporation's ("Imperial") Mt. Polley porphyry copper gold mine property and 7 km to the southeast of Osisko Gold Royalties Ltd.'s QR skarn gold mine property. The October Dome claims are subject to net smelter return ("NSR") royalties of between 1.5% and 2%. In 2013 a 1,086-metre (six holes) diamond drill program by the previous property owner targeted the northern end of a four-kilometre-long gold and arsenic soil anomaly that is coincident with an induced polarization (IP) chargeability anomaly. Holes OD-5 through OD-7 encountered diorite and monzonite intrusions within hornfelsed sediments and propylitized basalts. Hole OD-6 encountered a 15-metre core length of massive magnetite skarn with semi-massive pyrite layers accompanied by chalcopyrite, epidote and garnet at the sediment/basalt contact. A nine-metre section of this skarn assayed 0.7 gram per tonne gold, including a three-metre length that returned 1.3 g/t Au. For full details of the drill program reference should be made to Bearing Resources news release dated December 3, 2013.

In November 2018, Commander completed magnetic surveys and data compilation on the October Dome property. Magnetic susceptibility measurements were collected from historical core drilled on the property as an aid to interpret the ground magnetic survey that was previously undertaken. In October 2019, the Company completed ground magnetic surveys. However, the data was partially compromised due to equipment failure. In addition, two lines of soil sampling to the north of the existing grid encountered elevated gold and arsenic numbers that extend the anomaly 200 metres farther north. Additional geological mapping on the steep northern slopes was also completed. This data was incorporated into the project database and will be used in subsequent work programs. Key targets on the property focused area are gold-bearing magnetite skarns.

Mount Polley, BC

The Mount Polley property is located adjacent to Imperial's Mount Polley open-pit copper gold mine, which is approximately 100 km northeast of Williams Lake, BC. The claims are subject to a NSR of up to 2%. The Mount Polley property had previously included an additional parcel (~37 hectares) that was previously sold to Imperial and over which the Company also retains a royalty. That royalty is \$2.50 per tonne for the first 400,000 tonnes of material milled and

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the \$1.25 per tonne for all tonnes milled in excess of 400,000 tonnes. The royalty per tonne in excess of 400,000 tonnes milled can be reduced to \$0.62 per tonne by Imperial making a payment of \$1 million. The Company is entitled to 90% of the royalty payments.

On October 25, 2019, Commander entered into an option agreement with a wholly owned subsidiary of Imperial granting Imperial the option to earn a 100% interest in certain mineral claims within the Mount Polley copper-gold property. Commander has a 100% interest in the property except a certain portion which is 90% owned by Commander and 10% by an arm's length private company.

Total cash consideration receivable by Commander is \$250,000 with 90% due to Commander and 10% to the private company staged in three payments:

- 1) \$50,000 upon signing (\$45,000 received, representing Commander's 90% interest);
- 2) \$100,000 on or before December 31, 2021; and
- 3) \$100,000 on or before December 31, 2022.

In addition to cash payments, a production royalty of \$1.25 per tonne-milled royalty will be due to Commander and the private company. At any time after exercise of the Option, Imperial shall have the right upon payment of \$1,000,000 to Commander to reduce the production royalty to 50% of the production royalty.

Henry Lee, BC

This property was acquired 100% based on regional compilations of government geoscience data and are targeting porphyry copper-style deposits. In September 2018, the Company completed preliminary mapping and sampling of soils and rocks. 3 lines spaced 200 metres apart with samples were collected at 100 m intervals, a single silt sample and the collection of 10 rocks. The soil sample results outline a sporadic elevated copper in soil anomaly (>200 ppm Cu) over the 600 metres covered by the sampling. A solitary silt sample located a further 400 metres to the north returned 545 ppm copper suggesting a possible additional extension to the area of anomalous copper. The sampling was discontinuous due to a series of large swamps.

On March 1, 2019, the Company entered into a purchase agreement to acquire a 100% interest in two mineral claims adjacent to Commander's Henry Lee property. The total consideration was \$56,500 (\$25,000 in cash (paid) and 350,000 shares at \$0.09 per share for \$31,500 (issued)). The vendor retains a 1% net smelter return royalty and is entitled to receive a one-time royalty payment of \$1,000,000 upon the commencement of commercial production. The Company acquired additional claims totalling 1,374 ha by map-staking during the year ended December 31, 2019.

The Company completed soil sampling and geological mapping in the third quarter of 2019. Results from this sampling returned elevated but discontinuous Molybdenum and local copper values northerly from the current grid. Till cover is extensive and exposed bedrock is rare. Analytical work was performed. Rocks were crushed, split and pulverized with a subset of 250 g rock sieved to 200 mesh and analysed for gold by fire assay fusion Au by ICP-ES 30 and soils and silts were analysed by selecting an 80-mesh subsample and analyses by 4 Acid digestion and Ultratrace ICP-MS analysis.

Burn, BC

The Burn property was acquired by map-staking in October 2018 and further expanded in November 2018. The property covers a large prominent gossan which is underlain by extensive pyrite rich phyllic alteration of quartz, biotite feldspar porphyry reflective of a potential porphyry copper system. Ten rock samples were collected, of which 3 were greater than 200 ppm copper and one sample that returned 0.11% copper. Analytical work was performed. Rocks were crushed, split and pulverized with a subset of 250 g rock sieved to 200 mesh and analysed for gold by fire assay fusion Au by ICP-ES 30.

On July 11, 2019, the Company entered into an earn-in agreement with Freeport-McMoRan Mineral Properties Canada Inc. ("Freeport") allowing Freeport to earn up to a 75% interest in the Burn property by making a total cash payment of \$560,000 and spending \$2,500,000 in exploration expenditures. For the detailed terms of the cash payments and exploration expenditures of the option agreement, refer to the section under "Project Interests Option Agreements".

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The completion of the earn-in conditions will result in a Joint Venture of 75% for Freeport and 25% for Commander. If either party dilutes to less than a 10% interest, that interest would be replaced with a 1% net smelter return royalty. The Company is the project operator until Freeport vests a 51% interest.

Field work began in July 2019 and comprised property wide geological mapping, stream silt sampling, soil sampling and rock sampling. Sample density was low to enable a first pass property wide coverage. A total of 579 soil, 89 silt and 85 rock samples were collected and analyzed for multi-elements on the property resulting in the identification of four high priority target areas: (1) Main, (2) Central, (3) AA, and (4) Bowl characterized by a combination of elevated copper and gold in soils and phyllic alteration.

Rock samples were also analyzed with a Terraspec units to determine alteration minerals. Analytical work was performed. Rocks were crushed, split and pulverized with a subset of 250 g rock sieved to 200 mesh and analysed for gold by fire assay fusion Au by ICP-ES 30.

Flume, Yukon

In March 2017, the Company entered into an option agreement with K2 Gold Corporation ("K2") granting K2 the option to acquire a 100% interest in the Flume gold property. In August 2018, K2 terminated the option agreement. As K2 had only partially met its 2018 exploration commitment, K2 issued 285,238 common shares with a value of \$65,615 to the Company, to settle remaining unspent exploration expenditure amounts. Additionally, the Company received option payments from K2 comprising \$35,000 in cash and 100,000 common shares with a fair value of \$27,500, totaling aggregate option proceeds received of \$128,115 during the year ended December 31, 2018.

In June 2019, the Company engaged a consulting firm and completed a review and reinterpretation of historical exploration data of the Flume property. In September 2019, the Company completed field work which included geological mapping, rock sampling and re-logging of historical cores. Twenty-five grab rock samples were collected, of which 5 were greater than 100 ppb gold. Analytical work was performed. Rocks were crushed, split and pulverized with a subset of 250 g rock sieved to 200 mesh and analysed for gold by fire assay fusion Au by ICP-ES 30.

South Voisey's Bay, Labrador

The South Voisey's Bay property (29,400 hectares) is located in central Labrador approximately 80 km due south of the operating Voisey's Bay nickel mine and covers parts of the Pants Lake gabbro complex in the South Voisey's Bay area. The Pants Lake Complex contains host rocks with alteration and nickel mineralization styles that are similar to the Voisey's Bay hosts. Prior to June 5, 2017, Commander held an 85% interest in the property and Fjordland Exploration Inc. ("Fjordland") had a 15% interest.

On June 5, 2017, Commander and Fjordland entered into a Letter of Intent ("LOI") whereby Fjordland has the option to acquire the remaining 85% interest in the project by making a total cash payment of \$290,000, issuing a total of 4,500,000 Fjordland shares and spending \$8,000,000 in exploration expenditures. Upon Fjordland vesting a 100% interest, Commander will retain a 2% NSR. Fjordland has the right to buy back 1% of the NSR for either \$5,000,000 in cash or \$2,500,000 in cash plus \$2,500,000 in Fjordland's common shares. When commercial production starts, Fjordland will make an advance royalty payment of \$10,000,000 to Commander.

In October 2017, Fjordland completed its first 20% earn-in option by spending \$600,000 in exploration. As such, its vested interest in the property increased to 35%.

In October 2017, Fjordland completed a drill program of 1,469 metres which tested six shallow UTEM geophysical targets. The best results were from holes 17-2 which returned 0.8 metres grading 0.63% nickel, 0.30% copper and 0.1% cobalt and hole 17-6 which returned 3.9 metres grading 0.37% nickel, 0.27% copper and 0.1 % cobalt.

Fjordland's 2018 exploration program was completed in August and comprised 1,253.2 metres of core drilling in 11 holes along with property wide geological mapping. The 2018 drilling program was designed to test the role of structure in controlling magma emplacement, and sulphide accumulation. Several drill holes were selected to test conductive structures interpreted from reprocessing of historical geophysical data that occur close to structures interpreted from satellite images and geological mapping. Overall results were low with higher grades being associated with basal

accumulations of sulphides over narrow thicknesses. The intersections comprise clots and semi-massive sulphide comprised primarily of pyrrhotite with minor pentlandite and chalcopyrite occurring at or near the base of gabbro sills.

Geological structural mapping and prospecting programs were also completed during the 2018 field operation.

Field work in 2019 consisted solely of ground based geological activities including mapping and re-logging of selected portions of previously drilled core. This activity included the systematic collection of density measurements of core which will, in combination with the high-resolution digital elevation model created in 2018, allow for a refined gravity model for the property using a property wide database collected in the 1990's. This work is ongoing and final results of the study are expected in the second quarter of 2020.

First Loon and Staunton, Ontario

On February 28, 2020, Commander acquired by staking two gold properties in Ontario. The First Loon Property (5,507 ha) is in the Pickle Lake Gold Belt and is located south and east of the main concentration of past producing mines that include the Pickle Crow, Central Patricia and Dona Lake mines with total reported historical production of 2,300,000 ounces (ref. 2015 Institute on Lake Superior Geology, Fieldtrip Guidebook).

Highlights of the Property

- Large land position acquired in Pickle Lake Gold Belt, Ontario
- Property covers 27 km trend of iron formations and major structures
- Second gold property acquired in Sturgeon Lake belt covering gold in lake sediment anomalies
- Union Miniere Explorations and Mining Corporation ("UMEX")

The First Loon property is underlain by the Confederation assemblage (intercalated mafic to intermediate volcanic rocks with iron formation) and the Kaminiskag assemblage (tholeiitic basalts and thinner calc-alkaline dacitic to rhyolitic pyroclastic rocks and iron formation). Bedrock exposure in this region is extremely limited and detailed airborne geophysical surveys are anticipated to guide a first pass evaluation of this property. There are at least 20 historical drill holes on the property from UMEX, Placer Dome and Kerr Addison. Analytical results from this drilling are limited but may reflect historical bias whereby only rocks that fit the geological model of the day were analysed. The central axis of the property is cored by an intermediate volcanic package within mafic volcanic rocks. The intermediate volcanic rocks are inter-layered with chert, iron formation, felsic volcanic rocks and local massive pyrite and pyrrhotite lenses and minor chalcopyrite.

Sabin, Ontario

The property is located at the north margin of the mineral-rich Sturgeon Lake Greenstone belt of Archean metavolcanic and metasedimentary rocks in the Wabigoon Sub-Province of the Superior Province, 400 km northwest of Thunder Bay, about 10 kilometres north of the community of Savant Lake, Ontario. The property is known to host a VMS base-precious metal deposit called the Marchington Zone.

In October 2018, the Company completed an airborne versatile time domain electromagnetic survey (VTEM) on the property. The airborne survey consisted of 370-line kilometres of electromagnetic and magnetic surveying by Geotech Ltd., using its latest generation VTEM plus system. The survey results were delivered in January 2019. Commander's geophysical consultant, Brian Bengert, P.Geo., has interpreted the data and identified a significant number of high priority conductors throughout the property and as well as areas just outside the original claim block. As a consequence, the Company staked additional claims to expand the property to 9,870 hectares to cover these new targets as well as prospective geology to the west. Processing of the results is ongoing with a program of modelling specific conductor picks to refine potential drill targets.

During the year ended December 31, 2019, the Company completed a rock sampling program, a follow-up of the 2018 VTEM Plus airborne electromagnetic and magnetic survey which identified a significant number of high priority conductors throughout the Sabin property.

The rock sampling comprised selective grab samples of bedrock of which 30 samples were chosen for analysis and 126 samples for whole rock and trace element analysis to aid in alteration studies. Of the 30 rocks analyzed 10 were over

limit and had to be re-analyzed by assay techniques. Of note are the two samples from the Kash Zone which comprises a nine-kilometre trend defined by variable strength conductors, low resistivity and magnetic highs. The best sample from Kash returned 5.1 g/t Au, 123 g/t Ag and 3.1 % Cu from a small exposure on the edge of a swamp from quartz, biotite, garnet schist with disseminated chalcopyrite. Similarly rocks from the Golsil zone were high in silver and sample 1588601 returned 2.9 g/t Au, 484 g/t Ag and 7.2 % Cu.

Omineca, BC

The property is located in North Central BC within the prolific copper-gold producing Quesnel terrane.

Previous work on the Omineca project included reconnaissance prospecting, mapping and geochemical sampling, which identified high copper and gold soil geochemistry within the property in a porphyry copper-gold setting. An overlapping anomalous zone of >1,000 ppm Cu (0.1%) in soils and up to 250 ppb Au in soils (0.25 g/t Au) covers over 1.8 km in extent. Anomalous gold values (>50 ppb) extend a further 1.5 km beyond this zone.

A compilation of historical work was undertaken during the first half of 2017. Additional claims were added to the property to cover possible extensions of the soil anomaly to the south of the existing targets. Reconnaissance geological mapping and soil sampling was completed in August 2017. A total of 8 rock and 58 soil samples were collected to delineate the southern boundary of Au in soils in historical soil data. This program succeeded in extending the Au in soil anomaly another 1 km along strike to a combined size of 1 x 5 km area with > 100 ppb Au which is open to the south and east. A vein sampled in this area returned 20.9 g/t Au.

In September 2018, a program of geological mapping and prospecting of the eastern gold/copper soil anomaly was completed. This eastern portion of the larger soil anomaly is associated with propylitic and fe-carbonate alteration of diorite and volcanic with local magnetite stockworks. Analytical results for 57 rocks samples comprised grab samples from talus (transported) and bedrock were received in December 2018. Of the 57 samples analysed 6 samples returned values greater than 1,000 ppm copper.

Analytical work was performed. Rocks were crushed, split and pulverized with a subset of 250 g rock sieved to 200 mesh and analysed for gold by fire assay fusion Au by ICP-ES 30. In September 2019, a day of geological mapping and sampling was completed, and results are being currently compiled.

The Company received BC mining exploration tax credits of \$6,187 and \$12,462 relating to Omineca's 2019 and 2018 qualifying exploration expenditures, respectively. The exploration tax credits were recorded as reductions to the exploration and evaluation expenditures in 2019 and 2018.

Baffin, Nunavut

The Company holds a royalty interest of 0.25% to 0.5% NSR on the Baffin gold project.

During the year ended December 31, 2018, the Company received 25,000 common shares of ValOre Metals Corp. ("ValOre") (formerly Kivalliq Energy Corporation) pursuant to an option agreement entered into during the year ended December 31, 2017. The common shares of ValOre were received at a fair value of \$18,750. As a result, ValOre had fulfilled the terms of the option agreement and earned a 100% interest in the property.

Storm, Nunavut

On February 18, 2016, the Company completed the sale transaction of the Storm Property with Aston Bay Holdings Ltd. ("Aston") and received 11,000,000 shares of Aston with a fair value of \$2,640,000. These shares are pooled and will be released in four equal tranches of 2,750,000 shares on each anniversary date starting February 18, 2017 to 2020. As of the report date, Commander held less than 10% (2019 – less than 10%) of Aston's total outstanding common shares.

Hammerdown, Newfoundland and Labrador

On March 2 Maritime Resources Corp. ("Maritime") released the results from a Preliminary Economic Assessment ("PEA") completed for their Hammerdown gold project ("Hammerdown"), including the satellite Orion deposit, located in the Baie Verte mining district of Newfoundland and Labrador. Commander retains a 2% Net Smelter Return Royalty ("NSR") in which Maritime has the right to reduce to 1% for a one-time payment of \$1,000,000. Commander's royalty does not apply to the satellite Orion Deposit. Allowed deductions include transportation costs and toll milling charges.

The PEA provides an updated resource estimate and a base-case assessment of developing the project as a combined open-pit and underground ramp-access mine with an on-site gold preconcentration plant and mineral processing through the Nugget Pond mill gold circuit (a toll milling facility). Details of the PEA are summarized in Maritime's news release dated March 2 and within the PEA document filed on Sedar.

Nepisiguit, New Brunswick

The Nepisiguit property consists of 55 contiguous mineral claim units (1,203.9 hectares) located approximately 40 kilometres southwest of the city of Bathurst, New Brunswick within the eastern section of the Bathurst Mining Camp one of Canada's most important base metal mining districts. Base metal mineralization has been encountered through drilling in 46 of 69 holes drilled on the Property to date, generally related to iron formations located near the boundary between the Flat Landing Brook and the Nepisiguit Falls formations. Disseminated and stockwork mineralization has also been encountered in Nepisiguit Falls formation rock to the eastern extent of the Property.

The Nepisiguit property area has been explored by various companies and individuals since 1955. Two exploration targets exist for future exploration efforts. The easternmost target is interpreted as a stringer zone situated below a possible massive sulphide Brunswick horizon and to the west, iron formations typically associated with Brunswick horizon massive sulphides occur at depth.

In 2018, the Company compiled data in preparation for a NI 43-101 compliant technical report. In 2019, a site visit was carried out for further data compilation.

MEXICO

Pedro, Durango

The wholly owned Pedro claims are located approximately 100 kilometres from the city of Torreon. Pedro is consisted of a number of targets including the HP Breccia prospect, a gold in soil anomaly extending over a 4000 x 600m in area that coincides with extensive silicified sedimentary breccias and conglomerate, and the Las Lajas gold prospect.

A drill program by previous operators comprised 11 drill holes totaling 1,744 metres, of which two holes (409 metres) were cored and the remaining drilled by reverse circulation. Areas tested included the HP breccia prospect and its northern extension, approximately three kilometres. The best results were encountered in hole LP-013-R that returned a core length of 10.5 metres grading 0.51 gram per tonne gold from silicified conglomerate of the Ahuichila formation. For full details of the drill program reference should be made to Bearing Resources news release dated July 3, 2014.

A work program was completed in December 2018 which comprised on site geological mapping and a remote sensing survey consisting the creation of a hi-resolution digital elevation model and a WorldView-3 Alteration Mineral Mapping exercise. Results of the remote sensing program were received in January 2019. Preliminary review of the results indicate that the target is highlighted by elevated sericite and hydroxyl minerals. Additional alteration minerals including alunite and kaolinite occur in areas that have not been visited and will guide additional planned work in the future. A subsequent site visit was completed in April 2019 including community meetings and a limited mapping program. In October 2019, the Company completed 70 line-km Induced Polarization survey covers the main HP breccia and related zones. The induced polarization ("IP") survey outlined the known zones and distinguished discreet deep features below the conglomerate which are interpreted to be feeders to the surface mineralisation. The IP targets show elevated resistivity with associated low to moderate chargeability. Results indicate that some surface exposed zones are strata-bound along the basal contact of the Ahuichila formation while adjacent zones have a deep vertical expression reflecting possible feeder structures. In addition, the survey outlined targets beneath post mineral cover, suggesting a much larger footprint to the system.

In February 2020, Commander reported results from the 70-kilometre Induced Polarization survey completed in 2019.

Highlights of the results:

- Epithermal gold target measuring 4 km by 1 km defined by gold in soil and rocks
- Deep vertical feeder veins identified
- Numerous additional zones identified beneath post-mineral cover

SUMMARY OF QUARTERLY RESULTS

	2020	2019				2018 (Restated)		
	Mar 31 \$	Dec 31 \$	Sep 30 \$	Jun 30 \$	(Restated) Mar 31 \$	Dec 31 \$	Sep 30 \$	Jun 30 \$
Royalty income	-	25,000	-	-	-	25,000	-	-
Loss for the period	(270,462)	(352,946)	(216,946)	(338,063)	(266,474)	(83,854)	(599,931)	(97,870)
Loss and comprehensive loss for the period	(669,342)	(208,988)	(280,147)	(17,107)	(360,225)	(1,003,470)	(1,359,121)	(941,530)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.00)	(0.02)	(0.00)

RESULTS OF OPERATIONS

For the three months ended March 31, 2020 and 2019 ("Q1")

The Company reported loss of \$270,462 in 2020 Q1 (2019 - \$266,474 (restated)). The major variances for 2020 Q1 as comparing to 2019 Q1 are: (a) administration, (b) amortization, (c) exploration and evaluation ("E&E") expenditures, and (d) investor and shareholder relations. Details of variances are below.

Administration for 2020 Q1 was \$12,117 (2019 - \$21,453). In 2019, the administrative costs were higher which were attributable to the Company's purchases of geographical information software and training provided to its geological staff on airborne geophysical survey, mapping, location analysis and data interpretation and the higher fees on off-site storage lockers.

Amortization for the three months ended in March 2020 was \$13,571 (2019 - \$12,653). On January 1, 2019, the Company adopted a new accounting standard, IFRS 16 – Leases, resulting in the recognition of a right-of-use asset of \$72,913 and additional amortization expense of \$10,925 for each quarter.

E&E expenditures for 2020 Q1 were \$32,147 (2019 - \$52,331 (restated)). The higher exploration costs in 2019 Q1 were primarily from the preparation work on airborne analysis, drill data and map compilation for a rock sampling program carried out on the Sabin property (2019 - \$26,259). In 2020 Q1, Sabin project costs were \$3,222.

Investor and shareholder relations for the first quarter of 2020 were \$111,388 (2019 - \$76,427). In 2020 Q1, the CEO held meetings in Europe to meet with shareholders and investors. In addition, the higher 2020 investor relations expenses were results of increased expenditures related to the mineral resources conferences in the first quarter of 2020.

LIQUIDITY AND CAPITAL RESOURCES

The Company is at the exploration stage and no revenue has been generated to date. The Company has been relying on equity financings and sales of marketable securities to continue its operations. At March 31, 2020, the Company had cash and cash equivalents of \$417,539, working capital of \$1,222,432 and current liabilities of \$102,217.

In March 2020, the World Health Organization declared COVID-19 a world-wide pandemic. The outbreak has adversely affected public health, businesses, and financial markets, leading to the downturn of global economies. It is not possible for the Company to predict the extent or magnitude of this pandemic on the continuing of its operations and the ability to raise funding in the tightened capital market. This creates uncertainty in the Company's liquidity and capital resources.

**Commander Resources Ltd.
Management's Discussion and Analysis
For the Three Months ended March 31, 2020**

May 6, 2020

OUTSTANDING SHARE DATA

At May 6, 2020, the Company had:

Common shares issued and outstanding: 35,650,772

Stock options outstanding and exercisable with their exercise prices and expiry dates:

Options outstanding #	Options exercisable #	Exercise price \$	Expiry date	Weighted average remaining life (years)
520,000	520,000	0.25	July 17, 2020	0.29
800,000	800,000	0.25	March 16, 2021	0.96
260,000	260,000	0.25	June 9, 2021	1.19
886,000	886,000	0.17	July 12, 2023	3.28
760,000	735,000	0.07	June 12, 2024	4.20
3,226,000	3,201,000			2.27

Warrants outstanding and exercisable with their exercise price and expiry date:

Warrants outstanding #	Warrants exercisable #	Exercise price \$	Expiry date
12,758,141	12,758,141	0.25	May 18, 2020

RELATED PARTY TRANSACTIONS

Compensation of Key Management

Key management includes the Company's directors, the President and Chief Executive Officer, VP Exploration, VP Corporate Development, Chief Financial Officer and Corporate Secretary. Their remuneration was as follows:

Nature of Compensation	Transactions For the three months ended		Balances outstanding	Balances outstanding
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	\$	\$	\$	\$
President and CEO	40,337	40,301	-	-
Vice President, Exploration	50,829	24,850	13,156	10,818
Vice President, Corp Development	7,500	7,500	-	-
Corporate Secretary	9,600	9,000	-	-
Chief Financial Officer	16,000	16,800	-	-
	124,266	98,451	13,156	10,818

Other related party transactions

During the three months ended March 31, 2020, office rent of \$12,938 (2019 - \$12,842) was paid to a company related by way of a common director.

OFF BALANCE SHEET ARRANGEMENTS and PROPOSED TRANSACTIONS

As of the report date, the Company has neither off-balance sheet arrangements nor proposed transactions.

COMMITMENT

The Company has a remaining commitment of \$20,988 for its office lease in Vancouver, BC expiring on August 31, 2020.

FINANCIAL INSTRUMENT

Financial assets are classified according to their contractual cash flow characteristics and the business models under which they are held. On initial recognition, a financial asset is classified as: amortized cost, fair value through profit or loss (“FVTPL”) or fair value through other comprehensive income (“FVOCI”).

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

- it is held with the objective of collecting contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVOCI whereby changes in the investment’s fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is made on an investment-by-investment basis.

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

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as FVTPL, directly attributable transaction costs. Measurement of financial assets in subsequent periods depends on whether the financial asset has been classified as amortized cost, FVTPL or FVOCI. Measurement of financial liabilities subsequent to initial recognition depends on whether they are classified as amortized cost or FVTPL. Financial assets and financial liabilities classified as amortized cost are measured subsequent to initial recognition using the effective interest method.

Loss allowances for ‘expected credit losses’ are recognized on financial assets measured at amortized cost. A loss event is not required to have occurred before a credit loss is recognized.

The Company has classified and measured its financial instruments as below:

Financial assets	Classification	Subsequent measurement
Cash and cash equivalents	Amortized cost	Amortized cost
Receivables	Amortized cost	Amortized cost
Marketable securities	FVOCI	Fair value
Reclamation bond	Amortized cost	Amortized cost
Financial assets	Classification	Subsequent measurement
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Lease liability	Amortized cost	Amortized cost

FINANCIAL RISK MANAGEMENT

Fair value

The carrying values of receivables, reclamation bond, accounts payable and accrued liabilities approximate their fair values due to the short-term to maturity of these financial instruments. The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value. The Company's marketable securities are classified as a level 1 financial asset. The fair value hierarchy is as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Liquidity risk

Liquidity risk is the risk that the Company's financial assets are insufficient in meeting its financial obligations as they become due. The Company manages this risk by forecasting cash flows from operations and anticipated investing and financing activities to ensure there is sufficient liquidity to meet the obligations. As at December 31, 2019, the Company had cash and cash equivalents of \$708,740 to settle its current liabilities of \$123,210. The Company will require additional funding if it intends to expand its exploration and operational budgets.

Credit risk

Credit risk is the risk that if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is equal to the carrying value of cash and cash equivalents and receivables. Receivables primarily comprises sales tax recoverable due from the Government of Canada. To minimize the credit risk, Commander deposits its cash and cash equivalents with a high credit-rating financial institution.

Price risk and foreign currency risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The Company is exposed to price risk with respect to its marketable securities. A 10% change in the share prices would affect their fair values and comprehensive loss (income) by approximately \$124,000 (2018 - \$107,0000).

RISKS AND UNCERTAINTIES

Mineral exploration involves high degree of risks. There is a significant probability that the expenditures made in exploring the Company's properties will not result in discoveries of economically viable quantities of minerals. Ongoing costly expenditures are required to locate and estimate ore reserves, which are the basis for further development of a property. Capital expenditures to attain commercial production stage are also very substantial. The principal risks faced by the Company are as follows:

Financing

Exploration development of mineral deposits is an expensive process. The Company has no producing properties and generates no operating revenues; therefore, it will be dependent upon selling equity in the capital markets to provide financing for its continuing exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms.

In March 2020, the World Health Organization declared coronavirus "COVID-19" a world-wide pandemic. This contagious disease outbreak as of this report date has continued to spread around the world, and adversely affected public health, workforces, businesses, and financial markets, leading to the downturn of international economies. It is not possible to forecast the duration or magnitude of the adverse impacts of the pandemic and its effect on the Company's continued operations and its ability to raise financing.

Exploration

The Company is seeking mineral deposits of commercial quantities on its exploration projects. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities.

Market

The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change; both in short term time horizons and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Title

Although the Company has exercised the usual due diligence with respect to title to properties in which it has interests, there is no guarantee that title to the properties will not be challenged or impugned. Commander's exploration and evaluation asset interests may be subject to prior unregistered agreements or transfers or land claims, and title may be affected by undetected defects.

Metal Prices

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resource are discovered, a profitable market will exist. The price of various metals is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. There can be no assurance that the price of any metal will be such that the Company's exploration and evaluation assets can be mined at a profit.

Key Personnel

The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Environmental and Other Regulatory Requirements

The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, production, taxes, labour standards and other matters.

Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to commence production on its properties will be obtained on a timely basis, or at all. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Amendments to current laws, regulations and permits governing operations and activities of mining companies could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties. To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.



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Bernard H. Kahlert, P.Eng.
*Director and Vice President,
Corporate Development*

Stephen Wetherup, P.Geo.
Vice President, Exploration

Patricia Fong, CPA, CMA
Chief Financial Officer

Janice Davies
Corporate Secretary

LISTINGS

TSX Venture Exchange: CMD
U.S. 12g Exemption: #82-2996

CAPITALIZATION

(As at Report Date)

Shares Authorized: Unlimited
Shares Issued: 35,650,772

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