



Condensed Consolidated Interim Financial Statements

FOR THE NINE MONTHS ENDED

SEPTEMBER 30, 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 consolidated interim 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 consolidated interim financial statements in accordance with standards established by the Canadian Professional Accountants of Canada.

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

		September 30, 2020	December 31, 2019
	Note	\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		931,590	708,740
Receivables		33,379	14,950
Prepaid expenses		21,444	50,478
Marketable securities	3	1,105,100	1,240,520
		2,091,513	2,014,688
Non-current assets			
Reclamation bonds	4	38,000	18,000
Exploration and evaluation assets	4	102,689	174,166
Equipment	5	59,267	96,326
		199,956	288,492
TOTAL ASSETS		2,291,469	2,303,180
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		71,159	53,376
Lease liability	5	-	28,745
Loan payable	6	40,000	-
Advance from optionee	4(b)	17,540	41,089
		128,699	123,210
SHAREHOLDERS' EQUITY			
Share capital	7	41,143,735	41,143,735
Reserves	7	316,981	868,981
Accumulated other comprehensive loss		(2,151,144)	(2,170,604)
Deficit		(37,146,802)	(37,662,142)
		2,162,770	2,179,970
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,291,469	2,303,180
Nature of operations and going concern	1		
Commitment	9		

Approved on behalf of the Board of Directors on November 19, 2020:

"Eric Norton"

Director

"Brandon Macdonald"

Director

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

COMMANDER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020 AND 2019

	Note	Three months ended September 30,		Nine months ended September 30,	
		2020	2019	2020	2019
		\$	\$	\$	\$
Expenses					
Accounting and audit	8	13,824	17,843	48,434	54,657
Administration		16,860	3,650	32,147	35,489
Amortization	5	9,918	13,540	37,059	39,406
Consulting	8	17,100	16,500	51,300	49,500
Exploration and evaluation expenditures	2, 4	234,182	110,555	275,893	303,616
Filing fees and transfer agent		1,026	2,404	11,035	12,003
Finance costs	5	3,720	1,284	4,835	4,679
Investor and shareholder relations		33,054	45,371	179,964	158,151
Legal		466	2,250	8,024	9,033
Project evaluation		23,057	13,181	67,442	39,707
Salary and benefits	8	37,500	30,500	106,682	109,536
Share-based compensation	7	-	1,865	3,220	51,333
Loss from operating expenses		(390,707)	(258,943)	(826,035)	(867,110)
Cost recoveries on exploration and evaluation assets	4	35,833	25,000	35,833	25,000
Foreign exchange gain (loss)		267	603	(2,041)	78
Interest and management fee income	4(b)	1,063	16,394	2,363	20,549
Sale of net smelter return royalty	4	750,000	-	750,000	-
Income (loss) for the period		396,456	(216,946)	(39,880)	(821,483)
Other comprehensive income (loss)					
<i>Item that will not be reclassified to profit or loss</i>					
Change in fair value of marketable securities at FVOCI	3	(345,230)	(63,201)	19,460	164,004
Income (loss) and comprehensive income (loss) for the period		51,226	(280,147)	(20,420)	(657,479)
Loss per share					
Weighted average number of common shares outstanding					
- Basic #		35,650,772	35,403,375	35,650,772	35,403,375
- Diluted #		35,650,772	35,403,375	35,650,772	35,403,375
Basic income (loss) per share \$		0.01	(0.01)	(0.00)	(0.02)
Diluted income (loss) per share \$		0.01	(0.01)	(0.00)	(0.02)

(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 consolidated interim financial statements.

COMMANDER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 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)	(36,453,402)	3,045,940
Impact of change in accounting policy	-	-	-	-	(523)	(523)
January 1, 2019, adjusted balance	35,300,772	41,112,235	865,673	(2,478,566)	(36,453,925)	3,045,417
Shares issued for exploration and evaluation assets	350,000	31,500	-	-	-	31,500
Share-based compensation	-	-	51,333	-	-	51,333
Reclassification on expiry of options	-	-	(48,025)	-	48,025	-
Fair value adjustment on marketable securities	-	-	-	164,004	-	164,004
Loss for the period	-	-	-	-	(821,483)	(821,483)
September 30, 2019	35,650,772	41,143,735	868,981	(2,314,562)	(37,227,383)	2,470,771
January 1, 2020	35,650,772	41,143,735	868,981	(2,170,604)	(37,662,142)	2,179,970
Share-based compensation	-	-	3,220	-	-	3,220
Reclassification on expiry of warrants	-	-	(524,974)	-	524,974	-
Reclassification on expiry of options	-	-	(30,246)	-	30,246	-
Fair value adjustment on marketable securities	-	-	-	19,460	-	19,460
Loss for the period	-	-	-	-	(39,880)	(39,880)
September 30, 2020	35,650,772	41,143,735	316,981	(2,151,144)	(37,146,802)	2,162,770

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

COMMANDER RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020 AND 2019

	Nine months ended September 30,	
	2020	2019 ⁽¹⁾
	\$	\$
Operating activities		
Loss for the period	(39,880)	(821,483)
Items not affecting cash:		
Amortization	37,059	39,406
Finance costs	4,835	4,679
Share-based compensation	3,220	51,333
Cost recoveries on exploration and evaluation assets	(35,833)	(25,000)
Changes in non-cash working capital:		
Receivables	(18,429)	9,177
Prepaid expenses	29,034	-
Accounts payable and accrued liabilities	17,783	(2,293)
Advance from optionee	(23,549)	372
	(25,760)	(743,809)
Investing activities		
Acquisition costs on exploration and evaluation assets	(19,190)	(39,200)
Proceeds received on exploration and evaluation assets	60,000	40,000
Lease payments	(33,580)	(37,776)
Reclamation bond	(20,000)	
Proceeds from sale of marketable securities	221,380	135,163
Purchase of equipment	-	(17,746)
	208,610	80,441
Financing activities		
Loan from government business program	40,000	-
Change in cash and cash equivalents	222,850	(663,368)
Cash and cash equivalents, beginning of period	708,740	1,687,263
Cash and cash equivalents, end of period	931,590	1,023,895
Cash and cash equivalents comprise:		
Cash at bank - Canadian dollars	629,611	341,692
Cash at bank - Mexican pesos	1,448	4,505
Money market funds - Canadian dollars	300,531	677,698
Cash and cash equivalents in Canadian dollars	931,590	1,023,895

Supplemental cash flow information (Note 10)

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

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

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

1. NATURE OF OPERATIONS AND GOING CONCERN

Commander Resources Ltd. (“Commander” or the “Company”) is a publicly listed company incorporated and domiciled in Canada. The Company is listed on the TSX Venture Exchange under the symbol “CMD”. Commander’s records and registered office is 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 consolidated interim 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 September 30, 2020, the Company had a deficit of \$37,146,802 (December 31, 2019 - \$37,662,142) and working capital of \$1,962,814 (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.

The COVID-19 pandemic continues to persist and resurge in many countries since it was declared a global outbreak in March 2020. The pandemic has impeded global economic recovery and created volatilities in commodity prices and financial markets. Uncertainty continues surrounding the pandemic and its extent and duration. Volatilities in commodity and restricted movement of people and services may impact the Company’s continued operations on its mineral projects and its ability to obtain the required financing for its going concern.

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.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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 might 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.

3. MARKETABLE SECURITIES

		September 30, 2020	December 31, 2019
	Note	\$	\$
<i>Common shares of public companies:</i>			
Fair value, beginning of period		1,240,520	1,072,899
Fair value of shares received	4(d)	66,500	18,000
Net proceeds from sales		(221,380)	(158,341)
Fair value adjustment		19,460	307,962
Fair value, end of period		1,105,100	1,240,520

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

3. MARKETABLE SECURITIES (CONTINUED)

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. 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 holdings or transactions as at September 30, 2020 were 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 were held in a four-year escrow and have been all released as of February 18, 2020.

During the nine months ended September 30, 2020, the Company sold 2,000,000 Aston shares for net proceeds of \$221,380 (2019 – nil). As at September 30, 2020, Commander held less than 10% (2019 – less than 10%) of Aston's total outstanding common shares.

4. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

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.

As at September 30, 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 \$	Option proceeds \$	Cost recoveries \$	September 30, 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	-	(35,000)	35,000	6,315
Omineca	3,140	-	-	-	3,140	-	-	-	3,140
	34,786	61,911	(70,000)	45,000	71,697	-	(35,000)	35,000	71,697
Other Canadian projects									
South Voisey's Bay (Labrador)	123,667	-	(33,000)	-	90,667	-	(91,500)	833	-
First Loon and Staunton (Ontario)	-	-	-	-	-	19,190	-	-	19,190
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	19,190	(91,500)	833	30,991
Mexico project									
Pedro	1	-	-	-	1	-	-	-	1
	1	-	-	-	1	-	-	-	1
Total	158,459	73,711	(103,000)	44,996	174,166	19,190	(126,500)	35,833	102,689

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

4. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES (CONTINUED)

Exploration and Evaluation Expenditures

The Company's E&E expenditures for the nine months ended September 30, 2020, have been expensed in the statement of loss and comprehensive loss and their cumulative amounts are as follows:

	British Columbia				Ontario			Mexico	Total
	October Dome	Henry Lee	Burn	Omineca	Sabin	First Loon	Garden Lake	Pedro	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Claim maintenance	-	-	-	-	12,619	-	-	23,568	36,187
Data, maps and reports	3,125	700	3,325	2,475	-	-	-	175	9,800
Field labour and supplies	-	45	-	-	3,793	3,242	2,841	-	9,921
Geological	-	5,825	-	-	11,788	10,450	5,875	-	33,938
Geophysical survey	-	-	-	-	-	161,064	-	-	161,064
Helicopter, travel, rental	-	3,280	-	-	3,480	16,916	567	-	24,243
Assaying	-	740	-	-	-	-	-	-	740
Total	3,125	10,590	3,325	2,475	31,680	191,672	9,283	23,743	275,893

For the nine months ended September 30, 2019, the E&E expenditures were as below:

	British Columbia				Yukon	Ontario	New Brunswick	Mexico	Total
	October Dome	Henry Lee	Burn	Omineca	Flume	Sabin	Nepisiguit	Pedro	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Claim maintenance	2,362	1,925	2,100	-	1,225	9,985	-	19,020	36,617
Data, maps and reports	350	5,900	2,000	1,000	150	23,650	-	-	33,050
Field labour and supplies	-	-	-	-	-	23,170	250	-	23,420
Geological	-	5,088	6,387	5,950	415	20,037	14,918	24,901	77,696
Geophysical survey	-	122	3,955	-	36,341	5,527	-	15,805	61,750
Helicopter, travel, rental	-	14,577	-	6,182	3,500	12,741	-	4,812	41,812
Assaying, soil sampling	-	7,050	-	750	1,408	11,110	4,347	4,606	29,271
Total	2,712	34,662	14,442	13,882	43,039	106,220	19,515	69,144	303,616

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.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

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 into 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	Commitment 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 (received)	-
	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.

In August 2020, a field program of geological mapping and rock sampling was completed.

As the operator of the project, Commander earned management fees of \$1,119 included within interest and management fee income during the nine months ended September 30, 2020 (2019 - \$nil). As at September 30, 2020, the advance from Freeport on the Burn project was \$17,540 (December 31, 2019 - \$41,089) within advance from optionee, classified as a current liability.

In September 2020, the Company placed a reclamation bond ("bond") of \$20,000 with the BC Ministry of Energy and Energy and Petroleum Services as a commitment to meet its regulatory requirement on the Burn property. The bond bears an annual interest rate of 2.2%. The bond is hypothecated and automatically renewed annually upon maturity.

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.

In July 2020, a field program of geological mapping and rock sampling was completed with the exploration costs of \$10,590.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

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 (received)	350,000 (received, fair valued at \$66,500)	-
	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.

During the nine months ended September 30, 2020, the Company expended \$191,672 on mapping, rock and till sampling as well commencing an airborne electromagnetic and magnetic surveying.

f. Sabin Property, Ontario

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

In September 2020, the Company conducted bedrock sampling and mapping on the property with the expenditures of \$31,680.

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.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

h. Other Properties

i) Baffin, Nunavut

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

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 September 30, 2020, the Company had received a total of \$200,000 in advance royalty payments which are recorded as royalty income (2019 - \$nil).

Hammerdown, Newfoundland

The Company holds a 2% net smelter return royalty ("NSR") on Maritime Resources Corp.'s ("Maritime") Hammerdown gold project in Newfoundland pursuant to the Option and Royalty Agreement on the Green Bay Property dated June 14, 2010. Maritime has the right to buy back 50% of the NSR for \$1,000,000 at their start-up of commercial production.

On September 16, 2020, Maritime and the Company agreed to an early exercise of the buy-back of 1% NSR by Maritime for an amended purchase price of \$750,000. On September 17, 2020, the transaction was completed with the Company receiving the full consideration of \$750,000 which was recorded as sale of net smelter return royalty.

Reclamation bonds

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.

In September 2020, the Company placed a reclamation bond of \$20,000 with the BC Ministry of Energy and Energy and Petroleum Services as a commitment to meet its regulatory requirement on the Burn property, BC. The reclamation bond ("bond") is interest bearing at an annual rate of 2.2%. The bond is hypothecated and renewed automatically annually upon maturity.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 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					
September 30, 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	(1,329)	(2,373)	(4,144)	(29,213)	(37,059)
September 30, 2020	(3,748)	(4,483)	(12,432)	(72,913)	(93,576)
Net book value					
December 31, 2019	6,437	13,710	46,966	29,213	96,326
September 30, 2020	5,108	11,337	42,822	-	59,267

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 nine months ended September 30, 2020 is as follows:

	September 30, 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	(33,580)
Lease interest (finance costs)	4,835
September 30, 2020	-

The Company's office lease in Vancouver, BC, expired on August 31, 2020. Starting September 1, 2020, the office lease is on a month-to-month basis.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

6. LOAN PAYABLE

In May 2020, the Company applied and received from the federal government of Canada a loan of \$40,000 under the Canada Emergency Business Account (“CEBA”) program. If the loan is fully repaid by December 31, 2022, \$10,000 of the loan would be forgiven. If the loan is not fully paid back to the government by December 31, 2022, the loan will incur 5% interest during the remaining term of the loan ending on December 31, 2025, the date by which the loan must be fully repaid.

7. 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.

On May 18, 2020, share purchase warrants of 12,240,258 and finders’ warrants of 517,883 both exercisable at \$0.25 per share expired. The fair values totaling \$524,974 of these expired warrants were transferred from reserves to deficit.

As at September 30, 2020, the Company has no outstanding warrants.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

7. SHARE CAPITAL (CONTINUED)

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 September 30, 2020 and December 31, 2019 were as follows:

	September 30, 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	(520,000)	(0.25)	(374,000)	(0.25)
Options outstanding, end of period	2,706,000	0.17	3,226,000	0.19

During the nine months ended September 30, 2020, 520,000 stock options expired (2019 – 374,000) and their fair values of \$30,246 (2019 - \$48,025) were reclassified from reserves to deficit.

As at September 30, 2020, the Company's outstanding and exercisable stock options were as follows:

Options outstanding and exercisable #	Exercise price \$	Expiry date	Weighted average remaining life (years)
800,000	0.25	March 16, 2021	0.46
260,000	0.25	June 9, 2021	0.69
886,000	0.17	July 12, 2023	2.78
760,000	0.07	June 12, 2024	3.7
2,706,000			2.15

Option grant

Subsequent to September 30, 2020, on November 12, 2020, the Company granted 530,000 incentive stock options to directors, officers and consultants. The stock options are exercisable for five years to November 12, 2025, at an exercise price of \$0.14 per share.

Share-based compensation

During the nine months ended September 30, 2020, the Company recognized share-based compensation expense of \$3,220 (2019 - \$51,333).

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	3,220	-	3,220
Reclassification on expiry of options and warrants	(30,246)	(524,974)	(555,220)
September 30, 2020	316,981	-	316,981

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

8. RELATED PARTY TRANSACTIONS

Compensation of key management

Key management includes the Company's Directors, 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		Balance outstanding	
		For the nine months ended		September 30,	
		2020	2019	2020	2019
		\$	\$	\$	\$
President and CEO	Salary and benefits and projects	106,682	109,536	-	5,244
Vice President, Exploration	Consulting and project evaluation	106,817	88,638	30,337	27,536
Vice President, Corp Development	Consulting	22,500	22,500	-	-
Corporate Secretary	Consulting	28,800	27,000	-	-
Chief Financial Officer	Accounting	40,000	40,800	-	-
		304,799	288,474	30,337	32,780

Other related party transactions

During the nine months ended September 30, 2020, office rent of \$37,892 (2019 - \$31,386) was paid to a company related by way of a common director.

9. COMMITMENT

The Company's office lease in Vancouver, British Columbia, expired on August 31, 2020 (Note 5). As at September 1, 2020, the office lease is on a month-to-month basis.

10. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred the following non-cash investing and financing activities during the nine months ended September 30, 2020 and 2019:

	Nine months ended September 30,	
	2020	2019
	\$	\$
Financing activities:		
Fair value of shares issued for exploration and evaluation assets	-	31,500
Marketable securities received for exploration and evaluation assets	66,500	18,000
Fair values on expired warrants reclassified from reserves to deficit	524,974	-
Fair values on expired options reclassified from reserves to deficit	30,246	48,025
Investing activities:		
Equipment addition: right-of-use asset recognized on transition to IFRS 16	-	72,913
Other cash flow information:		
Interest received	1,244	6,555
Income tax paid	-	-

11. SEGMENTED INFORMATION

The Company operates in one single reportable segment, being the acquisition and exploration of resource properties. As at September 30, 2020, the carrying value of the Company's non-current assets were:

- \$102,688 (December 31, 2019 - \$174,165) located in Canada; and
- \$1 (December 31, 2019 - \$1) located in Mexico.

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

12. 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 nine months ended September 30, 2020. The Company is not subject to externally imposed capital requirements.

13. 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

COMMANDER RESOURCES LTD.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)

13. 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 September 30, 2020, the Company had cash and cash equivalents of \$931,590 to settle its current liabilities of \$128,699. 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 \$110,510 (September 30, 2019 - \$124,052).



Management's Discussion and Analysis

For the Nine Months Ended
September 30, 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, November 19, 2020 (the "Report Date") and should be read in conjunction with the Company's condensed interim consolidated financial statements for the nine months ended September 30, 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.

QUARTER HIGHLIGHTS

Maritime Resources' Buyback of 1% NSR Royalty of Hammerdown project in Newfoundland and Labrador

On September 16, 2020, Maritime Resources Corp. ("Maritime") agreed to an early exercise of their buy-back right of 1% net smelter return royalty ("NSR") of the Hammerdown gold project royalty ("Royalty") held by the Company at a reduced price of \$750,000. Pursuant to the Option and Royalty Agreement on the Hammerdown property ("Hammerdown") dated June 14, 2010, Commander holds a 2% NSR on Hammerdown and the agreement has a buydown provision that allowed Maritime to buy back 50% of the NSR for \$1,000,000 at their start-up of production.

On September 17, 2020, the sale of the NSR transaction was completed with the Company receiving the full payment of \$750,000. Commander continues to retain a 1% NSR over the Hammerdown Deposit and surrounding lands excluding the satellite Orion Deposit. Certain allowed deductions include transportation costs and toll milling charges.

Airborne Magnetic Survey Completed on First Loon Property in Ontario

In July 2020, the Company engaged the services of CGG Canada Services to conduct a 800 line-kilometre *Helicopter Frequency Domain Electromagnetic and Magnetic Survey* over the First Loon property in the Pickle Lake gold belt of Ontario.

On October 20, 2020, the airborne 800 line-kilometre magnetic and electromagnetic survey was completed on the First Loon property. Processing of the survey data is expected to complete in the following months.

EXPLORATION AND EVALUATION ASSETS

CANADA

October Dome, BC

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 Metal Corp.'s (Imperial") 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 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.

Imperial has informed Commander that they had completed an exploration program at Mount Polley in late 2019. The area is located west and north of the mine and is approximately three by three kilometres in size. There were 948 soil samples collected and analyzed using the Mobile Metal Ion technique. SJ Geophysics also completed an 80.7 line-kilometre Volterra-3D Induced Polarization (IP) survey covering the same grid area. The company has not yet received the details of the program which covered in part ground optioned from Commander.

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.

In July 2020, a field program of geological mapping and rock sampling was completed over the main target area at the south end of the property. Results are pending.

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". 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 unit 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.

In July 2020, a field program of geological mapping and rock sampling was completed in an area highlighted by previous sampling in what is referred to as the Central Zone. The Central zone is underlain by numerous phases of feldspar-biotite-hornblende monzonite and quartz monzonite dykes and stocks exhibiting alteration from chlorite, to chlorite-

magnetite, and moderate quartz-sericite-pyrite (QSP) to intense QSP with local quartz veinlets. In one location, angular boulders of K-feldspar-biotite-magnetite altered feldspar-biotite porphyry monzonite with sheeted and stockwork magnetite-quartz veins with K-feldspar haloes was discovered.

Reconnaissance soil sampling in the Central zone has identified several anomalous Au-Cu and Mo areas including one discrete region on the west side where three samples over 300 m returned 500 ppb Au to 3900 ppb Au. Silt sampling from one of the north flowing creeks draining the Main zone returned anomalous Cu-Mo-Au throughout. In 2020, 23 samples were collected around the anomalous gold in soil samples including samples of talus fines collected directly downhill from soil sample pits. The bedrock in this area is mainly underlain by a biotite-feldspar porphyry monzonite stock and intensely QSP altered and pyrite vein stockworks. The stock is cut by a series of sheeted WNW striking vertical pyrite veinlets with strong QSP altered haloes. Rock grab samples include 4 samples greater than 250 ppb Au including one sample of 1,586 ppb Au with low Cu tenors, again typical at high-levels in porphyry Cu-Au systems.

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 fourth 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).

Commander Resources Ltd.

Management's Discussion and Analysis

For the Nine months ended September 30, 2020

November 19, 2020

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.

In October 2020, the Company completed an airborne 800 line-kilometre magnetic and electromagnetic survey on the First Loon property. Processing of the survey data is expected to complete in the following few months. In September, a field program of geological mapping, rock sampling and till sampling was conducted on the northeast end of the property. Bedrock exposure is limited as the property is covered by an extensive continuous sheet of till. Results are pending. A small program of sampling on the Staunton property was also completed. Results are pending.

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. Additional field-based sampling is planned for September 2020.

In September, a bedrock sampling program was undertaken on several target areas on Sabin focusing on continued follow-up review of identified conductors from the airborne survey.

Garden Lake, Ontario, Ontario

The 14,600 ha property, acquired by online staking in July, comprises three claim blocks within the Garden Lake greenstone belt in the Wabigoon Sub-Province of the Superior Province, 135 km north of Thunder Bay, Ontario. The property was acquired following a regional compilation exercise and was selected based on known gold occurrences and proximity to the Garden Lake deformation zone and associated structures. A field program of geological mapping, rock and till sampling was completed in September. Results are pending.

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.

Hammerdown, Newfoundland and Labrador

On March 2, 2020 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. 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, 2020 and within the PEA document filed on Sedar.

Commander holds 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.

On September 17, 2020, Maritime exercised the right to buy back 1% NSR of Hammerdown and made the payment to the Company for an amended price of \$750,000.

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.

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.

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. The 11,000,000 Aston shares were held in a four-year escrow and have been all released as of February 18, 2020.

During the nine months ended September 30, 2020, the Company sold 2,000,000 Aston shares for net proceeds of \$221,380 (2019 – nil). As of the report date, Commander held less than 10% (2019 – less than 10%) of Aston's total outstanding common shares.

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

Commander Resources Ltd.
Management's Discussion and Analysis
For the Nine months ended September 30, 2020

November 19, 2020

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
	Sep 30 \$	Jun 30 \$	Mar 31 \$	Dec 31 \$	Sep 30 \$	Jun 30 \$	(Restated) Mar 31 \$	Dec 31 \$
Royalty income	-	-	-	25,000	-	-	-	25,000
Income (loss) for the period	396,456	(165,874)	(270,462)	(352,946)	(216,946)	(338,063)	(266,474)	(83,854)
Total comprehensive income (loss) for the period	51,226	597,696	(669,342)	(208,988)	(280,147)	(17,107)	(360,225)	(1,003,470)
Basic and diluted income (loss) per share	0.01	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.00)

RESULTS OF OPERATIONS

Loss for the nine months ended September 30, 2020 and 2019 ("Q3")

The Company reported a loss of \$39,880 for the nine months ended September 30, 2020 as compared to a loss of \$821,483 for the same period in 2019. The reduced loss of \$781,603 in 2020 comparing to the same period of 2019 was primarily attributed to an income generated from the sale of a 1% net smelter return ("NSR") royalty of the Hammerdown property to Maritime Resources Corp. for \$750,000 in September 2020. Other variances for 2020 Q3 comparing to 2019 Q3 are: (a) administration, (b) amortization, (c) exploration and evaluation ("E&E") expenditures and (d) investor and shareholder relations. Variances are detailed below.

Administration for the three quarter of 2020 was \$32,147 (2019 - \$35,489). For 2019 Q3, administrative costs were slightly higher due to the Company's 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 nine months ended September 30, 2020 was \$37,059 (2019 - \$39,406). On January 1, 2019, the Company adopted a new accounting standard, IFRS 16 – Leases, resulting in the recognition of a right-of-use asset with respect to its office lease and additional amortization expense on this right-of-use asset. The office lease expired on August 31, 2020 and the right-of-use asset as a result was fully amortized. As of September 1, 2020, the office lease is on a month-to-month basis.

E&E expenditures for the period to September 30, 2020 were \$275,893 (2019 - \$303,616).

In 2020, field programs were carried out primarily in Ontario ("Ont"):

- 1) First Loon (Ont) – rock and till sampling and airborne electromagnetic and magnetic surveying with costs of \$191,672
- 2) Sabin (Ont) – geological mapping and sampling, costs of \$31,680
- 3) Garden Lake (Ont) – sampling and mapping, costs of \$9,283
- 4) Henry Lee (BC) – geological mapping and rock sampling, costs of \$10,590

In 2019, exploration programs were carried out for the following properties:

- 1) Sabin (Ont) – rock sampling and follow-up of 2018 VTEM airborne electromagnetic survey expending \$106,220
- 2) Flume (Yukon) – litho-structural geological interpretation of historical aeromagnetic data, costs of \$43,039
- 3) Burn (BC) – satellite Ortho-phot-survey, mapping and date compilation, costs of \$14,442
- 4) Henry Lee (BC) – soil sampling and geological mapping, costs of \$34,662
- 5) Pedro (Mexico) – mapping and Induced Polarization survey, costs of \$69,144

Commander Resources Ltd.
Management’s Discussion and Analysis
For the Nine months ended September 30, 2020

November 19, 2020

Investor and shareholder relations for the nine months of 2020 were \$179,964 (2019 - \$158,151). In 2020, higher investor relations expenses were results of the CEO’s holding meetings in Europe to connect with local shareholders and expand investor network. In addition, the Company also increased its participation to marketing programs to raise its presence in the mineral resources industry.

In September 2020, Maritime Resources Corp. exercised its buyback right and purchased 1% NSR of the Hammerdown property (“Hammerdown”) for \$750,000 (2019 - \$nil). After the sale transaction, Commander holds a 1% NSR royalty on Hammerdown.

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 September 30, 2020, the Company had cash and cash equivalents of \$931,590, working capital of \$1,962,814 and current liabilities of \$128,699.

During the nine months ended September 30, 2020, the Company generated net proceeds of \$221,380 from the sale of 2,000,000 shares of Aston Bay (2019 - \$nil).

In September 2020, Maritime Resources Corp. exercised early its buy-down right of Commander’s net smelter return royalty (“NSR”) on the Hammerdown project In Newfoundland by purchasing 1% NSR royalty from the Company for a reduced amount of \$750,000. The transaction was completed on September 17, 2020. The Company continues to hold 1% NSR royalty of Hammerdown.

As at the date of this report, COVID-19 pandemic continues to persist and resurge in many countries. It remains uncertain the duration and extent of this pandemic. COVID-19 continues to adversely impact the global economy with increasing unemployment and corporations’ shutdowns, as well create volatility in the commodity prices and financial markets. These circumstances have casted uncertainty in the Company’s liquidity and its ability to raise capital resources to continue its operations.

OUTSTANDING SHARE DATA

At November 19, 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 and exercisable #	Options outstanding and exercisable #	Exercise price \$	Expiry date	Weighted average remaining life (years)
800,000	800,000	0.25	March 16, 2021	0.46
260,000	260,000	0.25	June 9, 2021	0.69
886,000	886,000	0.17	July 12, 2023	2.78
760,000	760,000	0.07	June 12, 2024	3.7
530,000	490,000	0.14	November 12, 2025	5.0
3,236,000	3,196,000			2.62

During the nine months ended September 30, 2020, 12,758,141 warrants exercisable at \$0.25 expired. No warrants were outstanding as at September 30, 2020.

RELATED PARTY TRANSACTIONS

Compensation of Key Management

Key management includes the Company's directors, 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		Balance outstanding	
		For the nine months ended September 30, 2020	2019	September 30, 2020	2019
		\$	\$	\$	\$
President and CEO	Salary and benefits and projects	106,682	109,536	-	5,244
Vice President, Exploration	Consulting and project evaluation	106,817	88,638	30,337	27,536
Vice President, Corp Development	Consulting	22,500	22,500	-	-
Corporate Secretary	Consulting	28,800	27,000	-	-
Chief Financial Officer	Accounting	40,000	40,800	-	-
		304,799	288,474	30,337	32,780

Other related party transactions

During the nine months ended September 30, 2020, office rent of \$37,892 (2019 - \$31,386) 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's office lease in Vancouver, British Columbia, expired on August 31, 2020. As at September 1, 2020, the lease is on a month-to-month basis.

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, FVPL or FVOCI. Measurement of financial liabilities subsequent to initial recognition depends on whether they are classified as amortized cost or FVTPL.

Commander Resources Ltd.
Management's Discussion and Analysis
For the Nine months ended September 30, 2020

November 19, 2020

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 September 30, 2020, the Company had cash and cash equivalents of \$931,590 to settle its current liabilities of \$128,699. The Company will require additional funding to continue its operations.

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 \$110,510 (September 30, 2019 - \$124,052).

RISKS AND UNCERTAINTIES

Mineral exploration involves high degree of risks. There is a significant probability that the expenditures made in 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, the basis for further development of a property. Capital expenditures to attain commercial production stage are also very substantial. Commander's principal risks 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 continues to persist and resurge around the world, and adversely impacted public health, workforces, businesses, and financial markets, and crippling the global economies. It is not possible to forecast the eventual magnitude and duration of the pandemic. These have casted uncertainties on the Company's ability to raise financing to continue its operations.

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.



HEAD OFFICE

Commander Resources Ltd.
1100 - 1111 Melville Street
Vancouver, British Columbia
Canada V6E 3V6

TEL: (604) 685-5254

TOLL FREE: 1-800-667-7866

Email: info@commanderresources.com

OFFICERS & DIRECTORS

Brandon Macdonald, P.Geo.
Director and Chairman of the Board

Eric W. Norton
Director

David Watkins, M.Sc.
Director

Robert Cameron, P.Geo.
Director, President and Chief Executive Officer

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

REGISTRAR & TRUST AGENT

Computershare Trust Company of Canada
510 Burrard Street, 3rd Floor
Vancouver, BC
V6C 3B9

AUDITOR

Davidson & Company LLP, Chartered Accountants
1200 - 609 Granville Street
P.O. Box 10372, Pacific Centre
Vancouver, British Columbia
V7Y 1G6

LEGAL COUNSEL

Harper Grey LLP
3200 – 650 West Georgia Street
Vancouver, British Columbia
V6B 4P7