

# SECURITIES AND EXCHANGE COMMISSION

## FORM 10-K

Annual report pursuant to section 13 and 15(d)

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### FILER

#### **GOLDRICH MINING CO**

CIK: [59860](#) | IRS No.: **910742812** | State of Incorporation: **AK** | Fiscal Year End: **1231**  
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SIC: **1000** Metal mining

Mailing Address  
2607 SOUTHEAST BLVD,  
SUITE B211  
SPOKANE WA 99223

Business Address  
2607 SOUTHEAST BLVD,  
SUITE B211  
SPOKANE WA 99223  
509-535-7367

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-K**

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2020**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from                      to**

**Commission file number: 001-06412**

**Goldrich Mining Company**

(Exact name of registrant as specified in its charter)

**Alaska**

(State of other jurisdiction of incorporation or organization)

**91-0742812**

(I.R.S. Employer Identification No.)

**2525 E. 29<sup>th</sup> Ave. Ste. 10B-160  
Spokane, Washington**

(Address of principal executive offices)

**99223-4942**

(Zip Code)

**(509) 535-7367**

(Registrant's Telephone Number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT: **None**

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, \$0.10 par value	GRMC	OTCQB

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required by Section 13 or 15(d) of the Securities Exchange Act of 1934 ("Exchange Act") during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Non-accelerated filer ☒

Accelerated filer ☐

Smaller reporting company ☒

Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant is a shell company, as defined in Rule 12b-2 of the Exchange Act. Yes ☐ No ☒

As of June 30, 2020, the aggregate market value of the voting and non-voting shares of common stock of the registrant issued and outstanding on such date, excluding shares held by affiliates of the registrant as a group, was \$3,432,013. This figure is based on the closing sale price of \$0.01 per share of the Registrant's common stock on June 30, 2020 on the OTCQB.

Number of shares of Common Stock outstanding as of April 15, 2021: 172,259,709



**GOLDRICH MINING COMPANY**  
**FORM 10-K**  
**December 31, 2020**

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## **COVID-19**

Subsequent to the close of the year ended on December 31, 2019, in March 2020, COVID-19 was declared a pandemic by the World Health Organization and the Centers for Disease Control and Prevention. Its rapid spread around the world and throughout the United States prompted many countries, including the United States, to institute restrictions on travel, public gatherings and certain business operations. These restrictions significantly disrupted economic activity in Goldrich's business, as manifested in:

- the inability of Company management, geologic professionals and contractors to travel to the Company's Alaska property to engage in any meaningful field work,
- restrictions placed on face-to-face meetings with staff, members of the Board of Directors and other direct stakeholders to smoothly conduct Company business, and
- a general slowdown in capital markets and investor activities in the Company's industry as it conducted ongoing, and subdued capital-raising activities,

As of December 31, 2020, there was no disruption or impact to the Company's financial statements. Since December 31, 2020, due to the arbitration proceedings (as described herein) and limited cash availability, the Company has been largely inactive at its Chandalar property. However, if the severity of the economic disruptions increase as the duration of the COVID-19 pandemic continues beyond the Company's current inactive period, the worst of which is anticipated to end in the spring of 2021, the negative financial impact due to limitation in conducting geologic field work and exploration activities could be significantly greater in future periods.

In addition, the economic disruptions caused by COVID-19 could also adversely impact the impairment risks for certain long-lived assets and equity method investments. Goldrich evaluated these impairment considerations and determined that no such impairments occurred as of December 31, 2020.

As of December 31, 2020, Goldrich's available capital was approximately \$1,900 and as of April 15, 2021 its available capital was approximately \$750. Management believes the Company will need additional capital resources under new or existing credit facilities and operating agreements. To the extent that future access to the capital markets or the cost of funding is adversely affected by COVID-19, the Company may need to consider alternative sources of funding for operations and working capital, which may adversely impact future results of operations, financial condition, and cash flows.

In March 2020, President Trump signed into law legislation referred to as the "Coronavirus Aid, Relief, and Economic Security Act" (the CARES Act). The CARES Act includes tax relief provisions such as: (a) an Alternative Minimum Tax (AMT) Credit Refund, (b) a 5-year net operating losses (NOL) carryback from years 2018-2020 and (c) delayed payment of employer payroll taxes. As of December 31, 2020, Goldrich had approximately \$44.8 million in NOL's, which cannot be carried back to prior years to generate tax refunds, since no tax has been paid in those years by the Company.

The Company is taking steps to mitigate the potential risks to suppliers and employees posed by the spread of COVID-19. The Company has implemented work from home policies where appropriate. The Company will continue to monitor developments affecting both their workforce and contractors, and will take additional precautions that management determines are necessary in order to mitigate the impacts. There has been no material adverse impact to the Company's business operations due to remote work. Despite efforts to manage these impacts to the Company, the ultimate impact of COVID-19 also depends on factors beyond management's knowledge or control, including the duration and severity of this outbreak as well as third-party actions taken to contain its spread and mitigate its public health effects. Therefore, management cannot estimate the potential future impact to financial position, results of operations and cash flows, but the impacts could be material.

## **FORWARD-LOOKING STATEMENTS**

This Annual Report on Form 10-K (this “Annual Report”) and the exhibits attached hereto contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include but are not limited to:

- estimates of mineralized material;
- our anticipated results and developments in future periods;
- statements regarding our exploration plans at our Chandalar property;
- statements regarding our plans to finance our operations;
- statements regarding future costs and expenditures;
- statements regarding our anticipated plan of operation; and
- other matters that may occur in the future.

These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “estimates” or “intends”, or stating that certain actions, events or results “may”, “could”, “would”, “might”, “should” or “will” be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks related to the COVID-19 pandemic and its effects on our ability to conduct business activities, attract capital, travel and meet with parties to forward our strategic directives;
- risks related to our ability to continue as a going concern being in doubt;
- risks related to our history of losses;
- risks related to our outstanding gold forward sales contracts and notes;
- risks related to need to raise additional capital to fund our exploration and, if warranted, development and production programs;
- risks related to our property not having any proven or probable reserves;
- risk related to our limited history of commercial production;
- risk related to operating a mine;
- risk related to accurately forecasting, extraction and production;
- risks related to our dependence on a single property – the Chandalar property;
- risks related to climate and location restricting our exploration and, if warranted, development and production activities;
- risks related to our mineralization estimates being based on limited drilling data;
- risks related to our exploration activities not being commercially successful;
- risks related to actual capital costs, production or economic return being different than projected;
- risk related to our joint venture arrangements;
- risks related to unfavorable outcomes of the joint venture arbitration proceedings;
- risks related to mineral exploration;
- risks related to increased costs;
- risks related to a shortage of equipment and supplies;
- risk related to fluctuations in gold prices;
- risks related to title to our properties being defective;
- risks related to title to our properties being subject to claims;
- risks related to estimates of mineralized material;
- risks related to government regulation;

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- risks related to environmental laws and regulation;
- risks related to land reclamation requirements;
- risks related to future legislation regarding mining laws;
- risks related to future legislation regarding climate change;
- risks related to our lack of insurance coverage for all risks;
- risks related to competition in the mining industry;
- risks related to our dependence on key personnel;
- risks related to our executive offices not dedicating 100% of their time to our company;
- risks related to potential conflicts of interest with our directors and executive officers;
- risks related to market conditions;
- risks related to our disclosure controls and procedures; and
- risks related to our shares of common stock.

This list is not exhaustive of the factors that may affect our forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further under “Item 1. Business,” “Item 1A. Risk Factors,” and “Item 7. Management’s Discussion and Analysis of Results of Operation” of this Annual Report. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated or expected. We caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. We disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events, except as required by law.

**We qualify all the forward-looking statements contained in this Annual Report by the foregoing cautionary statements.**

## PART I

As used in herein, the terms “Goldrich,” the “Company,” “we,” “us,” and “our” refer to Goldrich Mining Company.

### ITEM 1. BUSINESS

#### Overview and History

We are a minerals company in the business of acquiring and advancing mineral properties to the discovery point, where we believe maximum shareholder returns can be realized. Although we have conducted limited extraction of gold on one of our gold prospects, Goldrich is an exploration stage company as defined by the U.S. Securities and Exchange Commission (“SEC”) under its Industry Guide 7 (“SEC Industry Guide 7”), although over \$50 million in revenue from gold has been extracted from its claims since 2015.

Incorporated in 1959, Goldrich Mining Company (OTCQB trading symbol “GRMC”) has been a publicly traded company since October 9, 1970. Our executive offices are located at 2525 E. 29<sup>th</sup> Ave. Ste. 10B-160, Spokane, WA 99223, and our phone number there is (509) 535-7367. Our website address is [www.goldrichmining.com](http://www.goldrichmining.com). Information contained on our website is not part of this annual report.

At this time, our major mineral exploration prospects are contained within our wholly-owned Chandalar property, located approximately 190 air miles north of Fairbanks, Alaska. The property is largely on land owned by the State of Alaska, which is one of the active and highly ranked mining jurisdictions in the world. Both patented federal mining claims and Alaska state mining claims provide exploration and mining rights to lode and placer mineral deposits. A more detailed description of our Chandalar property is set forth in “Item 2 – Properties” of this Annual Report.

The Chandalar property contains both our Chandalar hard-rock (lode) gold project, our primary target, and the Chandalar alluvial gold mine. The area has a long prospecting and mining history dating to the discovery of placer gold deposits in 1905, soon followed by the discovery of more than 30 separate high-grade lode gold mineralization prospects. Over the next 80 years the lode gold mineralization occurrences were intermittently explored or mined by various small operators, but because of the district’s remote location the readily mineable alluvial gold deposits received the most attention.

Although there is a history of past lode and alluvial extraction on our Chandalar property, it currently does not contain any known proven or probable ore reserves as defined in SEC Industry Guide 7. The probability that ore reserves that meet SEC Industry Guide 7 guidelines will be discovered on an individual hard rock prospect at Chandalar cannot be determined at this time. We have however commissioned an independent engineering firm to complete a mining plan and initial assessment for the Company’s Chandalar placer mine, according to the new amendments adopted by the SEC to modernize the property disclosure requirements for mining registrants as codified in subpart 1300 of Regulation S-K under the Securities Exchange Act of 1934, as amended (“Subpart 1300”). The new disclosure requirements under Subpart 1300 will replace the SEC Industry Guide 7, and mining registrants are required to follow them in fiscal years beginning on or after January 1, 2021. The new disclosure requirements under Subpart 1300 allow issuers to disclose inferred, indicated and measured resources as defined therein. Subject to the findings of Company’s currently commissioned initial assessment, we will decide if a preliminary feasibility study should also be prepared for the Chandalar placer mine. A preliminary feasibility study allows an issuer to disclose any proven or probable mineral reserves on a mineral property.

The ownership and management of Goldrich changed in 2003. Beginning in 2004, we ended a twenty-year hiatus of hard-rock exploration on the property and began employing modern exploration techniques. Our focus is two-fold:

- (1) Continue exploration of our Chandalar property where we have discovered and identified drilling targets for a potentially large bulk tonnage hard-rock intrusion-related gold deposit.
- (2) Continue gold extraction from the Chandalar placer gold deposit discovered on the property.

We have spent many millions of dollars in exploration and mining activities at our Chandalar property. Some of the





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highlights include (see details of highlights in the Properties section below):

**2012:** As described below in *Joint Venture Agreement*, we signed an agreement with NyacAU to form a joint venture, Goldrich NyacAU Placer, LLC (“GNP”) for the purpose of mining the alluvial gold deposits within the bounds of our Chandalar property.

**2013:** Achievements included GNP’s mobilization of drilling equipment and plant setup, approval of permits to expand mining operations, significant infrastructure improvements and extraction of 680 ounces of fine gold.

**2014:** We conducted a property-wide airborne radiometric and magnetic survey to generate and further refine exploration targets for bulk-tonnage low-grade mineralization and possible deeper sources of intrusion-related mineralization. We also completed advanced petrographic studies of drill core samples from the Chandalar gold property. The new data refined the orogenic model that has historically guided exploration at Chandalar and redirected our future exploration for intrusion-related mineralization.

**2015:** We completed reclamation of a mine waste road built in 2010 and received a confirmation of completion and satisfaction from the Army Corps of Engineers. GNP extracted approximately 3,600 ounces of fine gold.

**2016:** GNP extracted approximately 8,200 ounces of fine gold.

**2017:** We performed additional oxygen isotope studies to further confirm intrusion-related mineralization. In addition, GNP completed a sonic drill program and drilled 231 holes totaling 14,271 feet to further define the Chandalar placer deposit. GNP extracted approximately 12,300 ounces of fine gold.

**2018:** GNP extracted approximately 17,100 ounces of fine gold.

**2019 and 2020:** GNP was dissolved in 2019 due to its inability to reach commercial production, and no mining activities were undertaken in either 2019 or 2020.

Although GNP extracted over 42,000 ounces of fine gold from 2013 to 2018, GNP failed to meet the minimum production requirements under the GNP Operating Agreement. Goldrich began arbitration proceedings against NyacAU and certain NyacAU related parties in 2017 (see *Joint Venture Agreement* and *Arbitration* below). GNP was dissolved in June 2019 and is in the process of liquidation. Except for equipment needed for reclamation, most of the heavy equipment and the wash plant were removed in March through mid-April 2019. There was no gold extracted in 2019 or 2020. NyacAU is the holder of the mine permits and began reclamation of the mine in 2019. NyacAU is responsible for future reclamation costs. Goldrich hired an independent mining engineering firm in 2019 to formulate a mine plan and complete an initial assessment under Subpart 1300 to determine if Goldrich should pursue production at the placer mine. Any plan to continue future mining is contingent upon our success in raising sufficient capital to fund these activities or any portion of them (see *Joint Venture Agreement* below for details of the GNP joint venture, arbitration activities and the joint venture’s pending liquidation).

Concerning hard-rock exploration, although we are pleased with the progress that has been made, weak financial markets during the last several years have been an important factor affecting the level of our exploration activities. If the placer mine enters into commercial production (by Goldrich or a third-party operator), we look forward to potential internal cash flow and additional opportunities for financing that will give us a unique advantage for growth over other junior mining exploration companies; however, finances must be obtained before we can continue mining activities.

We also intend to list our shares on a recognized stock exchange in Canada in addition to maintaining our quotation on the OTCQB in the United States. We believe these factors will increase our access to financial markets and positively affect our ability to raise the funds necessary to add value to our property and increase shareholder value. Our main focus in the future will continue to be the exploration of the hard-rock targets of our Chandalar property as funds become available.

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### **Competition**

There is aggressive competition within the minerals industry to discover and acquire mineral properties considered to have commercial potential. We compete for the opportunity to participate in promising exploration projects with other entities. In addition, we compete with others in efforts to obtain financing to acquire and explore mineral properties, acquire and utilize mineral exploration equipment and hire qualified mineral exploration personnel.

We may compete with other junior mining companies for mining claims in regions adjacent to our existing claims, or in other parts of the world should we dedicate resources to doing so in the future. These companies may be better capitalized than us and we may have difficulty in expanding our holdings through additional mining claims.

In competing for qualified mineral exploration personnel, we may be required to pay compensation or benefits relatively higher than those paid in the past, and the availability of qualified personnel may be limited in high-demand mining periods, such as have been experienced during the increased price of gold in recent years.

### **Employees**

In October 2009, William Schara began employment as our President and Chief Executive Officer (“CEO”). We rely on consulting contracts for some of our management and administrative personnel needs, including for our Chief Financial Officer (“CFO”), Mr. Ted Sharp. The contract for Mr. Sharp expired on December 31, 2009, however, Mr. Sharp continues to provide services to the Company under the same terms provided in the contract. We employ individuals and contractors on a seasonal basis to conduct exploration, mining and other required company activities, mostly during the late spring through early fall months.

We currently have 2 full-time employees; our CEO and Controller. We had as many as 23 part-time employees and contractors during 2011, 5 part-time employees and contractors during 2012, and one employee at the mine site for logistics and other company activities during 2013, 2014, 2015, and 2017. In addition to the employees of Goldrich, GNP had as many as 10 employees during 2012, 46 employees during 2013, 10 employees during 2014, 67 employees during 2015, 50 employees during 2016, 63 employees during 2017, and 61 employees in 2018.

### **Seasons**

We conduct exploration activities at Chandalar between late spring and early autumn. Access during that time is exclusively by airplane. All fuel is supplied to the campsite by air transport. Access during winter months is by ice road, snowmobile and ski-plane. All heavy supplies and equipment are brought in by trucking over the ice road from Coldfoot. Snow melt generally occurs toward the end of May, followed by an intensive, though short, 90-day growing season with 24 hours of daylight and daytime temperatures that range from 60° to 80° Fahrenheit. Freezing temperatures return in late August and freeze-up typically occurs by early October. Winter temperatures, particularly in the lower elevations, can drop to -50° F or colder for extended periods. Annual precipitation is 15 to 20 inches, coming mostly in late summer as rain and during the first half of the winter as snow. Winter snow accumulations are modest. The area is essentially an arctic desert.

### **Regulation**

Our mineral exploration activities are subject to various federal, state, and local laws and regulations governing prospecting, exploration, production, labor standards, occupational health and mine safety, control of toxic substances, land use, water use, land claims of local people and other matters involving environmental protection and taxation. New rules and regulations may be enacted, or existing rules and regulations may be applied in a manner that could limit or curtail exploration at our property. It is possible that future changes in these rules or regulations could have a significant impact on our business, causing those activities to be economically re-evaluated at that time.

### **Taxes Pertaining to Mining**

Alaska’s tax and regulatory policy is widely viewed by the mining industry as offering the most favorable environment for establishing new mines in the United States. The mining taxation regimes in Alaska have been stable for many years. There is regular discussion of taxation issues in the legislatures but no changes have been proposed that would



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significantly alter their current state mining taxation structures. The economics of any potential mining operation on our properties would be particularly sensitive to changes in the State of Alaska's tax regimes. Amendments to current laws, regulations and permits governing our operations and the general activities of mining and exploration companies, or more stringent implementation thereof, could cause unanticipated increases in our exploration expenses, capital expenditures or future production costs, or could result in abandonment or delays in establishing operations at our Chandalar property. Although management has no reason to believe that new mining taxation laws that could adversely impact our Chandalar property will materialize, such an event could and may happen in the future.

At present, Alaska has a 7% net profits mining license tax on all mineral production (AS 43.65), a 3% net profits royalty on minerals from state lands (AS 38.05.212) (where we hold unpatented state mining claims), and a graduated annual mining claim rental beginning at \$1.03/acre. Alaska state corporate income tax is 9.4% if net profit is more than a set threshold amount. Alaska has an exploration incentive credit program (AS 27.30.010) whereby up to \$20 million in approved accrued exploration credits can be deducted from the state mining license tax, the state corporate income tax, and the state mining royalty. All qualified new mining operations are exempt from the mining license tax for 3 1/2 years after production begins.

### **Environmental Regulations**

Our Chandalar property contains an inactive small mining mill site on Tobin Creek with tailings impoundments, last used in 1983. The mill was capable of processing 100 tons of ore per day. A total of 11,884 tons were put through the mill, and into two small adjacent tailings impoundments. A December 19, 1990 letter from the Alaska Department of Environmental Conservation (the "Alaska DEC") to the Alaska Division of Mining of the Department of Natural Resources (the "Alaska DNR") states: "Our samples indicate the tailings impoundments meet Alaska DEC standards requirements and are acceptable for abandonment and reclamation." The Alaska DNR conveyed acknowledgement of receipt of this report to us in a letter dated December 24, 1990. We subsequently reclaimed the tailings impoundments and expect that no further remedial action will be required. Vegetation has established itself on the tailings impoundments, thereby mitigating erosional forces.

In 1990, the Alaska DEC notified us that soil samples taken from a gravel pad adjacent to our Tobin Creek mill site contained elevated levels of mercury. In response to the notification, we engaged a professional mineral engineer to evaluate procedures for remediating contamination at the site. In 1994, the engineer evaluated the contamination and determined that it consists of approximately 160 cubic yards of earthen material that could be cleansed by processing it through a simple gravity washing plant. This plan was subsequently approved by the state. In 2000, the site was listed in the Alaska DEC's contaminated sites database as a "medium" priority contaminated site. We are not aware of any changes in state environmental laws that would affect our state approved cleanup plan or impose a timetable for it to be done. During 2008, our employees took a suite of samples at the contamination site to update the readings taken in 1990 or prior. The results of this sampling reconfirmed the earlier findings, and also suggest that some attenuation of the mercury contamination has occurred. An independent technical consultant assessed those results and believes that proper procedures for sampling and testing were followed. During 2011, 2013 and 2014, we took additional samples that showed an overall reduction of mercury in the previously sampled area. However, one sample on the margin of the sampled area yielded high mercury content, and that may necessitate continued expansion of the area to be sampled in the future. The 2011, 2013 and 2014 sample results were submitted to the State for analysis and determination of what additional sampling the State may require on the area around the mill. In 2013, we received a letter request from the Alaska DEC to update our plan for remediating the contaminated site and in 2014, 2015, and 2016 continued communication with the Alaska DEC to determine what remediation is necessary. We have engaged an independent environmental engineering company to perform an evaluation of the remediation requirements based on locality, latitude, altitude, permafrost and other factors. During 2017, the environmental engineering company performed an eco-scoping study on the site. The Alaska DEC has notified us that further sampling will need to be performed in and around the streambed from the mine site to the stream's confluence into Chandalar Lake. At December 31, 2020, we have an accrued liability of \$100,000 in our financial statements for sampling and remediation costs.

## **ITEM 1A. RISK FACTORS**

The following sets forth certain risks and uncertainties that could have a material adverse effect on our business, financial condition and/or results of operations, and the trading price of our common stock which may decline and investors may lose all or part of their investment. These risk factors should be considered along with the forward-looking statements contained in this Annual Report on Form 10-K because these factors could cause our actual results or financial condition to differ materially from those projected in forward-looking statements. Additional risks and uncertainties that we do not presently know or that we currently deem immaterial also may impair our business operations. We cannot assure you that we will successfully address these risks or that other unknown risks exist that may affect our business.

### **Risks Related to Our Operations**

#### ***Our ability to operate as a going concern is in doubt.***

The audit opinion and notes that accompany our consolidated financial statements for the year ended December 31, 2020, disclose a 'going concern' qualification to our ability to continue in business. The accompanying consolidated financial statements have been prepared under the assumption that we will continue as a going concern. We are an exploration stage company and we have incurred losses since our inception. We do not have sufficient cash to fund normal operations and meet debt obligations for the next 12 months without deferring payment on certain current liabilities and raising additional funds. During the year ended December 31, 2020, we raised \$415,000 net cash from senior secured notes payable to third-party and related-party persons, as described elsewhere, and \$439,000 in warrant exercises, as described elsewhere. We believe that the going concern condition cannot be removed with confidence until the Company has entered into a business climate where funding of its activities is more assured.

We currently have no historical recurring source of revenue and our ability to continue as a going concern is dependent on our ability to raise capital to fund our future exploration and working capital requirements or our ability to profitably execute our business plan. Our plans for the long-term return to and continuation as a going concern include financing our future operations through sales of our common stock and/or debt and the eventual profitable exploitation of our mining properties. Additionally, the current capital markets and general economic conditions in the United States are significant obstacles to raising the required funds. These factors raise substantial doubt about our ability to continue as a going concern.

GNP was dissolved in 2019 and is now in the process of liquidation. We are making our best efforts to raise sufficient capital to continue profitably operating the mine beginning in 2022. The current plant has been disassembled and it, as well as most of the equipment used by GNP, has been demobilized from the mine site. While we are working to replace the dissolved GNP operations with commensurate gold extraction by us or a qualified third-party operator, we cannot assure you we will have sufficient capital to implement our plan of operation, that we will be successful in beginning gold extraction operations in the future, the timing for any such operations or that the extraction results in future years will be similar to past results.

The consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. If the going concern basis were not appropriate for these financial statements, adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used.

#### ***We have a history of losses and expect to continue to incur losses in the future.***

We have incurred losses since inception, with the exception of the year ended December 31, 2015, and expect to continue to incur losses in the future. We had net income of \$50,163 in the year ended 2015, but we incurred net losses during each of the following periods:

- \$2,169,540 for the year ended December 31, 2020;
- \$2,603,065 for the year ended December 31, 2019;
- \$3,779,949 for the year ended December 31, 2018; and
- \$965,457 for the year ended December 31, 2017;



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We had an accumulated deficit of approximately \$37.6 million as of December 31, 2020. We expect to continue to incur losses unless and until such time as the Chandalar Mine or one of our properties enters into commercial production and generates sufficient revenues to fund continuing operations. We recognize that if we are unable to generate significant revenues from mining operations and dispositions of our properties, we will not be able to earn profits or continue operations. At this early stage of our operation, we also expect to face the risks, uncertainties, expenses and difficulties frequently encountered by companies at the start up stage of their business development. We cannot be sure that we will be successful in addressing these risks and uncertainties and our failure to do so could have a materially adverse effect on our financial condition.

***We may be unable to timely pay our obligations under our outstanding note payable in gold or our secured senior secured notes, which may result in us losing some of our rights to gold from Chandalar alluvial extraction operations and may adversely affect our assets, results of operations and future prospects.***

At December 31, 2020, a portion of the Company's notes payable in gold outstanding, with a net liability of \$503,590, obligate the Company to deliver 266.788 ounces of fine gold on demand. To date, the gold notes have not been paid and the note holders have not demanded payment or delivery of gold. These notes are secured against our right to future distributions of gold extracted from subsequent gold mining operations. At December 31, 2020, we owed secured senior notes to related parties totaling \$3,641,053 and outstanding notes payable to unrelated parties of \$1,062,106, each with a maturity date of October 31, 2018, as amended on November 1, 2019 to be payable within 10 days of a demand notice of the holders. There has been no notice of default or demand issued by any holder. These notes are secured against all of the assets and property of each of Goldrich Mining Company and Goldrich Placer, LLC, whether real, personal or mixed, in which the holders of any Notes (or their Collateral Agent) hold a security interest at such time, including any property subject to liens or security interest granted by the Deed of Trust.

Under our gold forward sales contracts, each of the following constitutes an event of default: (a) our failure to perform or observe any term, covenant or agreement contained in the gold forward sales contract; (b) any warranty made by us in the gold forward sales contract shall prove to have been incorrect in a material respect when made; or (c) we shall declare bankruptcy. Upon the occurrence of an event of default, the holders of the gold forward sales contracts may designate a termination date for the contract and upon termination receive the delivery date index price (as determined in the gold forward sales contract) of any quantities of gold we were deficient in delivering payable in either (i) cash or (ii) an amount of our shares of common stock equal such value converted into shares at the greater of \$0.15 per share or 75% of the current market price per share on the delivery date.

Under our senior secured notes, each of the following constitutes an event of default: (a) the Company fails to pay (i) any portion of the principal amount of any Note when due or (ii) any accrued and unpaid Interest when due and such failure continues for three (3) Business Days or (iii) any other amount that is due and payable under this Amended Agreement, any Note, or the Deed of Trust and such failure continues for ten (10) Business Days after demand for such payment is made by the Holder; (b) the Company fails to observe or perform any other obligation, covenant, or agreement applicable to the Company under this Amended Agreement as and when due and fails to cure such failure within 10 Business Days of notice of such failure by the holder to the Company; (c) the Company fails to observe or perform any covenant or agreement applicable under the Guaranty and fails to cure such failure within 10 Business Days of notice of such failure by the holder to the Company; (d) an insolvency or liquidation proceeding or assignment is commenced with respect to the Company or its subsidiary; or (e) any alleged creditor other than the holders seeks to collect any amount allegedly due and owing to said creditor at that time.

If we are unable to timely satisfy our obligations under the notes payable in gold or the secured senior notes, including timely payment of gold on demand or interest when due and payment of the principal amount on demand for the secured senior notes and we are not able to re-negotiate the terms of such agreements, the holders will have rights against us, including potentially seizing or selling our assets. The notes payable in gold are specifically secured against our right to future gold distributions from subsequent gold mining operations. The senior secured notes are secured against all our assets. Any failure to timely meet our obligations under these instruments may adversely affect our assets, results of operations and future prospects or cause us to declare bankruptcy.



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### ***We have entered into arbitration with our joint venture partner.***

In 2017, we, our subsidiary and the joint venture, as claimants, filed an arbitration statement of claim before a three-member Arbitration Panel (“the Panel”), against our JV partner and its affiliates; NyacAU, LLC (“NyacAU”), BEAR Leasing, LLC, and Dr. J. Michael James, as respondents. In 2018, the respondents filed a counter-claim against the Company, its subsidiaries and certain members of our current and former management, the counterclaim respondents. During the years ended December 31, 2019, December 31, 2020, and through the date of this report, the Panel has released various awards relating to the allegations of both parties. Some of which have been in favor of our positions some have been in favor of our JV partner and its affiliates. Under the terms of the Operating Agreement, both partners are required to abide by the rulings proceeding from the arbitration panel. The arbitration is ongoing and the various parties to the claims and counterclaims continue to disagree on several matters.

On May 25, 2019, the Panel issued an Interim Award, which requested input from the parties on a small number of discrete issues, all input to be supported by references to the arbitration record. On November 30, 2019, the Panel issued the Partial Final Award and concurrently the Second Interim Award RE Dissolution/Liquidation of GNP and Related Issues (“the Second Interim Award”). On September 4, 2020, the Arbitration Panel (the “Panel”) issued the Final Post Award Orders, wherein the Panel issued rulings on multiple material issues. On December 4, 2020, the Panel issued Supplemental Orders 5-8, wherein the Panel issued rulings on multiple material issues. Subsequent to the year ended December 31, 2020, on April 7, 2021, the Panel issued Order on Respondents’ Motion to Preserve Confidentiality of Arbitration Proceedings, wherein the Panel ruled that the Company did not violate confidentiality when it filed the arbitration rulings as exhibits to its public reporting with the Securities and Exchange. On April 7, 2021, the Panel also issued Order on Respondents’ Motion to Confirm Judgment wherein the Panel issued rulings to clarify, modify, or correct an award made in the Partial Final Award. A summary of each award is provided below in the *Item 2: Properties* section under *Arbitration*.

### ***GNP is in liquidation.***

NyacAU filed the formal Notice of Dissolution in May 2019 and received the certificate of dissolution in July with an effective date of June 3, 2019. GNP is now in the liquidation process (see Joint Venture Agreement and Arbitration below). The Panel ruled that NyacAU should continue as the manager of the liquidation. Except for equipment needed for reclamation, most the heavy equipment and the wash plant were removed on a winter trail in March through mid-April 2019. The Panel has jurisdiction over the liquidation process. The arbitration is ongoing and the various parties to the claims and counterclaims continue to disagree on several matters. The Panel may or may not rule in our favor.

### ***We are required to raise additional capital to fund our exploration and, if warranted, development and production programs on the Chandalar property.***

We are an exploration stage company and currently do not have sufficient capital to fully fund any long-term plan of operation at the Chandalar gold property. We will require additional financing in the future to fund exploration of and development and production on our properties, if warranted, to attain self-sufficient cash flows. We expect to obtain financing through various means including, but not limited to, private or public placement offerings of debt or our equity securities, the exercise of outstanding warrants, the sale of a production royalty, the sales of gold from future production, joint venture agreements with other mining companies, or a combination of the above. The level of additional financing required in the future will depend on the results of our exploration work and recommendations of our management and consultants. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration or even a loss of some property interest. Additional capital or other types of financing may not be available if needed or, if available, may not be available on favorable terms or terms acceptable to us. Failure to raise such needed financing could result in us having to discontinue our mining and exploration business.

### ***We have only a brief, recent history of gold extraction.***

We have only a brief recent history of gold extraction from 2013-2018 and have carried on our business at a loss. As a result of dissolution of GNP, the current plant has been disassembled and it, as well as most of the equipment used by GNP, has been demobilized from the mine site. While we are working to replace the GNP operations with commensurate gold extraction by us or a qualified third-party operator, we cannot assure you that similar results will



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be accomplished in future years. At this time, due to the risks and uncertainties described in this section, we cannot assure you that extraction activities in the future will generate revenues, profits or cash flow to us.

***Estimates of cash flows, extraction costs, profitability and other financial and extraction measurements are subject to the inherent risks related to accurately forecasting extraction.***

Estimates of future extraction costs and potential extraction profitability are dependent on numerous factors, which could affect the success and profitability of extraction activities. These risks include volatile gold prices, engineering and construction errors, changes or shortages in equipment and labor availability and costs, variances in grade, natural disasters and other events outside our control. The occurrence of such events could make anticipated results differ from actual results and could negatively affect our financial position.

***We depend largely on a single property - the Chandalar property.***

Our major mineral property at this time is the Chandalar property. We are dependent upon making a gold deposit discovery at Chandalar for the furtherance of the Company at this time. Should we be able to make an economic find at Chandalar, we would then be solely dependent upon a single mining operation for our revenue and profits, if any.

***Chandalar is located within the remote Arctic Circle region and exploration and, if warranted, development and production activities may be limited by climate and location.***

While we have conducted test mining and minor gold mining extraction in recent years, our current focus remains on exploration of our Chandalar property. With our current infrastructure at Chandalar, the arctic climate limits exploration activities to a summer field season that generally starts in early May and lasts until freeze-up in mid-September. The remote location of the Chandalar property limits access and increases exploration expenses. Costs associated with such activities are estimated to be between 25% and 50% higher than costs associated with similar activities in the lower 48 states in the United States. Transportation and availability of qualified personnel is also limited because of the remote location. Higher costs associated with exploration activities and limitations for the annual periods in which we can carry on exploration activities will increase the costs and time associated with our planned activities and could negatively affect the value of our property and securities.

***Our mineralized material estimate at Chandalar is based on a limited amount of drilling completed to date.***

We have commissioned an independent engineering firm to complete a mining plan and initial assessment ("IA") for the Chandalar Alluvial Gold Deposit on our Chandalar property according to the new amendments adopted by the SEC to modernize the property disclosure requirements for mining registrants as codified in Subpart 1300. The IA is based on a limited amount of drilling completed during 2007, 2013, and 2017. These estimates have a high degree of uncertainty. While we plan on conducting further drilling programs on the deposit, we cannot guarantee that the results of future drilling will return similar results or that our current estimate of mineralized materials will ever be established as proven and probable reserves as defined in SEC Industry Guide 7 or under the new SEC regulations in Subpart 1300. Any mineralized material or gold resources that may be discovered at Chandalar through our drilling programs may be of insufficient quantities to justify commercial operations.

***Our exploration activities may not result in commercially successful mining operations.***

Our operations are focused on mineral exploration, which is highly speculative in nature, involves many risks and is frequently non-productive. Unusual or unexpected geologic formations and the inability to obtain suitable or adequate machinery, equipment or labor are risks involved in the conduct of exploration programs. The focus of our current exploration plans and activities is conducting mineral exploration and deposit definition drilling at Chandalar. The success of this gold exploration is determined in part by the following factors:

- identification of potential gold mineralization based on analysis;
- availability of government-granted exploration permits;
- the quality of our management and our geological and technical expertise; and
- capital available for exploration.



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Substantial expenditures are required to establish proven and probable reserves through drilling and analysis, to determine metallurgical processes to extract metal, and to establish commercial mining and processing facilities and infrastructure at any site chosen for mining. Whether a mineral deposit at Chandalar would be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which fluctuate widely; and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Any mineralized material or gold resources that may be discovered at Chandalar may be of insufficient quantities to justify commercial operations.

***Actual capital costs, operating costs, extraction and economic returns may differ significantly from those anticipated and there are no assurances that any future development activities will result in profitable mining operations.***

We have limited operating history on which to base any estimates of future operating costs related to any future development of our properties. Capital and operating costs, extraction and economic returns, and other estimates contained in pre-feasibility or feasibility studies may differ significantly from actual costs, and there can be no assurance that our actual capital and operating costs for any future development activities will not be higher than anticipated or disclosed.

***Mining and Exploration activities involve a high degree of risk.***

Our operations on our properties will be subject to all the hazards and risks normally encountered in the mining of and exploration for deposits of gold. These hazards and risks include, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

The parameters that would be used at our properties in estimating possible mining and processing efficiencies would be based on the testing and experience our management has acquired in operations elsewhere. Various unforeseen conditions can occur that may materially affect estimates based on those parameters. In particular, past mining operations at Chandalar indicate that care must be taken to ensure that proper mineral grade control is employed and that proper steps are taken to ensure that the underground mining operations are executed as planned to avoid mine grade dilution, resulting in uneconomic material being fed to the mill. Other unforeseen and uncontrollable difficulties may occur in planned operations at our properties that could lead to failure of the operation.

If we decide to exploit our Chandalar property and build a large gold mining operation based on existing or additional deposits of gold mineralization that may be discovered and proven, we plan to process the resource using technology that has been demonstrated to be commercially effective at other geologically similar gold deposits elsewhere in the world. These techniques may not be as efficient or economical as we project, and we may never achieve profitability.

***Increased costs could affect our financial condition.***

We anticipate that costs at our projects that we may explore or develop, will frequently be subject to variation from one year to the next due to a number of factors, such as changing ore grade, metallurgy and revisions to mine plans, if any, in response to the physical shape and location of the ore body. In addition, costs are affected by the price of commodities such as fuel, rubber, and electricity. Such commodities are at times subject to volatile price movements, including increases that could make extraction at certain operations less profitable. A material increase in costs at any significant location could have a significant effect on our profitability.

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### ***A shortage of equipment and supplies could adversely affect our ability to operate our business.***

We are dependent on various supplies and equipment to carry out our mining exploration and, if warranted, development and production operations. The shortage of such supplies, equipment and parts could have a material adverse effect on our ability to carry out our operations and therefore limit or increase the cost of reaching production.

### ***We may be adversely affected by a decrease in gold prices.***

The value and price of our securities, our financial results, and our exploration activities may be significantly adversely affected by declines in the price of gold and other precious metals. Gold prices fluctuate widely and are affected by numerous factors beyond our control such as interest rates, exchange rates, inflation or deflation, fluctuation in the relative value of the United States dollar against foreign currencies on the world market, global and regional supply and demand for gold, and the political and economic conditions of gold producing countries throughout the world. The price for gold fluctuates in response to many factors beyond anyone's ability to predict. The prices that would be used in making any economic assessment estimates of mineralized material on our properties would be disclosed and would probably differ from daily prices quoted in the news media. Percentage changes in the price of gold cannot be directly related to any estimated resource quantities at any of our properties, as they are affected by a number of additional factors. For example, a ten percent change in the price of gold may have little impact on any estimated quantities of commercially viable mineralized material at Chandalar and would affect only the resultant cash flow. Because any future mining at Chandalar would occur over a number of years, it may be prudent to continue mining for some periods during which cash flows are temporarily negative for a variety of reasons, including a belief that a low price of gold is temporary and/or that a greater expense would be incurred in temporarily or permanently closing a mine there. Mineralized material calculations and life-of-mine plans, if any, using significantly lower gold and precious metal prices could result in material write-downs of our investments in mining properties and increased reclamation and closure charges.

In addition to adversely affecting any of our mineralized material estimates and its financial aspects, declining metal prices may impact our operations by requiring a reassessment of the commercial feasibility of a particular project. Such a reassessment may be the result of a management decision related to a particular event, such as a cave-in of a mine tunnel or open pit wall. Even if any of our projects may ultimately be determined to be economically viable, the need to conduct such a reassessment may cause substantial delays in establishing operations or may interrupt on-going operations, if any, until the reassessment can be completed.

### ***Title to our properties may be defective.***

We hold certain interests in our Chandalar property in the form of State of Alaska unpatented mining claims. We hold no interest in any unpatented U.S. federal mining claims at Chandalar or elsewhere. Alaska state unpatented mining claims are unique property interests, in that they are subject to the paramount title of the State of Alaska, and rights of third parties to uses of the surface within their boundaries, and are generally considered to be subject to greater title risk than other real property interests. The rights to deposits of minerals lying within the boundaries of the unpatented state claims are subject to Alaska Statutes 38.05.185 – 38.05.280, and are governed by Alaska Administrative Code 11 AAC 86.100 – 86.600. The validity of all State of Alaska unpatented mining claims is dependent upon inherent uncertainties and conditions. These uncertainties relate to matters such as:

- The existence and sufficiency of a discovery of valuable minerals;
- Proper posting and marking of boundaries in accordance with state statutes;
- Making timely payments of annual rentals for the right to continue to hold the mining claims in accordance with state statutes;
- Whether sufficient annual assessment work has been timely and properly performed and recorded; and
- Possible conflicts with other claims not determinable from descriptions of records.

The validity of an unpatented mining claim also depends on: (1) the claim having been located on Alaska state land open to appropriation by mineral location, which is the act of physically going on the land and making a claim by putting corner stakes in the ground; (2) compliance with all applicable state statutes in terms of the contents of claim location notices or certificates and the timely filing and recording of the same; (3) timely payment of annual claim



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rental fees; and (4) the timely filing and recording of proof of annual assessment work. In the absence of a discovery of valuable minerals, the ground covered by an unpatented mining claim is open to location by others unless the owner is in actual possession of and diligently working the claim. We are diligently working and are in actual possession of all of our mining claims comprising our Chandalar, Alaska property. The unpatented state mining claims we own or control there may be invalid, or the title to those claims may not be free from defects. In addition, the validity of our claims may be contested by the Alaska state government or challenged by third parties.

### ***Title to our property may be subject to other claims.***

There may be valid challenges to the title to properties we own or control that, if successful, could impair our exploration activities on them. Title to such properties may be challenged or impugned due to unknown prior unrecorded agreements or transfers or undetected defects in titles.

A major portion of our mineral rights on our flagship Chandalar property consists of “unpatented” lode mining claims created and maintained on deeded state lands in accordance with the laws governing Alaska state mining claims. We have no unpatented mining claims on federal land in the Chandalar mining district, but do have unpatented state mining claims. Unpatented mining claims are unique property interests, and are generally considered to be subject to greater title risk than other real property interests because the validity of unpatented mining claims is often uncertain. This uncertainty arises, in part, out of complex federal and state laws and regulations. Also, unpatented mining claims are always subject to possible challenges by third parties or validity contests by the federal and state governments. In addition, there are few public records that definitively determine the issues of validity and ownership of unpatented state mining claims.

We have attempted to acquire and maintain satisfactory title to our Chandalar mining property, but we do not normally obtain title opinions on our properties in the ordinary course of business, with the attendant risk that title to some or all segments our properties, particularly title to the State of Alaska unpatented mining claims, may be defective. We do not carry title insurance on our patented mining claims.

We timely paid the annual rent and filed the affidavit of annual labor with the Alaska Department of Resources (“DNR”) for the Company’s claims in 2020, but in February 2021, the DNR sent a preliminary abandonment notice concerning 32 of our claims. One of the pages of our annual affidavit was not recorded by the DNR and the DNR assumes it was because we had not included the missing page. We filed for and received a certificate of substantial compliance on March 15, 2021 to prevent any third-party from staking the claims in the future, but any third-party who staked claims before March 15, 2021 has 45 days after that date to attempt to perfect their claim(s). We would most likely contest any such claim(s) by a third-party. As of the date of this report, there have been no claims recorded.

### ***Estimates of mineralized material are subject to evaluation uncertainties that could result in project failure.***

Our exploration and future mining operations, if any, are and would be faced with risks associated with being able to accurately predict the quantity and quality of mineralized material within the earth using statistical sampling techniques. Estimates of any mineralized material on any of our properties would be made using samples obtained from appropriately placed trenches, test pits and underground workings and intelligently designed drilling. There is an inherent variability of assays between check and duplicate samples taken adjacent to each other and between sampling points that cannot be reasonably eliminated. Additionally, there also may be unknown geologic details that have not been identified or correctly appreciated at the current level of accumulated knowledge about our Chandalar property. This could result in uncertainties that cannot be reasonably eliminated from the process of estimating mineralized material. If these estimates were to prove to be unreliable, we could implement a plan that may not lead to commercially viable operations in the future.

### ***Government regulation may adversely affect our business and planned operations.***

Our mineral exploration activities are subject to various laws governing prospecting, mining, development, production, taxes, labor standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local residents and other matters in the United States. New rules and regulations may be enacted or existing rules and regulations may be applied in a manner that could limit or curtail exploration at our Chandalar property. The





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economics of any potential mining operation on our properties would be particularly sensitive to changes in the federal and State of Alaska's tax regimes.

The generally favorable State of Alaska tax regime could be reduced or eliminated. Such an event could materially hinder our ability to finance the future exploitation of any gold deposit we might prove-up at Chandalar, or elsewhere on State of Alaska lands. Amendments to current laws, regulations and permits governing our operations and the general activities of mining and exploration companies, or more stringent implementation thereof, could cause unanticipated increases in our exploration expenses, capital expenditures or future extraction or production costs, or could result in abandonment or delays in establishing operations at our Chandalar property.

***Our activities are subject to environmental laws and regulation that may materially adversely affect our future operations, in which case our operations could be suspended or terminated.***

We are subject to a variety of federal, state and local statutes, rules and regulations in connection with our exploration activities. We are required to obtain various governmental permits to conduct exploration at and development of our property. Obtaining the necessary governmental permits is often a complex and time-consuming process involving numerous federal, state and local agencies. The duration and success of each permitting effort is contingent upon many variables not within our control. In the context of permitting, including the approval of reclamation plans, we must comply with known standards, existing laws, and regulations that may entail greater or lesser costs and delays depending on the nature of the activity to be permitted and the interpretation of the laws and regulations implemented by the permitting authority. The failure to obtain certain permits or the adoption of more stringent permitting requirements could have a material adverse effect on our business, plans of operation, and property in that we may not be able to proceed with our exploration programs. Compliance with statutory environmental quality requirements may require significant capital investments, significantly affect our earning power, or cause material changes in our intended activities. Environmental standards imposed by federal, state, or local governments may be changed or become more stringent in the future, which could materially and adversely affect our proposed activities. As a result of these matters, our operations could be suspended or cease entirely.

Minerals exploration and mining are subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to us (or to other companies in the minerals industry) at a reasonable price. To the extent that we become subject to environmental liabilities, the remediation of any such liabilities would reduce funds otherwise available to us and could have a material adverse effect on our financial condition. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

Federal legislation and regulations adopted and administered by the U.S. Environmental Protection Agency, Forest Service, Bureau of Land Management ("BLM"), Fish and Wildlife Service, Mine Safety and Health Administration, and other federal agencies, and legislation such as the Federal Clean Water Act, Clean Air Act, National Environmental Policy Act, Endangered Species Act, and Comprehensive Environmental Response, Compensation, and Liability Act, have a direct bearing on U.S. exploration and mining operations within the United States. These regulations will make the process for preparing and obtaining approval of a plan of operations much more time-consuming, expensive, and uncertain. Plans of operation will be required to include detailed baseline environmental information and address how detailed reclamation performance standards will be met. In addition, all activities for which plans of operation are required will be subject to review by the BLM, which must make a finding that the conditions, practices or activities do not cause substantial irreparable harm to significant scientific, cultural, or environmental resource values that cannot be effectively mitigated.

U.S. federal initiatives are often administered and enforced through state agencies operating under parallel state statutes and regulations. Although some mines continue to be approved in the United States, the process is increasingly cumbersome, time-consuming, and expensive, and the cost and uncertainty associated with the permitting process could have a material effect on exploring and mining our properties. Compliance with statutory environmental quality requirements described above may require significant capital investments, significantly affect our earning power, or cause material changes in our intended activities. Environmental standards imposed by federal, state, or local



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governments may be changed or become more stringent in the future, which could materially and adversely affect our proposed activities. As a result of these matters, our operations could be suspended or cease entirely.

At this time, our Chandalar property does not include any federal lands and therefore we do not file plans of operations with the BLM. However, we are subject to obtaining watercourse diversion permits from the U.S. Army Corp of Engineers.

### ***Land reclamation requirements for our properties may be burdensome and expensive.***

Although variable depending on location and the governing authority, land reclamation requirements are generally imposed on mineral exploration companies (as well as companies with mining operations) in order to minimize long term effects of land disturbance.

Reclamation may include requirements to:

- control dispersion of potentially deleterious effluents; and
- reasonably re-establish pre-disturbance land forms and vegetation.

In order to carry out reclamation obligations imposed on us in connection with our potential development activities, we must allocate financial resources that might otherwise be spent on further exploration and development programs. We plan to set up a provision for our reclamation obligations on our properties, as appropriate, but this provision may not be adequate. If we are required to carry out unanticipated reclamation work, our financial position could be adversely affected.

### ***Future legislation and administrative changes to the mining laws could prevent us from exploring and operating our properties.***

New local, state and U.S. federal laws and regulations, amendments to existing laws and regulations, administrative interpretation of existing laws and regulations, or more stringent enforcement of existing laws and regulations, could have a material adverse impact on our ability to conduct exploration and mining activities. Any change in the regulatory structure making it more expensive to engage in mining activities could cause us to cease operations. We are at this time unaware of any proposed Alaska state or U.S. federal laws and regulations that would have an adverse impact on the future of our Alaska mining properties.

### ***Regulations and pending legislation governing issues involving climate change could result in increased operating costs, which could have a material adverse effect on our business.***

A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to various climate change interest groups and the potential impact of climate change. Legislation and increased regulation regarding climate change could impose significant costs on us, our venture partners and our suppliers, including costs related to increased energy requirements, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations. Any adopted future climate change regulations could also negatively impact our ability to compete with companies situated in areas not subject to such limitations. Given the political significance and uncertainty around the impact of climate change and how it should be dealt with, we cannot predict how legislation and regulation will affect our financial condition, operating performance and ability to compete. Furthermore, even without such regulation, increased awareness and any adverse publicity in the global marketplace about potential impacts on climate change by us or other companies in our industry could harm our reputation. The potential physical impacts of climate change on our operations are highly uncertain and would be particular to the geographic circumstances in areas in which we operate. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. These impacts may adversely impact the cost, production and financial performance of our operations.

### ***We do not insure against all risks.***

Our insurance policies will not cover all the potential risks associated with our operations. We may also be unable to maintain insurance coverage to cover these risks at economically feasible premiums. Insurance coverage may not



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continue to be available or may not be adequate to cover any resulting liability. Moreover, insurances against risks such as environmental pollution or other hazards as a result of exploration and production are not generally available to us or to other companies in the mining industry on acceptable terms. We might also become subject to liability for pollution or other hazards for which we may not be insured against or for which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause us to incur significant costs that could have a material adverse effect upon our financial condition and results of operations.

### ***We compete with larger, better capitalized competitors in the mining industry.***

The mining industry is acutely competitive in all of its phases. We face strong competition from other mining companies in connection with the acquisition of exploration stage properties, or properties capable of producing precious metals. Many of these companies have greater financial resources, operational experience and technical capabilities than us. As a result of this competition, we may be unable to maintain or acquire attractive mining properties on terms we consider acceptable or at all. Consequently, our revenues, operations and financial condition and possible future revenues could be materially adversely affected by actions by our competitors. At our property at Chandalar, Alaska, we face no other competitors at this time.

### ***We may experience cybersecurity threats.***

We rely on secure and adequate operations of information technology systems in the conduct of our operations. Access to and security of the information technology systems are critical to our operations. Given that cyber risks cannot be fully mitigated and the evolving nature of these threats, we cannot assure that our information technology systems are fully protected from cybercrime or that the systems will not be inadvertently compromised, or without failures or defects. Potential disruptions to our information technology systems, including, without limitation, security breaches, power loss, theft, computer viruses, cyber-attacks, natural disasters, and noncompliance by third party service providers and inadequate levels of cybersecurity expertise and safeguards of third party information technology service providers, may adversely affect our operations as well as present significant costs and risks including, without limitation, loss or disclosure of confidential, proprietary, personal or sensitive information and third party data, material adverse effect on its financial performance, compliance with its contractual obligations, compliance with applicable laws, damaged reputation, remediation costs, potential litigation, regulatory enforcement proceedings and heightened regulatory scrutiny.

### ***Newly adopted rules regarding mining property disclosure by companies reporting with the SEC may result in increased operating and legal costs.***

On October 31, 2018, the SEC adopted new rules to modernize mining property disclosure in reports filed with the SEC in order to harmonize SEC disclosure requirements with international standards. These rules are not effective until the Company's first full fiscal year beginning on or after January 1, 2021. The Company currently reports mineralization in compliance with SEC Industry Guide 7 and does not currently have any technical reports or assessments completed on its properties that would be in compliance with the new rules. The new rules may require the preparation and filing of technical reports on the Company's properties on a more frequent basis than the Company's historical practice. Such changes to the Company's reporting requirements and the preparation of technical reports and assessments could result in increased compliance costs.

## **Risks related to the Company**

### ***We are dependent on our key personnel.***

Our success depends in a large part on our key executives: William Schara, our President and CEO, and Ted Sharp, our Corporate Secretary and CFO. The loss of their services could have a material adverse effect on us. Mr. Sharp is a licensed Certified Public Accountant and an independent contractor, with business management and consulting interests that are independent of the consulting agreement he currently has in place with the Company—he is not an employee of the Company.



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At such time as we again undertake mineral exploration activities, we will need to fill positions such as Vice President of Exploration, Vice President of Operations and Chandalar Project Manager with persons possessing requisite skills. Our ability to manage our mineral exploration activities at our Chandalar gold property or other locations where we may acquire mineral interests will depend in large part on the efforts of these individuals. We may face competition for qualified personnel, and we may not be able to attract and retain such personnel.

### ***Certain of our executive officers do not dedicate 100% of their time on our business.***

William V. Schara, our CEO, devotes 100% of his time to company business. Ted Sharp, our CFO, provides services under a consulting arrangement, which permits him to provide services to other companies. Mr. Sharp dedicates approximately 30% of his business time to Goldrich, and currently provides consulting services to a variety of small business clients, which may detract from the time Mr. Sharp can spend on our business. Mr. Sharp often conducts business remotely by internet communication. In the event of a failure of laptop or telecommunications, or at times of internet connection disruption, Mr. Sharp's ability to communicate with other company personnel or conduct company transactions may be obstructed.

### ***Our officers and directors may have potential conflicts of interest due to their responsibilities with other entities.***

The officers and directors of the Company serve as officers and/or directors of other companies in the mining industry, which may create situations where the interests of the director or officer may become conflicted. The consulting arrangement of Mr. Sharp allows him to provide services to other companies. The companies to which Mr. Sharp provides services may be potential competitors with the Company at some point in the future. The directors and officers owe the Company fiduciary duties with respect to any current or future conflicts of interest.

## **Risks related to our Common Stock**

### ***The market for our common stock has been volatile in the past and may be subject to fluctuations in the future.***

The market price of our common stock has ranged from a high of \$0.047 and a low of \$0.006 during the twelve-month period ended December 31, 2020. The market price for our common stock closed at \$0.028 on December 31, 2020, the last trading day of 2020. The market price of our common stock may fluctuate significantly from its current level. The market price of our common stock may be subject to wide fluctuations in response to quarterly variations in operating results, announcements of technological innovations or new products by us or our competitors, changes in financial estimates by securities analysts, or other events or factors. In addition, the financial markets have experienced significant price and volume fluctuations for a number of reasons, including the failure of the operating results of certain companies to meet market expectations that have particularly affected the market prices of equity securities of many exploration stage companies that have often been unrelated to the operating performance of such companies. These broad market fluctuations, or any industry-specific market fluctuations, may adversely affect the market price of our common stock. In the past, following periods of volatility in the market price of a company's securities, class action securities litigation has been instituted against such a company. Such litigation, whether with or without merit, could result in substantial costs and a diversion of management's attention and resources, which would have a material adverse effect on our business, operating results and financial condition.

### ***We have convertible securities and convertible debt outstanding, which if fully exercised could require us to issue a significant number of shares of our common stock and result in substantial dilution to existing shareholders.***

As of December 31, 2020, we had 167,926,376 shares of common stock issued and outstanding. We may be required to issue the following shares of common stock upon exercise of options and warrants or conversion of convertible securities:

- 1,075,000 shares of common stock issuable upon exercise of vested options outstanding as of December 31, 2020;
- 32,190,475 shares of common stock issuable upon conversion of preferred shares outstanding as of December 31, 2020;
- 37,241,694 shares of common stock issuable upon exercise of warrants outstanding as of December 31, 2020; and





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- 63,966,906 shares of common stock issuable if Nicholas Gallagher (“Gallagher”), a related party and member of the Company’s Board of Directors and a secured note holder, exercises his option to be paid in shares for unpaid interest as of December 31, 2020.

If these convertible and exercisable securities are fully converted or exercised, we would issue an additional 134,474,075 shares of common stock, and our issued and outstanding share capital would increase to 302,400,451 shares. The convertible securities are likely to be exercised or converted at the time when the market price of our common stock exceeds the conversion or exercise price of the convertible securities. Holders of such securities are likely to sell the common stock upon conversion, which could cause our share price to decline.

***Broker-dealers may be discouraged from effecting transactions in our common stock because they are considered a penny stock and are subject to the penny stock rules.***

Rules 15g-1 through 15g-9 promulgated under the United State Securities and Exchange Act of 1934, as amended (the “Exchange Act”) impose sales practice and disclosure requirements on certain brokers-dealers who engage in certain transactions involving a “penny stock.” Subject to certain exceptions, a penny stock generally includes any non-NASDAQ equity security that has a market price of less than \$5.00 per share. The market price of our common stock on the FINRA OTCBB during the twelve-month period ended December 31, 2020, ranged between a high of \$0.047 and a low of \$0.006, and our common stock is deemed penny stock for the purposes of the Exchange Act. The additional sales practice and disclosure requirements imposed upon brokers-dealers may discourage broker-dealers from effecting transactions in our common stock, which could severely limit the market liquidity of the stock and impede the sale of our stock in the secondary market.

A broker-dealer selling penny stock to anyone other than an established customer or “accredited investor,” generally, an individual with net worth in excess of \$1,000,000 or an annual income exceeding \$200,000, or \$300,000 together with his or her spouse, must make a special suitability determination for the purchaser and must receive the purchaser’s written consent to the transaction prior to sale, unless the broker-dealer or the transaction is otherwise exempt. In addition, the penny stock regulations require the broker-dealer to deliver, prior to any transaction involving a penny stock, a disclosure schedule prepared by the United States Securities and Exchange Commission relating to the penny stock market, unless the broker-dealer or the transaction is otherwise exempt. A broker-dealer is also required to disclose commissions payable to the broker-dealer and the registered representative and current quotations for the securities. Finally, a broker-dealer is required to send monthly statements disclosing recent price information with respect to the penny stock held in a customer’s account and information with respect to the limited market in penny stocks.

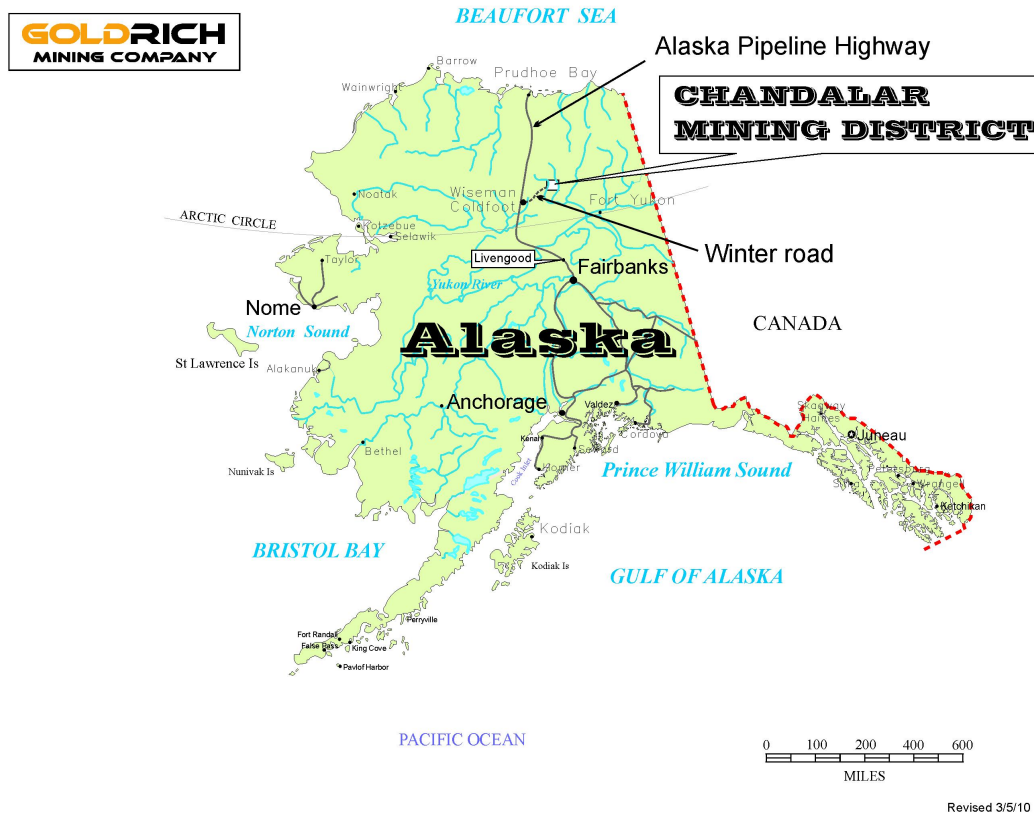
***In the event that your investment in our shares is for the purpose of deriving dividend income or in expectation of an increase in market price of our shares from the declaration and payment of dividends, your investment will be compromised because we do not intend to pay dividends, except as required by the terms of the Series A Convertible Preferred Shares.***

We have never paid a dividend to our shareholders, and we intend to retain our cash for the continued growth of our business. We do not intend to pay cash dividends on our common stock in the foreseeable future. As a result, your return on investment will be solely determined by your ability to sell your shares in a secondary market. The terms of the Series A Convertible Preferred Shares require payment of a dividend to the holders at the time they convert their shares; however, this dividend can and likely will be paid in the form of additional shares of common stock sufficient to satisfy the dividend provision.

## **ITEM 1B. UNRESOLVED STAFF COMMENTS**

Not applicable.

## ITEM 2. PROPERTIES



*Map 1 – Location of the Chandalar, Alaska Mining District*

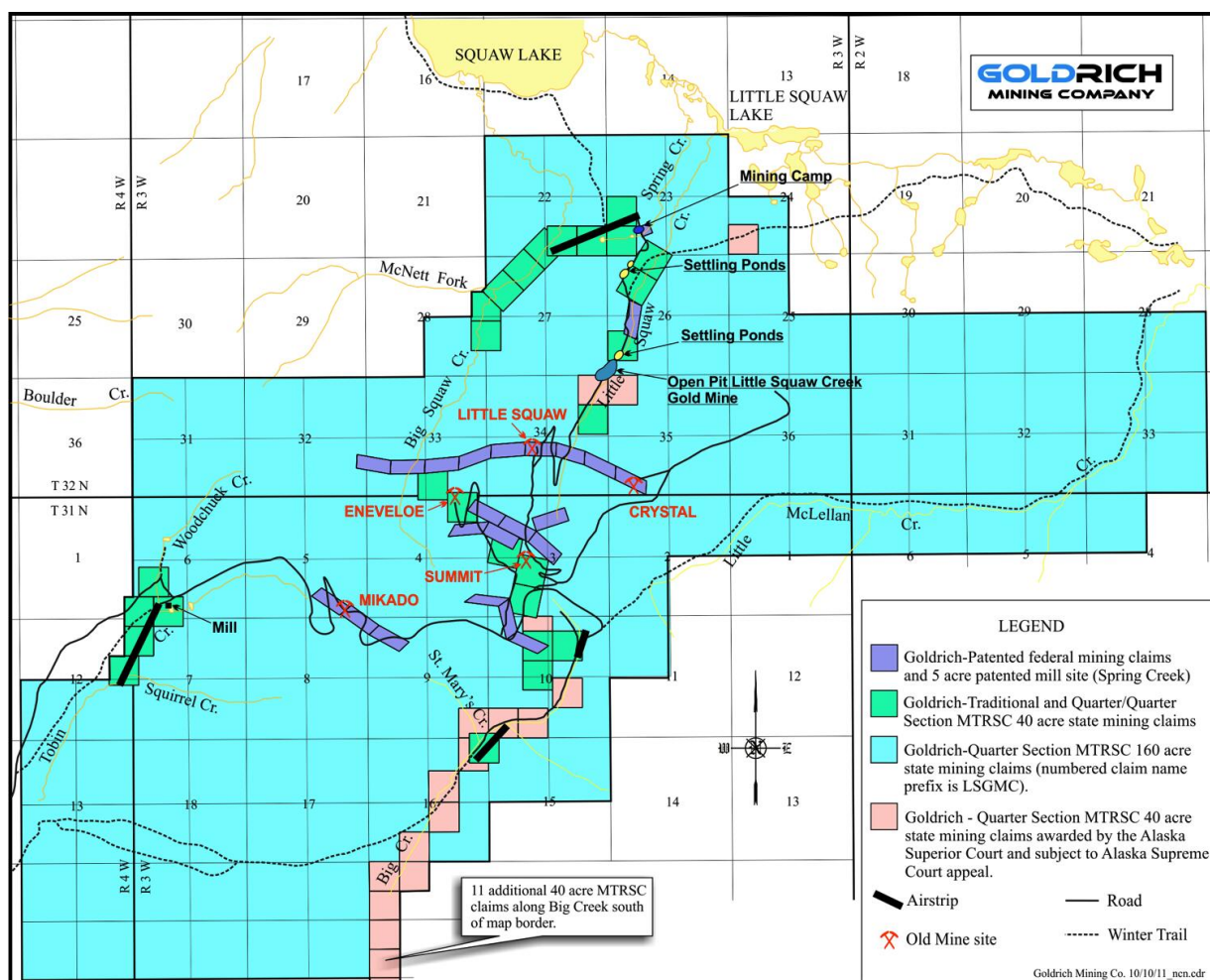
### Chandalar Property, Alaska

The Chandalar gold property is currently our only mineral property. It is an exploration stage property. We were attracted to the Chandalar district because of its similarities to productive mining districts, its past positive exploration results, and the opportunity to control multiple attractive gold quartz-vein prospects and adjacent unexplored target areas for large bulk tonnage deposits. We believe that our dominant land control eliminates the risk of a potential competitor finding ore deposits located within adjacent claims. Summarily, we believe the scale, number and frequency of the Chandalar district gold-bearing exposures and geochemical anomalies compare favorably to similar attributes of productive mining districts.

### *Location, Access & Geography of Chandalar*

Our Chandalar property essentially envelops the entire historic Chandalar mining district and lies approximately 70 miles north of the Arctic Circle at a latitude of about 67°30'. It is about 190 air miles north of Fairbanks, Alaska, a full-service support center for the oil and mining industry, and 48 air miles east of the Dalton Highway, the major all-weather north-south route that links Fairbanks to the Prudhoe Bay oil fields on the Arctic Ocean to the north, and 48 air miles east-northeast of the town of Coldfoot (Map 1). Access to our Chandalar Squaw Lake mining camp and nearby Chandalar Gold Mine is either by aircraft from Fairbanks, or overland during the winter season via a 95-mile-long ice road from Coldfoot through the community of Chandalar Lake to Squaw Lake.

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Map 2 – Chandalar Mining Claim Block

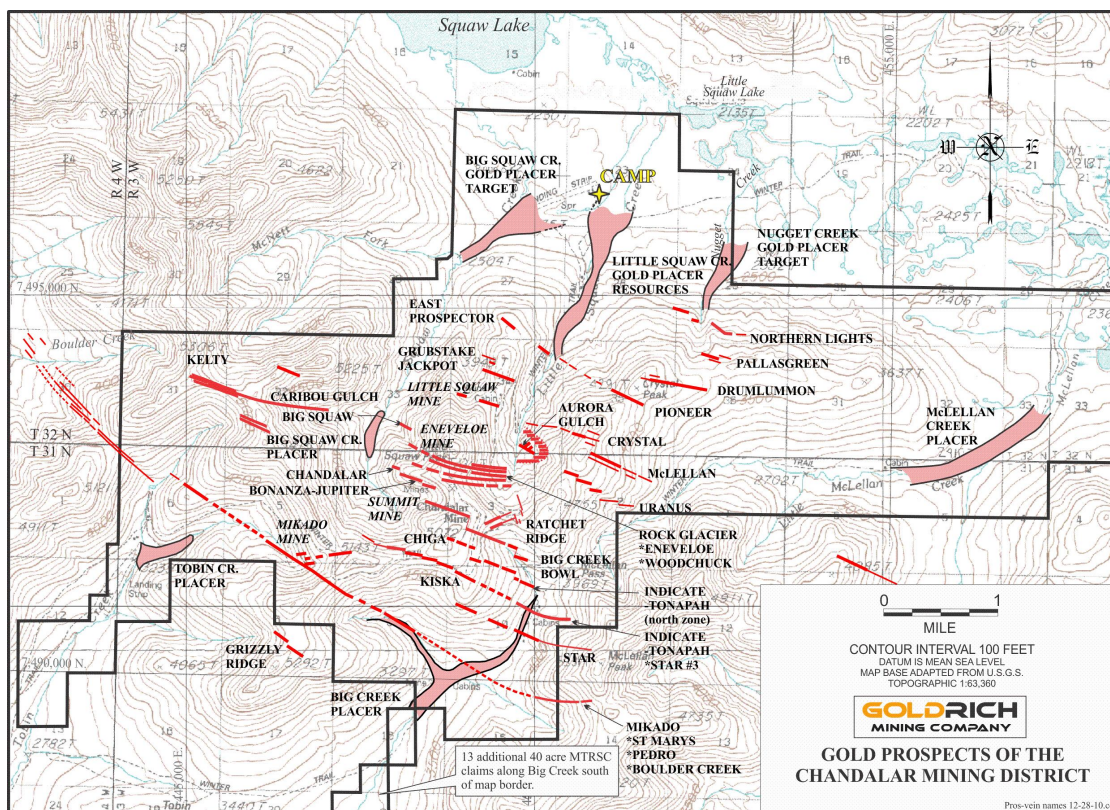
Geographically, our Chandalar property is situated in rugged terrain just within the south flank of the Brooks Range where elevations range from 1,900 feet in the lower valleys to just over 5,000 feet on the surrounding mountain peaks. The region has undergone glaciation due to multiple ice advances originating from the north and, while no glacial ice remains, the surficial land features of the area reflect abundant evidence of past glaciation.

The property is characterized by deeply incised creek valleys that are actively down-cutting the terrain. The steep hill slopes are shingled with frost-fractured slabby slide rock, which is the product of arctic climate mass wasting and erosion. Consequently, bedrock exposure is mostly limited to ridge crests and a few locations in creek bottoms. Vegetation is limited to the peripheral areas at lower elevations where there are relatively continuous spruce forests in the larger river valleys. The higher elevations are characterized by arctic tundra.

Snow melt generally occurs toward the end of May, followed by an intensive, though short, 90-day growing season with 24 hours of daylight and daytime temperatures that range from 60 to 80° Fahrenheit. Freezing temperatures return in late August and freeze-up typically occurs by early October. Winter temperatures, particularly in the lower elevations, can drop to -50° F or colder for extended periods. Annual precipitation is 15 to 20 inches, coming mostly in late summer as rain and during the first half of the winter as snow. Winter snow accumulations are modest. The area is essentially an arctic desert.



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Map 3 – Gold Prospects and Geologic Structure of Chandalar

### Chandalar Mining Claims

We have a block of contiguous mining claims at Chandalar that cover a net area of about 22,858 acres (approximately 35.7 square miles) (Map 2), and which are maintained by us specifically for the exploration and possible exploitation of placer and lode gold deposits. The mining claims were located to secure most of the known gold bearing zones occurring within an area approximately five miles by eight miles. Within the claim block, we own in fee simple 426.5 acres as twenty-one federal lode claims, one patented federal placer claim, and one patented federal mill site. The 23 federal patented claims cover the most important of the known gold-bearing structures. In addition, there are 197 Traditional and MTRSC 40-acre State of Alaska claims. The 197 Traditional and MTRSC state mining claims provide exploration and mining rights to both lode and placer mineral deposits on an additional 22,432 acres of unpatented claims. Unlike federal mining claims, State of Alaska mining claims cannot be patented, but the locator has the exclusive right of possession and extraction of the minerals in or on the claim.

Alaska state unpatented mining claims are unique property interests in that they are subject to the paramount title of the State of Alaska, and rights of third parties to non-interfering uses of the surface within their boundaries, and are generally considered to be subject to greater title risk than other real property interests. There are few public records that definitively determine the issues of validity and ownership of unpatented state mining claims and possible conflicts with other claims are not always determinable from the descriptions contained in public records. The rights to deposits of minerals lying within the boundaries of the unpatented state claims are subject to Alaska Statutes 38.05.185 – 38.05.280, and are governed by Alaska Administrative Code 11 AAC 86.100 – 86.600.

The validity of an Alaska state unpatented mining claim depends on: (1) the claim having been located on state land open to appropriation by mineral location, which is the act of physically going on the land and making a claim by putting stakes in the ground; (2) compliance with all applicable state statutes in terms of the contents of claim location notices or certificates and the timely filing and recording of the same; (3) timely payment of annual claim rental fees; and (4) the timely filing and recording of proof of annual assessment work. In the absence of a discovery of valuable

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minerals, the ground covered by an unpatented mining claim is open to location by others unless the owner is in actual possession of and diligently working the claim. We are diligently working and are in actual possession of all our claims at Chandalar.

The locator of a mining claim on land belonging to the State of Alaska does not have an option to patent the claim. Instead, rights to deposits of minerals on Alaska state land that is open to claim staking may be acquired by discovery, location and recording as prescribed in Alaska state statutes, as previously noted. The locator has the exclusive right of possession and extraction of the minerals in or on the claim, subject to state statutes governing mining claims. We are not in default of any annual assessment work filing or annual claim rental payment required by the state of Alaska to keep our title to the mining rights at Chandalar in good standing.

An important part of our Chandalar property is patented federal mining claims owned by us. Patented mining claims, which are real property interests that are owned in fee simple, are subject to less risk than unpatented mining claims. We have done a title chain search of our patented federal mining claims and believe we are the owner of the private property, and that the property is free and clear of liens and other third-party claims except for the 2% mineral production royalty. The 2% mineral production royalty was formerly held by our previous management (Anderson Partnership, also known as Jumbo Basin). During 2012, NyacAU loaned \$250,000 to GNP and GNP purchased the royalty from Anderson Partnership. The loan to GNP for the royalty carried interest at the greater of prime plus 2% or 10% and was repaid from Goldrich's portion of production (as defined in the joint venture agreement). The royalty was extinguished when Goldrich paid back the loan.

Concerning the unpatented state claims in 2020, we timely paid the annual rent and filed the annual affidavit of annual labor with the Alaska Department of Resources ("DNR") for the Company's claims, but in February 2021, the DNR sent a preliminary abandonment notice concerning 32 of our claims. One of the pages of our annual affidavit was not recorded by the DNR and the DNR assumes it was because we had not included the missing page. We filed for and received a certificate of substantial compliance on March 15, 2021 to prevent any third-party from staking the claims in the future, but any third-party who staked claims before March 15, 2021 has 45 days after that date to attempt to perfect their claim(s). We would most likely contest any such claim(s) by a third-party.

The Company entered into an Amended and Restated Loan Security and Intercreditor Agreement (the "Agreement") with Nicholas Gallagher ("Gallagher"), a related party and member of the Company's Board of Directors, in his capacity as Agent for and on behalf of Gallagher and other lenders to amend the Senior Secured Note financing effective as of November 1, 2019. Under the Agreement, the borrower and holders entered into a Deed of Trust whereunder the Notes are secured by a security interest in all real property, claims, contracts, agreements, leases, permits and similar assets. For more information see *Notes Payable and Notes Payable – Related Party* below.

### ***Chandalar Geology and Mineralization***

Refer to Maps 3 and 4 for graphic representation of both the hard-rock prospects and alluvial fans on which we are focusing varying degrees of exploration effort, as determined by exploration activities already completed in prior years.

The Chandalar lode occurrences are part of a regionally mineralized schist belt that extends east-west across the 600-mile width of Alaska along the south flank of the Brooks Range. The geology and mineralization of the Chandalar lode gold systems are quite similar to many important productive gold deposits that have been variously categorized as greenstone-hosted, orogenic, shear-zone related, low-sulfide, mesothermal, amongst other names and which, collectively, account for a major part of the world's gold production. Although there is a history of past lode and alluvial extraction on our Chandalar property, it currently does not contain any known proven or probable ore reserves as defined in SEC Industry Guide 7. The probability that ore reserves that meet SEC Industry Guide 7 guidelines will be discovered on an individual hard rock prospect at Chandalar cannot be determined at this time. We have however commissioned an independent engineering firm to complete a mining plan and initial assessment for the Company's Chandalar placer mine, according to the new amendments adopted by the SEC to modernize the property disclosure requirements for mining registrants. The new disclosure requirements will replace the SEC Industry Guide 7 and mining registrants are required to follow them beginning in 2021. The new disclosure requirements will allow Goldrich to disclose inferred, indicated and measured resources. Subject to the findings of the initial assessment,



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Goldrich will decide if a preliminary feasibility study should also be prepared for the Chandalar Mine. A preliminary feasibility study would allow Goldrich to disclose any reserves of the Chandalar Mine.

### ***Infrastructure***

We have established a substantial exploration infrastructure at our Chandalar property, including a 25-person camp, heavy and light-duty equipment, a 5,000-foot airstrip, and a network of roads that offer all-weather access to all of the major gold prospects. Current surface access to the camp from the Dalton Highway is restricted to the winter months via a winter trail from Coldfoot along the Dalton Highway. The State of Alaska has a right-of-way to construct a permanent all-season road along this trail which, when built, will allow year-around surface access to the project site. We are not aware of any plans to build this road at the present time.

### **Historical Mining and Exploration Activities in the Modern Era**

We maintain an extensive file of the prospecting and exploration of the Chandalar Mining district, cataloging documents dated as early as 1904. Most of the previous work was by mining companies and individuals who were focused on mining the gold placers and quartz veins but who conducted little organized geologically based exploration. Even less attention was given beyond existing vein exposures.

When new management began exploration in 2004, we ended a twenty-year hiatus of hard-rock exploration on the property and began employing modern exploration techniques. We have spent many millions of dollars in exploration and mining activities of our Chandalar property as discussed below.

#### **2004**

In 2004, we contracted an independent geological consulting company to review and analyze previous work done on Chandalar. A technical report produced by the consultants recommended an initial exploration program to better assess the gold lodes and the placer gold deposits.

We also commissioned a remote sensing technical study of the Chandalar district by another independent contractor who studied high altitude air photography available for the region. The purpose of the study was to identify geological structures that may be associated with gold occurrences in a schist belt containing greenstones. The lineament study identified fifty-nine sites thought to be favorable for discovery of mineralization. Major linears, especially where they may form a regional rift, are an excellent exploration tool in the search for gold. The consultant recommended making field examinations of known gold occurrences associated with the linears and other structural features identified by the study.

During the 2004 summer field season at Chandalar, using independent certified professional geologists, we followed up on the work recommended by the remote sensing consultant's studies. We also expanded our claim block to cover outlying vein showings and reconnaissance sampling of rocks, soils and stream sediments for geochemical analyses. The objective of the field program was to assess the validity of historic records, refine known drilling targets and identify new drilling targets. Several prospects of previously unevaluated or unknown gold mineralization were found.

#### **2005**

During 2005, we completed a modest prospecting and geologic mapping program at Chandalar, which was limited by our lack of funds. In all, 189 exploratory samples of stream sediments, soils and rock chips were taken, and mapping was completed on a series of ten prospects. That work was successful in identifying additional gold prospects within our claim block, and also in developing specific drilling targets on several of the prospects.

#### **2006**

During early 2006, we acquired sufficient funds to undertake a substantial exploration program on the Chandalar property. During the 2006 summer field season, a geological contractor completed a 1:20,000 scale geologic map of the Chandalar district, and we drilled 39 reverse circulation drill holes for 7,763 feet on nine of some thirty gold prospects within our Chandalar claim block. In the process, several miles of old roads were repaired and three miles of new roads were constructed. We established an exploration base camp (Mello Bench camp) capable of housing 20 people, and accomplished environmental clean ups of two abandoned mining campsites that predate our management





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takeover in 2003.

### **2007**

Concerning hard-rock exploration, the 2007 Chandalar exploration program expanded our understanding of several hard-rock gold prospects through trenching and associated sampling. In all, forty prospect areas were mapped in detail and 1,342 samples of rock (including trench and placer drill holes to bedrock) and soil were collected and analyzed. Forty-five trenches for 5,927 feet were accomplished using an excavator, of which 4,954 feet cut into bedrock and were sampled. Some 534 trench samples were taken continuously along the lengths of all trenches. Additionally, ground magnetic surveys on fifteen of the prospects were conducted with survey lines totaling 28 miles.

Concerning placer exploration, we conducted 15,000 feet (4,572 meters) of reverse circulation drilling on the Little Squaw Creek drainage. Of 107 holes collared, 87 were completed to their targeted depths. We engaged an independent geological contractor to conduct all sampling in our drilling program, complete all drill sample gold recovery, evaluate ore, maintain drill sample security and report the results of their work.

### **2008**

The analytical processing of the 3,031 drill samples and report on the final results of the samples gold contents from our 2007 placer drill program was completed by March of 2008. From these results, we concluded that we discovered a relatively large alluvial gold deposit of sufficient grade to be potentially economical to mine under prevailing gold prices. This drill program delineated approximately 10.5 million cubic yards of mineralized material at an average grade of 0.025 ounces (0.78 grams) gold per cubic yard containing an estimated 250,000 ounces of gold (This mineralized material is not a mineral reserve as defined in SEC Industry Guide 7). We believe that with continued drilling, the mineralized body may be substantially increased.

The deposit is geologically characterized as an aggradational placer gold deposit. It is unusual in the sense that it is the only such known alluvial, or placer, gold deposit in Alaska, although many exist in Siberia. Our discovery contrasts to others in Alaska that are commonly known as bedrock placer gold deposits. Aggradational alluvial gold deposits contain gold particles disseminated through thick sections of unconsolidated stream gravels in contrast to bedrock placer deposits where thin but rich gold-bearing gravel pay streaks rest directly on bedrock surfaces. Aggradational placer gold deposits are generally more uniform and thus more conducive to bulk mining techniques incorporating economies of scale. This contrasts with bedrock placer gold deposits where gold distribution tends to be erratic and highly variable. The plan view of our discovery is somewhat funnel-shaped, and as such has been divided into two distinct geomorphological zones: a Gulch, or narrower channel portion, and a Fan, or broad alluvial apron portion.

### **2009**

We began a placer gold test mining operation on Little Squaw Creek. We also started to execute on the recommended plan in April 15, 2009 technical report prepared by an independent consultant. Some exploration of the various other placer gold creeks on the Chandalar property took place. Prospecting work on the hard-rock gold deposit possibilities was also accomplished. That work led to some key understandings of the geology. The work also resulted in the generation of an internal Company memorandum by Mr. Barker proposing an exploratory diamond-core drill program of about 40 drill holes aggregating 20,000 feet. The proposed drill program would evaluate the degree of mineralization occurring as a large strata-bound unit nearly 5 miles in length, as explained in the report Interpretation of Exploratory Findings at Chandalar.

In the 2009 test mining operation, we accomplished a major step in assessing the economic potential of this mineralized body. Most importantly, we found that the mineralized material is a continuous but variably mineralized horizon. There are specific horizons within it that are up to 20 feet thick containing the richest gold grades. The mineralized material is about forty percent composed of gravel, cobbles and boulders set in a sixty percent matrix of fine silt. It is nicely compacted and stands well when opened up. Because of the high silt content, the mineralized material, and the overburden as well, expands by over forty percent in volume when it is mined and converted into loose cubic yards. During 2009 mining test, we stripped approximately 40,000 bank cubic yards of waste material and processed about 9,875 bank cubic yards of gold bearing gravels through our wash plant. About 593.5 ounces of alluvial gold were recovered which, when smelted, yielded 497.5 ounces of fine gold.

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The 2009 alluvial gold test mining operation successfully yielded valuable geological, mining and engineering data that lead us to the decision to ramp-up the project into gold extraction in the spring of 2010.

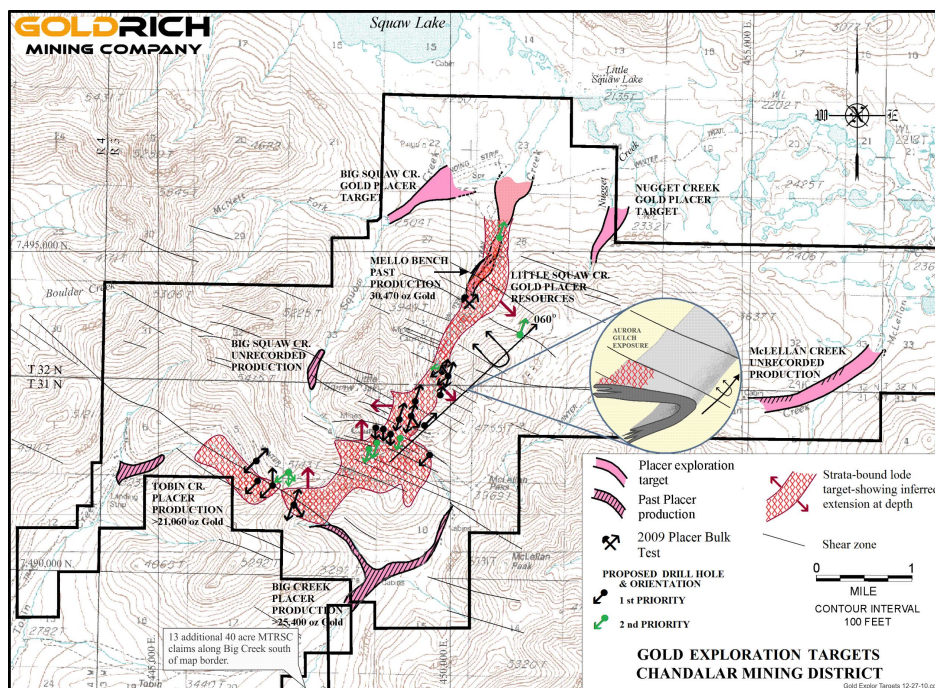
### 2010

During the winter of 2009/2010, we raised additional funds to ramp-up the Little Squaw Creek Gold Mine into extraction. The ramp-up process involved substantial infrastructure upgrades, including building a new 30-man mining camp located about two miles from the exploration camp that had been in use since 2004. Infrastructure and mining development at the Little Squaw Creek alluvial gold mine was initiated in late May 2010, with the first gold extraction being delivered to a smelter-refinery on July 15, 2010.

The 2010 gold extraction was limited by the lack of capital to get a second wash plant on line. The 2009 wash plant was re-modeled with improvements (primarily an enlarged hopper with a wet grizzly style in-feed) and put on line for the 2010 extraction. Unfortunately, the plant turned out to be capable of processing only about 29 bank cubic yards per hour on a consistent basis. Attempts at higher processing rates led to overloading the machine and frequent break downs. The plant ran for 1,094 hours, extracting at an average rate of about 1.45 ounces of fine gold per hour.

While there were no drill holes within 400 feet of the perimeter of the 2009 test pit, there was mineralized material exposed in three walls of the pit which encouraged management's decision to expand the mine by following the mineralized material, using in-pit grade control, and mining material to the physical and economic extent possible. No estimate of metallurgical recovery balances could be made regarding the mined mineralized material in 2010 for lack of sufficient prior data about the gold content in the block of ground that was mined. The gold recovery performance of the plant was checked on a consistent basis by panning its tailings. No significant gold was ever found in the tailings, leading management to conclude that the wash plant, albeit undersized for the job, was working properly.

The mining operation ultimately involved stripping an estimated 131,000 bank cubic yards of waste material and the mining and processing of about 31,680 bank cubic yards of gold bearing gravels. During the 2010 extraction season, 1,503 ounces of fine gold and 259 ounces of silver were recovered at the refinery. Additionally, 24.1 ounces of gold nuggets estimated to contain 19.2 ounces of fine gold were extracted and either sold to jewelers or retained by the Company. Our gross precious metal sales in 2010 came to \$1,904,124.



Map 4 - Chandalar Exploratory Gold Deposit Drill Target with Holes Proposed in 2009 and Drilled in 2011

## **2011**

Our 2011 hard-rock drilling plan was extrapolated from a 2007 exploration plan that was not undertaken previously due to financial limitations. Independent third-party professionals analyzed the 2006 hard-rock rotary drill results and the surface exploration work performed in intervening years and recommended prioritized hard-rock drill targets for the 2011 exploration season. The 2011 exploration program included a diamond-core drilling exploration program on a series of hard-rock gold targets on our Chandalar claims. These targets contain numerous gold showings which we believed were the source areas of the alluvial gold deposits in the creek drainages. We believe we have accumulated a body of knowledge on the Chandalar claims which points us toward significant areas of interest for discovery of very large tonnages of mineralization, and our drilling program has been designed to further qualify those targets for potential commercialization.

We completed our 2011 diamond core drilling campaign at Chandalar, Alaska along with a property-wide, grid-based soil sampling and a detailed airborne magnetometer survey. We completed a 25-hole, 4,404-meter (14,444-foot) exploratory program, using HQ size core, tested six prospect areas located along a 4-km (2.5-mile) long northeast trending belt of gold showings. The drilling contractor completed the last hole on September 30, 2011.

The HQ diameter diamond drill holes were generally sampled using a five-foot sample length and overall core recovery averaged greater than 90%. Six quality control samples (one blank and five standards) were inserted into each batch of 120 samples. The drill core was sawn, with half sent to the ALS Minerals sample preparation in Fairbanks, Alaska, where the samples were prepared for assay and then sent to the ALS Minerals Lab in Sparks, Nevada for analyses. Gold was analyzed by fire assay and Atomic Absorption Spectrometry finish and a four-acid sample digestion with Inductively Coupled Plasma Spectrometry method was used to analyze a full suite of elements. Samples were securely transported from the project site to the ALS Minerals preparation laboratory in Fairbanks via chartered aircraft hired by the Company.

Donald G. Strachan, Certified Professional Geologist and Goldrich's contracted project manager for Chandalar, managed the drill program and confirmed that all procedures, protocols and methodologies used in the drill program conform to industry standards.

The results of this first diamond core exploration drilling on our Chandalar gold property have exposed what we believe is a wide-spread system of gold mineralization at intervals from surface to depths of up to 120 meters (about 400 feet). We also believe the mass of rock affected by the mineralizing system to be large, as more than 50 gold showings are scattered over about six square miles (fifteen square kilometers), only a fraction of which has yet been drill-tested. The drill cores contain a total of 56 mineralized intervals of 0.5 or greater grams per tonne gold (g/t Au) that average 2.3 meters (7.5 feet) in length and have a weighted average grade of 1.66 g/t Au. Gold-bearing intercepts were obtained in 72% of the holes, with many having multiple intercepts.

Drilling results draw us to focus on two prospects – Aurora and Rock Glacier – which we believe are geologically associated and related to the same controlling mineralizing features. Intercepts include:

- 1.5 meters (5.0 feet) at 6.57 g/t Au in Hole LS11-0063 on the Aurora prospect;
- 2.1 meters (7.0 feet) at 6.02 g/t Au in Hole LS11-0041 on Rock Glacier

**A map and tables showing drill hole locations, drill depths, data and intercepts can be found in our annual reports filed with the SEC for 2011 and 2012.**

These and other intercepts are associated with much longer core runs of strongly anomalous gold (> 0.10 g/t Au) between 4.3 meters (14 feet) and 21.3 meters (70 feet) in length. Also worth noting, while constructing a road to a proposed drill site, we encountered two zones of shearing with sheeted and stockwork quartz veinlets, approximately 5 meters (16 feet) and 15 meters (49 feet) wide. These zones are located 135 meters vertically above and 200 meters southwest of Aurora drill holes #61 to #64. Representative continuous chip sampling of these zones yielded assays of 2.8 g/t gold and 2.1 g/t gold, respectively. We believe the mineralized Aurora drill hole intercepts may represent an extension of these zones and that additional drilling could extend these zones even further.

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While the silver (Ag) values associated with these and most of the other gold intercepts are generally less than 2 g/t, unusually, native silver is observed in one core interval of 0.46 meters (1.5 feet) from 80.01 meters (262.5 feet) to 80.47 meters (264.0 feet) in Hole LS11-0042, which assays greater than 690 g/t Ag (> 20.1 oz/st Ag [st = short ton]) with only a trace of gold. A second curious silver rich interval occurs in Hole LS11-0040 for 2.1 meters (7.0 feet) from 23.47 meters (77.0 feet) to 25.60 meters (84.0 feet), which returned 397 g/t (11.6 oz/st Ag), again accompanied with only a trace of gold. We believe this silver mineralization may represent a separate mineralizing event within a large and complex precious metal bearing mineral system.

Chandalar's wide-spread precious metal system is hosted by carbonaceous, pyrrhotite-arsenopyrite-pyrite bearing schist. Significantly, extensive intercepts of hydrothermal alteration manifested by massive chloritization and strong silicification of the schist are associated with the mineralization, and are often geochemically anomalous (> 0.05 g/t) in gold as well. Mineralized intercepts have now been intersected by drilling over a vertical elevation difference of 550 meters (1,800 feet), with the lowest exposure being in the northeast at the Aurora prospect which is close to the Little Squaw alluvial gold deposit.

Additional core drilling is necessary to assess the continuity and extent of outcropping and any projection from the gold-mineralized intercepts as well as determine the limits of the mineralizing system. In addition to drilling, the 2011 Chandalar gold exploration program included a grid soil sampling survey consisting of 1,150 samples for multi-element analyses.

The soil sampling, prioritized to first cover known mineralized trends, consisted of over 1,100 samples collected on a reconnaissance scale grid over approximately 65 percent of the 22,858-acre Chandalar property. In the airborne geophysical survey, approximately 750 line miles (1,246 line kilometers) were flown by an international geophysical contractor over the entire Chandalar property along flight lines 100 meters apart.

The 2011 exploration season was successful in significantly expanding our existing body of geological knowledge about our Chandalar property. The combination of core, soil and magnetic data is expected to provide a solid foundation for going forward with a thorough exploration and evaluation of the numerous gold occurrences on the property.

### **2012**

As described below in Joint Venture Agreement, we signed an agreement with NyacAU to form a joint venture, Goldrich NyacAU Placer, LLC ("GNP") for the purpose of mining the alluvial gold deposits within the bounds of our Chandalar property.

### **2013**

Achievements included GNP's mobilization of drilling equipment and plant setup, approval of permits to expand mining operations, significant infrastructure improvements and extraction of 680 ounces of fine gold.

### **2014**

In 2014, we completed advanced petrographic studies of drill core samples from the Chandalar gold property. The new data refined the orogenic model that has historically guided exploration at Chandalar and redirected our future exploration for intrusion-related mineralization. We also conducted a property-wide airborne radiometric and magnetic survey to generate and further refine exploration targets for bulk-tonnage low-grade mineralization and possible deeper sources of intrusion-related mineralization.

Our geologists concurred the studies are important for exploration as the pegmatite textures in outcrop and drilling and the radiogenic activity from accessory minerals associated with pegmatite-veins may indicate proximity to intrusive-related mineralization and may provide us a highly useful tool for gold mineralization discovery.

The petrologic study involved detailed microprobe examination of samples taken from veins in the Chandalar gold system that exhibit characteristics of pegmatite, an igneous rock deposited during emplacement of a granitic intrusive body. All of the samples contain numerous accessory minerals that commonly derive from magma or late-stage magmatic fluids, including monazite, thorite and xenotime. Some of the accessory minerals co-precipitated with gold,



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indicating that late intrusive stage hydrothermal fluids migrated upward along shear zones within which the lode gold mineralization is emplaced. Importantly, radiogenic activity is associated with the accessory mineral suite.

We believe rigorous follow-up rock sampling and radiogenic surveys may result in more effective selection of high-priority drill sites, an important factor considering the expansive size of the Chandalar system.

In August 2014, we engaged a contractor and geologists to perform additional airborne magnetic and radiometric studies across the entire Chandalar property. An airborne radiometric and magnetic survey was conducted to test an intrusion-related model for emplacement of lode quartz-gold occurrences. Results of the airborne study demonstrate a broad northwest-trending belt of elevated potassium values with a centrally located, kilometer-scale feature where thorium values are elevated relative to potassium. The potassium/thorium feature anomaly is closely associated with magnetic anomalies to form a circular kilometer-scale feature in the highlands above and adjacent to the Goldrich-NYAC Placer operation consistent with an intrusive body at depth and is central to the northeast-trend of lode quartz-gold occurrences.

The data obtained from these studies will be compiled with data already derived from sampling, trenching, drilling and geophysical testing to present a comprehensive 3D model of the Chandalar prospects and their geological setting. The results of these studies will assist us in determining methods and targets for exploration.

### **2015**

We completed reclamation of mine waste road built in 2010 and received a confirmation of completion and satisfaction from the Army Corps of Engineers. GNP extracted approximately 3,600 ounces of fine gold.

### **2016**

GNP extracted approximately 8,200 ounces of fine gold.

### **2017**

We performed additional oxygen isotope studies to further confirm intrusion-related mineralization. In addition, GNP completed a sonic drill program and drilled 231 holes totaling 14,271 feet to further define the Chandalar placer deposit and extracted approximately 12,300 ounces of fine gold.

### **2018**

GNP extracted approximately 17,100 ounces of fine gold.

### **2019**

Due to the failure of the joint venture to meet the minimum production requirements under its Operating Agreement, GNP was dissolved in June 2019 and is in the process of liquidation (see Joint Venture Agreement and Arbitration below). Except for equipment needed for reclamation, most the heavy equipment and the wash plant were removed on a winter trail in March through mid-April 2019. There was no gold production in 2019. NyacAU is the holder of the mine permits and began reclamation of the mine in 2019. NyacAU is responsible for future reclamation costs. Goldrich hired an independent mining engineering firm in 2019 year to formulate a mine plan and complete an Initial Assessment to determine if Goldrich should resume production. Any plan to continue future mining is contingent upon our success in raising sufficient capital to fund these activities or any portion of them.

### **2020**

No mining or exploration activities were conducted. We continued our work with the independent mining engineering firm to formulate a mining plan for conducting a future mining operation. Management focus was also directed to moving the arbitration process toward conclusion.

### ***Planned 2021 Exploration and Mining Activities***

In 2021, we anticipate the completion of a mining plan and initial assessment for the Company's Chandalar placer mine by an independent mining engineering firm, according to the new amendments in Subpart 1300. In 2021, subject to obtaining financing, we do not anticipate conducting hard-rock exploration drilling activities and other hard-rock

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exploration activities at the Chandalar property. We will once again undertake such activities if and when our financial situation permits.

### **Interpretation of Exploratory Findings at Chandalar**

Since the 2011 diamond drill coring program, continued processing of prospecting information along with compilation of geophysical survey data, core re-logging and an associated stream of petrographic studies (relevantly referenced to 2014 activities presented above) has resulted in the re-thinking of the geologic model guiding the Chandalar gold exploration program. That model started with a preliminary theory derived from the available evidence of the time that the Chandalar gold mineralization was likely a stratabound indigenous feature of the Mikado phyllite/schist photoliths (parent rocks), enhanced by compressional mountain building activity (orogenesis). That theory has now largely been discarded as evidence builds that the gold mineralization is related to a magmatic-hydrothermal alteration system driven by an underlying pluton (a body of intrusive igneous rock).

There are more than 50 bedrock gold showings are contained in a North-Easterly (“NE”) trending zone about 3 km (2 miles) wide and 6 km (4 miles) long. The host rock formation of this distinct zone is mainly pyrrhotitic (magnetic iron sulfide) schist. These prospects are generally associated with the presence of North-Westerly (“NW”) fault zones where they transgress the NE zone of prospects. The numerous gold mineralized prospects can be grouped into three distinct populations: A - massive quartz veins, B - shear and fault gouge zones, and C – dikelets of pegmatite (coarsely crystalline igneous rock). Group A are invariably NW striking, repeatedly sheared and boudinized (segmented like a string of sausages) massive quartz veins containing gold, lead, zinc and arsenic sulfide minerals. Group B, also NW striking, are encased in heavily chloritized host schist, contain crushed or pulverized quartz vein and/or dikelet material, all of which have disseminated arsenopyrite with free-milling gold in them. Group C are intensely hydrothermally altered pegmatite dikelets (generally 5 to 50 cm thick) consisting mostly of secondary clay minerals (after original feldspars, micas and other minerals) mixed with iron carbonates (siderite) and by-product or remnant quartz, all of which have some degree of gold and arsenic mineralization, sometimes also with lead and zinc.

The mapped (surface and drill holes) distribution of the different Groups reflects a general zoning pattern of the gold-mineralized magmatic-hydrothermal alteration system. Group A appears to be the result of lower temperature crystallization and deposition which is peripheral to the massively chloritized sheared schist host rocks of Group B and furthermore to what appear to be swarms of hydrothermally altered pegmatitic dikelets of Group C recorded in some of the drilling. It is important to note the altered gold-bearing dikelets are so soft with pervasive clays they rarely survive weathering erosion to form outcrops, which makes it very difficult to determine their distribution, except as noted in drill intercepts. As explained in the 2014 project activities discussion above, these dikelets contain high-temperature accessory minerals and other minerals which give radiometric responses that help identify their aggregated location. Notably, the dikelets intercepted in the drill holes are usually seen to be intruding and/or replacing schist host rock and are not usually in rock faults, although fault zones may be nearby.

The dikelets of Group C are almost certainly the offspring of larger but hidden intrusive igneous bodies yet to be discovered. The metamorphic grade of the region appears to never have been high enough to melt the indigenous rock, and it is also doubtful it could have produced the selective types of rock alterations now recognized. Since virtually all those of Group C exposed by drilling are mineralized to some degree with gold, geologists servicing the Company clearly believe a parent pluton will also be mineralized, most likely as disseminations, fracture fillings or quartz stockworks within its cupola (roof pendant) where fractionated hydrothermal fluids pregnant with gold would crystalize. Such a deposit of gold mineralization is considered by the Company to be an inspiring exploration target as it could host millions of ounces of gold at economically mineable grades as other intrusive-related gold deposits around the world do.

The Company’s geologists have compiled and analyzed all available geophysical, geochemical, and geological technical data with the objective of identifying the best spots to proceed with exploratory drilling. The most useful component in the data portfolio is the record of the number and intensity of dikelet intercepts in each drill hole. This is found to be most pronounced in the lowest 62-meter (203 ft.) interval of diamond drill core hole LS 11-0060 drilled at -55° for 263 meters (863 ft.). This drill hole hit a vertical section of a gold bearing dikelet swarm for some 50 meters (164 ft.) and terminated within it at a vertical depth of 180 meters below the surface cover of the Rock Glacier prospect. There are no other drill tests of this location. Combined with other supporting technical data (such as the





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250,000-ounce Little Squaw Creek gold placer deposit (this deposit is not a SEC Industry Guide 7 resource) about 2.6 km ((1.6 miles)) downstream from it), this site constitutes the best target choice for discovery of a mineralized pluton deeper under or in the immediate vicinity of the Rock Glacier. The next drill test is designed to penetrate 300 meters below the Rock Glacier. The possibility also exists that a more prolific zone of higher density gold-mineralized dikelets could be intersected, which in itself could constitute a gold deposit discovery.

The Company believes it is progressing step by step in solving the more than century-old puzzle of how the more than 50 scattered gold prospects of the Chandalar gold mining district may be genetically related or what other commonality they may have. It is variously manifested in abundant gold showings within an oval NE-oriented zone some 3 km wide and 6 km long (about 18 km<sup>2</sup>). The Chandalar magmatic-hydrothermal alteration “system” is recognized as a geological fact by those studying it, and is being used as a working model on which to base future explorations. There may be several plutons along this stretch of this zone feeding the “system”. In 2021 and onward, the Company will be focused on identifying “hot spots” within this zone for drill testing.

### ***Joint Venture Agreement***

On April 3, 2012, Goldrich Placer, LLC (“GP”), a subsidiary of Goldrich, entered into a term sheet for a joint venture with NyacAU, LLC (“NyacAU”), an Alaskan private company, to bring Goldrich’s Chandalar placer gold properties into production as defined in the joint venture agreement (the “Operating Agreement”), which was subsequently signed and made effective April 2, 2012. In each case as used herein in reference to the JV, ‘production’ is as defined by the JV agreement. As part of the agreement, Goldrich Placer, LLC (“GP”), a subsidiary of Goldrich and NyacAU (together the “Members”) formed a 50:50 joint venture company, Goldrich NyacAU Placer LLC (“GNP”), to operate the Chandalar placer mines, with NyacAU acting as managing partner. Goldrich has no significant control or influence over the JV, and therefore accounts for its investment using the cost less impairment method.

As of December 31, 2018, the JV had not achieved commercial production as required under the Operating Agreement, and as a result the JV was formally dissolved in May 2019 and, as of December 31, 2020, is in the process of being liquidated. The Panel has jurisdiction over the liquidation process and has ruled that NyacAU should continue as the manager of the liquidation. Except for equipment needed for reclamation, most the heavy equipment and the wash plant were removed on a winter trail in March through mid-April 2019.

Under the terms of the joint venture agreement (the “Agreement”), the JV was to make annual Member’s Distributions of 10% of the balance of revenue generated by the Joint Venture after deducting Operating Expenses as defined by the GNP Operating Agreement. Related to these distributions, on June 23, 2015, the Company raised net proceeds of \$1.1 million through the sale of 12.5% of the cash flows GP, Goldrich’s subsidiary, receives in the future from its interest in GNP (“Distribution Interest”), paid in cash, to Chandalar Gold, LLC (“CGL”) and GVC Capital, LLC, (“GVC”), both of which are non-related entities. Goldrich retained its ownership of its 50% interest in GNP but, after the transaction, subject to the terms of the GNP operating agreement, Goldrich will effectively receive approximately 44%, CGL will effectively receive 6% (12% of Goldrich’s 50% of GNP = 6%) and GVC will effectively receive 0.25% (0.5% of Goldrich’s 50% of GNP = 0.25%) of any distributions produced by GNP. At December 31, 2020 and 2019, an amount of \$35,794 has been accrued for the distribution which is included in accrued liabilities for distributions to us that were applied to Loan3. No amount was accrued for the 2018 distribution due to the dissolution of the JV, although during arbitration proceedings, Loan3 was determined and agreed to be paid in full (see *Arbitration* below). During the year ended December 31, 2020, Goldrich purchased 595,000 membership units, or approximately 49% of CGL’s membership units for \$25,000. This provides Goldrich with 49% of any distributions produced by GNP and paid to CGL. The Company accounts for its investment in CGL using the cost less impairment method. The Company does not anticipate any distributions from CGL until the placer resumes production.

Concerning Loan3, in 2012, the joint venture purchased, on Goldrich’s behalf, a 2% royalty interest, payable on all production from certain Goldrich mining claims at the Chandalar, Alaska property for \$250,000 from Jumbo Basin Corporation. This transaction gave rise to Loan3, was carried at an interest rate of the greater of prime plus 2% or 10%, and was to be repaid from distributions to Goldrich as defined in the Operating Agreement, prior to any distributions in cash to Goldrich. The 2016 and 2017 Members Distributions, as adjusted by the rulings of the arbitration Panel, were first applied against Loan3 in accordance with the terms of the Operating Agreement, the distributions were sufficient to pay all of Loan3 principal and interest in full.



## ***Arbitration***

In 2017, we, our subsidiary and the joint venture, as claimants, filed an arbitration statement of claim before a three-member Arbitration Panel (“the Panel”), against our JV partner and its affiliates; NyacAU, LLC (“NyacAU”), BEAR Leasing, LLC, and Dr. J. Michael James, as respondents. In 2018, the respondents filed a counter-claim against the Company, its subsidiaries and the certain members of our current and former management, the counterclaim respondents. The arbitration claim alleged, amongst other things, claims concerning related-party transactions, accounting issues including capital vs. operating leases, interpretation of the joint venture operating agreement, allocation of tax losses between the joint venture partners, and unpaid amounts due Goldrich relating to the Chandalar Mine.

During the year ended December 31, 2019, and in 2020 subsequent to the end of the reported period, the Panel has released various awards relating to the allegations of both parties. Some of which have been in favor of our positions some have been in favor of our JV partner and its affiliates. The arbitration is ongoing and the various parties to the claims and counterclaims continue to disagree on several matters.

On May 25, 2019, the Panel issued an Interim Award, which requested input from the parties on a small number of discrete issues, all input to be supported by references to the arbitration record. On November 30, 2019, the Panel issued the Partial Final Award and concurrently the Second Interim Award regarding Dissolution/Liquidation of GNP and Related Issues (“the Second Interim Award”). On September 4, 2020, the Arbitration Panel (the “Panel”) issued the Final Post Award Orders, wherein the Panel issued rulings on multiple material issues. On December 4, 2020, the Panel issued Supplemental Orders 5-8. Subsequent to the year ended December 31, 2020, on April 7, 2021, the Panel issued Order on Respondents’ Motion to Preserve Confidentiality of Arbitration Proceedings, wherein the Panel ruled that the Company did not violate confidentiality when it filed the arbitration rulings as exhibits to its public reporting with the Securities and Exchange. On April 7, 2021, the Panel also issued Order on Respondents’ Motion to Confirm Judgment. A summary of each award is provided below. Matters of minor significance on which the Panel ruled or waived actions on matters over which the Panel had no jurisdiction are not included in the summary.

### **The Partial Final Award**

A summary of the various matters addressed in the Partial Final Award is as follows:

#### *Capital vs. Operating Leases*

In response to a claim made by Goldrich, the Panel ruled that certain leases were capital leases, rather than operating leases, which increased the basis upon which distributions are made to the JV partners. In addition, the Panel modified the interest rates applicable to the leases, which decreased the profitability of the JV for the change in interest on all leases but only decreased the basis upon which distributions are made to Goldrich for leases that were deemed to be operating leases. The net change had no effect on the Company’s 2020 financial statements. The ruling did, however, affect the amount of interim distributions made from GNP to Goldrich for 2016 and 2017 as noted below.

#### *Ownership by GNP of Leased Equipment*

The Panel ruled that certain continuing lease payments made by GNP for equipment treated as operating leases, which were subsequently ruled capital leases, represented buy-out payments at the conclusion of the capital lease. Therefore, ownership of the subject equipment was transferred to GNP. As a result of the ruling, certain leased equipment became the property of GNP, but was subsequently transferred to Bear Leasing to satisfy other GNP debts when GNP was dissolved.

#### *Lease Charges and Ownership of Arctic Camp Purchased by NyacAU related party from Third-Party*

The Panel ruled that lease payments made by GNP to Bear Leasing toward rented Arctic camp facilities that had been purchased from an unrelated third-party from 2012 through 2014 represented purchase consideration. As a result, GNP was deemed the beneficial owner of the camp in connection with the dissolution/liquidation process. Further, LOC1 was reduced by the lease payments GNP was charged beyond the purchase price for the Arctic camp.

#### *Interim Distributions to Goldrich for 2016 and 2017*



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As a result of the awards noted above, the Panel determined that the Company is entitled to an additional \$214,797 in distributions for 2016 and an additional \$198,644 for 2017, for a total of \$413,442. In like manner, the Panel determined that NyacAU is entitled to an additional \$413,442 in distributions for these years. As we are uncertain as to the collectability of these distributions, no recognition of these revenues is included in our Statement of Operations for the year ended December 31, 2021

### Payment of Interest Earned by LOC1

The Partial Final Award also addressed our claim for payment of interest earned by LOC 1. The Panel determined that NyacAU should pay the Company 50% of the interest earned on LOC 1 actually received by NyacAU, or \$126,666. NyacAU contested the amount of LOC1 interest paid by GNP to NyacAU. The matter is further discussed below in the summary for the Final Post Award Order and Supplemental Orders.

### 2012 Reclamation Work

The Panel ruled Goldrich is responsible to pay the full amount charged by GNP for the 2012 reclamation work to NyacAU and NyacAU is also entitled to 5% pre-judgement interest on the award from the date the first invoice was sent to Goldrich. Goldrich has accrued a liability for this ruling, however Goldrich has contested the party to whom payment should be made and whether additional amounts not invoiced by GNP should be included in the award.

### Allocation of Tax Losses

From 2012 through 2018, NyacAU, as managers of GNP, had allocated net tax losses from GNP totaling \$19,888,374 to NyacAU and \$839,537 to Goldrich. Goldrich claimed it had a right to 50% of all tax losses under the GNP Operating Agreement and filed Form 8082 for each year with the Internal Revenue Service (“IRS”) to correct the GNP K-1’s filed by NyacAU. Goldrich claimed a total of \$9,946,369, 50% of the total GNP losses for the years 2012 through 2018. The Panel generally agreed with that allocation but only during the periods where actual mining operations were being performed, since those rationally are the only periods in which both parties bore a material economic risk, in terms of the impact of mining operations on processed and unprocessed gold. Based on the evidence before the Panel, mining operations were performed in August-September 2013, and 2015-2018.

Prior to Goldrich receiving the award, the IRS had processed and accepted the Forms 8082, corrected GNP K-1’s, and amended tax returns filed by Goldrich for 2012 through 2017. The IRS also notified Goldrich that Goldrich’s 2012 through 2014 tax returns were closed for further changes due to the expiration of the statute of limitations for those years. The IRS also conducted an audit of Goldrich’s 2014 through 2017 tax returns with a ‘no change’ determination. Therefore, although Goldrich was not awarded 50% of all GNP 2012 to 2014 tax losses in the arbitration, Goldrich has been allowed to take the full total of its share of GNP tax losses of \$9,946,369, which can be used to offset taxable profits Goldrich generates in future years.

In August 2020, the IRS issued an unfavorable ruling as it affects the Company in regard to the audit of the joint venture which, when the individual partners’ effects are communicated to us by the IRS, is probable to decrease our net federal and state net operating loss carryforwards by \$2.0 million and \$1.8 million, respectively, for the years under audit. The JV partners had been instructed by the Panel to take steps to ensure tax losses have been shared equally, as the Operating Agreement requires, but only during the periods where actual mining operations were being performed. In the closing conference, it was evident that GNP had taken positions with the IRS that conflicted with the Panel’s direction. The recourse available to us in regard to the audit ruling is a challenge of the IRS ruling before the tax court, should we determine this to be in our best interests.

### Other

- The arbitration awarded NyacAU’s request that an entry be made on GNP’s books for unpaid and unbilled interest expense of \$66,180 under the appropriate Lease, incurred during the period of construction of the wash plant. In the liquidation process, NyacAU (through Bear Leasing) shall be treated as a third-party creditor with respect to the recovery of this amount from GNP.
- The Panel awarded Dr. James \$9,858, plus interest at 5% and legal fees, for personal expenses incurred relating to 2012 Goldrich reclamation costs. These amounts totaling \$13,713 have been included in accounts payable and interest payable of the Company at December 31, 2019. An additional \$487 has been



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accrued for the year ended December 31, 2020 bringing the total amount accrued in accounts payable and interest payable to \$14,200 at December 31, 2020.

- The Partial Final Award found the Company liable for an act of negligent misrepresentation regarding the concealment of certain technical information from NyacAU. We have vigorously disputed the concealment and the finding of negligence. Nevertheless, as a result of the Panel's determination, the Panel awarded Dr. J. Michael James a reimbursement of 17% of his previous \$350,000 stock investment in the Company or \$59,500 plus interest of 5% and legal fees. The award plus interest, totaling \$83,588, has been accrued and is included in accounts payable and interest payable of the Company at December 31, 2019. An additional \$2,970 has been accrued for the year ended December 31, 2020 bringing the total amount accrued in accounts payable and interest payable to \$86,558 at December 31, 2020. Attorney's fees and costs also awarded in the judgement plus interest totaling \$886 and \$911 have been included in accounts payable and interest payable of the Company at December 31, 2019 and December 31, 2020, respectively.
- As requested by Goldrich and NyacAU, the Panel will retain jurisdiction and oversight over the dissolution/liquidation process to its completion. The Panel stated, "there is likely more information the parties will have to provide on certain issues--including, among others, changes in the balance of LOC 1 and the issue of transfer of the permit to Goldrich--before a Final Award on dissolution/liquidation can be made." As of the date of this report, the balance of LOC1 continues to change as a result of on-going rulings by the Panel. Additionally, the Panel has stated it lacks jurisdiction on the transfer of the mining permit, which the Panel has ruled is a matter to be negotiated between the parties.
- The Panel ruled that "there has been no prevailing party in the arbitration to this point, although it reserves judgment as to whether a prevailing party will emerge from the Final Award with regard to issues which are now part of the Revised [Second] Interim Award. Accordingly, as to all issues covered by this Partial Final Award, the parties shall bear their own costs, expenses, and attorneys' fees."

### **The Second Interim Award**

The Second Interim Award was necessitated by the fact that the dissolution/liquidation of the joint venture had not yet run its course. A summary of the various matters addressed in the Second Interim Award is as follows:

#### Transfer of Mining Permits

The Panel ordered that:

- a) No later than January 15, 2020, NyacAU and Goldrich shall attempt to establish, by agreement, a market value for the GNP permit in connection with a transfer of the Permit to Goldrich or a third party, taking into consideration the obligation of GNP, or any transferee of the permit, to complete reclamation in accordance with NyacAU's government-approved reclamation plan.
- b) Reasonably prior to May 31, 2020, NyacAU shall perform its obligation to "make provision ... for reclamation by (1) adding all reclamation expenses actually incurred by NyacAU to LOC 1; (2) from GNP's assets, to the extent possible after payment of GNP's debts and liabilities and liquidation expenses".

Neither order was successfully executed by the parties on the dates specified by the Panel. The Second Interim Award confirmed the dissolution of GNP and noted that "no provision of the Claims Lease or the Operating Agreement speaks directly to the rights or obligations of GNP to transfer its mining permit, which is held in the name of the manager, NyacAU. Although GNP no longer has the right to mine, GNP and specifically NyacAU have the liability of reclamation. Absent a transfer of the Permit, GNP (through NyacAU) would be obligated to complete reclamation, and obtain final approval from appropriate government authorities, as required by the Claims Lease—a process estimated to take several years."

If NyacAU does not transfer the mining permit to Goldrich as part of the dissolution, they will retain the requirement to reclaim the mine, and Goldrich will be prevented from mining the property, since two mining permits cannot be





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issued for the same claims. The actual cost of the reclamation will be subject to many variables, not the least of which will be whether the remedial activity is undertaken while the mine is inactive or conversely, when the mine is actively producing gold. If the mining permit were to be transferred to Goldrich or another entity with the reclamation obligation intact, the reclamation activity could be undertaken as a key piece of a mining plan in order to mitigate reclamation costs. If an agreement cannot be reached to transfer the mining permit and the associated reclamation of prior mining activities, Goldrich will be prevented from mining its claims until a new mining permit is acquired after the current mining permit expires in 2024, and will be limited to exploration activities on the hard rock deposits of the Chandalar property

NyacAU has indicated they will not transfer the permit without also transferring the reclamation obligation, of which they believe to be approximately \$3 million. Goldrich has indicated they will not accept transfer of the permit together with the reclamation obligation, which they believe to be substantially greater. Both parties are in discussion to attempt to reach an agreement for the transfer of both the permit and the reclamation obligation, no transfer of either, or some other arrangement.

### Balance and payment of LOC1

The Panel calculated a tentative balance of LOC1 at \$16,483,271 as of June 2019. This balance will be adjusted for any additional awards and/or adjustments made by the Panel.

As allowed by the Operating Agreement and a separate Security Agreement between GNP and NyacAU, NyacAU has recorded a security interest in future placer gold production from all current placer claims owned by Goldrich as collateral for repayment of fifty percent (50%) of GNP's LOC1 to NyacAU. The agreements between GNP and NyacAU are silent concerning what happens if GNP is dissolved and is no longer producing gold, the basis of calculation, timing of remittance and other key factors related to repayment if mining activities were to be undertaken again. If there is no further placer production from these claims, Goldrich does not have a liability to pay LOC1.

The Panel ruled in the Final Post Award, discussed below, that LOC1 cannot be increased for costs incurred after mining operations have ceased, including costs for reclamation. Mining operations ceased on September 21, 2018, but were ruled to have ceased on September 28, 2018 by the Panel. This deprives NyacAU of a security interest in 50% of future placer gold production at the site to repay NyacAU for expenses incurred subsequent to the cessation of mining operations.

If an agreement cannot be reached for the transfer of the mining permit and reclamation liability to Goldrich or an operating company that will harvest the placer gold in the deposit, mining will likely not continue at the mine and LOC1 likely will not be paid. Further, in order to operate the mine, Goldrich will be required to raise money to fund replacement equipment, wash plant, infrastructure and initial operating costs to restart the mine, due to the mining assets which have been removed as part of the liquidation of GNP. Goldrich is actively preparing a new mine plan and an initial assessment to show the mine's potential, as announced in Goldrich's news release dated July 29, 2020. However, at the date of this report, there is no candidate for operating the mine without a settling concession as part of the transfer of the permit and the associated reclamation and LOC1 obligations.

Goldrich may not have a reasonable avenue to pursue in restarting the mine and may be limited to raising investment funds for the sole purpose of exploration of the hard rock deposits.

### Right to Offset Damages or Distributions

The Panel granted the request that any damages awarded to one party can be an offset to distributions (or damages) due to the other party.

## **Judgements issued by Superior Court**

On April 29, 2020, the Superior Court of the State of Alaska issued a judgement in favor of Dr. James, in the total amount of \$13,713 (for the 2012 reclamation costs personally incurred, including interest) and \$83,588 (for the adjustment to Dr. James' stock purchase, including interest). The Court ordered both Goldrich and NyacAU to submit a status report to the Court in September 2020 regarding the Panel's clarification of the amounts payable for the 2012 reclamation, including interest, and to clarify the correct party for the award, NyacAU or GNP. The status report has



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been filed by both parties, and these judgements remain unpaid and in force before the Superior Court. In June 2020, the Superior Court awarded additional amounts for attorney's fees and costs. At December 31, 2020, a total of \$101,669 is included in accounts payable and interest payable on the consolidated balance sheet for the judgements, additional costs, and interest.

### **Final Post Award Orders**

A summary of the various matters addressed in the Final Post Award is as follows:

On September 4, 2020, the Panel issued Final Post Award Orders, wherein the Panel issued rulings on multiple material issues:

#### Reclamation:

- a) We had previously filed a motion to compel NyacAU to correct accruals for certain expenses including reclamation, demobilization, equipment rental and utilities. Most notably, we contended that an accrual for reclamation liability of approximately \$2.1 million was woefully short of an \$18.4 million estimate prepared by independent professionals as engaged by Goldrich. The Panel denied our motion and ruled that Goldrich does not have the authority to compel the establishment of any reserves on the GNP financial records; NyacAU having sole authority to establish reserves as manager of the joint venture. There was no direct financial consequence to us as a result of this ruling. This had no effect on the balance of LOC1 as the Panel ruled that costs after mining ended cannot be added to the balance of LOC1.
- b) We had previously filed a motion to compel NyacAU to reclaim the disturbed acres as required under the Operating Agreement and the mining permit issued to NyacAU in 2013, and to require NyacAU to fund the reclamation reserve from cash that had been distributed to NyacAU. The Panel denied our motion and ruled that while there was express provision in the Operating Agreement to establish reserves necessary for contingent or unforeseen liabilities or obligations, which could conceivably include reclamation reserves, the agreement does not impose an express obligation to reclaim the project site. The obligation to perform reclamation is imposed by the claims lease and the mining permit issued to NyacAU, which requires the permit holder to reclaim the site in accordance with government regulations. The ruling also states that the determination of the scope of potential obligations to reclaim under the permit is beyond the jurisdiction of the Panel. Further, the Panel ruled that the Operating Agreement does not impose an obligation on the Company to pay 50% of the reclamation fee, confirming again the obligation resides with the permit holder. Still further, the Panel ruled that the reclamation fees were not operating expenses to bring the mine to commercial production and therefore by definition of the Operating Agreement, precludes reclamation expenses from being added to LOC1, for which Goldrich would be obligated to remit 50% to NyacAU upon liquidation of GNP. This ruling deprives NyacAU of a security interest in 50% of future placer gold production at the site to repay reclamation expenses which it advances. There was no direct financial consequence to us as a result of this ruling; however, the effect on the future balance of LOC1 and our liability for 50% of that balance would be significant now that NyacAU is not allowed to pass through reclamation costs to GNP but is required to retain responsibility for those costs as holder of the mining permit.
- c) NyacAU had previously filed a motion to compel the Company to recognize and remit a reclamation liability that had been invoiced by GNP to Goldrich in 2014 for reclamation work it performed on Goldrich's behalf for violations resulting from our 2012 mining activities. We had previously challenged the validity of the invoice, citing back charges to GNP that had not been recognized or remitted to it. The Panel denied Goldrich's claim and ruled in favor of NyacAU. While we continue to work with the Panel to clarify the party to whom the reclamation is payable, the specific amount of the payable and the calculation of interest associated with the liability, Goldrich has recorded an accrued liability totaling \$ 421,366 for the year ended December 31, 2019, related to this reclamation liability and associated interest thereon, due to the liability now being estimable and probable under ASC 450. The total consists of \$329,157 for reclamation expense and \$92,209 for pre- and post-judgement interest expense, calculated at 5%. Additional interest of \$16,503 has been accrued during the year ended December 31, 2020 and is included in interest payable at December 31, 2020.



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### Mining Claims:

All of our mining claims remain the property of the Company.

### Repayment of misappropriation of JV funds

We had previously filed a motion to compel NyacAU to repay funds we considered to be misappropriated as payments on LOC1 in contravention of the payment priority requirements as outlined in the Operating Agreement (See Note 4 *Joint Venture*). A successful challenge of these cash disbursements would return to GNP funds that we considered to be necessary to pay for 2018 partner distributions that have precedence over repayment of LOC1. The ruling was deferred pending additional information to be determined in the future, such as the profitability of operations in 2018, which has not yet been determined when taking the Panel's ruling into account. In December 2020, the Panel denied the motion, see *Supplemental Orders 5-8* below.

### Clarification concerning GNP's 2018 Profitability and 2018 Interim Distributions.

We had made a challenge to the Panel's understanding of facts related to GNP's profitability for 2018 as presented in the arbitration proceedings, with a motion to distribute interim distribution after applying the rulings made to date. The Panel deferred ruling on the matter, retaining jurisdiction to decide the issue of interim distributions for 2018 and requested the parties to present evidence and argument (disregarding any jurisdictional issue) as to (i) whether Goldrich has a right to interim distributions for 2018, and (ii) the amount, if any, of distributions to be paid. Goldrich has submitted a claim for approximately \$680,000 plus prejudgment interest thereon at 5%; NyacAU claims that Goldrich is not entitled to any distributions for 2018. In December 2020, the Panel denied the motion, see *Supplemental Orders 5-8* below.

### Clarification of LOC1 Interest Paid and Amounts Owed to Goldrich.

We had challenged the amount of payment of LOC1 interest by GNP to NyacAU and claimed reimbursement of 50% of the amount remitted as specified by the Operating Agreement. The Panel deferred a ruling and required more information from each party. In December 2020, the Panel ruled in our favor, see *Supplemental Orders 5-8* below.

### Subordination of Mr. Gallagher's Security to NyacAU's Security.

A challenge to the validity of priority of security interest was ruled in the Company's favor. NyacAU's security interest for LOC1 was reaffirmed to be gold production from the mining claims, while Mr. Gallagher's security is perfected in the mining claims themselves. The Panel determined there was no conflict between the two security interests. There was no direct financial consequence to us as a result of this ruling.

## **Supplemental Orders 5-8**

On December 4, 2020, the arbitration Panel issued Supplemental Orders 5-8, wherein the Panel issued rulings on multiple material issues:

- 2018 Profitability and 2018 Interim Distributions

Under the GNP Operating Agreement, Goldrich was entitled to receive certain interim distributions based on GNP's profitability. Goldrich received such distributions for 2016 and 2017. Goldrich challenged the Panel's understanding of facts related to GNP's profitability for 2018 as presented in the arbitration proceedings and made a motion for GNP to distribute interim distributions for 2018 after applying the arbitration rulings made to date. Goldrich submitted a claim to the arbitration Panel for approximately \$680,000 plus prejudgment interest thereon at 5%. The arbitration Panel denied Goldrich's claim. Based on the Panel's ruling, the paydown by NyacAU, as manager of GNP, of Line of Credit 1 ("LOC1") with GNP funds, rather than the payment of a 2018 interim distribution to Goldrich, is not considered a misappropriation of funds. LOC1 is a related party loan between GNP and NyacAU.

The Panel ruled that GNP was dissolved at the end of the 2018 mining season (September 28, 2018) by failing to meet the Minimum Production Requirement of the GNP Operating Agreement rather than May 2019, when NyacAU published a formal notice of dissolution to the State of Alaska and to creditors. Based on this and other evidence, the Panel found that GNP was dissolved by no later than October 9, 2018, which



precedes the date by which any interim distribution would otherwise have been due under the GNP Operating Agreement (October 31 - December 31, 2018). Accordingly, the Panel ruled that Goldrich is precluded from receiving any interim distributions for 2018 under the GNP Operating Agreement, which provides that “[m]embers have a right to Distributions from the Company before the dissolution and winding up of the Company.”

• *Goldrich’s Portion of Interest Paid on LOC1*

Under the GNP Operating Agreement, Goldrich is to receive 50% of any interest on LOC1 paid by GNP to NyacAU. Goldrich made a claim to the arbitration Panel that GNP had paid interest to NyacAU and that Goldrich was entitled to 50% of the amount paid. The Panel ruled that NyacAU is obligated to pay Goldrich 50% of \$241,797 in interest “received” by NyacAU up to October 2018, when GNP was dissolved and commenced liquidation, in the total principal amount of \$120,883. Goldrich is also entitled to recover 5% prejudgment interest on unpaid LOC1 interest as it fell due. The Panel further ruled that LOC1 interest totaled (cumulatively) \$3,394.21 as of December 2012; \$22,663.46 as of December 2013; \$55,632.71 as of December 2014; \$101,823.60 as of December 2015; \$155,337.06 as of December 2016; \$205,817.76 as of December 2017; and \$241,797.20 as of October 1, 2018. Goldrich is awarded 12 months of accrued prejudgment interest at 5% per annum on each of these year-end amounts. Goldrich has no entitlement to a share of LOC1 interest beyond this.

• *Clarification of Award*

In the Partial Final Award given in 2019, the arbitration Panel made an award to NyacAU of \$377,253 in damages and pre-award interest relating to 2012 reclamation expenses incurred on Goldrich’s behalf. Goldrich made an “Application for Modification and Correction of Arbitration Award, for Vacation of Award, or for Resubmission to Arbitration Panel for Clarification”, requesting an order from the Alaska court, under the Alaska Arbitration Act, that the damages awarded for unpaid 2012 reclamation expenses were to be paid to GNP, not NyacAU, and that the Panel clarify the appropriate amount of damages and interest to be paid. The Panel ruled that it will resolve these issues after the parties submit evidence and argument supporting their respective positions on the merits.

## **Arbitration Rulings Subsequent to December 31, 2020**

### **Orders on Respondents’ Motion to Confirm Judgment**

On April 7, 2021, the Panel issued Order on Respondents’ Motion to Preserve Confidentiality of Arbitration Proceedings, wherein the Panel ruled that the Company did not violate confidentiality when it filed the arbitration rulings as exhibits to its public reporting with the Securities and Exchange. On April 7, 2021, the Panel also issued Orders on Respondents’ Motion to Confirm Judgment to correct, clarify, or modify an award made in the Partial Final Award, wherein a claim against the Company for \$50,685 for additional reclamation costs, including interest of \$2,589 was awarded to GNP. This event constitutes a ‘Type 1’ event, which required adjustment and recognition to the financial statements for the year ended December 31, 2020.

### **Estimates of Arbitration**

It is possible that there could be either adverse or favorable developments in the arbitration pending with the Company and its JV partner. An unfavorable outcome or settlement of pending arbitration could encourage the commencement of additional legal action by the affected party.

We record provisions in the consolidated financial statements for pending arbitration results when it determines that an outcome is probable, and the amount of the gain or loss can be reasonably estimated. At the present time, except as stated otherwise, while it is reasonably possible that a favorable or unfavorable outcome in the arbitration may occur, after assessing the information available, management is unable to estimate the possible gain or loss, or range of gains or losses, for the pending arbitration; and accordingly, no estimated gains or losses have been accrued in the consolidated financial statements for favorable or unfavorable outcomes. Legal defense costs are expensed as incurred.





### **ITEM 3. LEGAL PROCEEDINGS**

We are subject to legal proceedings and claims, which arise from time to time. These can include, but are not limited to, legal proceedings and/or claims pertaining to environmental or safety matters. With the exception of the arbitration actions detailed below, there are no pending material legal proceedings in which the Company is a party or any of their respective properties is subject. Also, with the exception of the arbitration actions detailed below, there are no pending legal proceedings to which any director, officer or affiliate of the Company, any owner of record or beneficiary of more than 5% of the common stock of the Company, or any security holder of the Company is a party adverse to the Company or has a material interest adverse to the Company.

In 2017, the Company, its subsidiary and the joint venture, as claimants, filed an arbitration statement of claim against NyacAU, LLC (“NyacAU”), BEAR Leasing, LLC, and Dr. J. Michael James, as respondents. In 2018, the respondents filed a counter-claim against us, the claimants. The arbitration claim alleges, amongst other things, claims concerning related-party transactions, accounting issues, interpretation of the joint venture operating agreement, allocation of tax losses between the joint venture partners, and unpaid amounts due Goldrich relating to the Chandalar Mine. The arbitration occurred during July and August 2018 in Anchorage, Alaska before a three-member panel. Under the terms of the Operating Agreement, both partners are required to abide by the rulings proceeding from the Panel. We have received an Interim Award, a Partial Final Award, a Second Interim Award, a Final Post Award, and Supplemental Orders 5-8, and are awaiting the outcome of the arbitration that would come in the form of a Final Award from the panel.

### **ITEM 4. MINE SAFETY DISCLOSURES**

The information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in exhibit 95.1 to this Annual Report.

## PART II

### ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock was quoted on the FINRA OTCBB but in March 2021, Goldrich qualified to be quoted under the symbol "GRMC" on the OTCQB of the OTC Markets. The OTCQB is a network of security dealers who buy and sell stock. The dealers are connected by a computer network which provides information on current "bids" and "asks" as well as volume information. The OTCQB is not considered a "national securities exchange."

The closing price for our common stock on the OTCQB was \$0.059 on April 12, 2021. Goldrich intends to seek a listing of its shares on a recognized stock exchange in Canada, but has not yet filed application to do so as of the date of this Annual Report.

#### Holder of Record

As of April 12, 2021, there were 2,940 shareholders of record of our common stock and an unknown number of additional shareholders whose shares are held through brokerage firms or other institutions.

#### Dividends

We have not paid any dividends and do not anticipate the payment of dividends on our common stock, Series B Convertible Preferred Stock, Series C Convertible Preferred Stock, Series D Convertible Preferred Stock, Series E Convertible Preferred Stock, or Series F Convertible Preferred Stock in the foreseeable future. Our Series A Convertible Preferred Stock (the "Series A Preferred Stock") earns dividends as follows:

- Dividend Rate: The holders of Series A Preferred Stock shall be entitled to receive, when and as declared by the Board, yearly cumulative dividends from our surplus or net profits of the Company at an effective rate of 5% per annum, of the original Series A Preferred Stock purchase price of \$1.00 per share. The Series A dividend shall accrue ratably from the date of issuance of the Series A Preferred Stock through the entire period in which shares of Series A Preferred Stock are held and shall be payable to the holder of the Series A Preferred Stock on the conversion date of the Series A Preferred Stock or as may be declared by the Board, with proper adjustment for any dividend period which is less than a full year.
  - Preferential and Cumulative. The Series A Dividends shall be payable before any dividends will be paid upon, or set apart for, our common stock and will be cumulative, so that any dividends not paid or set apart for payment for the Series A Preferred Stock, will be fully paid and set apart for payment, before any dividends will be paid upon, or set apart for, the common stock of the Company.
- Payment of Dividend: If we shall have sufficient earnings to pay a dividend on the Series A Preferred Stock, upon declaration of any dividend by our Board of Directors in compliance with the Alaska Code and our Articles of Incorporation and Bylaws, the holder of Series A Preferred Stock may elect to receive payment of Series A dividend on a dividend payment date in cash, or provisionally in gold. Payment of Series A dividends in gold shall be paid only if we are producing gold in sufficient quantities as of the dividend payment date to pay such in-kind dividend and shall be delivered in the form of gold produced from our Chandalar property. We have total dividends in arrears of \$84,958 as of December 31, 2019. Total dividends of \$30,618 were declared and payable as a result of conversion of preferred stock during 2011 and 2016 and are included in current liabilities on our Balance Sheet.

We issued Series A Preferred Stock to two U.S. Persons (as defined in Regulation S of the Securities Act of 1933, as amended (the "Securities Act") who are accredited investors, relying on the exemptions from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D of the Securities Act. These two U.S. Persons have exercised their conversion privileges and are now holders of our Common Stock. In addition, we issued Series A Preferred Stock to one person who is an "accredited investor" and not a U.S. Person, relying on the exception from the Securities Act registration requirements available under Regulation S of the Securities Act.



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We issued Series B Preferred Stock to one person who is an “accredited investor” and not a U.S. Person, relying on the exception from the Securities Act registration requirements available under Regulation S of the Securities Act.

We issued Series C Preferred Stock to one person who is an “accredited investor” and not a U.S. Person, relying on the exception from the Securities Act registration requirements available under Regulation S of the Securities Act.

We issued Series D Preferred Stock to one person who is an “accredited investor” and not a U.S. Person, relying on the exception from the Securities Act registration requirements available under Regulation S of the Securities Act.

We issued Series E Preferred Stock to five U.S. Persons who are accredited investors, and two person who are “accredited investors” and not U.S. Persons, relying on the exception from the Securities Act registration requirements available under Regulation S of the Securities Act.

We issued Series F Preferred Stock to one person who is an “accredited investor” and not a U.S. Person, relying on the exception from the Securities Act registration requirements available under Regulation S of the Securities Act.

### **Securities Authorized for Issuance under Equity Compensation Plans**

A vote of shareholders at our Shareholder Meeting held on November 13, 2020 authorized an increase in the total shares in the Restated 2008 Equity Incentive Plan (the “Plan”) to 16,129,304 shares of common stock, an amount that represented 10% of the outstanding shares of our common stock at that time. At December 31, 2020, we have the following options outstanding and available for issuance:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance (c)</b>
Equity compensation plans approved by security holders	1,075,000	\$0.06	8,929,304
Equity compensation plans not approved by security holders	0	0	0
<b>Total</b>	<b>1,075,000</b>	<b>\$0.06</b>	<b>8,929,304</b>

The Plan permits the grant of: (i) incentive stock options; (ii) nonqualified stock options; (iii) restricted stock or restricted stock units; and (iv) stock appreciation rights. The Board of Directors administers the Plan and has the authority to interpret the Plan and the awards granted under the Plan and establish rules and regulations for the administration of the Plan. The Compensation Committee of the Board of Directors makes recommendations to the Board regarding the administration of the 2008 Plan.

Unless otherwise provided in the applicable award agreement or any severance agreement, vested awards are granted under the 2008 Plan will expire, terminate, or otherwise be forfeited as follows:

- Ninety (90) days after the date of termination of a participant’s continuous status as a participant, other than in the circumstances described below;
  - Immediately upon termination of a participant’s continuous status as a participant for cause as defined in a Company subplan or award agreement;
  - Twelve (12) months after the date on which a participant ceased performing services as a result of his or her Disability (as defined in the Plan); and
  - Twelve (12) months after the death of a participant who was a participant whose continuous status as a participant terminated as a result of their death.

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### **Issuer Purchase of Equity Securities**

We and our affiliates did not repurchase any of our securities during the year ended December 31, 2020.

### **Sale of Unregistered Securities**

All sales of unregistered securities during the period covered by this Annual Report were previously disclosed in a quarterly report on Form 10-Q or a current report on Form 8-K.

## **ITEM 6. SELECTED FINANCIAL DATA**

Not applicable.

## **ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **General**

#### ***Overview***

Our Chandalar, Alaska gold mining property has seen over a hundred years of intermittent mining exploration and extraction history. There has been small extraction of gold from several alluvial, or placer gold streams, and from an array of small quartz veins that dot the property. However, only in very recent times is the primary source of the gold becoming evident. As a result of our exploration, considering structural geology, petrographic, geochemical and geophysical evidence, we have realized that all of the gold is sourced within a system of magmatic hydrothermal alteration features such as small pegmatitic dikes and chloritized schist. We believe these features are common to and link all of the hard-rock (lode) prospects, the weathering of which generated the gold placer deposits, and furthermore are an outlying expression of an underlying gold bearing pluton.

We are currently defining drilling targets for a hard-rock (lode) gold deposit in an area of interest approximately 1,800 feet wide and over five miles long, possibly underlain by a series of mineralized magmatic intrusions (plutons). Exploration therefore has taken on two directions; one toward defining a low-grade, large tonnage body of mineralization running beneath the headwaters of Little Squaw Creek where dense swarms of gold mineralized pegmatitic dikelets are seen, the other a deeper, larger mineralized plutonic body(ies) from which the district's mineralizing fluids may have emanated and migrated through Chandalar country rock. Our main focus continues to be the exploration of these hard-rock targets. We were successful in raising funds for a limited exploration program in 2014 and reclamation work in 2015; however, weak financial markets prevented us from obtaining funds for significant exploration in other years from 2012 through 2020. Significant increases in the price of gold since 2019, appear to have increased the availability of funds so we are hopeful to secure sufficient funds for a major exploration program in the near future.

Because of the weak financial markets suffered by the mining industry in recent years, we endeavored to develop our placer properties as a source of internal cash to protect us from future market fluctuations and to provide funds for future exploration. In 2012, Goldrich and NyacAU LLC ("NyacAU") formed Goldrich NyacAU Placer LLC ("GNP"), a 50/50 joint-venture company, managed by NyacAU, to mine Goldrich's various placer properties at Chandalar.

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As shown below, the placer gold extracted by GNP increased each year from 2015 through 2018, trending toward production figures that were anticipated by a preliminary economic assessment authored by qualified geologists for us:

Year	Ounces of Placer Gold	Ounces of Fine Gold
2015	4,400	3,900
2016	10,200	8,200
2017	15,000	12,300
2018	20,900	17,100

Although GNP's extraction increased over the years, ultimately the extraction numbers attained over those years fell short of the Minimum Production Requirements required in the Operating Agreement. According to the terms of the agreement, GNP was required to pay a Minimum Production Requirement of 1,100 ounces for 2016, 1,200 ounces for 2017, and 1,300 ounces for 2018 to both Goldrich and NyacAU by October 31, 2018. This payment was not made. Under the joint venture Operating Agreement, GNP would be dissolved if GNP failed to meet the Minimum Production Requirement.

On August 20, 2018, we announced the intended dissolution of the GNP joint venture. According to the terms of the joint venture operating agreement, GNP was required to pay a Minimum Production Requirement of 1,100 ounces for 2016, 1,200 ounces for 2017, and 1,300 ounces for 2018 to both Goldrich and NyacAU by October 31, 2018. This payment was not made. Under the joint venture Operating Agreement, GNP would be dissolved if GNP failed to meet the Minimum Production Requirement. GNP was formally dissolved in May 2019 and is currently being liquidated with NyacAU managing the process. Goldrich and NyacAU are currently in arbitration as noted above.

Subsequent to 2019, Goldrich commissioned an independent third-party mining engineering firm to complete a mining plan and initial assessment for the Company's Chandalar Mine.

### **Liquidity and Capital Resources**

We are an exploration stage company and have incurred losses since our inception. We currently do not have sufficient cash to support the Company through 2021 and beyond. We anticipate that we will incur approximately \$650,000 for general operating expenses and property maintenance, \$1,409,392 for interest, \$503,590 for payment of the gold notes, \$3,641,053 for payment of notes payable to related party, and \$1,062,106 for the payment of senior secured loans over the next 12 months as of December 31, 2020. Additional funds will be needed for any exploration expenditures, should any be undertaken. We also anticipate additional unknown and undeterminable costs for arbitration. We plan to raise the financing through a combination of debt and/or equity placements, sale of mining property interests, and revenue from placer operations.

We have filed an arbitration claim against our joint venture operating partner to challenge certain accounting treatments of capital leases, allocations of tax losses, charges to the JV for funding costs related to the JV manager's financing, related-party transactions, and other items of dispute. For recent developments in the arbitration proceedings, see the sections entitled Joint Venture Agreement and Arbitration above and Subsequent Events below. Each of these is disclosed in detail in the Notes to our financial statements included as part of this Annual Report as filed on Form 10-K for 2020. The arbitration is proceeding on the basis that GNP has been dissolved. As noted above, NyacAU has recorded a secured interest in all placer gold production from certain claims owned by Goldrich as collateral for repayment of fifty percent (50%) of LOC1. Arbitration proceedings may significantly affect the balance of LOC1, the magnitude of which cannot be estimated at the date of this report. The arbitration panel calculated a tentative balance of LOC1 at \$16,483,271 as of June 2019. This balance will be adjusted for any additional awards and/or adjustments made by the arbitration panel.

The audit opinion and notes that accompany our consolidated financial statements for the year ended December 31, 2020, disclose a 'going concern' qualification to our ability to continue in business. The accompanying consolidated financial statements have been prepared under the assumption that we will continue as a going concern. We are an



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exploration stage company and we have incurred losses since our inception. We do not have sufficient cash to fund normal operations and meet debt obligations for the next 12 months without deferring payment on certain current liabilities and raising additional funds. We believe that the going concern condition cannot be removed with confidence until the Company has entered into a business climate where funding of its activities is more assured.

We currently have only a brief, recent history of a recurring source of revenue and in 2016 received our first cash distribution from the joint venture. If we profitably execute a production business plan, our ability to continue as a going concern may improve and become less dependent on our ability to raise capital to fund our future exploration and working capital requirements. Our plans for the long-term include the profitable exploitation of our mining properties and financing our future operations through sales of our common stock and/or debt. Additionally, the capital markets and general economic conditions in the United States are constantly changing and may present significant obstacles to raising the required funds. These factors raise substantial doubt about our ability to continue as a going concern.

During the year ended December 31, 2020, we completed financings of \$904,600, compared to \$888,000 net cash for note financings and placements of our securities during the year ended December 31, 2019. Subsequent to the close of the December 31, 2020 year, we borrowed an additional \$116,000 of notes payable, bringing the total notes payable obligation as of April 8, 2021, to \$4,825,263, of which \$3,052,632 came due October 31, 2018. On November 1, 2019, the Company and lenders entered into the Amended and Restated Loan Security and Intercreditor Agreement (the "Agreement"). Under the Agreement, the borrower and holders entered into a Deed of Trust whereunder the Notes are secured by a security interest in all real property, claims, contracts, agreements, leases, permits and the like.

If we are unable to timely satisfy our obligations under these secured senior notes payable, the notes payable in gold, originally due November 2018 and subsequently amended to be on demand, and the interest on both the secured senior note due quarterly and the notes payable in gold, and we are not able to re-negotiate the terms of such agreements, the holders will have rights against us, including potentially seizing or selling our assets. The notes payable in gold are secured against our right to future distributions of gold extracted by our joint venture with NyacAU or subsequent gold production. At December 31, 2020, we had outstanding total notes payable in gold of \$503,590, representing 266.789 ounces of fine gold due on demand. During the year ended December 31, 2019, the Company renegotiated terms with the holders. The Fourth Delayed Delivery Required Quantity shall be delivered to the Purchaser at the Delivery Point on the date that is sixty (60) days after the date that the Purchaser gives notice to the Company. To date, the gold notes have not been paid, the note holders have not demanded payment and have indicated willingness to work with the Company to extend the due date.

At December 31, 2020, the Company had outstanding Notes payable of \$1,062,106 and outstanding Notes payable – related party of \$3,641,053. The Notes payable and Notes payable – related party had matured on October 31, 2018. In November 2019, the Company and the holders of the notes amended the notes, and the notes are now due within 10 days of a demand notice of the holders. There has been no notice of default or demand issued by any holder.

We believe we will be able to secure sufficient financing for further operations and exploration activities of our Company but we cannot give assurance we will be successful in attracting financing on terms acceptable to us, if at all. Additionally, anticipating continued placer production after dissolution of GNP, we look forward to internal cash flow and additional options for financing. A successful mining operation may provide the long-term financial strength for the Company to remove the going concern condition in future years. To increase its access to financial markets, Goldrich recently qualified to be quoted on the OTCQB of the OTC Markets and intends to also seek a listing of its shares on a recognized stock exchange in Canada.

The consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. If the going concern basis were not appropriate for these financial statements, adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used.



## Results of Operations

On December 31, 2020 we had total liabilities of \$9,588,289 and total assets of \$703,858. This compares to total liabilities of \$8,084,670 and total assets of \$724,992 on December 31, 2019. As of December 31, 2020, our liabilities consist of \$262,189 for remediation and asset retirement obligations, \$503,590 of notes payable in gold, \$3,641,053 of notes payable to related parties, \$1,062,106 of notes payable, \$1,838,362 of trade payables and accrued liabilities, \$787,789 due to related parties, \$959,504 of interest payable to related parties, \$452,478 of interest payable, and \$30,618 for dividends payable. Of these liabilities, \$9,309,333 are due within 12 months. The increase in liabilities compared to December 31, 2019 is largely due to the secured senior notes payable that came due in October 2018 and as amended on November 1, 2019 to be payable within 10 days of a demand notice of the holders. In addition, notes payable in gold increased as a result of an increase in gold prices during 2020, which increased the valuation of gold ounces to be delivered under the contracts. The increase in total assets was due to a purchase of membership units in Chandalar Gold LLC, and interest receivable related to the arbitration for the year ended December 31, 2020, see *Joint Venture*.

On December 31, 2020 we had negative working capital of \$9,256,903 and a stockholders' deficit of \$8,884,431 compared to negative working capital of \$7,525,082 and a stockholders' deficit of \$7,359,678 for the year ended December 31, 2019. Working capital decreased because of increased deferred compensation to the Company's officers as well as certain long-term liabilities are coming due within the next 12 months and now classified as current liabilities.

During 2020, we used cash from operating activities of \$878,943 compared to \$963,904 for 2019. Net loss of \$2,169,540 for 2020 compared to net loss of \$2,603,065 for 2019. At the end of 2020, we have accumulated approximately \$44.8 million and \$41.5 million in federal and state net operating losses, respectively, which may enable us to generate like amounts in net income prior to incurring any significant income tax obligation. The net operating losses will expire in various amounts from 2021 through 2038.

During 2020, we used cash from investing activities of \$25,000 compared to \$nil in 2019.

During 2020, cash of \$904,600 was provided by financing activities, compared to cash of \$888,000 provided during the year ended December 31, 2019. Cash of \$375,000 was provided from notes payable related party, net of offering costs, \$40,000 from notes payable, net of offering costs, \$439,000 from warrant exercises, and \$50,600 from the Covid-19 PPP loan. This compares to cash of \$824,000 provided from notes payable related party, net of offering costs and \$64,000 provided from notes payable, net of offering costs in 2019.

## Private Placement Offerings

No private placement offerings occurred during 2020 and 2019.

## Warrant Exercises

During September and October 2020, the Company received \$439,000 cash as a result of the exercise of Class Q, Class S, and Class T warrants at an exercise price of \$0.03 per common share. Ownership of these warrants had been in the hands of a related party and were sold by him personally to unrelated parties. The unrelated parties then exercised the warrants for cash, resulting in the issuance of 14,633,330 common shares.

## Notes Payable in Gold, Notes Payable & Notes Payable – Related Party

At December 31, 2020, we owed \$503,590 for Notes payable in Gold, \$1,062,106 for Notes payable and \$3,641,053 for Notes payable – related party. Interest payable on these borrowings totaled \$1,258,038. These borrowings have matured beyond their original due dates and have been amended to be due upon demand.

During September of 2020, the holders of the Notes payable and Notes payable – related party, received shares in lieu of cash for interest. A total of 13,719,248 common shares with a basis of \$0.015 per share, were issued to the lenders, reducing interest payable by \$205,789, of which \$168,976 was to a related party.

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Effective November 1, 2019, we entered into an Amended and Restated Loan, Security, and Intercreditor Agreement (the “Amended Agreement”) with Nicholas Gallagher, a related party and member of our Board of Directors, in his capacity as agent for and on behalf of the holders of the Notes payable.

As a result of the borrowings under the Notes payable in gold, Notes payable and Notes payable – related party (collectively, the “Notes”), we are faced with a significant hurdle in financing the Company going forward, whether to conduct exploration programs or initiate a mining program at the Chandalar mine. Our near-term cash requirements are greater than the assets we have available to satisfy them, and the holders of the Notes could choose to exercise their rights to demand payment, which would result in a default situation relative to the Notes. Mr. Gallagher is secured in his lending to the Company by means of the Amended Agreement, and if he were to demand payment, the Company would not be able to pay him the amounts due and he would be entitled to take ownership of our claims and other assets. We believe these holders to be friendly to the Company and that they will refrain from demanding payment, but the Company cannot control the potential demands nor the consequences that would be extracted as a result of default on the Notes.

### **Subsequent Events**

Subsequent to the year ended December 31, 2020, the Company entered into additional notes payable totaling \$116,000, net of discounts from a related party.

Subsequent to the year ended December 31, 2020, the Company received \$130,000 cash as a result of exercise of Class S warrants at an exercise price of \$0.03 per common share. Ownership of these warrants had been in the hands of a related party and were sold by him personally to unrelated parties. The unrelated parties then exercised the warrants for cash, resulting in the issuance of 4,333,333 common shares.

Subsequent to December 31, 2020, Mr. Gallagher sold 6,000,000 of his Class T warrants to Mr. Schara, 1,000,000 Class T warrants to Mr. Sharp, and 500,000 Class T warrants to an employee of the Company. None of these warrants have been exercised.

Subsequent to December 31, 2020, on April 7, 2021, the arbitration panel issued two orders:

- Order on Respondents’ Motion to Preserve Confidentiality of Arbitration Proceedings, wherein the panel ruled that the Company did not violate confidentiality when it filed the arbitration rulings as exhibits to its public reporting with the Securities and Exchange Commission, and
- Order on Respondents’ Motion to Confirm Judgment, to correct, clarify, or modify an award made in the Partial Final Award. This order confirmed a GNP claim against the Company for reclamation costs was to be awarded to GNP instead of NyacAU. The order also confirmed \$50,685 for additional reclamation costs, including interest of \$2,589 was due to GNP. This event has been recognized and accrued in the financial statements for the year ended December 31, 2020

### **Mining Permit and Future Mining Activities**

The upward movements in the price of gold to a range of \$1,800 to \$2,000 per ounce or higher during 2020 created renewed interest in gold mining, gold exploration and investments in companies engaging in those activities, including the junior mining/exploration sector in which we participate. Additionally, the fact that we own a mine that has produced over 40,000 ounces in recent years along an annual increasing trend has caught the interest of placer mining companies and investors who support placer mining operations. We believe we have the fundamentals to raise capital and continue our primary strategy of exploration and secondarily placer mining.

If we can attract the type of investor who is comfortable with reinstating the placer mining operation, we may have a viable and productive path forward toward obtaining financing in the short-term to achieve long-term profitability. To effectively pursue this strategy, (1) the mining permit for the Chandalar mine must be transferred to us from NyacAU, our former JV partner and the current holder of the permit, (2) financial concessions and removal of doubt concerning LOC1 must be done, and (3) reclamation costs for the Chandalar mine that currently are the responsibility of NyacAU



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must be mitigated by a mining plan that accomplishes much of the reclamation costs as part of the ongoing mining activity. We do not believe an investor or group of investors will be willing to step forward to fund the placer mining activity without these three factors aligning themselves as described.

Additionally, without a profitable mining operation, the ability to pay back the Notes may not be available to us. If that is the case, the payback would require us to raise money from placements of equity instruments to raise the cash to satisfy the obligations. Such a use of funds may present a funding effort that receives tepid or little response in the equity markets.

However, we do believe there are investors motivated to provide funding for exploration programs to locate and exploit the hard rock deposits from which the placer mineralization is coming from. This strategy can be pursued independent of any mining activities.

### **Off-Balance Sheet Arrangements**

We have no off-balance sheet arrangements.

### **Inflation**

We do not believe that inflation has had a significant impact on our consolidated results of operations or financial condition.

### **Contractual Obligations**

See *Subsequent Events* above.

### **Critical Accounting Policies**

We have identified our critical accounting policies, the application of which may materially affect the financial statements, either because of the significance of the financial statement item to which they relate, or because they require management's judgment in making estimates and assumptions in measuring, at a specific point in time, events which will be settled in the future. The critical accounting policies, judgments and estimates which management believes have the most significant effect on the financial statements are set forth below:

- Estimates of the recoverability of the carrying value of our mining and mineral property assets. We use publicly available pricing or valuation estimates of comparable property and equipment to assess the carrying value of our mining and mineral property assets. However, if future results vary materially from the assumptions and estimates used by us, we may be required to recognize an impairment in the assets' carrying value.
- Estimates of our environmental liabilities. Our potential obligations in environmental remediation, asset retirement obligations or reclamation activities are considered critical due to the assumptions and estimates inherent in accruals of such liabilities, including uncertainties relating to specific reclamation and remediation methods and costs, the application and changing of environmental laws, regulations and interpretations by regulatory authorities.
- Accounting for Investments in Joint Ventures. For joint ventures in which we do not have joint control or significant influence, the cost method is used. Under the cost method, these investments are carried at the lower of cost or fair value. For those joint ventures in which there is joint control between the parties and in which we have significant influence, the equity method is utilized whereby our share of the ventures' earnings and losses is included in the statement of operations as earnings in joint ventures and our investments therein are adjusted by a similar amount. We have no significant influence over our joint venture described in Note 5 *Joint Ventures* to the financial statements, and therefore account for our investment using the cost method. For joint ventures where we hold more than 50% of the voting interest and has significant influence, the joint venture is consolidated with the presentation of a non-controlling interest. In determining whether significant

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influence exists, we consider our participation in policy-making decisions and our representation on the venture's management committee. We currently have no joint venture of this nature.

- Estimates of contingent uncertainties. The arbitration rulings and awards have resulted in potential obligations and partially-offsetting potential receivables to and from GNP, some of which must be recognized and recorded, while others cannot be recognized or recorded until the actual realization of the cash benefit. If future results vary materially from the assumptions and estimates used by us, we may be required to recognize material differences from those we have recognized in the financial statements, and those disclosed in Note 13 Commitments and Contingencies.

## **ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not applicable.

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

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Assure CPA, LLC  
7307 N. Division, Suite 222  
Spokane, WA 99208  
Main | 509.535.3503  
Fax | 509.535.9391  
[www.assure.cpa](http://www.assure.cpa)

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

### **To the Board of Directors and Stockholders Goldrich Mining Company**

#### **Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Goldrich Mining Company (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of operations, changes in stockholders' deficit and cash flows for each of the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company *as of* December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

#### **The Company's Ability to Continue as a Going Concern**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has generated no revenues and has an accumulated deficit which raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

#### **Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

#### **Critical Audit Matter**

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

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### *Accounting and disclosures of uncertainties and contingencies in arbitration proceedings with a joint venture partner*

#### Critical Audit Matter Description:

As described in Notes 4, 13 and 14 to the financial statements, the Company is in arbitration with its joint venture partner, NyacAU, LLC (“NyacAU”) and has been involved in litigation with a principle of NyacAU in the Superior Court of the State of Alaska (“the Superior Court”). For these matters, management is unable to estimate the possible loss or range of loss beyond the amounts already accrued. Amounts accrued for such contingencies often result from a complex series of judgments about future events and uncertainties that rely heavily on estimates and assumptions including timing of related payments.

The ability to make such estimates and judgments can be affected by various factors, which in turn led to significant auditor judgment, subjectivity, and effort in performing procedures and evaluating management’s assessment of the liabilities and disclosures associated with the arbitration and associated legal proceedings.

#### How the Critical Audit Matter Was Addressed in the Audit:

Our audit procedures related to the accounting and disclosure of the Panel’s awards and orders, the related Superior Court judgements and orders included, but were not limited to, the evaluation and assessment of the following:

- We obtained an understanding of management’s processes of recording liabilities for the Panel’s awards and orders and the Superior Court’s rulings on the Company’s consolidated financial statements and its disclosure of uncertainties and contingencies related to the various awards and rulings.
- We obtained copies of the various Panel awards and orders, and the Superior Court’s rulings, and evaluated the accuracy and completeness of the Company’s disclosures in its December 31, 2020 financial statements by comparing the disclosures to the Company’s internal analysis of the arbitration and litigation and the relevant facts of the arbitration based on the Panel’s and the Court’s rulings.
- We held discussions with the Company’s external counsel regarding the facts and circumstances of the arbitration and the Superior Court proceeding to understand the basis for management’s accounting and disclosure and to evaluate if contradictory evidence existed. We also obtained an understanding of the legally binding effect of arbitration awards and orders on participants to such proceedings per Alaska’s “Revised Uniform Arbitration Act of 2000”.
- We obtained and evaluated legal representations from the Company’s external counsel who represented the Company in the Superior Court claim and is familiar with the details of the arbitration proceedings, confirming facts and circumstances of the Panel’s awards and associated rulings by the Superior Court.

We have served as the Company’s independent auditor since 2003.

/s/Assure CPA, LLC

Assure CPA, LLC (formerly DeCoria, Maichel & Teague, P.S.)  
Spokane, Washington  
April 15, 2021



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### **Goldrich Mining Company Consolidated Balance Sheets**

	December 31, 2020	December 31, 2019
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,931	\$ 1,274
Prepaid expenses	50,499	96,574
Total current assets	<u>52,430</u>	<u>97,848</u>
Property, equipment, and mineral interests:		
Equipment, net of accumulated depreciation	-	716
Mineral interests	626,428	626,428
Total property, equipment and mineral interests	<u>626,428</u>	<u>627,144</u>
Other assets:		
Investment in CGL LLC	25,000	-
Total other assets	<u>25,000</u>	<u>-</u>
<b>Total assets</b>	<b><u>\$ 703,858</u></b>	<b><u>\$ 724,992</u></b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,838,362	\$ 1,656,854
Interest payable	452,478	223,555
Interest payable – related party	959,504	439,121
Related party payable	787,789	600,147
CARES Act PPP loan	33,833	-
Notes payable, net of discount	1,062,106	1,020,000
Notes payable, net of discount – related party	3,641,053	3,246,316
Notes payable in gold	503,590	406,319
Dividends payable on preferred stock	30,618	30,618
Total current liabilities	<u>9,309,333</u>	<u>7,622,930</u>
Long-term liabilities:		
Interest payable in stock	-	36,813
Interest payable in stock – related party	-	168,976
Remediation and asset retirement obligation	262,189	255,951
CARES Act PPP loan	16,767	-
Total long-term liabilities	<u>278,956</u>	<u>461,740</u>
<b>Total liabilities</b>	<b><u>9,588,289</u></b>	<b><u>8,084,670</u></b>
Commitments and contingencies (Notes 4, 9, 10, 13)		
Stockholders' deficit:		
Preferred stock; no par value, 8,998,700 shares authorized; no shares issued or outstanding	-	-
Convertible preferred stock series A; 5% cumulative dividends, no par value, 1,000,000 shares authorized; 150,000 shares issued and outstanding, respectively, \$300,000 liquidation preferences	150,000	150,000
Convertible preferred stock series B; no par value, 300 shares authorized, 200 shares issued and outstanding, \$200,000 liquidation preference	57,758	57,758
Convertible preferred stock series C; no par value, 250 shares authorized, issued and outstanding, \$250,000 liquidation preference	52,588	52,588
Convertible preferred stock series D; no par value, 150 shares authorized, issued and outstanding, \$150,000 liquidation preference	-	-
Convertible preferred stock series E; no par value, 300 shares authorized, issued and outstanding, \$300,000 liquidation preference	10,829	10,829
Convertible preferred stock series F; no par value, 300 shares authorized, 153 shares issued and outstanding, \$50,000 liquidation preference	-	-
Common stock; \$0.10 par value, 750,000,000 shares authorized; 167,926,376 and 139,573,798 issued and outstanding, respectively	16,792,637	13,957,380
Additional paid-in capital	11,715,072	13,905,542
Accumulated deficit	(37,663,315)	(35,493,775)
<b>Total stockholders' deficit</b>	<b><u>(8,884,431)</u></b>	<b><u>(7,359,678)</u></b>
<b>Total liabilities and stockholders' deficit</b>	<b><u>\$ 703,858</u></b>	<b><u>\$ 724,992</u></b>

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



TABLE OF CONTENTS**Goldrich Mining Company**  
**Consolidated Statements of Operations**

	Year Ended December 31, 2020	Year Ended December 31, 2019
Operating expenses:		
Mine preparation costs	\$ 255,918	\$ 306,929
Depreciation	716	1,309
Management fees and salaries	210,563	222,562
Professional services	111,273	85,758
General and administrative	346,737	257,984
Office supplies and other	13,883	8,760
Directors' fees	13,200	26,700
Mineral property maintenance	115,055	97,439
Reclamation expense	48,096	339,015
Royalty interest adjustment	-	36,350
Settlement expense	-	59,500
Arbitration costs (Note 4)	173,877	202,431
Total operating expenses	1,289,318	1,644,737
Other (income) expense:		
CARES Act grant income	(2,000)	-
Change in fair value of notes payable in gold	97,271	64,162
Interest expense and finance costs	784,951	894,146
Loss on foreign exchange	-	20
Total other (income) expense	880,222	958,328
Net loss	(2,169,540)	(2,603,065)
Preferred dividends	(7,625)	(7,604)
Net loss available to common stockholders	\$ (2,177,165)	\$ (2,610,669)
Net loss per common share – basic and diluted	\$ (0.01)	\$ (0.02)
Weighted average common shares outstanding-basic and diluted	147,251,503	139,573,798

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

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**Goldrich Mining Company**  
**Consolidated Statements of Changes in Stockholders' (Deficit)**

	Common Stock Shares	Common Stock Par Value	Preferred Stock Shares	Preferred Stock No Par Value	Additional Paid-in Capital	Accu D
Balance, December 31, 2018	139,573,798	\$13,957,380	151,053	\$271,175	\$13,832,978	\$(
Warrants issued with note payable					44,203	
Warrants issued for finders fees					28,361	
Net loss						
Balance, December 31, 2019	139,573,798	\$13,957,380	151,053	\$271,175	\$13,905,542	\$(
Warrants exercised	14,633,330	1,463,333			(1,024,333)	
Shares issued for interest	13,719,248	1,371,924			(1,166,137)	
Net loss						
Balance, December 31, 2020	167,926,376	\$16,792,637	151,053	\$271,175	\$11,715,072	\$(

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

TABLE OF CONTENTS**Goldrich Mining Company**  
**Consolidated Statements of Cash Flows**

	Year Ended December 31, 2020	Year Ended December 31, 2019
Cash flows from operating activities:		
Net loss	\$ (2,169,540)	\$ (2,603,065)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	716	1,309
Change in fair value of notes payable in gold	97,271	64,162
Royalty interest adjustment	-	36,350
Accretion of asset retirement obligation	6,238	13,911
Other asset allowance	-	13,671
Warrants issued for finders fees	-	28,361
Change in:		
Prepaid expenses	46,075	25,557
Accounts payable and accrued liabilities	181,508	604,334
Interest payable	231,028	218,989
Interest payable – related party	540,119	490,097
Related party payable	187,642	142,420
Net cash used - operating activities	(878,943)	(963,904)
Cash flows from investing activities:		
Purchase of membership units of CGL LLC	(25,000)	-
Net cash used – investing activities	(25,000)	-
Cash flows from financing activities:		
Proceeds from CARES Act PPP loan	50,600	-
Proceeds from warrant exercises	439,000	-
Proceeds from notes payable and warrants, net	40,000	64,000
Proceeds from notes payable and warrants – related party, net	375,000	824,000
Net cash provided - financing activities	904,600	888,000
Net increase (decrease) in cash and cash equivalents	657	(75,904)
Cash and cash equivalents, beginning of year	1,274	77,178
<b>Cash and cash equivalents, end of year</b>	<b>\$ 1,931</b>	<b>\$ 1,274</b>
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 3,974	\$ 72,890
Non-cash investing and financing activities:		
Issuance of shares of common stock for interest payable	\$ 205,787	-
Warrants issued with notes payable	-	\$ 44,203
Discount on notes payable	\$ 2,105	\$ 3,368
Discount on notes payable, related party	\$ 19,737	\$ 87,570

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

**Goldrich Mining Company**  
**Notes to the Consolidated Financial Statements**

## **1. ORGANIZATION AND DESCRIPTION OF BUSINESS**

Goldrich Mining Company (“Company”) was incorporated under the laws of the State of Alaska on March 26, 1959. The Company is engaged in the business of acquiring and exploring mineral properties throughout the Americas, primarily those containing gold and associated base and precious metals. During 2020, all of the Company’s activities were focused on the Chandalar property in Alaska. The Company’s common stock trades on the OTCQB exchange of the OTC Markets under the ticker symbol GRMC.

### Going Concern

The accompanying consolidated financial statements have been prepared under the assumption that the Company will continue as a going concern. The Company has incurred losses since its inception and does not have sufficient cash to fund normal operations and meet debt obligations for the next 12 months without deferring payment on certain current liabilities and/or raising additional funds.

The Company currently has no historical recurring source of revenue and an accumulated deficit of \$37,663,315 at December 31, 2020. These factors raise substantial doubt about the Company’s ability to continue as a going concern. The Company may profitably execute a production business plan, and thereby, its ability to continue as a going concern may improve and become less dependent on the Company’s ability to raise capital to fund its future exploration and working capital requirements. The Company’s plans for the long-term return to and continuation as a going concern include the profitable exploitation of its mining properties and financing the Company’s future operations through sales of its common stock and/or debt.

The consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. If the going concern basis were not appropriate for these financial statements, adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### Consolidation of and Accounting for Subsidiaries

The consolidated financial statements include the accounts of the Company and the accounts of its 100% owned subsidiary Goldrich Placer, LLC. This subsidiary is included in the accompanying financial statements by consolidation of the Statements of Operations and the Balance Sheets as of and for the years ended December 31, 2020 and December 31, 2019, with all intercompany balances and investment accounts eliminated.

### Accounting for Investments in Joint Ventures

For joint ventures in which the Company does not have joint control or significant influence, the cost method is used. For those joint ventures in which there is joint control between the parties, the equity method is utilized whereby the Company’s share of the ventures’ earnings and losses is included in the statement of operations as earnings in joint ventures and its investments therein are adjusted by a similar amount. The Company periodically assesses its investments in joint ventures for impairment. If management determines that a decline in fair value is other than temporary it will write-down the investment and charge the impairment against operations.

### *GNP:*

The Company has an equity method investment in Goldrich NyacAU Placer LLC, a 50%-owned joint venture in which the Company does not have joint control or significant influence. See Note 4 *Joint Venture*. The carrying amount of this investment was \$nil as of December 31, 2020 and 2019, respectively.

**Goldrich Mining Company**  
**Notes to the Consolidated Financial Statements**

*CGL:*

The Company invested \$25,000 in a 49% interest in Chandalar Gold LLC (“CGL”) during the year ended December 31, 2020. The Company does not have control or significant influence over CGL and accounts for it using the equity method. During the year ended December 31, 2020, CGL had no operating activities. Goldrich has accrued a distribution to CGL of \$35,794 in accrued liabilities, and if and when that distribution is remitted to CGL, the Company would in turn receive a distribution of approximately 49% of that distribution back from CGL.

Contingencies

In determining accruals and disclosures with respect to loss contingencies, the Company evaluates such accruals and contingencies for each reporting period. Estimated losses from loss contingencies are accrued by a charge to income when information available prior to issuance of the financial statements indicates that it is probable that a liability could be incurred, and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the loss contingency is made in the financial statements when it is at least reasonably possible that a material loss could be incurred.

Earnings (Loss) Per Share

For the years ended December 31, 2020 and 2019, the effect of the Company’s outstanding convertible preferred shares, options and warrants, totaling 70,507,169 and 93,590,499 for the two years, respectively, has not been included in the Company’s net income (loss) per share as their inclusion would have been anti-dilutive. (See Note 9)

Recent Accounting Pronouncements

In August 2018, the FASB issued ASU No. 2018-13 *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The update removes, modifies and makes additions to the disclosure requirements on fair value measurements. The update is effective for fiscal years beginning after December 15, 2019. The Company adopted this change during the year ended December 31, 2020. This adoption did not have a material effect on the Company’s financial statements.

In December 2019, the FASB issued ASU No. 2019-12 *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. The update contains a number of provisions intended to simplify the accounting for income taxes. The update is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. Management is evaluating the impact of this update on the Company’s consolidated financial statements.

In August 2020, the FASB issued ASU No. 2020-06 *Debt – Debt With Conversion And Other Options (Subtopic 470-20) And Derivatives and Hedging – Contracts In Entity’s Own Equity (Subtopic 815-40): Accounting For Convertible Instruments And Contracts In An Entity’s Own Equity*. The update simplifies the accounting for and disclosures related to company debt that is convertible or can be settled in a company’s own equity securities. The update is effective for fiscal years beginning after December 15, 2021. Management is evaluating the impact of this update on the Company’s consolidated financial statements.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption.

**Goldrich Mining Company**  
**Notes to the Consolidated Financial Statements**

Cash and Cash Equivalents

For the purposes of the statement of cash flows, we consider all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates used in preparing these financial statements include those assumed in estimating the recoverability of the cost of mining claims, joint venture distributions, accrued remediation costs, asset retirement obligations, stock-based compensation, deferred tax assets and related valuation allowances and uncertainties regarding the outcome of arbitration proceedings and other contingencies. Actual results could differ from those estimates.

Mineral Interests

The Company capitalizes costs for acquiring mineral properties, claims and royalty interests and expenses costs to maintain mineral rights and leases as incurred. Should a property reach the production stage, these capitalized costs would be amortized using the units-of-production method on the basis of periodic estimates of ore reserves. Mineral properties are periodically assessed for impairment of value, and any subsequent losses are charged to operations at the time of impairment. If a property is abandoned or sold, its capitalized costs are charged to operations.

Exploration Costs & Mine Preparation Costs

Exploration costs are expensed in the period in which they occur. Costs to prepare mineral properties for mining, such as economic assessments and mine plans are expensed in the period in which they occur.

Income Taxes

Income taxes are recognized in accordance with Accounting Standards Codification (“ASC”) 740 Income Taxes, whereby deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized.

Uncertain tax positions are evaluated in a two-step process, whereby (i) it is determined whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (ii) for those tax positions that meet the more-likely-than-not recognition threshold, the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with the related tax authority would be recognized.

The Company has assessed its tax positions other than the net operating loss issue described in Note 12 *Income Taxes*, and has determined that it has taken an uncertain tax position that is probable to affect its federal and state net operating loss carryforwards in amounts by \$2.0 million and \$1.8 million, respectively, but does not give rise to an unrecognized tax liability being reported. In the event that the Company is assessed penalties and/or interest, penalties will be charged to other operating expense and interest will be charged to interest expense.



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Revenue Recognition

The Company's revenues from its joint venture have historically been its primary revenues. The Company has determined that its revenue does not arise from contracts with customers, does not involve satisfaction of any performance obligations on the part of the Company, or require Company assets to be recognized or applied to determine costs to obtain or fulfill any contract generating revenue.

Stock-Based Compensation

The Company periodically issues common shares or options to purchase shares of the Company's common shares to its officers, directors or other parties. These issuances are recorded at fair value. The Company uses a Black Scholes valuation model for determining fair value of options to purchase shares, and compensation expense is recognized ratably over the vesting periods on a straight-line basis. Compensation expense for grants that vest immediately are recognized in the period of grant.

Remediation and Asset Retirement Obligation

The Company's operations have been, and are subject to, standards for mine reclamation that have been established by various governmental agencies. The Company records the fair value of an asset retirement obligation as a liability in the period in which the Company incurs a legal obligation for the retirement of tangible long-lived assets. A corresponding asset is also recorded and depreciated over the life of the long-lived asset using a units of production method. After the initial measurement of the asset retirement obligation, the liability will be adjusted at the end of each reporting period to reflect changes in the estimated future cash flows underlying the obligation. Determination of any amounts recognized is based upon numerous estimates and assumptions, including future retirement costs, future inflation rates and the credit-adjusted risk-free interest rates.

For non-operating properties, the Company accrues costs associated with environmental remediation obligations when it is probable that such costs will be incurred and they are reasonably estimable. Such costs are based on management's estimate of amounts expected to be incurred when the remediation work is performed.

Fair Value Measurements

When required to measure assets or liabilities at fair value, the Company uses a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used. The Company determines the level within the fair value hierarchy in which the fair value measurements in their entirety fall. The categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Level 1 uses quoted prices in active markets for identical assets or liabilities, Level 2 uses significant other observable inputs, and Level 3 uses significant unobservable inputs. The amount of the total gains or losses for the period are included in earnings that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date.

During 2020 and 2019, the Company determined fair value on a recurring basis and non-recurring basis as follows:

	Balance December 31, 2020	Balance December 31, 2019	Fair Value Hierarchy level
Liabilities			
Recurring: Notes payable in gold (Note 7)	\$ 503,590	\$ 406,319	2

The carrying amounts of financial instruments, including notes payable, approximate fair value at December 31, 2020 and 2019. The inputs to the valuation of Level 2 liabilities are described in Note 7 *Notes Payable in Gold*.

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**3. PROPERTY, EQUIPMENT AND MINERAL INTERESTS**

Equipment

At December 31, 2020 and 2019, the Company's equipment classifications were as follows:

	<b>2020</b>	<b>2019</b>
Exploration and mining equipment	\$ 1,627,351	\$ 1,627,351
Vehicles and rolling stock	390,140	390,140
Office and other equipment	65,549	65,549
<b>Total</b>	<b>2,083,040</b>	<b>2,083,040</b>
Accumulated depreciation	(2,083,040)	(2,082,324)
<b>Equipment, net of depreciation</b>	<b>\$ -</b>	<b>\$ 716</b>

All equipment has been fully depreciated.

Mineral Interests

At December 31, 2020 and 2019, the Company's mining properties claims, and royalty interest were as follows:

	<b>2020</b>	<b>2019</b>
Chandalar property and claims	\$ 264,000	\$ 264,000
2003 purchased claims	35,000	35,000
Unpatented state claims staked	40,400	40,400
Asset retirement costs	<sup>(1)</sup> 37,028	37,028
Jumbo Basin royalty interest	<sup>(2)</sup> 250,000	250,000
<b>Total</b>	<b>\$ 626,428</b>	<b>\$ 626,428</b>

- (1) Asset retirement costs will be amortized over the related long-lived asset using a units of production method. During 2019, the Company reduced its estimate of Asset retirement costs and Asset retirement obligation by \$205,738 (see Note 10 *Asset Retirement Obligation*).
- (2) During the year ended December 31, 2019, the arbitration panel awarded distributions from 2016 and 2017 to Goldrich from GNP that paid the balance of principal and interest of Loan3, a loan made to purchase a royalty interest from Jumbo Basin, a 2% NSR royalty interest payable on all production from certain Goldrich mining claims at the Chandalar, Alaska property. While reviewing the carrying costs of the royalty interest, management determined that its carrying value exceeded the contractual purchase price by \$36,350, and adjusted the carrying value during 2019 as a charge to its Statements of Operations.

**4. JOINT VENTURE**

On April 3, 2012, Goldrich Placer, LLC ("GP"), a subsidiary of Goldrich, entered into a term sheet for a joint venture with NyacAU, LLC ("NyacAU"), an Alaskan private company, to bring Goldrich's Chandalar placer gold properties into production as defined in the joint venture agreement (the "Operating Agreement") which was subsequently signed with an effective date of April 2, 2012. In each case as used below in reference to the JV, 'production' is as defined by the Operating Agreement. As part of the Operating Agreement, GP and NyacAU (together the "Members") formed a 50:50 joint venture company, Goldrich NyacAU Placer LLC ("GNP"), to operate the Chandalar placer mines, with NyacAU acting as managing partner. Goldrich has no significant control or influence over the JV, and therefore accounts for its investment using the cost less impairment method.

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*Arbitration*

In December 2017, the Company filed an arbitration statement of claim against NyacAU and other parties. The claim challenged certain accounting treatment of capital leases, allocations of tax losses, charges to the JV for funding costs related to the JV manager's financing, related-party transactions, and other items of dispute in a previous mediation that was unsuccessful in reaching an agreement. As a result, the Company participated in an arbitration before a panel of three independent arbitrators during 2018 to address these items. Through 2020 and the filing of this report in 2021, the Company has continued to respond to panel inquiries, make motions to prosecute or defend positions, answer motions made by the opposing JV partner and aggressively support the Company's efforts toward success.

The Company records amounts for contingent losses when it is probable that a liability could be incurred and can be reasonably estimated. To date, the arbitration proceedings are still in progress, with some rulings being issued for and against the Company's positions. No assurance can be given that the arbitration will result in a successful outcome for the Company. Due to uncertainties relating to the pending outcome, the financial statements contain only adjustments for the final results of the arbitration that are estimable and probable. See Note 13 *Commitments and Contingencies* and Note 14 *Subsequent Events* for additional information and rulings subsequent to December 31, 2020. The Company incurred \$173,877 and \$202,431 in arbitration expenses during the years ended December 31, 2020 and December 31, 2019, respectively.

**5. RELATED PARTY TRANSACTIONS**

In addition to related party transactions described in Notes 6 and 9, the Company has accrued amounts to the Company's Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and board of directors fees for amounts earned but not yet paid. Beginning in January 2016 and through December 31, 2020, the CEO's salary has not been paid in full. Salary due to the CFO have been accrued and remain unpaid, as have board of directors fees:

	<b>Year ended 12/31/20</b>	<b>Year ended 12/31/19</b>
<b>CEO</b>		
Balance at beginning of period	\$ 426,500	\$ 295,000
Deferred salary	166,000	180,000
Deferred expenses	17,351	-
Payments	(19,000)	(48,500)
Ending Balance	590,851	426,500
<b>CFO</b>		
Balance at beginning of period	78,644	64,909
Deferred	27,354	42,703
Payments	(17,262)	(28,968)
Ending Balance	88,736	78,644
Board fees payable	108,202	95,003
Total Related party payables	\$ 787,789	\$ 600,147

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**6. NOTES PAYABLE & NOTES PAYABLE – RELATED PARTY**

At December 31, 2020, the Company has outstanding notes payable of \$1,062,106 and outstanding notes payable - related party of \$3,641,053. At December 31, 2019, the Company had outstanding notes payable of \$1,020,000 and outstanding notes payable – related party of \$3,246,316. The notes payable and notes payable – related party accrued interest of 15% and matured on October 31, 2018. In November 2019, the Company and the holders of the notes, amended the notes, and the notes are now due within 10 days of a demand notice of the holders. There has been no notice of default or demand issued by any holder.

During the year ended December 31, 2020, the Company received additional tranches of the notes payable for \$436,842 discounted at 5%, or \$21,842 resulting in net proceeds of \$415,000, respectively, of which \$375,000, was received from a related party, Nicholas Gallagher, a shareholder and director of the Company, who also holds the full balance of the notes payable – related party described above. During the year ended December 31, 2019, the Company received additional tranches of the notes payable for a total of \$934,737, discounted at 5% or \$46,737, resulting in net proceeds of \$888,000, of which net proceeds of \$824,000 was from Mr. Gallagher. The notes are due upon demand and accrue simple interest at 15%.

During the years ended December 31, 2020 and December 31, 2019, the Company incurred finder fees totaling \$12,450 and \$7,697, respectively, to related party entities, and incurred \$nil and \$26,640, respectively, of other finance and placement costs. Interest of \$678,119 was expensed during the year ended December 31, 2020 of which \$520,382 was to related parties. Interest of \$552,492 was expensed during the year ended December 31, 2019 of which \$402,527 was to related parties.

During the year ended December 31, 2020, the Company issued no warrants in connection with the notes payable. During the year ended December 31, 2019, the Company issued 3,442,888 warrants in connection with the notes payable, of which 275,476 warrants were for finders fees. The Class T warrants have an exercise price of \$0.03 and expire on various dates from November 30, 2022 through December 19, 2024.

The fair value of the Class T warrants issued during the year ended December 31, 2019, was \$44,203 and was calculated on the issue dates using the following assumptions:

	<b>December 31, 2019</b>
Market price of common stock on date of issuance	\$0.007 - \$0.0275
Risk-free interest rate	1.34% - 2.51%
Expected dividend yield	0
Expected term (in years)	5
Expected volatility	154.7% - 172.1%

**Inter-Creditor Agreement**

Effective November 1, 2019, the Company entered into an Amended and Restated Loan, Security, and Intercreditor Agreement (the “Amended Agreement”) with Mr. Gallagher, in his capacity as agent for and on behalf of the holders of the notes payable. No compensation was paid or accrued for Mr. Gallagher, either in cash or warrants, for his services as agent for other holders. Under the Amended Agreement, for each holder of the notes payable, whether or not a related party:

1. Any loans arising after July 1, 2018 by Mr. Gallagher and any loans made after November 1, 2019 by any new or existing Holder other than Mr. Gallagher, after Mr. Gallagher has consented in writing to such loan or advance, were designated as Senior Notes, with loans made prior to November 1, 2019 designated as Junior Notes. Senior Notes are entitled to be repaid in full before any of the Junior Notes are repaid; and



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2. The Company agreed to other terms, the most significant of which are as follows:
  - a. to pay, no later than February 28, 2021, (1) to the order of NGB Capital Limited (a company owned by Mr. Gallagher), a finder's fee in the amount of \$49,273, and (2) to the order of Capital Investments 4165 LLC a finder's fee in the amount of \$7,920. Of these amounts \$6,500 and \$nil have been remitted as of the date of this report; and
  - b. to reimburse Mr. Gallagher, no later than February 20, 2020, for up to \$35,000 in legal fees and costs incurred by Mr. Gallagher in connection with the Amended Agreement. The Company accrued \$32,644 at December 31, 2019 and this amount was paid during the year ended December 31, 2020.
3. The borrower and holder entered into a Deed of Trust whereunder the notes are secured by a security interest in all real property, claims, contracts, agreements, leases, permits and the like.
4. The Company entered into a written Guaranty whereunder, among other conditions, the Company unconditionally guarantees and promises to pay to the order of each holder the principal sum and all interest payable on each Note payable held by such holder when and as the same becomes due, whether at the stated maturity thereof, by acceleration, call for redemption, tender, or otherwise. The Company is not in default as no demand has been made for payment or delivery and the holders have provided a waiver of default.

The Company and Mr. Gallagher agreed in the Amended Agreement that Mr. Gallagher, at his option, has the right to convert outstanding but unpaid and future interest on his loan into stock of the Company at \$0.015 per share. In a separate agreement dated September 10, 2020, the Company and holders, agreed to convert \$36,813 of unpaid interest into stock of the Company at \$0.015 per share. During the year ended December 31, 2020, a total of 13,719,248 common shares were issued to the holders in exchange for interest payable of \$205,788, of which \$168,976 was payable to Mr. Gallagher.

## **7. NOTES PAYABLE IN GOLD**

During 2013, the Company issued notes payable in gold totaling \$820,000, less a discount of \$205,000, for net proceeds of \$615,000. Under the terms of the notes, the Company agreed to deliver gold to the holders at the lesser of \$1,350 per ounce of fine gold or a 25% discount to market price as calculated on the contract date and specify delivery of gold in November 2014.

After several amendments to the terms of the note agreements, through the date of the issuance of these financial statements, the gold notes have not been paid and the note holders have not demanded payment or delivery of gold. At December 31, 2020 and 2019, 266.788 ounces of fine gold was due and deliverable to the holders of the Notes. No demand has been made for payment.

The Company estimates the fair value of the notes, based on the market approach with Level 2 inputs of gold delivery contracts based upon previous contractual delivery dates, using the market price of gold on December 31, 2020 of approximately \$1,888 per ounce as quoted on the London PM Fix market or \$503,590 in total. The valuation resulted in an increase in gold notes payable of \$97,271 during the year ended December 31, 2020. At December 31, 2019, the Company had outstanding total notes payable in gold of \$406,319.

Interest of \$38,043 on the notes was expensed during the year ended December 31, 2020, and \$51,523 is accrued at December 31, 2020 and is included in interest payable. Interest of \$35,025 on the notes was expensed during the year ended December 31, 2019, and \$13,480 is accrued at December 31, 2019 and is included in interest payable.

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## **8. CARES ACT PPP LOAN**

On April 15, 2020, the Company was granted a loan (the “Loan”) from Washington Trust Bank, in the aggregate amount of \$50,600, pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the Cares Act, which was enacted March 27, 2020.

The Loan, which was in the form of a Note dated April 15, 2020 issued by the Borrower, matures on April 15, 2022 and bears interest at a rate of 1% per annum, payable monthly commencing on November 15, 2020. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The Company intends to use the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

On October 22, 2020, the Loan had a change in terms. Under the new terms, the maturity date was changed to May 1, 2022 and the first payment was deferred to June 1, 2021 to allow additional time to prepare the forgiveness application. If the application is denied, the first monthly payment of \$4,284 will be due the first of the month following the denial. Additionally, if the forgiveness application is denied, the Company will have the option to extend the loan to May 1, 2025 instead of the current maturity date of May 1, 2022. As of the date of this report, the Company has not submitted its forgiveness application but plans to do so within the second quarter of 2021. The Company believes it used the entire loan amount for qualifying expenses, but there is no guarantee that the loan will be forgiven.

## **9. STOCKHOLDERS' EQUITY**

### Common Stock:

At the special shareholders meeting on November 13, 2020, the Company's shareholders approved an increase in the authorized common stock from 250,000,000 to 750,000,000 shares, with par value remaining at \$0.10 per share.

### Series A Convertible Preferred Stock:

The Company has 150,000 shares of Series A Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 1,000,000 shares of Series A Preferred Stock, no par value, with the following rights and preferences:

- **Liquidation Preference:** Upon a liquidation event, an amount in cash equal to \$2.00 per share (adjusted appropriately for stock splits, stock dividends and the like), for a total of \$300,000 at December 31, 2020 and 2019, together with declared but unpaid dividends to which the holders of outstanding shares of Series A Preferred Stock are entitled shall be paid prior to liquidation payments to holders of Company securities junior to the Series A Preferred Stock.
- **Voting:** Each holder of Series A Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series A Preferred Stock could be converted.
- **Conversion:** Any share of Series A Preferred Stock may, at the option of the holder, be converted at any time into six shares of common stock. The Company has the right, at its sole option, to convert all Series A Preferred Stock into common stock after the third anniversary of its issuance if the weighted average trading price of the common stock exceeds \$1.00 per share for ten consecutive trading days. The Company also has the right, at its sole option, to convert all Series A Preferred Stock into common stock after the tenth anniversary from the date of issuance.





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- **Dividend Rate:** The holders of Series A Preferred Stock shall be entitled to receive, when and as declared by the Board, yearly cumulative dividends from the surplus or net profits of the Company at an effective rate of 5% per annum, of the original Series A Preferred Stock purchase price of \$1.00 per share. The Series A dividend shall accrue ratably from the date of issuance of the Series A Preferred Stock through the entire period in which shares of Series A Preferred Stock are held and shall be payable to the holder of the Series A Preferred Stock on the conversion date of the Series A Preferred Stock or as may be declared by the Board, with proper adjustment for any dividend period which is less than a full year.
- **Preferential and Cumulative.** The Series A dividends shall be payable before any dividends will be paid upon, or set apart for, the common stock of the Company and will be cumulative, so that any dividends not paid or set apart for payment for the Series A Preferred Stock, will be fully paid and set apart for payment, before any dividends will be paid upon, or set apart for, the common stock of the Company.
- **Payment of Dividend:** If the Company shall have sufficient earnings to pay a dividend on the Series A Preferred Stock, upon declaration of any dividend by the Board in compliance with the Alaska Code and the Company's Articles of Incorporation and Bylaws, the holder of Series A Preferred Stock may elect to receive payment of Series A dividend on a dividend payment date in cash, or provisionally in gold. Payment of Series A dividends in gold shall be paid only if the Company is producing gold in sufficient quantities as of the dividend payment date to pay such in-kind dividend and shall be delivered in the form of gold produced from the Company's Chandalar property. We have total dividends in arrears of \$92,583 as of December 31, 2020 and \$84,958 as of December 31, 2019. Total dividends of \$30,618 were declared and payable as a result of conversion of preferred stock during 2011 and 2016, and have been recorded on the Company's balance sheets at December 31, 2020 and 2019.

Conversion of outstanding shares of Series A Preferred stock would have resulted in dilution of 900,000 common shares for the years ended December 31, 2020 and 2019.

**Series B Convertible Preferred Stock:**

The Company has 200 shares of Series B Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 300 shares of Series B Preferred Stock, no par value, with the following rights and preferences:

- **Liquidation Preference:** Upon a liquidation event, an amount in cash equal to \$1,000 per share (adjusted appropriately for stock splits, stock dividends and the like), for a total of \$200,000 at December 31, 2020 and 2019, shall be paid prior to liquidation payments to holders of Company securities junior to the Series B Preferred Stock. Holders of the Company's Series A Preferred Stock shall be paid in advance of holders of the Series B Preferred Stock on the occurrence of a Liquidation Event.
- **Voting:** Each holder of Series B Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series B Preferred Stock could be converted. Holders of Series B Preferred Stock vote as a single class with the common shares on an as-if-converted basis. No holder of Series B Preferred Stock is entitled to pre-emptive voting rights.
- **Conversion:** Shares of Series B Preferred Stock may, at the option of the holder, be converted at any time into a number of fully-paid and non-assessable shares of common stock as is equal to the product obtained by multiplying the Series B shares by \$1,000, then dividing by the Series B conversion price of \$0.07 per common share. The Series B conversion price is subject to adjustment in accordance with the provisions of the statement of designation.
- **Dividend Rate:** The holders of Series B Preferred Stock shall not be entitled to receive dividends.



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Conversion of outstanding shares of Series B Preferred stock would result in dilution of 2,857,142 common shares for the years ended December 31, 2020 and 2019.

Series C Convertible Preferred Stock:

The Company has 250 shares of Series C Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 250 shares of Series C Preferred Stock, no par value, with the following rights and preferences:

- **Liquidation Preference:** Upon a liquidation event, an amount in cash equal to \$1,000 per share (adjusted appropriately for stock splits, stock dividends and the like), for a total of \$250,000 at December 31, 2020 and 2019, shall be paid prior to liquidation payments to holders of Company securities junior to the Series C Preferred Stock. Holders of the Company's Series A Preferred Stock and Series B Preferred Stock shall be paid in advance of holders of the Series C Preferred Stock on the occurrence of a Liquidation Event.
- **Voting:** Each holder of Series C Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series C Preferred Stock could be converted. Holders of Series C Preferred Stock vote as a single class with the common shares on an as-if-converted basis. No holder of Series C Preferred Stock is entitled to pre-emptive voting rights.
- **Conversion:** Shares of Series C Preferred Stock may, at the option of the holder, be converted at any time into a number of fully-paid and non-assessable shares of common stock as is equal to the product obtained by multiplying the Series C shares by \$1,000, then dividing by the Series C conversion price of \$0.03 per common share. The Series C conversion price is subject to adjustment in accordance with the provisions of the statement of designation.
- **Dividend Rate:** The holders of Series C Preferred Stock shall not be entitled to receive dividends.

Conversion of outstanding shares of Series C Preferred stock would result in dilution of 8,333,333 common shares for the years ended December 31, 2020 and 2019.

Series D Convertible Preferred Stock:

The Company has 150 shares of Series D Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 150 shares of Series D Preferred Stock, no par value. Conversion of outstanding shares of Series D Preferred stock would result in dilution of 5,000,000 common shares for the years ended December 31, 2020 and 2019.

Series E Convertible Preferred Stock:

The Company has 300 shares of Series E Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 300 shares of Series E Preferred Stock, no par value. Conversion of outstanding shares of Series E Preferred stock would result in dilution of 10,000,000 common shares for the years ended December 31, 2020 and 2019.

Series F Convertible Preferred Stock:

The Company has 153 shares of Series F Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 300 shares of Series F Preferred Stock, no par value.

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Conversion of outstanding shares of Series F Preferred stock would result in dilution of 5,100,000 and 5,100,000 common shares for the years ended December 31, 2020 and 2019, respectively.

Series D, E and F Preferred Stock were issued with the following rights and preferences:

- **Liquidation Preference:** Upon a liquidation event, an amount in cash equal to \$1,000 per share (adjusted appropriately for stock splits, stock dividends and the like), shall be paid prior to liquidation payments to holders of Company securities junior to the Series D, E, and F Preferred Stock. Holders of the Company's Series A, B and C Preferred Stock shall be paid in advance of holders of the Series D, E and F Preferred Stock on the occurrence of a Liquidation Event.
- **Voting:** Each holder of Series D, E and F Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series D, E and F Preferred Stock could be converted. Holders of Series D, E and F Preferred Stock vote as a single class respectively with the common shares on an as-if-converted basis. No holder of Series D, E and F Preferred Stock is entitled to pre-emptive voting rights.
- **Conversion:** Shares of Series D, E and F Preferred Stock may, at the option of the holder, be converted at any time into a number of fully-paid and non-assessable shares of common stock as is equal to the product obtained by multiplying the Series D, E and F shares by \$1,000, then dividing by the Series D, E and F conversion price of \$0.03 per common share. The Series D, E and F conversion price is subject to adjustment in accordance with the provisions of the statement of designation.
- **Dividend Rate:** The holders of Series D, E and F Preferred Stock shall not be entitled to receive dividends.
- The Series D, E and F Preferred Stock includes a redemption feature as described above.

A related party and member of the Company's board of directors, Nicholas Gallagher, holds and controls all of the outstanding shares of the Series A, B and C Preferred Stock, 50 shares of the Series D Preferred Stock, 280 shares of the Series E Preferred Stock and all of the Series F Preferred Stock.

**Warrants:**

The following is a summary of warrants at December 31, 2020:

	Shares	Exercise Price (\$)	Expiration Date
<b>Class O Warrants: (Issued for Private Placement)</b>			
Outstanding and exercisable at January 1, 2019	5,000,000	.06	Mar 31, 2020
Outstanding and exercisable at December 31, 2019	5,000,000		
Expired	(5,000,000)		
Outstanding and exercisable at December 31, 2020	-		
<b>Class P Warrants: (Issued for Sale of GNP Distribution Interest)</b>			
Outstanding and exercisable at January 1, 2019	2,250,000	.07	Jun 23, 2020
Outstanding and exercisable at December 31, 2019	2,250,000		
Expired	(2,250,000)		
Outstanding and exercisable at December 31, 2020	-		
<b>Class P-2 Warrants: (Issued for Finders Fees)</b>			
Outstanding and exercisable at January 1, 2019	1,200,000	.05	Jun 23, 2020
Outstanding and exercisable at December 31, 2019	1,200,000		
Expired	(1,200,000)		

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Outstanding and exercisable at December 31, 2020	-		
<b>Class Q Warrants: (Issued for Private Placement of Preferred Stock)</b>			
Outstanding and exercisable at January 1, 2019	8,333,333	.03	Dec 8, 2020
Outstanding and exercisable at December 31, 2019	8,333,333		
Warrants exercised	(8,333,333)		
Outstanding and exercisable at December 31, 2020	-		
<b>Class Q-2 Warrants: (Issued for Finders Fees)</b>			
Outstanding and exercisable at January 1, 2019	833,333	.03	Dec 8, 2020
Outstanding and exercisable at December 31, 2019	833,333		
Warrants exercised	(833,333)		
Outstanding and exercisable at December 31, 2020	-		
<b>Class R Warrants: (Issued for Private Placement)</b>			
Outstanding and exercisable at January 1, 2019	15,000,001	.045	Apr 6 to Dec 9, 2021
Outstanding and exercisable at December 31, 2019	15,000,001		
Outstanding and exercisable at December 31, 2020	15,000,001		
<b>Class S Warrants: (Issued for Private Placement of Preferred Stock)</b>			
Outstanding and exercisable at January 1, 2019	5,100,000	.03	Dec 30, 2021 to Mar 30, 2022
Outstanding and exercisable at December 31, 2019	5,100,000		
Warrants exercised	(466,664)		
Outstanding and exercisable at December 31, 2020	4,633,336		
<b>Class T Warrants: (Issued with Senior Secured Notes Payable)</b>			
Outstanding and exercisable at January 1, 2019	17,490,776	.03	Dec 22, 2022 to Dec. 24, 2023
Warrants issued	5,117,581		Jan 1 to Oct, 2024
Outstanding and exercisable at December 31, 2019	22,608,357		
Warrants exercised	(5,000,000)		
Outstanding and exercisable at December 31, 2020	17,608,357		
Warrants outstanding at December 31, 2019 were 60,325,024 with a weighted average exercise price of \$0.038.			
Warrants and weighted average exercise price at December 31, 2020			
	37,241,694	.036	

Warrants issued in 2019 included 3,442,888 issued to holders of Notes payable and Notes payable – related parties for 2019 borrowings, and 1,399,262 warrants for finders fees for 2017 and 2018 issued in 2019. See table in Note 6 *Notes Payable and Notes Payable – Related Parties*. During the year ended December 31, 2020, 8,450,000 warrants expired, representing all Class O, P and P-2 warrants.

**Warrant Exercises**

During September and October 2020, the Company received \$439,000 cash as a result of the exercise of Class Q, Class S, and Class T warrants at an exercise price of \$0.03 per common share. The warrants were owned by Mr. Gallagher and were transferred to unrelated parties. The unrelated parties then exercised the warrants for cash, resulting in the issuance of 14,633,330 common shares.

**Stock Options and Stock-Based Compensation:**

Under the Company’s 2008 Equity Incentive Plan, as amended by shareholder vote on November 13, 2020 (the “Plan”), options to purchase shares of common stock may be granted to key employees, contract management and directors of the Company. The Plan permits the granting of nonqualified stock options, incentive stock options and shares of common stock. Upon exercise of options, shares of common stock are issued from the Company’s treasury stock or, if insufficient treasury shares are available, from authorized but unissued shares. Options are granted at a price equal to the closing price of the common stock on the date of grant. The stock options are generally exercisable immediately upon grant and for a period of 10 years.

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**Notes to the Consolidated Financial Statements**

In the event of cessation of the holder's relationship with the Company, the holder's exercise period terminates 90 days following such cessation. The Plan authorizes the issuance of up to 16,129,304 shares of common stock, subject to adjustment for certain events, such as a stock split or other dilutive events. As of December 31, 2020, there were a total of 8,929,304 shares available for grant in the Plan, 6,075,000 shares issued and 50,000 options exercised in prior years, and 1,075,000 options exercisable and outstanding.

A summary of stock option transactions for the years ended December 31, 2020 and 2019 are as follows:

	Shares	Weighted-Average Exercise Price (per share)	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Options outstanding and exercisable at December 31, 2018	1,825,000	\$ 0.20	4.59	\$0
Expired in 2019	(750,000)	\$ 0.405		
Options outstanding and exercisable at December 31, 2019	1,075,000	\$ 0.06	6.24	\$0
Options outstanding and exercisable at December 31, 2020	1,075,000	\$ 0.06	5.24	\$2,125

For the years ended December 31, 2020 and 2019, the Company recognized no share-based compensation for consultants. As of December 31, 2020 and 2019, the intrinsic value of options outstanding and exercisable was \$2,125 and \$nil, respectively.

**Interest Payable Satisfied with Common Stock**

On September 10, 2020, the holders of the notes payable and notes payable related party, agreed to convert a portion of their unpaid interest into stock of the Company at \$0.015 per share. A total of 13,719,248 common shares with a basis of \$0.015 per share, were issued to the holders, reducing interest payable and interest payable related party, by \$205,787, of which \$168,976 was to Mr. Gallagher.

**10. ASSET RETIREMENT OBLIGATION**

On an ongoing basis, management evaluates its estimates and assumptions; however, actual amounts could differ from those based on such estimates and assumptions. Changes to the Company's asset retirement obligation on its Chandalar property are as follows:

	December 31, 2020	December 31, 2019
Asset Retirement Obligation – beginning balance	\$ 155,951	\$ 347,778
Reduction of Asset retirement obligation	-	(205,738)
Accretion	6,238	13,911
Asset Retirement Obligation – ending balance	\$ 162,189	\$ 155,951

During 2019, the Company reduced its estimate of Asset retirement asset and Asset retirement obligation by \$205,738. Acres of disturbed property, which were included in the calculation of the previous Asset retirement obligation, were reduced due to consumption of the disturbed acreage by the mining activities of the JV, which expanded the mine pit and consumed acres previously identified. This reduction and revision of the mine life to 10 years reduced the required reclamation to be performed by the Company.

Due to the uncertainty of the outcome of arbitration, it is not possible at this time to reasonably estimate or quantify what future obligation may be required to be recorded for the Company's prior mining activities (see Note 4 – *Joint Venture; Arbitration*).



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**11. REMEDIATION**

The Company is responsible to remediate areas disturbed by mining activities, with the exception of certain access roads, airstrips or other amenities that are permanent in nature and improve the general access and maintainability of state lands covered by the Company's mining claims. The Company has accrued \$100,000 and \$100,000, respectively, for remedies required at a former owner's mine site in addition to the asset retirement obligation as of December 31, 2020 and 2019.

**12. INCOME TAXES**

The Company did not recognize a tax provision for the years ended December 31, 2020 and 2019.

Following are the components of deferred tax assets and allowances at December 31, 2020 and 2019:

	2020	2019
Deferred tax assets arising from:		
Capitalized exploration and development costs	\$ 57,000	\$ 48,000
Unrecovered promotional and exploratory costs	112,000	112,000
Accrued remediation costs	68,000	66,000
Note payable in gold	29,000	-
Share based compensation	278,000	278,000
Net operating loss carryforwards	13,150,000	12,547,000
Total deferred tax assets	13,694,000	13,051,000
Less valuation allowance	(13,694,000)	(13,051,000)
<b>Net deferred tax assets</b>	<b>\$ -</b>	<b>\$ -</b>

Management has determined that it is more likely than not that the Company will not realize the benefit of its deferred tax assets. Therefore, a valuation allowance equal to 100% of deferred tax asset has been recognized. The deferred tax assets were calculated based on an effective tax rate of 30% for 2020 and 2019.

During the year ended December 31, 2016, the Company filed amended tax returns to correct allocations of Joint Venture losses reported to the Company for the years ending 2012 through 2015, resulting in an increase in losses reported on its federal and state tax returns of \$7.5 million and \$6.8 million, respectively. For each year since 2015, the Company filed its federal and state tax returns with corrected allocations of losses from the Joint Venture. The Company's and the Joint Venture's federal returns for the 2015, 2016 and 2017 tax years were audited by the Internal Revenue Service ("IRS") to determine correct allocation of losses for the Joint Venture and its partners. In August 2020, the IRS issued an unfavorable ruling as it affects the Company in regard to the audit of the joint venture which, when the individual partners' effects are communicated to the Company by the IRS, is probable to decrease the Company's net federal and state net operating loss carryforwards ("NOL") by totals of \$2.0 million and \$1.8 million, respectively for the years under audit. The change would not result in any current tax liability or refund unless and until the Company could utilize its net operating loss carryforwards. The 2018 tax return would require amendment with a reduction to taxable net operating loss of approximately \$41,000.

At December 31, 2020, the Company had federal and state tax-basis net operating loss carryforwards, prior to giving effect to the probable changes resulting from the IRS audit of the joint venture as described above, totaling \$44.8 million and \$41.5 million, respectively. Of these net operating losses, \$36.6 million will expire in various amounts from 2021 through 2037. Combined federal net operating losses of \$8.1 million for the years 2018 through 2020 do not expire, but are limited to 80% of taxable income at the time of usage.



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On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted in response to the COVID-19 pandemic. The CARES Act, among other things, permits NOL carryovers and carrybacks to offset 100% of taxable income for taxable years beginning before 2021. In addition, the CARES Act allows NOLs incurred in 2018, 2019, and 2020 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes. The Company does not expect that the NOL carryback provision of the CARES Act would result in a material cash benefit.

The CARES Act increases the amount of business interest expense that may be deducted for tax years beginning in 2019 and 2020 by computing the section 163(j) limitation. The CARES Act generally limits a taxpayer's business interest deductions for a taxable year to the sum of: (1) 30% of the taxpayer's adjusted taxable income for that year, (2) its business interest income and (3) floor plan financing interest. Any interest expense not deductible under 163(j) for any affected year may be carried forward without limitation. The Company does not expect that the change in the section 163(j) provision of the CARES Act would result in a material cash effect.

The differences between the provision (benefit) for federal income taxes and federal income taxes computed using the U.S. statutory tax rate of 21% were as follows:

	<b>2020</b>		<b>2019</b>	
Federal income tax expense (benefit) based on statutory rate	\$ (455,000)	21.0%	\$ (547,000)	21.0%
State income tax expense (benefit), net of federal taxes	(190,000)	8.7%	(227,000)	8.7%
Non-deductible share-based compensation	-	-%	-	-%
Revision of NOL estimates, state apportionment factors and state effective tax rates	2,000	(0.1)%	321,000	(12.2)%
Increase (decrease) in valuation allowance	643,000	(29.6)%	453,000	(17.5)%
<b>Total taxes on income (loss)</b>	<b>\$ -</b>	<b>-%</b>	<b>\$ -</b>	<b>-%</b>

The Company has assessed its tax positions other than the NOL issue above and has determined that it has taken an uncertain tax position that is probable to affect its federal and state net operating loss carryforwards in amounts by \$2.0 million and \$1.8 million, respectively, as described above, but does not give rise to an unrecognized tax liability being reported. In the event that the Company is assessed penalties and/or interest, penalties will be charged to other operating expense and interest will be charged to interest expense.

The Company files federal income tax returns in the United States only. Tax attributes, mainly net operating losses after 2014, can and probably will be adjusted as a result of an audit, as described above. The Company's 2015, 2016 and 2017 tax filings are currently under examination. The Company is no longer subject to federal income tax examination by tax authorities for years before 2015.

### 13. COMMITMENTS AND CONTINGENCIES

The Company has two near-term commitments:

- \$83,963 for claims fees originally due on September 1, 2020 for which an extension for payment to September 1, 2021 was acquired as a result of COVID-19 deferrals allowed by the State of Alaska, and
- An \$84,000 liability for a consulting contract for which services have not been received.

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**Notes to the Consolidated Financial Statements**

The Company is subject to Alaska state annual claims rental fees in order to maintain our non-patented claims. In addition to the annual claims rental fees of \$125,945 due November 30 of each year, we are also required to meet annual labor requirements of approximately \$61,100 due November 30 of each year. The Company is able to carry forward costs for annual labor that exceed the required yearly totals for four years. The Company has significant carryovers to 2020 to satisfy its annual labor requirements. This carryover expires in the years 2021 through 2025 if unneeded to satisfy requirements in those years.

***Arbitration***

In 2017, the Company, its subsidiary and the joint venture, as claimants, filed an arbitration statement of claim before a three-member Arbitration Panel (“the Panel”), against our JV partner and its affiliates; NyacAU, LLC (“NyacAU”), BEAR Leasing, LLC, and Dr. J. Michael James, as respondents. In 2018, the respondents filed a counter-claim against the Company, its subsidiaries and certain members of the Company’s current and former management, the counterclaim respondents. The arbitration claim alleged, amongst other things, claims concerning related-party transactions, accounting issues including capital vs. operating leases, interpretation of the joint venture operating agreement, allocation of tax losses between the joint venture partners, and unpaid amounts due Goldrich relating to the Chandalar Mine.

It is possible that there could be either adverse or favorable developments in the arbitration pending with the Company and its JV partner. The Company records provisions in the consolidated financial statements for pending arbitration results when it determines that an outcome is probable, and the amount of loss can be reasonably estimated. At the present time, except as stated otherwise, while it is reasonably possible that a favorable or unfavorable outcome in the arbitration may occur, after assessing the information available, management is unable to estimate the possible loss, or range of losses, for the pending arbitration; and accordingly, no estimated losses have been accrued in the consolidated financial statements for favorable or unfavorable outcomes. Legal defense costs are expensed as incurred. Favorable rulings would not result in the recognition of gains prior to offsetting against losses, due to the ruling being an estimate which must be constructively received prior to recognition.

During the year ended December 31, 2019, and December 31, 2020, the Panel released various awards relating to the allegations of both parties. Some of which have been in favor of the Company’s positions some have been in favor of our JV partner and its affiliates. The arbitration is ongoing and the various parties to the claims and counterclaims continue to disagree on several matters.

On May 25, 2019, the Panel issued an Interim Award, which requested input from the parties on a small number of discrete issues, all input to be supported by references to the arbitration record.

On November 30, 2019, the Panel ordered the Partial Final Award and concurrently the Second Interim Award Regarding Dissolution/Liquidation of GNP and Related Issues (“the Second Interim Award”).

**The Partial Final Award**

The Partial Final Award addressed several matters including leases and the impact of their characterization on interim distributions. As a result, the Panel determined that the Company is entitled to an additional \$214,797 in distributions for 2016 and an additional \$198,644 for 2017, for a total of \$413,441 from GNP. In like manner, the Panel determined that NyacAU is entitled to an additional \$413,441 in distributions for these years. As the Company is uncertain as to the collectability of these distributions, no recognition of these awards are included in its Statement of Operations for the year ended December 31, 2020.

The Partial Final Award also addressed the Company’s claim for payment of interest earned by LOC 1. The Panel determined that NyacAU should pay the Company 50% of the interest earned on LOC 1 actually received by NyacAU, or \$126,666. NyacAU challenged this award but the Panel issued an additional ruling stating the

**Goldrich Mining Company**  
**Notes to the Consolidated Financial Statements**

amount owed to be \$120,883 to Goldrich plus 5% prejudgment interest on unpaid LOC1 interest as it fell due, see *Supplemental Orders 5-8* below. As the Company is uncertain as to the collectability of this award, no recognition of this other income is included in its Statement of Operations for the year ended December 31, 2020.

The Panel ruled Goldrich was responsible to pay NyacAU for the 2012 reclamation work and NyacAU is also entitled to 5% interest on the award from the date the first invoice was sent to Goldrich in 2014. Goldrich has accrued a liability for this ruling on its consolidated balance sheet of \$437,869 included in accounts payable and interest payable, however, Goldrich has contested the party to whom payment should be made and whether additional amounts not invoiced by GNP should be included in the award.

The Partial Final Award found the Company liable for an act of negligent misrepresentation regarding the concealment of certain technical information from NyacAU. The Company has vigorously disputed the concealment and the finding of negligence. Nevertheless, as a result of the Panel's determination, the Panel awarded Dr. J. Michael James a reimbursement of 17% of his previous \$350,000 stock investment in the Company or \$59,500 plus prejudgment interest of 5% and legal fees, for a total of \$83,388. In addition, the Panel awarded Dr. James \$9,858, plus interest at 5% and legal fees, for personal expenses incurred relating to GNP's operations. These amounts plus additional interest have been included in accounts payable and interest payable on the consolidated balance sheet at December 31, 2020.

**The Second Interim Award**

The Second Interim Award was necessitated by the fact that the dissolution/liquidation of the joint venture had not yet run its course. In the Second Interim Award the Panel ordered that:

- a) No later than January 15, 2020, NyacAU and Goldrich shall attempt to establish, by agreement, a market value for the GNP permit in connection with a transfer of the Permit to Goldrich or a third party, taking into consideration the obligation of GNP, or any transferee of the permit, to complete reclamation in accordance with NyacAU's government-approved reclamation plan.
- b) Reasonably prior to May 31, 2020, NyacAU shall perform its obligation to "make provision ... for reclamation by (1) adding all reclamation expenses actually incurred by NyacAU to LOC 1; (2) from GNP's assets, to the extent possible after payment of GNP's debts and liabilities and liquidation expenses".

Neither order from the Second Interim Award was successfully executed by the parties on the dates specified by the Panel. The Second Interim Award confirmed the dissolution of GNP and noted that "no provision of the Claims Lease or the Operating Agreement speaks directly to the rights or obligations of GNP to transfer its mining permit, which is held in the name of the manager, NyacAU. Although GNP no longer has the right to mine, NyacAU, as holder of the permit and as ruled by the Panel, has the liability of reclamation.

*Balance and payment of LOC1*

The Panel calculated a tentative balance of LOC1 at \$16,483,271 as of June 2019. This balance will be adjusted for any additional costs incurred by GNP in the liquidation or awards and/or adjustments made by the arbitration Panel. Management believes that, if there is no further placer production from these claims, Goldrich will not have a liability to pay 50% of LOC1.

The Panel ruled in the Final Post Award that LOC1 cannot be increased for costs incurred after mining operations have ceased, including costs for reclamation. "This deprives NyacAU of a security interest in 50% of future placer gold production at the site to repay reclamation expenses which it advances." Further, the Panel ruled that the Operating Agreement does not impose an obligation on the Company to pay 50% of the reclamation fee, but that the reclamation obligation resides with the permit holder. See *Final Post Award Orders* below.

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*Right to Offset Damages or Distributions*

The Panel granted the request that any damages awarded to one party can be an offset to distributions (or damages) due to the other party.

*Judgements issued by Superior Court*

On April 29, 2020, the Superior Court of the State of Alaska issued a judgement in favor of Dr. James, in the total amount of \$13,713 (for the 2012 reclamation costs personally incurred, including interest) and \$83,588 (for the adjustment to Dr. James' stock purchase, including interest). On June 9, 2020 and June 20, 2020, the Court awarded additional costs and attorney's fees. The Court ordered both Goldrich and NyacAU to submit a status report to the Court in September 2020 regarding the Panel's clarification of the payable for the 2012 reclamation, including interest, and to clarify the party for the award, NyacAU or GNP. The status report has been filed by both parties, and these judgements remain unpaid and in force before the Superior Court. These amounts related to these judgements were accrued for at December 31, 2019. As of December 31, 2020, a total amount of \$101,669 is included for the judgement and post judgement interest in accounts payable and interest payable on the consolidated balance sheet.

**Final Post Award Orders**

On September 4, 2020, the arbitration panel issued Final Post Award Orders, wherein the panel issued rulings on multiple issues, including but not limited to, those discussed below:

- *Reclamation*

The Company had previously filed a motion to compel NyacAU to correct accruals for certain expenses including reclamation, demobilization, equipment rental and utilities. Most notably, the Company contended that an accrual for reclamation liability was short of a much larger estimate prepared by independent professionals as engaged by Goldrich. The Panel denied the Company's motion and ruled that Goldrich does not have the authority to compel the establishment of any reserves on the GNP financial records.

The Company had previously filed a motion to compel NyacAU to reclaim the disturbed acres as required under the Operating Agreement and the mining permit issued to NyacAU in 2013, and to require NyacAU to fund the reclamation reserve from cash that had been distributed to NyacAU. The Panel denied the Company's motion and ruled that while there was express provision in the Operating Agreement to establish reserves necessary for contingent or unforeseen liabilities or obligations, which could conceivably include reclamation reserves, the agreement does not impose an express obligation to reclaim the project site.

- *Mining Claims*

All of the Company's mining claims remain the property of the Company; however, NyacAU staked several claims contiguous to the claims owned by the Company. The Company had previously filed a motion to compel the transfer NyacAU's claims from NyacAU to the Company. The motion was granted in part in that the claims held in NyacAU's name were ruled to be owned by the Company, but would not be transferred immediately. They would remain in the possession of NyacAU as manager of the liquidation until the property covered by the claims was not being used for liquidation activities and could be transferred without disruption to the liquidation activity.

**Supplemental Orders 5-8**

On December 4, 2020, the arbitration Panel issued Supplemental Orders 5-8, wherein the Panel issued rulings on multiple material issues:

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**Notes to the Consolidated Financial Statements**

• 2018 Profitability and 2018 Interim Distributions

Under the GNP Operating Agreement, Goldrich was entitled to receive certain interim distributions based on GNP's profitability. Goldrich received such distributions for 2016 and 2017. Goldrich challenged the Panel's understanding of facts related to GNP's profitability for 2018 as presented in the arbitration proceedings and made a motion for GNP to distribute interim distributions for 2018 after applying the arbitration rulings made to date. Goldrich submitted a claim to the arbitration Panel for approximately \$680,000 plus prejudgment interest thereon at 5%. The arbitration Panel denied Goldrich's claim. Based on the Panel's ruling, the paydown by NyacAU, as manager of GNP, of Line of Credit 1 ("LOC1") with GNP funds, rather than the payment of a 2018 interim distribution to Goldrich, is not considered a misappropriation of funds. LOC1 is a related party loan between GNP and NyacAU.

The Panel ruled that GNP was dissolved at the end of the 2018 mining season (September 28, 2018) by failing to meet the Minimum Production Requirement of the GNP Operating Agreement rather than May 2019, when NyacAU published a formal notice of dissolution to the State of Alaska and to creditors. Based on this and other evidence, the Panel found that GNP was dissolved by no later than October 9, 2018, which precedes the date by which any interim distribution would otherwise have been due under the GNP Operating Agreement (October 31 - December 31, 2018). Accordingly, the Panel ruled that Goldrich is precluded from receiving any interim distributions for 2018 under the GNP Operating Agreement which provides that "[m]embers have a right to Distributions from the Company before the dissolution and winding up of the Company."

• Goldrich's Portion of Interest Paid on LOC1

Under the GNP Operating Agreement, Goldrich is to receive 50% of any interest on LOC1 paid by GNP to NyacAU. Goldrich made a claim to the Panel that GNP had paid interest to NyacAU and that Goldrich was entitled to 50% of the amount paid. The Panel ruled that NyacAU is obligated to pay Goldrich 50% of \$241,797 in interest "received" by NyacAU up to October 2018, when GNP was dissolved and commenced liquidation, in the total principal amount of \$120,883. Goldrich is also entitled to recover 5% prejudgment interest on unpaid LOC1 interest as it fell due through October 1, 2018, after which date no interest would be shared with Goldrich.

• Clarification of Award

In the Partial Final Award given in 2019, the arbitration Panel made an award to NyacAU of \$377,253 in damages and pre-award interest relating to 2012 reclamation expenses incurred on Goldrich's behalf. Goldrich made an "Application for Modification and Correction of Arbitration Award, for Vacation of Award, or for Resubmission to Arbitration Panel for Clarification", requesting an order from the Alaska court, under the Alaska Arbitration Act, that the damages awarded for unpaid 2012 reclamation expenses were to be paid to GNP, not NyacAU, and that the Panel clarify the appropriate amount of damages and interest to be paid. The Panel ruled that it will resolve these issues after the parties submit evidence and argument supporting their respective positions on the merits.

## 14. SUBSEQUENT EVENTS

Subsequent to the year ended December 31, 2020, the Company received additional notes payable from a related party of \$116,000, net of discount.

During February 2021, the Company received \$130,000 cash as a result of exercise of Class S warrants at an exercise price of \$0.03 per common share. Ownership of these warrants had been in the hands of a related party and were sold by him personally to unrelated parties. The unrelated parties then exercised the warrants for cash, resulting in the issuance of 4,333,333 common shares.

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Subsequent to December 31, 2020, Mr. Gallagher sold 6,000,000 of his Class T warrants to Mr. Schara, 1,000,000 Class T warrants to Mr. Sharp, and 500,000 Class T warrants to an employee of the Company. None of these warrants have been exercised.

Subsequent to December 31, 2020, on April 7, 2021, the arbitration panel issued two orders:

- Order on Respondents' Motion to Preserve Confidentiality of Arbitration Proceedings, wherein the panel ruled that the Company did not violate confidentiality when it filed the arbitration rulings as exhibits to its public reporting with the Securities and Exchange Commission, and
- Order on Respondents' Motion to Confirm Judgment, to correct, clarify, or modify an award made in the Partial Final Award. This order confirmed a GNP claim against the Company for \$50,685 for additional reclamation costs, including interest of \$2,589. This event has been recognized and accrued in the financial statements for the year ended December 31, 2020.



## **ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

There have been no disagreements between the Company and its accountants regarding any matter or accounting principles or practice or financial statement disclosures.

### **ITEM 9A. CONTROLS AND PROCEDURES**

#### **Evaluation of Disclosure Controls and Procedures**

At the end of the period covered by this Annual Report on Form 10-K, an evaluation was carried out under the supervision of and with the participation of our management, including the Principal Executive Officer and the Principal Financial Officer of the effectiveness of the design and operations of our disclosure controls and procedures (as defined in Rule 13a – 15(e) and Rule 15d – 15(e) under the Exchange Act) as of the end of the period covered by this report. Based on that evaluation, the Principal Executive Officer and the Principal Financial Officer have concluded that our disclosure controls and procedures were not effective in ensuring that: (i) information required to be disclosed by the Company in reports that it files or submits to the Securities and Exchange Commission under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in applicable rules and forms and (ii) material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow for accurate and timely decisions regarding required disclosure.

Disclosure controls and procedures were not effective due primarily to a material weakness in the segregation of duties in the Company's internal control of financial reporting as discussed below.

#### **Internal Control over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company (including its consolidated subsidiaries) and all related information appearing in our Annual Report on Form 10-K. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
2. provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with the authorization of management and/or of our Board of Directors; and
3. provide reasonable assurance regarding the prevention or timely detection of any unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness in future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management conducted an evaluation of the design and operation of our internal control over financial reporting as of December 31, 2020, based on the criteria in a framework developed by the Company's management pursuant to and in compliance with the criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, walkthroughs of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management has concluded that our internal control over financial reporting was not effective as of December 31, 2020, because management identified a material weakness in





the Company's internal control over financial reporting related to the segregation of duties as described below. Additionally, material weaknesses were identified in transactions where we:

- incorrectly recorded of a contingent gain arising from the arbitration that cannot be recorded or recognized until the Company actually receives payment or records an offset against the disposition of awards paid to GNP for which the arbitration panel has granted the ability to offset, and
- incorrectly recorded an amortizable asset associated with contracted and binding unpaid liabilities related to claims fees for which we received an extension of payment under COVID considerations and a consulting contract under which the Company has made partial payment and is receiving marketing services.

While the Company does adhere to internal controls and processes that were designed and implemented by an experienced accounting firm, it is difficult with a very limited staff to maintain appropriate segregation of duties in the initiating and recording of transactions, thereby creating a segregation of duties weakness. Due to: (i) the significance of segregation of duties to the preparation of reliable financial statements; (ii) the significance of potential misstatement that could have resulted due to the deficient controls; and (iii) the absence of sufficient other mitigating controls, we determined that this control deficiency resulted in more than a remote likelihood that a material misstatement or lack of disclosure within the annual or interim financial statements may not be prevented or detected.

#### *Management's Remediation Initiatives*

Management has evaluated, and continues to evaluate, avenues for mitigating our internal controls weaknesses, but mitigating controls to completely mitigate internal control weaknesses have been deemed to be impractical and prohibitively costly, due to the size of our organization at the current time. Management expects to continue to use reasonable care in following and seeking improvements to effective internal control processes that have been and continue to be in use at the Company. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple errors or mistakes. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks.

Management's remediation initiatives include having retained the Company's Chief Financial Officer. He is well-versed in internal control environments, having implemented, documented and tested multiple control environments over 16 years and has served as a CFO in publicly-traded companies for 20 years. The offices of Principal Executive Officer and Principal Financial Officer have remained separate. The Company has only two employees, and management has concluded that minimal staffing continues to inhibit the effectiveness of the Company's internal controls over financial reporting.

#### **Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) or 15d-15(f)), that occurred during our fourth fiscal quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

#### **ITEM 9B. OTHER INFORMATION**

None.

**PART III****ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE****Members of the Board of Directors and Executive Officers**

Our directors hold office until the next annual meeting of the stockholders and the election and qualification of their successors. Officers are elected annually by the Board of Directors and serve at the direction of the Board of Directors. Each member of the Board of Directors was elected to membership on the Board on November 26, 2013. The Board of Directors held four meeting in 2020 and nine meetings in 2019.

The following table and information that follows sets forth, as of December 31, 2020, the names, and positions of our directors and executive officers:

<b>Name</b>	<b>Age</b>	<b>Recent Business and Professional Experience</b>
David S. Atkinson Director	51	Mr. Atkinson became a Director of the Company on May 7, 2007. Mr. Atkinson spends about 15 hours a month on matters related to Goldrich. He is currently managing FG Investments, a Global Investment Advisor focused on commodities located in the Republic of Mauritius. In April 1999, he co-founded Forza Partners, L.P. and currently serves as portfolio manager. Forza Partners, L.P. is a hedge fund focused on the precious metals sector. In April 1997, he co-founded and, until December 1999, managed Tsunami Partners, LP, a fund located in Fort Worth, Texas. Mr. Atkinson has been an affiliate of the Market Technicians Association (MTA) since March 1994 and received MTA accreditation as a Chartered Market Technician (CMT) in July 2001. Mr. Atkinson received a B.A. in Economics from the University of Texas at Austin.
Nicholas Gallagher Director	47	Mr. Gallagher became a director on November 1, 2016. Mr. Gallagher spends approximately 15 hours per month on matter related to Goldrich. In 2004 to the present, Mr. Gallagher incorporated NGB Capital, a private equity investment firm that manages personal and syndicated private equity and property investments in Europe, the United Kingdom and the United States of America. In 2000, Mr. Gallagher co-founded Powerscourt Capital Partners, a niche investment management firm structured to manage funds on behalf of high net worth individuals in the public and private equity markets. He served there until Powerscourt was acquired in 2004. He obtained a Bachelor of Law degree from the University of Newcastle in 1996. Mr. Gallagher then completed the Legal Practice Course at the College of Law in London and practiced as a solicitor at Memery Crystal, a law firm in the city of London from 1997 to 2000.

Name	Age	Recent Business and Professional Experience
Garrick A. Mendham Director	60	Mr. Mendham became a consulting director on August 12, 2013 and was appointed director on November 26, 2013. Mr. Mendham spends about 15 hours a month on matters related to Goldrich. Since February 2017 to the present, Mr. Mendham serves as Executive Director, and from May 2012 to January 2017 was Vice President of Operations and Project Development for RH Mining Resources, a Hong Kong based resources development company. From 2008 to 2012, he served as Director of Technical Services and General Manager of Technical Services for a mine development and investor group, Regent Pacific Group in Hong Kong and Beijing, China, respectively. From 2006 to 2008, Mr. Mendham served as Manager of Technical Services for Rio Tinto Coal Australia, a subsidiary of Rio Tinto Group. From 2004 to 2006, he served as Manager of Mine Technical for Lihir Management Company in Papua, New Guinea. Prior to 2004, Mr. Mendham served in technical, corporate, planning and mining positions with Rio Tinto, BHP Billiton, Bond Corporation, and Queensland Nickel, including two years working in an Australian 20,000-ounces per year placer operation. Mr. Mendham brings over 30 years of mining experience in operations, technical work, and mining finance for both junior and large mining companies. Mr. Mendham was the founding Chairman of the Australasian Institute of Mining and Metallurgy Hong Kong branch. He received a Bachelor of Mine Engineering from the University of New South Wales, a Graduate Diploma in Finance from the Financial Services Institute of Australasia, and holds Mine Manager Certificates in Australia for both New South Wales and Western Australia and is a Fellow of the Australasian Institute of Mining and Metallurgy.
William Orchow Director	75	Mr. Orchow became a director on July 20, 2004. Mr. Orchow spends approximately 10 hours per month on matters related to Goldrich. He is currently a member of the board of directors of Cordoba Minerals Corp, a Canadian public company with projects in Colombia. Mr. Orchow sits on the boards of directors of several private junior mining companies. He served as a director of Revett Minerals, Inc., a Canadian company trading on the Toronto Stock Exchange, from September 2003 to June 2009. He also served as President and Chief Executive Officer of Revett Minerals from September 2003 to October 2008. Prior to Revett, Mr. Orchow took time off, from January 2003 to August 2003. From November 1994 to December 2002, Mr. Orchow was President and Chief Executive Officer of Kennecott Minerals Company, where he was responsible for the operation and business development of all of Kennecott's mineral mines with the exception of its Bingham Canyon mine. From June 1993 to October 1994, he was President and Chief Executive Officer of Kennecott Energy Company, the third largest producer of domestic coal in the United States, and prior to that was Vice President of Kennecott Utah Copper Corporation. Mr. Orchow has also held senior management and director positions with Kennecott Holdings Corporation, the parent corporation of the aforementioned Kennecott entities. He has also been a director and member of the executive committee of the Gold Institute, a director of the National Mining Association and a director of the National Coal Association. Mr. Orchow is currently a member of the board of trustees of Westminster College in Salt Lake City and has been a member of the board of trustees, executive committee and past President of the Northwest Mining Association until December 31, 2011. He graduated from the College of Emporia in Emporia, Kansas with a B.S. in business.

Name	Age	Recent Business and Professional Experience
Michael G. Rasmussen Director	75	Dr. Rasmussen became a consulting director on April 15, 2013 and was appointed director on November 26, 2013. Dr. Rasmussen spends about 15 hours a month on matters related to Goldrich. In February 2013 to present, he launched a private consultancy providing geologist services to mining companies, including Goldrich, Kinross Gold Corp, Nevada Milling and Mining LLC and several others. From 2008 to 2013, Dr. Rasmussen served as the Vice President, Exploration and consulting geologist for Mines Management, Inc., a public company trading on the NYSE and TSX. From 2007 to 2008, he served as Vice President, Exploration for Aztec Metals Corp, and concurrently as consulting geologist for Endeavour Silver Corp, a Canadian public company trading on the NYSE and TSX, and Canarc Gold Corp, a Canadian public company trading on the FINRA OTCBB and TSX. From 2005 to 2007, Dr. Rasmussen served as Vice President, Exploration for Endeavour Silver Corporation and from 2004 to 2005 as Vice President, Exploration for International Wayside Gold Mines Ltd, a Canadian public company trading on the TSX. From 1990 to 2004, he held senior geologist roles at Echo Bay Mines and its parent Kinross Gold Corp, a public company trading on the NYSE and TSX. Dr. Rasmussen earned a PhD in Economic Geology from the University of Washington and a Master's Degree in Geological Sciences from Loma Linda University. Dr. Rasmussen is licensed as a Professional Geologist by the Washington State Board of Geologists and the American Institute of Professional Geologists. Dr. Rasmussen has evaluated precious metals prospects and conducted exploration extensively throughout Mexico, Peru, British Colombia, and the western United States, and is credited with the discovery of the Emanuel Creek epithermal gold deposit for Echo Bay Mines.
William V. Schara Chief Executive Officer, Director	64	On October 19, 2009, Mr. Schara was appointed by the Board of Directors as Chief Executive Officer of the Company. From March 14, 2007 to October 19, 2009, Mr. Schara served as Chairman of the Board. Mr. Schara is a Certified Public Accountant, and has a Bachelor of Science Degree in Accounting from Marquette University. Mr. Schara spends fulltime on matters related to Goldrich. He was also appointed to the Company's Audit Committee on February 13, 2006 and relinquished that position concurrent with his appointment as Chief Executive Officer. From October 2007 to September 2009, Mr. Schara served as President, Chief Executive Officer and Director of Nevoro, Inc., a Canadian company trading on the Toronto Stock Exchange. Beginning December 2004, he was employed as a management consultant for, and then from July 2005 to November 2007 as the Chief Financial officer of Minera Andes Inc., a Canadian development stage mining company listed on the Toronto Ventures Exchange and the FINRA OTCBB exchange. He previously worked for Yamana Gold Inc. and its predecessor companies from July 1995 to September 2003, the last four years of which were in the capacity of Vice President of Finance and Chief Financial Officer. Yamana Gold Inc. is a production stage Canadian public company trading on the Toronto Stock Exchange, the NYSE Amex and the London Alternative Investment Market Exchange. From September 2004 through April 2015, Mr. Schara served as a director of Marifil Mines Limited, an exploration stage Canadian public company traded on the Canadian Ventures Exchange. Mr. Schara has more than 35 years of experience in finance and accounting with extensive experience in business start-ups, international business, and managing small public companies and mining company joint ventures.

Name	Age	Recent Business and Professional Experience
Stephen M. Vincent Director	72	Mr. Vincent became a consulting director on August 12, 2013 and was appointed director on November 26, 2013. Mr. Vincent spends about 15 hours a month on matters related to Goldrich. Mr. Vincent has over 30 years of experience as a finance specialist. From February 2013 to the present, Mr. Vincent is principal of SMV Enterprises, Inc, providing financing services to clients. From 2005 to 2013, he worked at Northland Securities, providing investment bank services and developing a junior mining investment banking practice. From 1992 to 2004, Mr. Vincent worked at Allison Williams Company, providing structures and securitized financings including leasing and corporate debt. Prior to 1992, he held a range of positions with various companies including Moore Juran and Co., Miller and Schroeder Financial, and Piper Jaffray. His roles have included metals distribution, debt instrument structuring, and private equity financing. Mr. Vincent raised capital for companies developing the copper-nickel mining district of northeastern Minnesota. Mr. Vincent completed strategic equity investments for Duluth Metals Ltd., Franconia Minerals and Encampment Minerals. While at Northland Securities, Mr. Vincent completed a private placement financing for Goldrich in 2010. Mr. Vincent received a Bachelor's degree in History from Boston College and attended the William Mitchell School of Law.
Ted R. Sharp Chief Financial Officer	64	Mr. Sharp was appointed as our Chief Financial Officer, Secretary, and Treasurer effective March 2006. We have entered into a management consulting contract with Mr. Sharp, engaging him on a part-time basis. Mr. Sharp spends approximately 25% of his business hours each month on matters related to Goldrich. Mr. Sharp is a Certified Public Accountant, and has Bachelor of Business Administration Degree in Accounting from Boise State University. Since 2003, he has been President of Sharp Executive Associates, Inc., a privately-held accounting firm providing Chief Financial Officer services to clients. Concurrent with his position with Goldrich, from July 2012 through the present, Mr. Sharp is a principal and serves part-time as Chief Executive and Financial Officer of US Calcium LLC, a privately-held natural resource company. Concurrent with his position with Goldrich, from August 2018 through the present, Mr. Sharp serves part-time as Chief Financial Officer of Timberline Resources Corporation, a natural resource company trading on the OTCQB and TSX:V exchanges. Also concurrent with his position with Goldrich, from January 2019 through September 2020, Mr. Sharp served part-time as Chief Financial Officer of US Gold Corporation, a natural resource company trading on the NASDAQ exchange. In the past, concurrent with his position with Goldrich, from May 2011 through January 2012, Mr. Sharp served part-time as Chief Financial Officer of Gryphon Gold Corporation, a natural resource company formerly trading on the FINRA OTCBB, and from September 2008 through November 2010, Mr. Sharp served part-time as Chief Executive Officer, President and Chief Financial Officer of Texada Ventures, Inc, a natural resource exploration company formerly trading on the FINRA OTCBB. Also concurrent with his position with Goldrich, from November of 2006 to June 2009, Mr. Sharp served part-time as Chief Financial Officer of Commodore Applied Technologies, Inc., an environmental solutions company formerly trading on the FINRA OTCBB. Prior to 2003, he worked for 14 years in positions of Chief Financial Officer, Managing Director of European Operations and Corporate Controller for Key Technology, Inc., a publicly-traded manufacturer of capital goods. Mr. Sharp has more than 35 years of experience in treasury management, internal financial controls, SEC reporting and Corporate Governance.

## Qualification of Directors

**David S. Atkinson:** Mr. Atkinson's extensive experience in the capital markets and his specific experience in financing exploration stage mining companies as described above along with his current position as Investment Manager of Forza Partners and Forza Partners II, each of which are affiliates of the Company, led the Board to conclude that Mr. Atkinson should continue to serve as a director of the Company given the Company's position as an exploration stage mining company and its need to seek financing to continue its operations in the coming fiscal year.

**Nicholas Gallagher:** Mr. Gallagher's extensive experience in legal matters and as an investment manager, as well as his numerous years as a significant investor and affiliate of the Company, led the Board to conclude that Mr. Gallagher should join the Board and serve as a director of the Company given the Company's position as an exploration stage mining company and its need to seek financing to continue its operations in the coming fiscal year.

**Garrick A. Mendham:** Mr. Mendham's extensive experience as a manager in production companies and his specific experience with mining and exploration plans and analysis for both production and exploration stage mining companies as described above led the Board to conclude that Mr. Mendham should continue to serve as a director of the Company given the Company's position as an exploration stage mining company and its need to work with its joint venture partner at GNP in formulating and executing mining plans to extract gold from its Chandalar placer operations.

**William Orchow:** Mr. Orchow's extensive experience in executive management of large production companies and his specific experience as a director on multiple industry organizations and mining companies as described above along with his current position as Chairman of the Board led the Board to conclude that Mr. Orchow should continue to serve as a director of the Company given the Company's position as an exploration stage mining company and its need to seek financing to continue its operations in the coming fiscal year.

**Michael G. Rasmussen:** Mr. Rasmussen's extensive experience as a geologist with exploration stage companies and his skills in interpreting multifaceted geological data as described above led the Board to conclude that Mr. Rasmussen should continue to serve as a director of the Company given the Company's position as an exploration stage mining company with an extensive property with challenging geological traits.

**Stephen M. Vincent:** Mr. Vincent's extensive experience in the capital markets and his specific experience in financing exploration stage mining companies as described above along with his current position as Chairman of the Audit Committee led the Board to conclude that Mr. Vincent should continue to serve as a director of the Company given the Company's position as an exploration stage mining company and its need to seek financing to continue its operations in the coming fiscal year.

**William A. Schara:** Mr. Schara's extensive experience in finance and accounting and his specific experience in financing for both production and exploration stage mining companies as described above along with his current position as CEO of the Company led the Board to conclude that Mr. Schara should continue to serve as a director of the Company given the Company's position as an exploration stage mining company and its need to seek financing to continue its operations in the coming fiscal year.

## Arrangements Between Directors and Officers

To our knowledge, there is no arrangement or understanding between any of our officers and any other person pursuant to which the officer was selected to serve as an officer.

## Family Relationships

There are no family relationships between, or among any of our directors or executive officers.

## Other Directorships

No directors of the Company are also directors of issuers with a class of securities registered under Section 12 of the United States Securities Exchange Act of 1934, as amended (the “Exchange Act”) (or which otherwise are required to file periodic reports under the Exchange Act).



## **Code of Ethics**

The Board of Directors considers and implements our business and governance policies.

On November 7, 2005, our Board of Directors adopted a Code of Business Conduct and Ethics for directors, officers and executive officers of Goldrich Mining Company and its subsidiaries and affiliates. All our directors and employees have been provided with a copy of the Code, and it is posted on our website at [www.goldrichmining.com](http://www.goldrichmining.com). The document is intended to provide guidance for all directors and employees (including officers) and other persons who may be considered associates of the company to deal ethically in all aspects of its business and to comply fully with all laws, regulations, and company policies. If we make any amendments to this Code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of the Code to our chief executive officer, or chief financial officer, we will disclose the nature of the amendment or waiver, its effective date and to whom it applies on our website. A copy of the Code will be sent without charge to anyone requesting a copy by contacting us at our principal office.

The Code is in addition to other detailed policies relevant to business ethics that we may adopt from time to time.

## **Committees of the Board of Directors**

The Board of Directors has an Audit Committee, a Compensation Committee, a Corporate Governance and Nominating Committee, a Technical Committee, an Operating Committee, and a Financing Committee.

### **Audit Committee**

The Corporation has a separately designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The members of the Audit Committee during 2020 were Mr. Orchow and Mr. Vincent. Mr. Vincent is the Chairman of the Committee. Each of the Directors is considered “independent” as defined under Rule 5605(c)(2) of the NASDAQ listing rules and under Rule 10A-3 of the Exchange Act. The Committee operates under a formal written charter approved by the Committee and adopted by the Board of Directors. The Audit Committee held four meetings during 2020 and four meetings in 2019. The responsibilities of the Audit Committee include monitoring compliance with Company policies and applicable laws and regulations, making recommendations to the full Board of Directors concerning the adequacy and accuracy of internal systems and controls, the appointment of auditors and the acceptance of audits, and monitoring management's efforts to correct any deficiencies discovered in an audit or supervisory examination.

### **Compensation Committee**

The members of the Compensation Committee during 2020 were Mr. Vincent, and Mr. Orchow; this Committee does not have a charter. Mr. Vincent is the Chairman of the Committee. This Committee receives and considers recommendations from the Chief Executive Officer for compensation for consultants, management and the Directors. Compensation matters regarding Mr. Schara and Mr. Sharp are recommended to the Board of Directors for their consideration. The Committee also is responsible for the administration of all awards made by the Board of Directors pursuant to the Restated 2008 Equity Incentive Plan (the “Plan”). The Compensation Committee makes recommendations to the Board of Directors regarding administration of the Plan. The Board of Directors, however, administers the Plan. The Company does not use compensation consultants. This Committee held no meetings in 2020 and 2019.

### **Corporate Governance and Nominating Committee**

The Corporate Governance and Nominating Committee is composed of Mr. Orchow, Mr. Atkinson, and Mr. Schara. Mr. Orchow is the Chairman of this Committee. This Committee adopted a Charter at a meeting held May 7, 2007. The Charter does not include a policy with regard to consideration of director candidates recommended by shareholders. The Committee believes that it is in a better position than the average shareholder to locate and select qualified candidates for the Board of Directors, as the Company is a small gold exploration company that requires its directors to have





knowledge regarding the risks and opportunities in the gold mining industry. The Committee did not hold any meetings in 2020 and 2019.

### **Operating Committee**

The Operating Committee is composed of Mr. Orchow, Mr. Mendham, and Mr. Schara. Mr. Schara is the Chairman of this Committee. The Committee oversees the Company's interest in GNP. The Committee held one meeting in 2020 and none in 2019.

### **Financing Committee**

The Financing Committee is composed of Mr. Atkinson, Mr. Gallagher, Mr. Orchow, Mr. Schara, and Mr. Vincent. Mr. Schara is the Chairman of this Committee. The Committee advises the Chief Executive Officer on acquiring financing and evaluating financial alternatives. The Committee held no meetings in 2020 and one in 2019.

### **Financial Expert**

Stephen M. Vincent is Chairman of the Audit Committee and its designated Financial Expert as set forth in Item 401 of Regulation S-K, as promulgated by the SEC. Mr. Vincent is independent as defined under Rule 5605(c)(2) of NASDAQ listing rules and under Rule 10A-3 of the Exchange Act.

### **Recommendations to the Board of Directors**

There have been no changes in the Company's procedures by which shareholders of the Company may recommend nominees to the Company's Board of Directors.

### **Legal Proceedings, Cease Trade Orders and Bankruptcy**

Subsequent to the end of 2017, we filed a claim before an Arbitration panel consisting of 3 independent arbitrators against our joint venture partner to obtain relief from certain accounting practices employed by the manager of the joint venture. In response to our filing, the managing partner, NyacAU LLC, has filed an Arbitration Counter Claim against us, naming the officers and directors of the Company as they were constituted in 2012, at the time the JV's Operating Agreement was signed by the respective partners. The arbitration hearing commenced during July and August of 2018.

Notes 4 *Joint Venture*, 13 *Commitments & Contingencies* and 14 *Subsequent Events* to the financial statements disclose in detail the rulings and awards that have been issued to date by the arbitration panel.

As of the date of this Annual Report, with the exception of the Arbitration Counter Claim described above, no director or executive officer of our Company and no shareholder holding more than 5% of any class of our voting securities, or any associate of any such director, officer or shareholder is a party adverse to us or any of our subsidiaries or has an interest adverse to us or any of our subsidiaries.

During the past ten years, no director, director nominee or executive of Goldrich has:

- (a) filed or has had filed against such person, a petition under the U.S. federal bankruptcy laws or any state insolvency law, nor has a receiver, fiscal agent or similar officer been appointed by a court for the business or property of such person, or any partnership in which such person was a general partner, at or within two years before the time of filing, or any corporation or business association of which such person was an executive officer, at or within two years before such filings;
- (b) been convicted or pleaded guilty or *nolo contendere* in a criminal proceeding or is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offences);
- (c) been the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting such person's activities in any type of business, securities, trading, commodity or banking activities;



(d) been the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any U.S. federal or state authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any type of business, securities, trading, commodity or banking activities, or to be associated with persons engaged in any such activity;

(e) been found by a court of competent jurisdiction in a civil action or by the U.S. Securities and Exchange Commission, or by the U.S. Commodity Futures Trading Commission to have violated a U.S. federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;

(f) been the subject of, or a party to, any U.S. federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of: (i) any U.S. federal or state securities or commodities law or regulation; or (ii) any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or (iii) any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

(g) been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C.78c(a)(26)), any registered entity (as defined in Section 1(a)(29) of the U.S. *Commodity Exchange Act* (7 U.S.C.1(a)(29)), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

### **Delinquent Section 16(a) Reports**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the Company's officers, directors, and persons who beneficially own more than 10% of the Company's common stock ("10% Stockholders"), to file reports of ownership and changes in ownership with the SEC. Such officers, directors, and 10% Stockholders are also required by SEC rules to furnish us with copies of all Section 16(a) forms that they file.

Based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons, we believe that during fiscal year ended December 31, 2020, all filing requirements applicable to its officers, directors and greater than 10% beneficial owners were complied with.

## **ITEM 11. EXECUTIVE COMPENSATION**

Executive Compensation Agreements and Summary of Executive Compensation:

### ***William V. Schara, Principal Executive Officer:***

We entered into an employment arrangement with William V. Schara on October 19, 2009 in conjunction with his appointment as our Chief Executive Officer. Mr. Schara is a Certified Public Accountant, and has a Bachelor of Science Degree in Accounting from Marquette University. His annual salary was fixed at \$180,000 and 750,000 options to purchase our common stock were issued to him, with 250,000 vesting immediately, 250,000 vesting on October 19, 2010 and 250,000 vesting on October 19, 2011. These options expired in October 2019. Mr. Schara has a three-year employment contract that is renewed and reviewed on an annual basis by the Board of Directors for appropriate changes in salary, benefits or other employment matters. Mr. Schara received only a partial salary in 2016, 2017, 2018, 2019, and 2020 due to the Company's lack of finances. At December 31, 2020 a total of \$590,851 of unpaid salary was accrued and included in payable to related parties, including \$166,000 accrued during 2020.

### ***Ted R. Sharp, Principal Financial Officer:***

We entered into a written Independent Contractor Agreement, effective March 1, 2006, with Sharp Executive Associates, Inc. and the owner of that firm, Ted R. Sharp CPA, for Mr. Sharp to act as a Management Consultant to serve as Secretary, Treasurer and Chief Financial Officer and to provide through his extended staff and firm all services



typical of an accounting department for a small company. Mr. Sharp is a Certified Public Accountant and his firm is an independent contractor, with business management and consulting interests with other companies that are independent of the consulting agreement he currently has in place with the Company. The term of the original Agreement was through December 31, 2006, and has been renewed on an annual basis, with the basis of fees changed from the monthly fee and to terms that would allow Mr. Sharp to bill the activities performed by members of his firm at hourly rates. In 2010, we hired an internal accountant to provide normal accounting functions for the Company and the use of Mr. Sharp's staff was eliminated. Fees paid to Mr. Sharp's firm subsequent to this date are for Mr. Sharp's services only. When the ability to pay under a renewed agreement is assured, the terms of the contract will be reviewed and renewed. Either party may terminate the Agreement upon 15 days written notice. Mr. Sharp also will be reimbursed for reasonable expenses previously approved by us. Mr. Sharp was not an employee for the full year and serves on a part time basis. In addition to the partial salary of \$14,000 that Mr. Sharp received in 2020, Mr. Sharp billed a total of \$27,354 in fees in 2020. At December 31, 2020, a total of \$88,736 is accrued and payable to Mr. Sharp.

## **Executive Compensation and Related Information**

### ***Summary Compensation Table***

A summary of cash and other compensation paid in accordance with management consulting contracts for our Principal Executive Officer and the other named executives for the most recent two fiscal years is as follows:

<b>Name<sup>(1)</sup> and Principal Position</b>	<b>Year</b>	<b>Salary (\$)</b>	<b>Stock Awards (\$)</b>	<b>Total</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(e)</b>	<b>(j)</b>
William V. Schara	2020	180,000	-	180,000
Principal Executive Officer	2019	180,000	-	180,000
Ted R. Sharp	2020	41,354	-	41,354
Principal Financial Officer	2019	42,703	-	42,703

a. No other executive or person earned more than \$100,000 for the year. Columns for certain forms of compensation have been omitted from the table because no compensation was paid for those forms of compensation during the period reported.

Material factors necessary to an understanding of the compensation in this table are set forth in the description of the compensation agreements. No performance targets or grants were modified or waived during the last fiscal year.

### **Outstanding Equity Awards at Fiscal Year-end (2020)**

<b>Name</b>	<b>Stock Awards</b>		
	<b>Number of Securities Underlying Unexercised Options<sup>(1)</sup> (#) Exercisable</b>	<b>Option Exercise Price (\$)</b>	<b>Option Expiration Date</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(f)</b>
William V. Schara Principal Executive Officer	-	-	-
Ted R. Sharp Principal Financial Officer	-	-	-

## **Retirement, Resignation or Termination Plans**



With the exception of the following, we sponsor no plan, whether written or verbal, that would provide compensation or benefits of any type to an executive upon retirement, or any plan that would provide payment for retirement, resignation, or termination as a result of a change in control of our Company or as a result of a change in the responsibilities of an executive following a change in control of our Company.

The employment plan for Mr. Schara includes a two-year severance provision (or a three-year provision under a change in control), wherein the Company would be required to pay him a lump-sum severance equal of two years (or three years under a change of control) of his annual salary at termination due to reasons other than termination for cause.

### Director Compensation

The Directors receive \$500 for each board meeting and \$300 for each committee meeting. Any officer who is also a board member does not receive fees for service on the board.

Stock Awards and Option Awards were made under our Restated 2008 Equity Incentive Plan. The fair values were computed in accordance with ASC 718. The grant, vesting and forfeiture information and assumptions made in valuation may be found in Note 8 to our consolidated financial statements for the year ended December 31, 2020 included in this Annual Report on Form 10-K. Grants to officers and directors under the 2008 Equity Incentive Plan are made as partial compensation for services rendered as well as to retain qualified persons in those positions and provide incentive for involvement and performance. Aggregate awards outstanding at December 31, 2020 are included in the Beneficial Ownership table and notes below.

Name	Fees Earned or Paid in Cash	All Other Compensation	Total
	(\$) <sup>(1)</sup>	(\$) <sup>(2)</sup>	(\$)
(a)	(b)	(g)	(h)
David S. Atkinson	2,000	-	2,000
Garrick A. Mendham(3)	2,300	-	2,300
William Orchow	2,600	-	2,600
Michael G. Rasmussen(4)	2,000	-	2,000
Stephen M. Vincent(5)	2,300	-	2,300
Nicholas Gallagher	2,000	-	2,000

- (1) The Directors receive \$500 for each board meeting and \$300 for each committee meeting.  
(2) Stock Awards and Option Awards, when made, are made under our 2008 Equity Incentive Plan. The fair values were computed in accordance with ASC 718.  
(3) Mr. Mendham holds options to purchase a total of 50,000 shares of common stock, all of which are vested.  
(4) Mr. Rasmussen holds options to purchase a total of 350,000 shares of common stock, all of which are vested.  
(5) Mr. Vincent holds options to purchase a total of 50,000 shares of common stock, all of which are vested.

## **ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The following table sets forth certain information regarding the beneficial ownership of shares of our common stock as of April 15, 2021 by:

- i. each director and nominee for director;
- ii. each of our executive officers named in the Summary Compensation Table under "Executive Compensation and Related Information" (the "Named Executive Officers");
- iii. all our executive officers and directors as a group, and, based on currently available Schedules 13D and 13G filed with the SEC, the beneficial owners of more than 5% of our common stock.

Title of Class	Name of Beneficial Owner	Address	Amount and Nature of Beneficial Ownership	Percent of Class (1)
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**Directors and Named Executive Officers**

Common Stock	David S. Atkinson, Director	Via San Martino, No. 9 Feltre, Italy 32032	8,106,824	(2)	4.7%
Common Stock	Garrick A. Mendham, Director	PO Box 339 Gordon, NSW, 2072 Australia	1,348,943	(3)	*
Common Stock	William Orchow, Chairman, Director	67 P Street Salt Lake City, UT 84103	2,163,262	(4)	1.25%
Common Stock	Michael G. Rasmussen, Director	3311 S. Grand Blvd. Spokane, WA 99203	975,145	(5)	*
Common Stock	William V. Schara, Chief Executive Officer, Director	3221 S. Rebecca Spokane, WA 99223	9,397,804	(6)	5.27%
Common Stock	Ted R. Sharp, Secretary, Treasurer and Chief Financial Officer	15148 Pinehurst Way Caldwell, ID 83607	2,170,182	(7)	1.25%
Common Stock	Stephen M. Vincent, Director	255 Maple Hill Rd. Hopkins, MN 55343	2,212,029	(8)	1.28%
Common Stock	Nicholas Gallagher, Director	5 Churchfields The K Club, Straffan Kildare, Ireland	66,144,082	(9)	33.13%

Common Stock	All current executive officers and directors as a group		92,518,271		48.23%
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**5% or greater shareholders**

Common Stock	NGB Nominees	5 Churchfields The K Club, Straffan Kildare, Ireland	23,707,104	(9)	12.57%
Common Stock	Randy Johnson	4111 Heatherton Pl. Minnetonka, MN 55345	10,281,427	(10)	5.97%
Common Stock	Chris Johnson	8615 Eagle Creek Cir. Savage, MN 55378	10,509,769	(11)	6.09%

\*Less than 1%.

- (1) This table is based upon information supplied by officers and directors. Unless otherwise indicated in the footnotes to this table and subject to community property laws where applicable, the Company believes that each of the stockholders named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned. Applicable percentages are based on 172,259,709 shares outstanding on March 29, 2021, adjusted on a partially diluted basis for each shareholder as required by rules promulgated by the SEC.
- (2) Mr. Atkinson is general partner and holds positions as director and general manager of Forza Partners, L.P. and Forza Partners II, L.P. Mr. Atkinson is the sole investment decision maker for Forza Partners, L.P. and Forza Partners II, L.P. The shares total includes 885,694 shares of common stock, and 66,667 shares of common stock acquirable upon exercise of Class R warrants before December 9, 2021 held personally by Mr. Atkinson. Also includes 5,850,308 shares of common stock, held for the account of Forza Partners II. Mr. Atkinson is also a director to the Company.
- (3) Includes 1,165,609 shares of common stock, 2 shares of Preferred E stock convertible into 66,667 shares of common stock, 50,000 shares of common stock acquirable upon exercise of vested options exercisable before August 12, 2023, and 66,667 shares of common stock acquirable upon exercise of Class R warrants before December 9, 2021.
- (4) Includes 2,029,928 shares of common stock, 2 shares of Preferred E stock convertible into 66,667 shares of common stock, and 66,667 shares of common stock acquirable upon exercise of Class R warrants before December 9, 2021.
- (5) Includes 625,145 shares of common stock, 50,000 shares of common stock acquirable upon exercise of vested options exercisable before July 7, 2023, and 300,000 shares of common stock acquirable upon exercise of vested options exercisable before December 19, 2024.
- (6) Includes 3,264,470 shares of common stock, 2 shares of Preferred E stock convertible into 66,667 shares of common stock, 66,667 shares of common stock acquirable upon exercise of Class R warrants before December 9, 2021, and 6,000,000 shares of common stock acquirable upon exercise of Class T warrants before October 4, 2024.
- (7) Includes 1,170,182 shares of common stock and 1,000,000 shares of common stock acquirable upon exercise of Class T warrants before October 5, 2023.
- (8) Includes 1,362,029 shares of common stock, 12 shares of Preferred E stock convertible into 400,000 shares of common stock, 50,000 shares of common stock upon exercise of vested options exercisable before August 12, 2023, 333,333 shares of common stock acquirable upon exercise of Class R warrants before November 2, 2021, and 66,667 shares of common stock acquirable upon exercise of Class R warrants before December 9, 2021.
- (9) Mr. Gallagher is general partner and holds positions as director and general manager of NGB Nominees, which is a greater than 5% shareholder. Mr. Gallagher is the sole investment decision maker for NGB Nominees. Includes 22,328,638 shares of common stock, 150,000 shares of Preferred A stock convertible into 900,000 shares of common stock, 200 shares of Preferred B stock convertible into 2,857,142 shares of common stock, 250 shares of Preferred C stock convertible into 8,333,333 shares of common stock, 50 shares of Preferred D stock convertible into 1,666,667 shares of common stock, 280 shares of Preferred E stock convertible into 9,333,333 shares of common stock, 153 shares of Preferred F stock convertible into 5,100,000 shares of common



stock, 11,000,000 shares of common stock acquirable upon exercise of Class R warrants before December 9, 2021, 300,003 shares of common stock acquirable upon exercise of Class S warrants before March 31, 2022, and 3,496,019 shares of common stock acquirable upon exercise of Class T warrants before August 1, 2023. Subsequent to December 31, 2020, Mr. Gallagher sold 6 million of his Class T warrants to Mr. Schara, 1,000,000 Class T warrants to Mr. Sharp, and 500,000 Class T warrants to an employee of the Company. None of these warrants have been exercised.

(10) Includes 24,915,970 shares of common stock and 428,399 shares of common stock acquirable upon exercise of Class T warrants before June 30, 2024.

We have no knowledge of any other arrangements, including any pledge by any person of our securities, the operation of which may at a subsequent date result in a change in control of our company.

We are not, to the best of our knowledge, directly or indirectly owned or controlled by another corporation or foreign government.

### **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

In October 2009, we employed one of our existing directors, Mr. Schara, to serve as our President and Chief Executive Officer. In connection with his employment the Company issued 750,000 options as described in Note 9 to our consolidated financial statements contained in Item 8 of this Annual Report. Subsequent to 2012, those options were canceled and reissued under the same terms, except the life of the new options is now 6 years and 8 months, effectively resulting in a total option life of 10 years, similar to the lives of options granted to other officers and directors. During the year ended December 31, 2020, Mr. Schara received a partial salary of \$33,000 which included \$19,000 of deferred compensation at the beginning of the period. At December 31, 2020, \$590,851 has been accrued for deferred compensation to Mr. Schara, of which \$166,000 was accrued during the year ended December 31, 2020.

During the year ended December 31, 2020, Mr. Sharp worked as a temporary employee and received a partial salary of \$14,000. Mr. Sharp also billed a total of \$27,354 in fees, all of which was accrued, in 2020. At December 31, 2020, a total of \$88,736 has been accrued for fees due to Mr. Sharp, the Company's Chief Financial Officer.

At December 31, 2020, \$1,302 has been accrued for expenses due to related parties for expenses, of which \$nil was accrued during the year ended December 31, 2020.

A total of \$106,900 has been accrued for directors and related party consultants, of which \$13,200 was accrued during the year ended December 31, 2020.

At December 31, 2020, the Company had outstanding Notes payable of \$3,641,053 to Nicholas Gallagher, a shareholder and director of the Company. At December 31, 2019, the Company had outstanding Notes payable of \$3,246,316 to Mr. Gallagher. The Notes payable to Mr. Gallagher had matured on October 31, 2018. Effective November 1, 2019, the Company entered into an Amended and Restated Loan, Security, and Intercreditor Agreement (the "Amended Agreement") with Mr. Gallagher, in his capacity as agent for and on behalf of himself and other holders of the Notes payable. No compensation was paid or accrued for Mr. Gallagher, either in cash or warrants, for his services as agent for other holders. Under the Amended Agreement, the Company and Mr. Gallagher and the other holders entered into a Deed of Trust whereunder the Notes are secured by a security interest in all real property, claims, contracts, agreements, leases, permits and the like and the notes are now due within 10 days of a demand notice of the holders. There has been no notice of default or demand issued by any holder. See *Note 6 - Notes Payable & Notes Payable – Related Party* in the financial statements for details concerning the note payable. During the year ended December 31, 2020, \$11,964 was paid for finders fees to a related party.

In an agreement separate from the Amended Agreement, Goldrich and Mr. Gallagher agreed that Mr. Gallagher, at his option, has the right to convert outstanding but unpaid and future interest on his note payable into stock of the Company at \$0.015 per share.

#### **Director Independence**

Our Board of Directors has analyzed the independence of each director and nominee and has determined that the members of our Board of Directors listed below are independent as that term is defined under Rule 5605(a)(2) of the NASD listing rules. Each director is free of relationships that would interfere with the individual exercise of independent judgment. Based on these standards, the Board determined that each of the following non-employee directors, including nominated and continuing directors, is independent and has no relationship with us, except as a director and shareholder:



- |                      |                        |
|----------------------|------------------------|
| William Orchow       | • Michael G. Rasmussen |
| • Stephen M. Vincent | • Garrick A. Mendham   |

## ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The Board of Directors selected Assure CPA, LLC (formerly “DeCoria, Maichel & Teague, P.S.”), 7307 N. Division, Suite 222, Spokane, WA 99208 as the independent registered public accounting firm to examine the consolidated financial statements of the Company and its subsidiary for the fiscal year ending December 31, 2020. Assure CPA, LLC have audited the financial statements of the Company since the fiscal year ended December 31, 2003.

The following table summarizes the fees that Assure charged the Company for the listed services during 2020 and 2019:

Type of fee:	2020	2019	Description
Audit fees:	\$74,956	\$47,733	Services in connection with the audit of the annual financial statements and the review of the financial statements included in our reports on Forms 10-Q and 10-K.
Audit related fees:	-0-	-0-	For assurance and related services that were reasonably related to the performance of the audit or review of financial statements and not reported under “Audit Fees”.
Tax fees:	-0-	-0-	
All other fees	4,620	688	
Total	<u>\$79,576</u>	<u>\$48,421</u>	

All of the services described above were approved by the Audit Committee.

The Audit Committee is responsible for appointing, setting compensation for and overseeing the work of the independent registered public accounting firm. The Audit Committee requires its pre-approval of all audit and permissible non-audit services provided by the independent registered public accounting firm. The Audit Committee considers whether such services are consistent with the rules of the SEC on auditor independence.

## PART IV

## ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

### Documents Filed as Part of Report

#### *Financial Statements*

The following Consolidated Financial Statements of the Company are filed as part of this report:

1. Report of Independent Registered Public Accounting Firm.
2. Consolidated Balance Sheets – At December 31, 2020 and 2019.
3. Consolidated Statements of Operations – Years ended December 31, 2020 and 2019.
4. Consolidated Statements of of Changes in Stockholders’ (Deficit) – Years ended December 31, 2020 and 2019.
5. Consolidated Statements of Cash Flows– Years ended December 31, 2020 and 2019.
6. Notes to Consolidated Financial Statements.

See “Item 8. Financial Statements and Supplementary Data”.

## ***Financial Statement Schedules***

No other financial statement schedules are filed as part of this report because such schedules are not applicable or the required information is shown in the Consolidated Financial Statements or notes thereto. See “Item 8. Financial Statements and Supplementary Data”.

## ***Exhibits***

The following exhibits are filed as part of this Annual Report:

Exhibit Number	Description
3.1	<a href="#">Amended and Restated Articles of Incorporation</a> , incorporated by reference to Appendix C of the Company’s Definitive Proxy Statement on Schedule 14A (001-06412), as filed on October 23, 2013
3.2	<a href="#">Amended Bylaws</a> incorporated by reference to Exhibit 3.2 to the Company’s Annual Report on Form 10-K (001-06412), as filed on April 15, 2014
4.1	<a href="#">Statement of Designation of Shares of Series A Preferred Stock</a> , dated November 30, 2008, incorporated by reference to exhibit 4.1 to Form S-1/A (333-140899), as filed January 6, 2009
4.2	<a href="#">Statement of Designation of Shares of Series B Preferred Stock</a> , incorporated by reference to exhibit 3.1 the Current Report on Form 8-K, as filed January 27, 2014
4.3	<a href="#">Form of Class L Warrant</a> , incorporated by reference to exhibit 4.1 to the Current Report on Form 8-K, as filed January 27, 2014
4.4	Form of Class M Warrant, incorporated by reference to Exhibit 4.7 to the Company’s Annual Report on Form 10-K (001-06412), as filed on April 16, 2018
4.5	<a href="#">Statement of Designation of Shares of Series C Preferred Stock</a> , incorporated by reference to exhibit 4.10 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.6	<a href="#">Form of Class N Warrant</a> , incorporated by reference to exhibit 4.11 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.7	<a href="#">Form of Class N-2 Warrant</a> , incorporated by reference to exhibit 4.12 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.8	<a href="#">Form of Class O Warrant</a> , incorporated by reference to exhibit 4.13 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.9	Form of Class P Warrant, incorporated by reference to Exhibit 4.12 to the Company’s Annual Report on Form 10-K (001-06412), as filed on April 16, 2018
4.10	<a href="#">Form of Class P-2 Warrant</a> , incorporated by reference to exhibit 4.15 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.11	<a href="#">Form of Class Q Warrant</a> , incorporated by reference to exhibit 4.16 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.12	<a href="#">Form of Class Q-2 Warrant</a> , incorporated by reference to exhibit 4.17 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.13	<a href="#">Statement of Designation of Shares of Series D Preferred Stock</a> , incorporated by reference to exhibit 4.18 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.14	<a href="#">Form of Class R Warrant</a> , incorporated by reference to exhibit 4.19 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.15	<a href="#">Form of Class R-2 Warrant</a> , incorporated by reference to exhibit 4.20 to the Company’s Annual Report on Form 10-K (001-06412), as filed April 14, 2016
4.16	<a href="#">Form of Class S Warrant</a> , incorporated by reference to exhibit 4.1 to the Current Report on Form 8-K, as filed January 11, 2017
4.17	<a href="#">Statement of Designation of Shares of Series E Preferred Stock</a> , incorporated by reference to exhibit 3.1 to the Current Report on Form 8-K, as filed October 5, 2016
4.18	<a href="#">Statement of Designation of Shares of Series F Preferred Stock</a> , incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K, as filed January 10, 2017
4.19	<a href="#">Form of Class T Warrant</a> , incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K, as filed herewith (a)
4.20	Description of the Registrant’s Securities
10.1	<a href="#">Goldrich Mining Company 2008 Equity Incentive Plan</a> , incorporated by reference to Appendix B to Form DEF 14A (001-06412), as filed April 16, 2008





10.2	<a href="#">Independent Contractor Agreement</a> , dated as of January 1, 2009, among Goldrich Mining Company, Ted Sharp, CPA and Sharp Executive Associates, Inc., incorporated by reference to exhibit 10.36 to Form 10-K (001-06412), as filed April 3, 2009
10.3	<a href="#">Oral agreement to extend Independent Contractor Agreement</a> , dated February 10, 2010, among Goldrich Mining Company, Ted R. Sharp, CPA and Sharp Executive Associates, Inc., incorporated by reference to exhibit 10.38 to Form 10-K (001-06412), as filed April 6, 2010
10.4	<a href="#">Employment Agreement</a> , dated as of December 20, 2010, between Goldrich Mining Company and William V. Schara, incorporated by reference to exhibit 10.46 to Form S-1 (333-171550), as filed January 4, 2011
10.5	<a href="#">Form of Alluvial Gold Forward Sales Contract Conversion Agreement</a> , incorporated by reference to exhibit 10.1 to Form 8-K (001-06412), as filed February 8, 2011
10.6	<a href="#">Form of First Amendment to Alluvial Gold Forward Sales Contract</a> , incorporated by reference to exhibit 10.2 to Form 8-K (001-06412), as filed February 8, 2011
10.7	<a href="#">Form of Fine Gold Forward Sales Contract Conversion Agreement</a> - October 2010 Delivery, incorporated by reference to exhibit 10.3 to Form 8-K (001-06412), as filed February 8, 2011
10.8	<a href="#">Form of Fine Gold Forward Sales Contract Conversion Agreement</a> - October 2011 Delivery, incorporated by reference to exhibit 10.4 to Form 8-K (001-06412), as filed February 8, 2011
10.9	<a href="#">Form of Binding Letter of Intent dated April 3, 2012</a> , incorporated by reference to exhibit 99.1 to the Form 8-K (001-06412), as filed April 10, 2012
10.10	<a href="#">Definitive Operating Agreement dated April 2, 2012</a> , incorporated by reference to exhibit 10.1 for the Form 8-K (001-06412), as filed May 10, 2012
10.11	<a href="#">Mining Claims and Lease Assignment Agreement dated April 2, 2012</a> , incorporated by reference to exhibit 10.2 for the Form 8-K (001-06412), as filed May 10, 2012
10.12	Form of Alluvial Gold Forward Sales Contract for Notes payable in gold dated March 13, 2013, incorporated by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K (001-06412), as filed on April 16, 2018
10.13	<a href="#">Form of Note Purchase Agreement by and between the Company and Gold Rich Asia Investment Limited dated effective January 24, 2014</a> , incorporated by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K (001-06412), as filed on April 15, 2014
10.14	<a href="#">Form of Note by and between the Company and Gold Rich Asia Investment Limited</a> , incorporated by reference to Exhibit 10.14 to the Company's Annual Report on Form 10-K (001-06412), as filed on April 15, 2014
10.15	<a href="#">Form of Finder's Agreement dated effective January 24, 2014</a> , incorporated by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K (001-06412), as filed on April 15, 2014
10.16	<a href="#">Addendum to Note Purchase Agreement dated January 29, 2014</a> , incorporated by reference to Exhibit 10.16 to the Company's Annual Report on Form 10-K (001-06412), as filed on April 15, 2014
10.17	<a href="#">Form of Guaranty dated January 24, 2014</a> , incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K (001-06412), as filed on April 15, 2014
10.18	<a href="#">Purchase Agreement between the Company</a> , its subsidiary Goldrich Placer LLC, and Chandalar Gold LLC, incorporated by reference to exhibit 10.1 to the Current Report on Form 8-K, as filed July 02, 2015
10.19	<a href="#">Form of Second Amendment to Gold Forward Sales Contract</a> , incorporated by reference to exhibit 10.19 to the Company's Annual Report on Form 10-K (001-06412), as filed April 14, 2016
10.20	<a href="#">Form of Third Amendment to Gold Forward Sales Contract</a> , incorporated by reference to exhibit 10.20 to the Company's Annual Report on Form 10-K (001-06412), as filed June 9, 2017
10.21	<a href="#">Form of Fourth Amendment to Gold Forward Sales Contract</a> , incorporated by reference to Exhibit 8.1 to the Current Report on Form 8-K, as filed December 11, 2017
10.22	<a href="#">Amended 2019 Loan Agreement</a> , incorporated by reference to exhibit 10.1 to the Current Report on Form 8-K, as filed March 24, 2020
10.23	<a href="#">Senior Secured Promissory Note</a> , incorporated by reference to exhibit 10.2 to the Current Report on Form 8-K, as filed March 24, 2020
10.24	<a href="#">Guarantee</a> , incorporated by reference to exhibit 10.3 to the Current Report on Form 8-K, as filed March 24, 2020
10.25	<a href="#">Deed of Trust</a> , incorporated by reference to exhibit 10.4 to the Current Report on Form 8-K, as filed March 24, 2020
21	<a href="#">Subsidiaries of the Corporation</a>
31.1 <sup>(1)</sup>	<a href="#">Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Exchange Act</a>
31.2 <sup>(1)</sup>	<a href="#">Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Exchange Act</a>
32.1 <sup>(1)</sup>	<a href="#">Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
32.2 <sup>(1)</sup>	<a href="#">Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
95.1 <sup>(1)</sup>	<a href="#">Mine Safety Disclosure pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act</a> <sup>+</sup>



- 99.1 [Interim Award](#), issued by Arbitration Panel, dated May 25, 2019, incorporated by reference to exhibit 99.1 to the Company's Annual Report on Form 10-K (001-06412), as filed on November 4, 2020
- 99.2 [Partial Final Award](#), issued by Arbitration Panel, dated November 30, 2019, incorporated by reference to exhibit 99.2 to the Company's Annual Report on Form 10-K (001-06412), as filed on November 4, 2020
- 99.3 [Second Interim Award RE Dissolution/Liquidation of GNP and Related Issues](#), issued by Arbitration Panel, dated November 30, 2019, incorporated by reference to exhibit 99.3 to the Company's Annual Report on Form 10-K (001-06412), as filed on November 4, 2020
- 99.4 [Final Post Award Orders](#), issued by Arbitration Panel, dated September 4, 2020, incorporated by reference to exhibit 99.4 to the Company's Annual Report on Form 10-K (001-06412), as filed on November 4, 2020
- 99.5 [Ruling of State of Alaska Superior Court](#), dated April 29, 2020, incorporated by reference to exhibit 99.5 to the Company's Annual Report on Form 10-K (001-06412), as filed on November 4, 2020
- 99.6<sup>(1)</sup> [Order on Respondents' Motion to Confirm Judgment, issued by Arbitration Panel, dated April 7, 2021](#)
- 99.7<sup>(1)</sup> [Order on Respondents' Motion to Preserve Confidentiality of Arbitration Proceedings, issued by Arbitration Panel, dated April 7, 2021](#)

101.INS<sup>(1)</sup> XBRL Instance Document

101.SCH<sup>(1)</sup> XBRL Taxonomy Extension Schema Document

101.CAL<sup>(1)</sup> XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF<sup>(1)</sup> XBRL Taxonomy Extension Definition Linkbase Document

101.LAB<sup>(1)</sup> XBRL Taxonomy Extension Label Linkbase Document

101.PRE<sup>(1)</sup> XBRL Taxonomy Extension Presentation Linkbase Document

(1) Filed herewith.

+ - Management Contract or Compensatory Plan

## ITEM 16. FORM 10-K SUMMARY

None.

## SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, we caused this report to be signed on our behalf by the undersigned thereunto duly authorized.

GOLDRICH MINING COMPANY

By: /s/ William V. Schara

William V. Schara, Chief Executive Officer, Principal Executive Officer

Date: April 15, 2021

In accordance with Section 13 or 15(d) of the Exchange Act, we caused this report to be signed on our behalf by the undersigned thereunto duly authorized.

GOLDRICH MINING COMPANY

By: /s/ Ted R. Sharp

Ted R. Sharp, Chief Financial Officer, Principal Accounting Officer

Date: April 15, 2021

In accordance with the Exchange Act, this report has been signed below by the following persons on our behalf and in the capacities and on the dates indicated.

Date: April 15, 2021

/s/ David S. Atkinson

\_\_\_\_\_

David S. Atkinson, Director

Date: April 15, 2021

/s/ Nicholas Gallagher

\_\_\_\_\_

Nicholas Gallagher, Director

Date: April 15, 2021

/s/ Garrick A. Mendham

\_\_\_\_\_

Garrick A. Mendham, Director

Date: April 15, 2021

/s/ William Orchow

\_\_\_\_\_

William Orchow, Director

Date: April 15, 2021

/s/ Michael G.

Rasmussen

\_\_\_\_\_

Michael G. Rasmussen, Director

Date: April 15, 2021

/s/ William V. Schara

\_\_\_\_\_

William V. Schara, Director and Chief Executive Officer

Date: April 15, 2021

/s/ Stephen M. Vincent

\_\_\_\_\_

Stephen M. Vincent, Director

Date: April 15, 2021

/s/ Ted R. Sharp

\_\_\_\_\_  
Ted R. Sharp, Chief Financial Officer

Exhibit 21

<b>Subsidiary of the Company</b>	<b>Percent Owned</b>
Goldrich Placer, LLC	100%
Chandalar Gold LLC	49%

## Exhibit 31.1

### CERTIFICATION

I, William Schara, certify that:

1. I have reviewed this annual report on Form 10-K of Goldrich Mining Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 15, 2021

By: /s/ William Schara

William Schara, Chief Executive Officer, President and Principal Executive Officer

A signed original of this written statement has been provided to the registrant and will be retained by the registrant to be furnished to the Securities and Exchange Commission or its staff upon request.

## Exhibit 31.2

### CERTIFICATION

I, Ted R. Sharp, certify that:

1. I have reviewed this annual report on Form 10-K of Goldrich Mining Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 15, 2021

By: /s/ Ted R. Sharp  
Ted R. Sharp, Chief Financial Officer, Principal Financial Officer

A signed original of this written statement has been provided to the registrant and will be retained by the registrant to be furnished to the Securities and Exchange Commission or its staff upon request.





**Exhibit 32.1**

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Goldrich Mining Company, (the "Company") on Form 10-K for the period ending December 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William Schara, Chief Executive Officer, President and Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Goldrich Mining Company.

/s/ William Schara

William Schara, Chief Executive Officer and President

DATE: April 15, 2021

A signed original of this written statement required by Section 906 has been provided to Goldrich Mining Company and will be retained by Goldrich Mining Company to be furnished to the Securities and Exchange Commission or its staff upon request.

**Exhibit 32.2**

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Goldrich Mining Company, (the "Company") on Form 10-K for the period ending December 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William Schara, Chief Executive Officer, President and Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Goldrich Mining Company.

/s/ Ted R. Sharp  
Ted R. Sharp, Chief Financial Officer

DATE: April 15, 2021

A signed original of this written statement required by Section 906 has been provided to Goldrich Mining Company and will be retained by Goldrich Mining Company to be furnished to the Securities and Exchange Commission or its staff upon request.

**Exhibit 95.1****MINE SAFETY DISCLOSURE**

Pursuant to Section 1503(a) of the recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, issued under the Federal Mine Safety and Health Act of 1977 (the “Mine Act”) by the Mine Safety and Health Administration (the “MSHA”), as well as related assessments and legal actions, and mining-related fatalities.

The following table provides information for the year ended December 31, 2020.

Mine	Mine Act §104 Violations	Mine Act §104(b) Orders (2)	Mine Act §104(d) Citations and Orders (3)	Mine Act §110(b)(2) Violations (4)	Mine Act §107(a) Orders (5)	Proposed Assessments from MSHA (In dollars \$)	Mining Related Fatalities	Mine Act §104(e) Notice (yes/ no) (6)	Pending Legal Action before Federal Mine Safety and Health Review Commission (yes/no)
	(1)	(2)	(3)	(4)	(5)	(In dollars \$)		(6)	(yes/no)
Little Squaw Creek	0	0	0	0	0	0	0	0	No

(1) The total number of violations received from MSHA under §104 of the Mine Act, which includes citations for health or safety standards that could significantly and substantially contribute to a serious injury if left unabated.

(2) The total number of orders issued by MSHA under §104(b) of the Mine Act, which represents a failure to abate a citation under §104(a) within the period of time prescribed by MSHA.

(3) The total number of citations and orders issued by MSHA under §104(d) of the Mine Act for unwarrantable failure to comply with mandatory health or safety standards.

(4) The total number of flagrant violations issued by MSHA under §110(b)(2) of the Mine Act.

(5) The total number of orders issued by MSHA under §107(a) of the Mine Act for situations in which MSHA determined an imminent danger existed.

(6) A written notice from the MSHA regarding a pattern of violations, or a potential to have such pattern under §104(e) of the Mine Act.

ARBITRATION UNDER ALASKA ARBITRATION ACT

GOLDRICH PLACER, LLC,   )))))))))  
GOLDRICH MINING         )  
COMPANY, and             )  
GOLDRICH NYACAU        )  
PLACER, LLC,

Claimants,

v.

NYACAU, LLC,  
DR. J. MICHAEL JAMES, and  
BEAR LEASING, LLC,

Respondents.

ORDER ON  
RESPONDENTS’  
MOTION TO CONFIRM  
JUDGMENT

))))))))))))))))))  
GOLDRICH NYACAU )  
PLACER, LLC, ))  
NYACAU, LLC,  
DR, J. MICHAEL JAMES,  
and  
BEAR LEASING, LLC,

Counterclaimants,

v.

GOLDRICH PLACER,  
LLC, GOLDRICH  
MINING COMPANY,  
WILLIAM SCHARA,  
STEPHEN VINCENT,  
DAVID ATKINSON,  
CHARLES BIGELOW,  
KENNETH  
EICKERMAN, WILLIAM  
ORCHOW, MICHAEL  
RASMUSSEN,  
THEODORE SHARP,  
JAMES DUFF,  
RICHARD WALTERS,

Counterclaim Respondents.

On March 12, 2019, Respondents filed a motion in the Alaska state court to confirm portions of the Partial Final Award, including the Panel's award of \$377, 253 in damages and pre-award interest against Goldrich for failing to pay for 2012 reclamation expenses incurred in its behalf and at its request. Claimants countered with an "Application for

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Modification and Correction of Arbitration Award, for Vacation of Award, or for Resubmission to Arbitration Panel for Clarification”, requesting an order from the court, under the Alaska Arbitration Act, that the damages awarded for unpaid 2012 reclamation expenses were to be paid to GNP, not NyacAU, and that the Panel clarify the appropriate amount of damages and interest to be paid.

On March 12, 2020, Respondents filed a “Partial Opposition” to Claimants’ application, which stated that Respondents did not oppose remand of the issues regarding the \$377,253 award to the Panel for clarification. This position was reiterated in Respondents’ subsequent briefing, wherein they confirmed their agreement that the Panel has unrestricted jurisdiction to decide the above issues regarding 2012 reclamation damages: “Since NyacAU and Goldrich have agreed to resubmit the claim regarding the 2012 reclamation expenses, totaling \$377,253 to the Panel, the Panel has jurisdiction to reconsider this matter, regardless of the jurisdictional limits prescribed in AS 090.43.510”.

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Based on the parties' judicial submissions, the court issued an order on March 20, 2020, as follows:

“Based on the parties' agreement, the court grants the request to resubmit a claim to the arbitrator to clarify section VII (paragraphs 104-110) of the Partial Final Award related to Claimants' claim of Overcharges for 2012 reclamation. Specifically, the arbitration panel is requested to clarify the specific amounts owed under this section, including any pre-Award interest, together with identification of the specific entity entitled to recover such amounts.”

This ruling triggered a motion by Respondents to “Confirm Judgement” of the Panel in the Partial Final Award, in accord with the court's directive. In considering whether it had jurisdiction to consider Respondents' motion, the Panel issued a ruling, which is incorporated into this order by reference, that it had jurisdiction to clarify the issues raised by Claimants in their court application, and later ordered by the court, concerning the entity to which the damages awarded for 2012 reclamation expenses are to be paid, as well as the appropriate amount of damages and interest, without regard to the strictures of the Alaska Arbitration Act governing the modification, correction, and clarification of final awards. Having now reviewed further briefing and evidence

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submitted by the parties on these issues, the Panel issues this order on the merits of Respondents' motion.

**The Parties' Further Briefing on the Merits of Respondents' Motion**

Consistent with the court's order and the Panel's ruling on jurisdiction, the parties have comprehensively briefed the merits of the issue. Respondents contend that the Panel's finding should not be changed, but interpreted as holding that Goldrich is liable for damages, plus prejudgment interest to NyacAU--not GNP-- in the amount of \$377,253, based on the following arguments:

- (i) Section 21 of the Assignment of Claims Lease, and Section 32 of the Term Sheet. obligate GMC (Goldrich's parent corporation) to indemnify GNP, Goldrich and NyacAU for costs and expenses arising from any permit violation, which includes the violation by Goldrich of its general permit for mining operations in 2009-2010 by failing to reclaminate the site after operations were completed;
  - (ii) Section 8.1 of the Operating Agreement obligates Goldrich and GNP to indemnify NyacAU with regard to actions performed for the benefit of GNP;
  - (iii) although GNP in fact did invoice Goldrich for the 2012 reclamation work, the work was performed by NyacAU for Goldrich's benefit;
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(iv) in management meetings held in 2014 and 2015, Goldrich made admissions that the fair costs of the 2012 reclamation work should be paid to NyacAU;

(v) in response to an alternative argument by Goldrich, NyacAU claimed it would be inequitable to limit Goldrich's liability to 50 % of the 2012 reclamation costs, and also contrary to Goldrich's assertion that it is not responsible for 50% repayment of LOC 1.

Claimants' respond that the Partial Final Award mistakenly awarded costs of the 2012 reclamation, plus interest, to NyacAU, rather than GNP, and that both the amount of damages and interest awarded should be reduced, citing to the following evidence:

- (i) In its response and counterclaim to Claimants' claim that Goldrich was overcharged for 2012 reclamation work (by \$291,000), Respondents alleged that Goldrich owes GNP \$329,157 for 2012 reclamation work; that GNP (primarily through its employee Ronald Cox) performed the 2012 work; that GNP sent an invoice for the work to Goldrich; and that GNP incurred additional costs for the work of \$46,066, as reported by Respondents' damages expert, Ron Greisen;
  - (ii) GNP invoiced Goldrich for the 2012 reclamation expenses GNPs employees performed 2012 reclamation work, which was acknowledged by Respondents' expert, Ron Greisen, in testimony at the arbitration hearing (Claimants' brief, Exhs. A and B);
  - (iii) GNP sent out the invoice for the work to Goldrich on 4/30/14 (Claimants' brief, Exh. C);
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- (iv) Respondents' expert, Ron Greisen, opined, based on GNP's books of account, that GNP had performed the 2012 reclamation work (Claimants' brief, Exh. D);
- (v) GNP's books show the 2012 reclamation work, and associated expenses, as GNP costs and the unpaid work as an account receivable (Claimants' brief, Exh. E); and
- (vi) the entry in 2018 on GNP's books for an additional \$48,096.00 for 2012 reclamation expenses, was never invoiced to Goldrich, and therefore should not be charged, or, at least, should not have an interest award attached to it; and
- (vii) since the 2012 reclamation expense was added to LOC 1, awarding NyacAU 2012 reclamation expenses would create a double recovery. Claimants also resurrect an argument made at the arbitration hearing that Goldrich had been damaged in the amount of \$291,000.00 by NyacAU overcharging Goldrich for 2012 reclamation work. However, this issue is the court's directive, and therefore beyond the Panel's jurisdiction to consider.

Respondents raise the following arguments in reply:

- (i) Goldrich offered no objection or rebuttal to the additional 2012 reclamation costs and expenses calculated by Ron Greisen;
- (ii) Goldrich's violation of its general permit was an impediment to mining by GNP, so the 2012 reclamation expense was not a legitimate LOC 1 item;
- (iii) Had Goldrich paid the reclamation invoice to GNP in 2014, GNP would have promptly reimbursed NyacAU. Goldrich

should not now benefit for having improperly refused to pay the invoice;

(iv) NyacAU charged the 2012 reclamation expenses to LOC 1 only because Goldrich refused to pay them. If, as it proper, NyuacAU is awarded damages for the expenses, it will reduce LOC 1 accordingly to avoid a double recovery; and

(v) If NyacAU is not awarded all damages, plus interest, arising from its 2012 reclamation work, it should be awarded at least 50% of such damages, to help pay GNP's liabilities in liquidation.

### **The Panel's Ruling on the Merits**

Claimants have presented substantial evidence which shows that the parties intended to have the 2012 reclamation work performed by GNP, and did so. Respondents cite very little evidence to the contrary. Moreover, Respondents (i) do not dispute that their answer and counterclaim to Claimants' claim for overcharging of 2012 reclamation expenses acknowledge that GNP (through its employees) performed the 2012 reclamation work, invoiced Goldrich for the work, incurred additional costs for the work after 2012 (as calculated by Ronald Greisen), and that Goldrich is obligated to pay GNP--not NyacAU--for the reclamation work; (ii) acknowledge that GNP—not NyacAU—sent

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Goldrich an invoice for the reclamation work in 2014; and (iii) do not dispute that the 2014 invoice came to Goldrich from GNP, not NyacAU.

Additionally, in arguing that the 2012 reclamation work was actually performed by NyacAU for the benefit of Goldrich, Respondents cite to their expert (Ron Greisen) report, which actually states that the work was performed by GNP. Accordingly, the Partial Final Award shall be clarified to confirm that 2012 reclamation costs and expenses, plus interest thereon, are owed by Goldrich to GNP.

As to the amount owed, Claimants claim that the additional \$48,096 in 2012 reclamation costs calculated by Ron Greisen, which concededly was never formally invoiced, should not be allowed, or, if allowed, should not be subject to any prejudgment interest, since these costs did not come to light until the arbitration hearing. The first part of Claimants' argument disregards the facts that when these costs were presented as part of Respondents' damages claim, Claimants made no motion to strike or other objection to their inclusion, and had a full opportunity to defend the claim on its merits. At the end of the day, the evidence was essentially undisputed that these additional costs/expenses

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had been incurred with respect to the 2012 reclamation work. Accordingly, they are properly included as part of the damages award for the work.

However, Claimants objection to the assessment of prejudgment interest on the additional reclamation costs and expenses is well taken.

Since the additional costs and expenses presented by Mr. Greisen were not part of the 4/30/14 invoice, it would not be proper to assess prejudgment interest on such costs from that date, but rather, from the date of the Partial Final Award, which is when such costs and expenses first came to light. Accordingly, Goldrich is liable to GNP for prejudgment interest at 5% on additional costs of \$48,096 only from the date of the Partial Final Award.

Certain of the indemnity clauses cited by Respondents do relate to the 2012 reclamation costs and expenses. Both the Claims Lease and the Term Sheet provide that Goldrich's parent, GMC, has an indemnity obligation to GNP and its Members for such costs/expenses. The Claims Lease provides:

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**21. GNP Disclosures and Indemnity.** Prior to the execution of this Lease, GMC disclosed information related to the following mining disputes:

...

- e. Outstanding violation(s) of the General Permit 2006-1944 (collectively, the "Matters").

GMC will indemnify, defend and hold GNP and its members, Goldrich, NyacAU, and NyacAU's Affiliates harmless for any and all demands, claims, liabilities and expenses, including without limitation, attorneys' fees incurred by GNP, Goldrich or NyacAU related to or arising out of the Matters and GMC's mining interests, possession, operations, activities or inactivities, equipment, or personal property used or located on the Claims before and after the effective date of this Lease.”

Paragraph 35 of the Term Sheet, which is incorporated by reference into the Operating Agreement (Article 4.8), is a virtually identical provision.

Respondents claim that the indemnity provision obligates GMC (as Goldrich’s parent corporation) to directly indemnify NyacAU for the 2012 reclamation costs and expenses. The provision clearly imposes an indemnity obligation on GMC with respect to such costs and expenses. However, the above evidence shows that the costs and expenses potentially covered by the indemnity clause were incurred by GNP (with

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NyacAU acting on GNP's behalf), and therefore are properly defined as GNP costs and expenses. Thus, GMC's indemnity obligation regarding the 2012 reclamation costs and expenses runs to GNP, not NyacAU.

Nonetheless, GMC's indemnity obligation does have relevance to NyacAU's role as Manager of the GNP liquidation. Article 14.3 of the Operating Agreement gives NyacAU, as Manager, "full power and authority to sell, assign or encumber any or all of the Company's [GNP's] assets and to wind up and liquidate the affairs of the Company in an orderly and businesslike manner". Article 14.3.1, in turn, provides that payments from GNP's assets of debts and liabilities owed to GNP's creditors, "including debts and liabilities owed to the Members", shall be given priority in the liquidation process.

GNP's right to be indemnified by GMC for 2012 reclamation costs and expenses readily qualifies as a GNP "asset", similar to an account receivable, which NyacAU has the right—if not the obligation—to pursue in order to pay off GNP's debts and liabilities, including those owed by GNP under LOC 1. Section 14.3.1, in turn, gives NyacAU, as a bonafide creditor of GNP having equal priority with other third-party

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creditors, the option to use any proceeds realized by GNP from GMC's indemnity obligation to pay off that portion of LOC 1 which constitutes 2012 reclamation costs and expenses, along with interest thereon.

Claimants' argument that the Panel has no jurisdiction to make any determination re the above indemnity clause because it was not specifically raised as a claim in the arbitration is not accurate. The parties have given the Panel jurisdiction to oversee the dissolution and liquidation of GNP, which charges the Panel with insuring that the liquidation process is carried out in accordance with Article XIV of the Operating Agreement, and that the Manager exercises its duties and rights in that regard "consistent with the contractual obligation of good faith and fair dealing (Article 7.6). These provisions jointly require the Manager to act with diligence in pursuing and transforming GNP's assets, including GNP's indemnity rights against GMC, into proceeds to pay off GNP creditors, including—if NyacAU so chooses--NyacAU itself.

The remaining arguments made by the parties to support their respective positions are either not persuasive or moot. Claimants'

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additional argument that an award of damages to NyacAU for 2012 reclamation costs and expenses would create a double recovery, under LOC 1 is mooted by the above analysis. As to Respondents' additional arguments, no evidence, including any invoice from NyacAU to Goldrich, was presented to show that NyacAU charged the 2012 reclamation expenses to GNP because Goldrich would not pay NyacAU directly. Further, the lack of prompt payment by Goldrich of the 2014 invoice from GNP does not establish that Goldrich's obligation actually ran to NyacAU. Statements made by William Schara of Goldrich in 2014 and 2015 management meetings can possibly be interpreted as acknowledgements that Goldrich's obligation for the 2012 reclamation costs and expenses were to NyacAU, but the statements are not definitive and do not correlate with the documentation which unambiguously shows that the parties identified such costs and expenses as GNP's obligation. Additionally, Respondents' assertion that 2012 reclamation expenses were never intended to be part of LOC 1 financing is not reflected in the Operating Agreement. Article 6.1 of the Agreement imposes a broad obligation on NyacAU to provide sufficient

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funding, through LOC 1, to “bring the placer gold at the Claims into Commercial Production”. There is no exclusion of 2012 reclamation funding necessary for GNP to secure an Individual Mining Permit, which was essential for mining operations to commence in the first instance. To the contrary, “Commercial Production” is defined solely in terms of meeting the “Minimum Production Requirement” (Article 2.2), which the parties agreed could be extended for up to one year if there were delays in procuring the Individual Permit (Article 7.3). This language indicates that reclamation costs and expenses necessary to secure the Permit were contemplated to be part of LOC 1 funding. There likewise is no contractual basis for Goldrich to have a 50% obligation to NyacAU for reclamation costs and expenses as an equitable matter; Article 6.1.1 gives NyacAU a 50% security interest in all placer gold from the Claims as collateral for repayment of 50% of LOC 1 financing, and, as stated above, GMC’s indemnity obligation to GNP for 2012 reclamation costs and expenses provides additional security. Finally, Section 8.1 of the Operating Agreement does not provide GNP or NyacAU with additional indemnity protection. Article

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8.1 is an indemnity obligation of GNP to its Members with respect to defense or settlement costs for third party claims.

Accordingly, in response to the court's directive, and consistent with the jurisdictional agreement of the parties, the Panel clarifies the Partial Final Award as follows: (i) 2012 reclamation costs and expenses in the amount of \$377,253, plus prejudgment interest on the sum of \$329,157 at the rate of 5% from 4/30/14 are awarded against Goldrich to GNP; and (ii) prejudgment interest on \$48,096 of such costs and expenses, calculated by Respondents' expert, Ronald Greisen, is to run at 5% from the date of the Partial Final Award.

Additionally, apart from the clarification of the Partial Final Award, and pursuant to its continuing jurisdiction over the dissolution and liquidation of GNP, the Panel rules that GMC has an indemnity obligation to GNP regarding the award for 2012 reclamation work under Section 21 of the Assignment of Claims Lease, Paragraph 35 of the Term Sheet and the Operating Agreement (by virtue of the incorporation of the Term Sheet indemnity provision in Article 4,8), and that said indemnity obligation constitutes an asset of GNP, which may be

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accessed by NyacAU to obtain funds to pay off GNP's liability for 2012 reclamation work under LOC 1.

IT IS SO ORDERED.

Dated: \_\_\_\_\_

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Jason M. Kettrick, Arbitrator

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Thomas J. Brewer, Arbitrator

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Fred G. Bennett, Panel Chair

ARBITRATION UNDER ALASKA ARBITRATION ACT

GOLDRICH PLACER, LLC, )))))))  
GOLDRICH MINING )  
COMPANY, and )  
GOLDRICH NYACAU )  
PLACER, LLC,

Claimants,

v.

NYACAU, LLC,  
DR. J. MICHAEL JAMES, and  
BEAR LEASING, LLC,

Respondents.

ORDER ON  
RESPONDENTS’  
MOTION TO PRESERVE  
CONFIDENTIALITY OF  
ARBITRATION  
PROCEEDINGS

))))))))))))))))))  
GOLDRICH NYACAU )  
PLACER, LLC, ))  
NYACAU, LLC,  
DR, J. MICHAEL JAMES,  
and  
BEAR LEASING, LLC,

Counterclaimants,

v.

GOLDRICH PLACER,  
LLC, GOLDRICH  
MINING COMPANY,  
WILLIAM SCHARA,  
STEPHEN VINCENT,  
DAVID ATKINSON,  
CHARLES BIGELOW,  
KENNETH  
EICKERMAN, WILLIAM  
ORCHOW, MICHAEL  
RASMUSSEN,  
THEODORE SHARP,  
JAMES DUFF,  
RICHARD WALTERS,

Counterclaim Respondents.

On November 6, 2020, Respondents filed a “Motion to Preserve Confidential Nature of Arbitration Proceedings” against Claimants, objecting to the filing by Goldrich of 10K and 10Q statements with the SEC which attached copies of the Panel’s Interim Award, Partial Final Award and orders on various post-Award motions.

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### **The parties' briefing and threshold orders of the Panel**

In their motion and initial briefing, Respondents claimed that the Panel's Interim and Partial Final Awards, and its post-Award orders attached as exhibits to Goldrich's SEC filings in late 2020 contained "Confidential Information" as defined in the Operating Agreement and Term Sheet, which made their publication a material breach of those Agreements. They also claimed that the publication contradicted express representations made by William Schara (CEO of Goldrich) and Claimants' counsel at the hearing which acknowledged that the arbitration proceeding was confidential. Specifically, Respondents alleged that the published documents contained "Confidential Information" on leases, the valuation of equipment by Michael Tope (Respondents' expert), the budget for the winter trail, and a list of NyacAU vendors. Respondents acknowledged that copies of the Interim Award and Partial Final Award had been filed with the Alaska Superior Court by Claimants, in response to a motion by Respondents to confirm the Partial Final Award, and that Respondents had not promptly requested that Awards be filed under seal; however, they argued that this

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did not make the Awards part of the public domain, since any interested party would have to go through burdensome administrative procedures to secure the court documents that are not required in order to access SEC filings.

Respondents also asserted that Goldrich had acted in bad faith in disclosing the information, by (i) gratuitously filing the documents nine months after the SEC filing deadline, and (ii) failing to give Respondents' any advance notice, which would have allowed Respondents to lodge an objection and possibly take other action.

For relief, Respondents asked the Panel to order that the filing be withdrawn, and to impose sanctions on Claimants.

Claimants' response to the motion argued as follows:

- (i) The documents attached to the filings did not contain any "Confidential Information", as defined by the Operating Agreement, and even if they did, the filings were subject to an exception to nondisclosure of Confidential Information where, as with the SEC filings, the disclosures were required by law;
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- (ii) the Panel lacked jurisdiction to make any decisions concerning Goldrich's compliance, or lack thereof, with federal securities laws, noting that because of the broad definition of "material omissions" of information regarding SEC filings, the option of merely summarizing the Panel's findings in the arbitration, as opposed to simply attaching copies of the Awards and orders, was "perilous".

This prompted a telephonic conference with the parties, in which the Panel (i) requested Claimants to provide authoritative information advising whether it would be possible to withdraw the filings under the SEC rules (to which Claimants had no objection); and (ii) set a briefing schedule for the parties to address the jurisdictional objection raised by Claimants. On December 21, 2020, in the wake of information on withdrawal being supplied by Claimants and further briefing by the parties, the Panel issued an order (i) holding that it lacked jurisdiction to interpret or enforce SEC regulations as it pertained to Goldrich's SEC filings; and (ii) narrowing the focus of future briefing by the parties to whether Goldrich's actions breached the Operating Agreement/Term

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Sheet, breached any legally enforceable confidentiality agreement made during the course of the arbitration, or otherwise constituted a legally enforceable wrongful act over which the Panel had jurisdiction, as well as damages incurred by Respondents as a result of any such acts.

In its supplemental filing on December 20, 2020, Respondents advanced the following arguments;

- (i) Goldrich's filings contradict affirmations by William Schara and Claimants' counsel at the arbitration hearing that the arbitration proceeding were confidential;
  - (ii) Goldrich intentionally failed to disclose a copy of the Panel's order extending NyacAU's management of the GNP liquidation to June 2021, implying a practice of selective disclosures that itself is a material omission under SEC law;
  - (iii) Goldrich could have made its filing under the confidentiality rules of the SEC, but improperly chose not to do so;
  - (iv) SEC regulations required Goldrich to make its filings within four days of the relevant SEC order, but Goldrich improperly delayed its filing for 17 months, implying that the later filing
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of the arbitration documents as attachments was entirely gratuitous;

- (v) Goldrich ignored, in bad faith, NyacAU's comments to Goldrich's SEC statements, including a demand that the filings had to describe only the financial impact of the Awards and orders on Goldrich's operations in a summary form; and
- (vi) Goldrich's claim that it cannot withdraw its filing is untrue, and improperly relied on advice of counsel rather than a competent analysis of relevant SEC rules re withdrawal of filings.

Respondents further contended that NyacAU and Dr. James have suffered irreparable injury from Goldrich's improper disclosures, which have adversely impacted Dr. James' future business relationships with potential partners and creditors in the Alaska mining business. Accordingly, Respondents requested the Panel to issue an order (i) affirming the confidentiality of the arbitration proceedings; (ii) requiring Goldrich to modify or delete the confidential information contained in

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the SEC filing attachments; (iii) requiring Goldrich to file an affidavit from its SEC counsel confirming Goldrich's reliance on the advice of counsel re the withdrawal of filings under SEC rules, along with related emails; and (iv) allowing NyacAU to file an arbitration claim for damages against Goldrich, including compensatory damages (on a per diem basis), attorneys fees, and punitive damages.

Claimants responded to Respondents' supplemental briefing with the following additional arguments:

- (i) Attaching the Awards and Orders to the SEC filings was necessitated by NyacAU's objections that earlier drafts of the filings which summarized the results of the arbitration, but contained no attachments, were misleading to investors, and were also consistent with an SEC regulation (FD) requiring that documents dealing with material issues concerning a company's operations that have been disclosed to third parties—which was the case with the Interim and Partial Final Awards--must be disclosed in unredacted form in SEC filings;
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- (ii) The policy of confidentiality in arbitrations applies to the arbitration proceedings themselves, but not to the awards or orders that issue from them;
- (iii) NyacAU effectively waived any right to object to the attachments by objecting that Goldrich's summaries of the Awards/Orders in earlier drafts attempted to relitigate Goldrich's positions in the arbitration, "without giving full disclosure to the Panel's rulings", thereby leaving Goldrich with no choice but to file the attachments; and
- (iv) Respondents effectively waived any right to object to the Interim and Partial Final Award attachments by failing to object or petition for the sealing of the Awards when they were filed by Claimants in Alaska Superior Court proceedings initiated by Respondents to confirm the Partial Final Award as a judgment.

Respondents replied to Claimants' response on January 8, 2021, reaffirming earlier positions on the motion and raising the following additional arguments;

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- (i) Goldrich recognized that the Awards and post-award orders of the Panel constituted “Confidential Information” under the Operating Agreement and the Term Sheet, by following the procedure specified for the release of “Confidential Information” as it related to the information contained in such documents: i.e., Goldrich presented summaries of the Awards/Orders contained in drafts of its 10Q and 10K statements to Respondents for review and approval prior to filing;
  - (ii) Respondents made valid objections to Goldrich’s summaries in the drafts, including that (1) the arbitration proceeding was confidential, which restricted Goldrich to disclosing only the financial impact of the Panel’s decisions on Goldrich’s financial condition and operations; and (2) Goldrich’s summary was not a good faith attempt to disclose the Panel’s rulings, but an improper attempt to relitigate arbitration issues;
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- (iii) Goldrich's bad faith was further established by its failure to disclose the Panel's order extending NyacAU's management of the GNP liquidation, effectively until ongoing reclamation efforts by NyacAU at the site are completed (estimated to be approximately 2024). Because of this, Goldrich likely will not be able to commence mining operations at the site until 2024, which is certainly a material fact arising from the arbitration that should have been disclosed in the SEC filings.

Respondents also refined their damages claim by asserting that, at a minimum, they are entitled to the following relief: (i) \$1000 in damages per day until reclamation of the site is complete, to compensate Dr. James and NyacAU for the continual detriment to their business dealings with creditors and other third parties in connection with the reclamation effort and otherwise; (ii) in the event Goldrich is successful in its current attempts to obtain \$20 million in funding, 1% of the funding amount as additional compensatory damage; (iii) \$4000, as compensation for time spent by Molly Attala to investigate SEC rules on

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the procedures available to Goldrich to withdraw the filings at issue; and  
(iv) attorneys fees incurred in connection with the motion.

Claimants filed a reply to Respondents' reply, putting forth the following additional arguments:

- (i) Recognized arbitration authority (cited) confirms that "arbitration awards are not confidential and may be disclosed";
  - (ii) Respondents effectively acknowledged that the information they claim as confidential is in fact in the public domain by approving a December 23, 2018 press release from Goldrich which references such information (Exhibit A to reply). Specifically, the release references detailed information on the following topics: (1) the Panel's rulings in the Partial Final Award concerning capital leases; ownership of leased equipment; lease charges for the Arctic camp; payment of LOC 1 interest; allocation of tax losses; 2012 reclamation work; negligent concealment by Goldrich of dilution of pay grade in geological reports; interest expense regarding the
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wash plant; liability of Goldrich for certain personal expenses incurred by Dr. James; and the absence of a prevailing party in the arbitration; and (2) the Panel's rulings in the Second Interim Award concerning extension of NyacAU's management of the dissolution; completion of reclamation and transfer of the mining permit; the parties' rights to offset damages assessed with damages awarded; and the preliminary balance of LOC 1.

Claimants have also supplied the Panel with a copy of an order of the Alaska Superior Court, in response to a motion filed by Respondents on 11/1/2020, to seal the Interim and Partial Final Awards and related exhibits filed by Respondents with their petition to confirm the Partial Final Award. The motion was denied. The court recognized that it did have the power to "limit or prohibit access to protected proprietary business information" of a party, but held that even if the documents at issue did contain "Confidential Information" as defined in the Operating Agreement, this was "not sufficient to outweigh the public interest in public court records". The court also found that NyacAU had (i) failed

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to identify specific proprietary information contained in the documents when invited to do so; (ii) failed to seek sealing of the documents for nine months after they were filed; and (iii) offered redacted versions of the documents (as an alternative to sealing) that extended “far beyond alleged proprietary information”.

### **The Panel’s Ruling**

Respondents’ motion is denied.

As the Panel held in its December 21, 2020 order, Respondents bear the burden of proof to show that Claimants have breached the confidentiality provisions of the Operating Agreement and Term Sheet, or of any legally enforceable agreement on confidentiality made during the course of the arbitration. However, Respondents have failed to prove any such breach(es). With respect to the Operating Agreement/Term Sheet, Respondents have not shown that the information they seek to protect qualifies as “Confidential Information” as defined therein. Section 15.2 of the Operating Agreement obligates the parties not to disclose “Confidential Information”, which is defined, in relevant part, as follows:

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As used herein, the term “Confidential Information” shall mean any and all information relating to the business or affairs of a Member or Affiliate, including but not limited to information related to plans, reports, data, financing, suppliers, service servicing methods, equipment, programs, strategies and information, analyses, profit margins or other proprietary information used by the Member or Affiliate in connection with such Member’s or Affiliate’s business which is not readily available to the public. . . provided, that Confidential Information shall not include any information which is in the public domain or becomes known in the industry through no wrongful act on the part of a Member, Affiliate or agent thereof.

Section 15.2 also provides that “[a]ny proposed release of information shall be provided to the Member or the Member’s designee for review and approval prior to the release; provided that the release shall be deemed approved unless objection is received by the disclosing Member within twenty-four (24) hours of delivery”.

Respondents claim that Claimants violated this provision by attaching copies of the Interim and Partial Final Awards, and the Panel’s post-Award orders, to Goldrich’s SEC filings, without giving prior notice to and obtaining Respondents’ approval for the attachments. However, prior to Goldrich’s filing, Respondents made a motion in the Alaska Superior Court to confirm a portion of the Partial Final Award, to

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which Claimants responded with briefing that attached the Interim and Partial Final Awards as exhibits. Respondents made no claim that Claimants' had breached their confidentiality obligations under the Operating Agreement with such filing, and waited nine (9) months before filing a motion to seal the Awards, which was denied by the court on grounds that the motion was not sufficient to "outweigh the public interest in public court records", had been filed late, and had failed to adequately specify the information claimed to be confidential. Thus, the Interim and Partial Final Awards had been publicly disclosed, without a timely objection by Respondents, before Goldrich's SEC filings were made, and cannot now be a legitimate basis for Respondents' claims. Respondents claim that the filing of the Awards with the court should nonetheless be disregarded, because it is more difficult for the public to access court documents than SEC filings; however, Respondents cite no authority for this novel proposition, and such a distinction is not reflected in the confidentiality provision of the Operating Agreement.

With respect to the disclosure of the Panel's post-award orders, Respondents do not specify the orders to which they refer. Thus, the

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Panel will make the broad assumption that the SEC filings attached all post-Award orders of substance by the Panel, except for those related to the dissolution/liquidation of GNP. Such orders include the Panel's orders on Respondents' Motion for Reconsideration, Claimants' motion for transfer of the mining permit, and the "Orders on Various Post-award Motions" made by both parties. The Panel's order on the Motion for Reconsideration examines issues arising from the now public Interim and Partial Final Awards, and therefore cannot be protected by the confidentiality provision of the Operating Agreement/Term Sheet. The remaining orders contain virtually none of the information which Respondents are seeking to protect—i.e., information re leases, valuation of equipment by Michael Tope, budget for the winter trail, and NyacAU's vendors. In fact, the only information possibly falling within these categories is a general reference to two vendors (CMI and C & R) in the ruling on Respondents' motion to award the credits from those vendors for "unused materials" to Bear Leasing. The nature of the materials is not described, and no other information is disclosed identifying the nature of the vendors' businesses or any materials they

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may have supplied to the project that were used. In these circumstances, the Panel does not consider the mere disclosure of the names of these vendors, with nothing more, to be material.

Respondents' agreement to the press release published by Goldrich in December 2019 is a further complication to Respondents' motion. The press release deals in some detail with the Panel's rulings in the Partial Final Award related to the leases at issue, including decisions on capital leases, ownership of leased equipment, and lease charges for the Arctic camp. It is difficult to reconcile how Respondents could have agreed to this information being made public, yet later taken the general position—as they apparently do now—that all “information on leases” is “Confidential Information” under the Operating Agreement. Further, Respondents offer no explanation as to how the information they seek to protect somehow has a higher level of confidentiality than the detailed information in the press release, which clearly qualifies as “information related to the business or affairs” of NyacAU. . . which [but for the press release] is not readily available to the public. . .”, as defined in Section 15.2.

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Thus, Respondents have not shown that disclosure of the Panel's post-Award orders in the SEC filings violates the confidentiality provisions of the Operating Agreement or the Term Sheet.

Similarly, Respondents have failed to show that the parties made a legally enforceable agreement during the hearing to keep the arbitration proceedings confidential. Respondents cite to unsolicited statements made by both William Schara (CEO of Goldrich) and Claimants' counsel at the hearing that the arbitration proceedings were "confidential" and "private". But Respondents offer no evidence that they relied on such statements to their detriment, or considered them to be an agreement on confidentiality distinct from the confidentiality provision of the Operating Agreement/Term Sheet. Further, although the parties agreed to execute a protective order prior to the hearing—which would have created a legally enforceable obligation to preserve confidentiality independent of their confidentiality Agreements--no protective order was ever requested of the Panel or presented by the parties.

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Finally, Respondents offer no proof of a legally enforceable wrongful act by Claimants concerning the SEC disclosures apart from Claimants' alleged breaches of the above-referenced agreements.

Respondents also have not shown that the damages requested are a proximate result of the SEC filings by Goldrich. Respondents' requests for compensatory damages in the form of a \$1000 per diem assessment and 1% of any funding Goldrich might obtain from apparently current negotiations with a third party are arbitrary numbers, unsupported by specific evidence of any irreparable or other damage suffered by Respondents from the disclosures; and Respondents' general assertion that the disclosures have negatively impacted Dr. James' relationship with potential business partners or creditors in connection with his ongoing mining business (operation of the Bethel mine) is not sufficient. Respondents' request for reimbursement of Molly Attala's costs of investigating SEC regulations for withdrawal of filings requests was an independent strategic decision made by NyacAU to bolster their request for an order that Goldrich withdraw its filings, over which the Panel has ruled it has no jurisdiction. Similarly, Respondents' request for

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production of an affidavit and related emails from Goldrich's SEC counsel on withdrawal of filings falls beyond the jurisdiction of the Panel. The requests for attorneys fees and punitive damages are mooted by Respondents' failure to establish liability of the Claimants for the alleged breach(es).

Respondents also complain that Goldrich has been improperly selective in the information it has chosen to disclose, by holding back from the SEC filings the Panel's order extending the period of NyacAU's management of the GNP liquidation process, in order to accommodate the requirement to reclamate the site before Goldrich is allowed to commence mining operations. Respondents claim that this act was a material omission of fact under SEC law. However, although the Panel's order in in this regard is obviously material to the arbitration proceedings, the Panel has made clear that it has no jurisdiction to determine whether the exclusion of the order from the filings is an SEC violation.

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In sum, Respondents have failed to meet their burden of proof on issues of liability, as well as damages, with respect to their motion, which compels its denial.

IT IS SO ORDERED.

Dated: \_\_\_\_\_

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Jason M. Kettrick, Arbitrator

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Thomas J. Brewer, Arbitrator

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Fred G. Bennett, Panel Chair

Document and Entity Information - USD (\$)	12 Months Ended		Apr. 15, 2021	Jun. 30, 2020
	Dec. 31, 2020			
<a href="#">Registrant CIK</a>	0000059860			
<a href="#">Fiscal Year End</a>	--12-31			
<a href="#">Document Type</a>	10-K			
<a href="#">Document Annual Report</a>	true			
<a href="#">Document Period End Date</a>	Dec. 31, 2020			
<a href="#">Document Transition Report</a>	false			
<a href="#">Entity File Number</a>	001-06412			
<a href="#">Entity Registrant Name</a>	Goldrich Mining Company			
<a href="#">Entity Incorporation, State or Country Code</a>	AK			
<a href="#">Entity Tax Identification Number</a>	91-0742812			
<a href="#">Entity Address, Address Line One</a>	2525 E. 29th Ave. Ste. 10B-160			
<a href="#">Entity Address, City or Town</a>	Spokane			
<a href="#">Entity Address, State or Province</a>	WA			
<a href="#">Entity Address, Postal Zip Code</a>	99223-4942			
<a href="#">City Area Code</a>	509			
<a href="#">Local Phone Number</a>	535-7367			
<a href="#">Phone Fax Number Description</a>	Registrant' s Telephone Number, including area code			
<a href="#">Entity Well-known Seasoned Issuer</a>	No			
<a href="#">Entity Voluntary Filers</a>	No			
<a href="#">Entity Current Reporting Status</a>	Yes			
<a href="#">Entity Interactive Data Current</a>	Yes			
<a href="#">Entity Filer Category</a>	Non-accelerated Filer			
<a href="#">Entity Small Business</a>	true			
<a href="#">Entity Emerging Growth Company</a>	false			
<a href="#">Entity Shell Company</a>	false			
<a href="#">Entity Public Float</a>				\$ 3,432,013
<a href="#">Share Price</a>				\$ 0.01
<a href="#">Entity Common Stock, Shares Outstanding</a>			172,259,709	
<a href="#">Amendment Flag</a>	false			
<a href="#">Document Fiscal Year Focus</a>	2020			
<a href="#">Document Fiscal Period Focus</a>	FY			
<a href="#">OTCQB</a>				
<a href="#">Title of 12(b) Security</a>	Common Stock, \$0.10 par value			
<a href="#">Trading Symbol</a>	GRMC			
<a href="#">Security Exchange Name</a>	NONE			

**Goldrich Mining Company**  
**Consolidated Balance Sheets**  
**- USD (\$)**

	<b>Dec. 31, 2020</b>	<b>Dec. 31, 2019</b>
<b><u>Current assets:</u></b>		
<u>Cash and cash equivalents</u>	\$ 1,931	\$ 1,274
<u>Prepaid expenses</u>	50,499	96,574
<u>Total current assets</u>	52,430	97,848
<b><u>Property, equipment, and mineral interests:</u></b>		
<u>Equipment, net</u>	0	716
<u>Mineral interests</u>	626,428	626,428
<u>Total property, equipment and mineral interests</u>	626,428	627,144
<b><u>Other assets:</u></b>		
<u>Investment in CGL LLC</u>	25,000	0
<u>Total other assets</u>	25,000	0
<u>Total assets</u>	703,858	724,992
<b><u>Current liabilities:</u></b>		
<u>Accounts payable and accrued liabilities</u>	1,838,362	1,656,854
<u>Interest payable</u>	452,478	223,555
<u>Interest payable - related party</u>	959,504	439,121
<u>Related party payable</u>	787,789	600,147
<u>CARES Act PPP loan</u>	33,833	0
<u>Notes payable, net of discount</u>	1,062,106	1,020,000
<u>Notes payable, net of discount - related party</u>	3,641,053	3,246,316
<u>Notes payable in gold</u>	503,590	406,319
<u>Dividends payable on preferred stock</u>	30,618	30,618
<u>Total current liabilities</u>	9,309,333	7,622,930
<b><u>Long-term liabilities:</u></b>		
<u>Interest payable in stock</u>	0	36,813
<u>Interest payable in stock - related party</u>	0	168,976
<u>Remediation and asset retirement obligation</u>	262,189	255,951
<u>CARES Act PPP loan</u>	16,767	0
<u>Total long-term liabilities</u>	278,956	461,740
<u>Total liabilities</u>	9,588,289	8,084,670
<u>Total stockholders' deficit</u>	(8,884,431)	(7,359,678)
<u>Commitments and contingencies (Notes 4, 9, 10, 13)</u>	0	0
<b><u>Stockholders' deficit:</u></b>		
<u>Preferred stock; no par value, 8,998,700 shares authorized; no shares issued or outstanding</u>	0	0
<u>Preferred Stock Series A Value</u>	150,000	150,000
<u>Preferred Stock Series B Value</u>	57,758	57,758
<u>Preferred Stock Series C Value</u>	52,588	52,588
<u>Preferred Stock Series E Value</u>	0	0
<u>Preferred Stock Series F Value</u>	10,829	10,829

<u>Common stock; \$0.10 par value, 750,000,000 shares authorized; 167,926,376 and 139,573,798 issued and outstanding, respectively</u>	16,792,637	13,957,380
<u>Additional paid-in capital</u>	11,715,072	13,905,542
<u>Accumulated deficit</u>	(37,663,315)	(35,493,775)
<u>Total liabilities and stockholders' deficit</u>	\$ 703,858	\$ 724,992

**Goldrich Mining Company**  
**Consolidated Balance Sheets**  
**- Parenthetical - \$ / shares**

**Dec. 31, 2020 Dec. 31, 2019**

<a href="#"><u>Preferred Stock, No Par Value</u></a>	\$ 0	\$ 0
<a href="#"><u>Preferred Stock, Shares Authorized</u></a>	8,998,700	8,998,700
<a href="#"><u>Preferred Stock, Shares Outstanding</u></a>	0	0
<a href="#"><u>Common Stock, Par or Stated Value Per Share</u></a>	\$ 0.10	\$ 0.10
<a href="#"><u>Common Stock, Shares Authorized</u></a>	750,000,000	750,000,000
<a href="#"><u>Common Stock, Shares, Issued</u></a>	167,926,376	139,573,798
<a href="#"><u>Common Stock, Shares, Outstanding</u></a>	167,926,376	139,573,798
<a href="#"><u>Series A</u></a>		
<a href="#"><u>Preferred Stock, No Par Value</u></a>	\$ 0	\$ 0
<a href="#"><u>Preferred Stock, Shares Authorized</u></a>	1,000,000	1,000,000
<a href="#"><u>Preferred Stock, Shares Outstanding</u></a>	150,000	150,000
<a href="#"><u>Preferred Stock, Shares Issued</u></a>	150,000	150,000
<a href="#"><u>Series B</u></a>		
<a href="#"><u>Preferred Stock, No Par Value</u></a>	\$ 0	\$ 0
<a href="#"><u>Preferred Stock, Shares Authorized</u></a>	300	300
<a href="#"><u>Preferred Stock, Shares Outstanding</u></a>	200	200
<a href="#"><u>Preferred Stock, Shares Issued</u></a>	200	200
<a href="#"><u>Series C</u></a>		
<a href="#"><u>Preferred Stock, No Par Value</u></a>	\$ 0	\$ 0
<a href="#"><u>Preferred Stock, Shares Authorized</u></a>	250	250
<a href="#"><u>Preferred Stock, Shares Outstanding</u></a>	250	250
<a href="#"><u>Preferred Stock, Shares Issued</u></a>	250	250
<a href="#"><u>Series D</u></a>		
<a href="#"><u>Preferred Stock, No Par Value</u></a>	\$ 0	\$ 0
<a href="#"><u>Preferred Stock, Shares Authorized</u></a>	150	150
<a href="#"><u>Preferred Stock, Shares Outstanding</u></a>	150	150
<a href="#"><u>Preferred Stock, Shares Issued</u></a>	150	150
<a href="#"><u>Series E</u></a>		
<a href="#"><u>Preferred Stock, No Par Value</u></a>	\$ 0	\$ 0
<a href="#"><u>Preferred Stock, Shares Authorized</u></a>	300	300
<a href="#"><u>Preferred Stock, Shares Outstanding</u></a>	300	300
<a href="#"><u>Preferred Stock, Shares Issued</u></a>	300	300
<a href="#"><u>Series F</u></a>		
<a href="#"><u>Preferred Stock, No Par Value</u></a>	\$ 0	\$ 0
<a href="#"><u>Preferred Stock, Shares Authorized</u></a>	300	300
<a href="#"><u>Preferred Stock, Shares Outstanding</u></a>	153	153
<a href="#"><u>Preferred Stock, Shares Issued</u></a>	153	153

**Goldrich Mining Company**  
**Consolidated Statements of**  
**Income - USD (\$)**

**12 Months Ended**  
**Dec. 31, 2020 Dec. 31, 2019**

**Operating expenses:**

<u>Mine preparation costs</u>	\$ 255,918	\$ 306,929
<u>Depreciation</u>	716	1,309
<u>Management fees and salaries</u>	210,563	222,562
<u>Professional services</u>	111,273	85,758
<u>General and administrative</u>	346,737	257,984
<u>Office supplies and other</u>	13,883	8,760
<u>Directors' fees</u>	13,200	26,700
<u>Mineral property maintenance</u>	115,055	97,439
<u>Reclamation expense</u>	48,096	339,015
<u>Royalty interest adjustment</u>	0	36,350
<u>Settlement expense</u>	0	59,500
<u>Arbitration costs (Note 4)</u>	173,877	202,431
<u>Total operating expenses</u>	1,289,318	1,644,737
<b><u>Other (income) expense:</u></b>		
<u>CARES Act grant income</u>	(2,000)	0
<u>Change in fair value of notes payable in gold</u>	97,271	64,162
<u>Interest expense and finance costs</u>	784,951	894,146
<u>Loss on foreign exchange</u>	0	20
<u>Total other (income) expense</u>	880,222	958,328
<u>Net loss</u>	(2,169,540)	(2,603,065)
<u>Preferred dividends</u>	(7,625)	(7,604)
<u>Net loss available to common stockholders</u>	\$ (2,177,165)	\$ (2,610,669)
<u>Net loss per common share - basic and diluted</u>	\$ (0.01)	\$ (0.02)
<u>Weighted average common shares outstanding-basic and diluted</u>	147,251,503	139,573,798



<b>Goldrich Mining Company Consolidated Statements of Stockholders' (Deficit) - USD (\$)</b>	<b>Common Stock</b>	<b>Preferred Stock</b>	<b>Additional Paid-in Capital</b>	<b>Retained Earnings</b>	<b>Total</b>
<u>Equity balance at Dec. 31, 2018</u>	\$ 13,957,380	\$ 271,175	\$ 13,832,978	\$ (32,890,710)	\$ (4,829,177)
<u>Shares outstanding at Dec. 31, 2018</u>	139,573,798	151,053			
<u>Warrants issued with notes payable</u>			44,203		44,203
<u>Stock issued value warrants issued finders fees</u>			28,361		28,361
<u>Net loss</u>				(2,603,065)	(2,603,065)
<u>Shares outstanding at Dec. 31, 2019</u>	139,573,798	151,053			
<u>Equity balance at Dec. 31, 2019</u>	\$ 13,957,380	\$ 271,175	13,905,542	(35,493,775)	(7,359,678)
<u>Warrants exercised</u>	\$ 1,463,333		(1,024,333)		439,000
<u>Warrants exercised</u>	14,633,330				
<u>Shares issued for interest</u>	\$ 1,371,924		(1,166,137)		\$ 205,787
<u>Shares issued for interest</u>	13,719,248				13,719,248
<u>Net loss</u>				(2,169,540)	\$ (2,169,540)
<u>Shares outstanding at Dec. 31, 2020</u>	167,926,376	151,053			
<u>Equity balance at Dec. 31, 2020</u>	\$ 16,792,637	\$ 271,175	\$ 11,715,072	\$ (37,663,315)	\$ (8,884,431)

**Goldrich Mining Company**  
**Consolidated Statements of**  
**Cash Flows - USD (\$)**

**12 Months Ended**  
**Dec. 31, 2020 Dec. 31, 2019**

**Cash flows from operating activities:**

Net loss \$ (2,169,540) \$ (2,603,065)

**Adjustments to reconcile net loss to net cash used in operating activities:**

Depreciation 716 1,309

Change in fair value of notes payable in gold 97,271 64,162

Royalty interest adjustment 0 36,350

Accretion of asset retirement obligation 6,238 13,911

Other asset allowance 0 13,671

Warrants issued for finders fees 0 28,361

**Change in:**

Prepaid expenses 46,075 25,557

Accounts payable and accrued liabilities 181,508 604,334

Interest payable 231,028 218,989

Interest payable - related party 540,119 490,097

Related party payable 187,642 142,420

Net cash used - operating activities (878,943) (963,904)

**Cash flows from investing activities:**

Purchase of membership units of CGL LLC (25,000) 0

Net cash used - investing activities (25,000) 0

**Cash flows from financing activities:**

Proceeds from CARES Act PPP loan 50,600 0

Warrants exercised 439,000 0

Proceeds from notes payable and warrants, net 40,000 64,000

Proceeds from notes payable and warrants - related party, net 375,000 824,000

Net cash provided - financing activities 904,600 888,000

Net increase (decrease) in cash and cash equivalents 657 (75,904)

Cash and cash equivalents, beginning of year 1,274 77,178

Cash and cash equivalents, end of year 1,931 1,274

**Supplemental disclosures of cash flow information:**

Cash paid for interest 3,974 72,890

**Non-cash investing and financing activities:**

Issuance of shares of common stock for interest payable 205,787 0

Warrants issued for debt financing 0 44,203

Discount on notes payable 2,105 3,368

Discount on notes payable, related party \$ 19,737 \$ 87,570

**1. Organization and  
Description of Business**

**12 Months Ended  
Dec. 31, 2020**

**Notes**

**1. Organization and  
Description of Business**

**1. ORGANIZATION AND DESCRIPTION OF BUSINESS**

Goldrich Mining Company (“Company”) was incorporated under the laws of the State of Alaska on March 26, 1959. The Company is engaged in the business of acquiring and exploring mineral properties throughout the Americas, primarily those containing gold and associated base and precious metals. During 2020, all of the Company’s activities were focused on the Chandalar property in Alaska. The Company’s common stock trades on the OTCQB exchange of the OTC Markets under the ticker symbol GRMC.

**Going Concern**

The accompanying consolidated financial statements have been prepared under the assumption that the Company will continue as a going concern. The Company has incurred losses since its inception and does not have sufficient cash to fund normal operations and meet debt obligations for the next 12 months without deferring payment on certain current liabilities and/or raising additional funds.

The Company currently has no historical recurring source of revenue and an accumulated deficit of \$37,663,315 at December 31, 2020. These factors raise substantial doubt about the Company’s ability to continue as a going concern. The Company may profitably execute a production business plan, and thereby, its ability to continue as a going concern may improve and become less dependent on the Company’s ability to raise capital to fund its future exploration and working capital requirements. The Company’s plans for the long-term return to and continuation as a going concern include the profitable exploitation of its mining properties and financing the Company’s future operations through sales of its common stock and/or debt.

The consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. If the going concern basis were not appropriate for these financial statements, adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used.

## 2. Summary of Significant Accounting Policies

12 Months Ended  
Dec. 31, 2020

### [Notes](#)

#### [2. Summary of Significant Accounting Policies](#)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Consolidation of and Accounting for Subsidiaries

The consolidated financial statements include the accounts of the Company and the accounts of its 100% owned subsidiary Goldrich Placer, LLC. This subsidiary is included in the accompanying financial statements by consolidation of the Statements of Operations and the Balance Sheets as of and for the years ended December 31, 2020 and December 31, 2019, with all intercompany balances and investment accounts eliminated.

### Accounting for Investments in Joint Ventures

For joint ventures in which the Company does not have joint control or significant influence, the cost method is used. For those joint ventures in which there is joint control between the parties, the equity method is utilized whereby the Company's share of the ventures' earnings and losses is included in the statement of operations as earnings in joint ventures and its investments therein are adjusted by a similar amount. The Company periodically assesses its investments in joint ventures for impairment. If management determines that a decline in fair value is other than temporary it will write-down the investment and charge the impairment against operations.

### *GNP:*

The Company has an equity method investment in Goldrich NyacAU Placer LLC, a 50%-owned joint venture in which the Company does not have joint control or significant influence. See Note 4 *Joint Venture*. The carrying amount of this investment was \$nil as of December 31, 2020 and 2019, respectively.

### *CGL:*

The Company invested \$25,000 in a 49% interest in Chandalar Gold LLC ("CGL") during the year ended December 31, 2020. The Company does not have control or significant influence over CGL and accounts for it using the equity method. During the year ended December 31, 2020, CGL had no operating activities. Goldrich has accrued a distribution to CGL of \$35,794 in accrued liabilities, and if and when that distribution is remitted to CGL, the Company would in turn receive a distribution of approximately 49% of that distribution back from CGL.

### Contingencies

In determining accruals and disclosures with respect to loss contingencies, the Company evaluates such accruals and contingencies for each reporting period. Estimated losses from loss contingencies are accrued by a charge to income when information available prior to issuance of the financial statements indicates that it is probable that a liability could be incurred, and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the loss contingency is made in the financial statements when it is at least reasonably possible that a material loss could be incurred.

### Earnings (Loss) Per Share

For the years ended December 31, 2020 and 2019, the effect of the Company's outstanding convertible preferred shares, options and warrants, totaling 70,507,169 and 93,590,499 for the two years, respectively, has not been included in the Company's net income (loss) per share as their inclusion would have been anti-dilutive. (See Note 9)

### Recent Accounting Pronouncements

In August 2018, the FASB issued ASU No. 2018-13 *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The update removes, modifies and makes additions to the disclosure requirements on fair value measurements. The update is effective for fiscal years beginning after December 15, 2019. The Company adopted this change during the year ended December 31, 2020. This adoption did not have a material effect on the Company's financial statements.

In December 2019, the FASB issued ASU No. 2019-12 *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. The update contains a number of provisions intended to simplify the accounting for income taxes. The update is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. Management is evaluating the impact of this update on the Company's consolidated financial statements.

In August 2020, the FASB issued ASU No. 2020-06 *Debt - Debt With Conversion And Other Options (Subtopic 470-20) And Derivatives and Hedging - Contracts In Entity's Own Equity (Subtopic 815-40): Accounting For Convertible Instruments And Contracts In An Entity's Own Equity*. The update simplifies the accounting for and disclosures related to company debt that is convertible or can be settled in a company's own equity securities. The update is effective for fiscal years beginning after December 15, 2021. Management is evaluating the impact of this update on the Company's consolidated financial statements.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption.

#### Cash and Cash Equivalents

For the purposes of the statement of cash flows, we consider all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates used in preparing these financial statements include those assumed in estimating the recoverability of the cost of mining claims, joint venture distributions, accrued remediation costs, asset retirement obligations, stock-based compensation, deferred tax assets and related valuation allowances and uncertainties regarding the outcome of arbitration proceedings and other contingencies. Actual results could differ from those estimates.

#### Mineral Interests

The Company capitalizes costs for acquiring mineral properties, claims and royalty interests and expenses costs to maintain mineral rights and leases as incurred. Should a property reach the production stage, these capitalized costs would be amortized using the units-of-production method on the basis of periodic estimates of ore reserves. Mineral properties are periodically assessed for impairment of value, and any subsequent losses are charged to operations at the time of impairment. If a property is abandoned or sold, its capitalized costs are charged to operations.

#### Exploration Costs & Mine Preparation Costs

Exploration costs are expensed in the period in which they occur. Costs to prepare mineral properties for mining, such as economic assessments and mine plans are expensed in the period in which they occur.

#### Income Taxes

Income taxes are recognized in accordance with Accounting Standards Codification (“ASC”) 740 Income Taxes, whereby deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized.

Uncertain tax positions are evaluated in a two-step process, whereby (i) it is determined whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (ii) for those tax positions that meet the more-likely-than-not recognition threshold, the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with the related tax authority would be recognized.

The Company has assessed its tax positions other than the net operating loss issue described in Note 12 *Income Taxes*, and has determined that it has taken an uncertain tax position that is probable to affect its federal and state net operating loss carryforwards in amounts by \$2.0 million and \$1.8 million, respectively, but does not give rise to an unrecognized tax liability being reported. In the event that the Company is assessed penalties and/or interest, penalties will be charged to other operating expense and interest will be charged to interest expense.

#### Revenue Recognition

The Company’s revenues from its joint venture have historically been its primary revenues. The Company has determined that its revenue does not arise from contracts with customers, does not involve satisfaction of any performance obligations on the part of the Company, or require Company assets to be recognized or applied to determine costs to obtain or fulfill any contract generating revenue.

#### Stock-Based Compensation

The Company periodically issues common shares or options to purchase shares of the Company’s common shares to its officers, directors or other parties. These issuances are recorded at fair value. The Company uses a Black Scholes valuation model for determining fair value of options to purchase shares, and compensation expense is recognized ratably over the vesting periods on a straight-line basis. Compensation expense for grants that vest immediately are recognized in the period of grant.

#### Remediation and Asset Retirement Obligation

The Company’s operations have been, and are subject to, standards for mine reclamation that have been established by various governmental agencies. The Company records the fair value of an asset retirement obligation as a liability in the period in which the Company incurs a legal obligation for the retirement of tangible long-lived assets. A corresponding asset is also recorded and depreciated over the life of the long-lived asset using a units of production method. After the initial measurement of the asset retirement obligation, the liability will be adjusted at the end of each reporting period to reflect changes in the estimated future cash flows underlying the obligation. Determination of any amounts recognized is based upon numerous estimates and assumptions, including future retirement costs, future inflation rates and the credit-adjusted risk-free interest rates.

For non-operating properties, the Company accrues costs associated with environmental remediation obligations when it is probable that such costs will be incurred and they are reasonably estimable. Such costs are based on management’s estimate of amounts expected to be incurred when the remediation work is performed.

#### Fair Value Measurements

When required to measure assets or liabilities at fair value, the Company uses a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used. The Company determines the level within the fair value hierarchy in which the fair value measurements in their entirety fall. The categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Level 1 uses quoted prices in active markets

for identical assets or liabilities, Level 2 uses significant other observable inputs, and Level 3 uses significant unobservable inputs. The amount of the total gains or losses for the period are included in earnings that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date.

During 2020 and 2019, the Company determined fair value on a recurring basis and non-recurring basis as follows:

	Balance December 31, 2020	Balance December 31, 2019	Fair Value Hierarchy level
Liabilities			
Recurring: Notes payable in gold (Note 7)	\$ 503,590	\$ 406,319	2

The carrying amounts of financial instruments, including notes payable, approximate fair value at December 31, 2020 and 2019. The inputs to the valuation of Level 2 liabilities are described in Note 7 *Notes Payable in Gold*.

### 3. Property, Equipment and Mining Claims

12 Months Ended  
Dec. 31, 2020

#### Notes

#### 3. Property, Equipment and Mining Claims

### 3. PROPERTY, EQUIPMENT AND MINERAL INTERESTS

#### Equipment

At December 31, 2020 and 2019, the Company's equipment classifications were as follows:

	2020	2019
Exploration and mining equipment	\$ 1,627,351	\$ 1,627,351
Vehicles and rolling stock	390,140	390,140
Office and other equipment	65,549	65,549
<b>Total</b>	<b>2,083,040</b>	<b>2,083,040</b>
Accumulated depreciation	(2,083,040)	(2,082,324)
<b>Equipment, net of depreciation</b>	<b>\$ -</b>	<b>\$ 716</b>

All equipment has been fully depreciated.

#### Mineral Interests

At December 31, 2020 and 2019, the Company's mining properties claims, and royalty interest were as follows:

	2020	2019
Chandalar property and claims	\$ 264,000	\$ 264,000
2003 purchased claims	35,000	35,000
Unpatented state claims staked	40,400	40,400
Asset retirement costs	<sup>(1)</sup> 37,028	37,028
Jumbo Basin royalty interest	<sup>(2)</sup> 250,000	250,000
<b>Total</b>	<b>\$ 626,428</b>	<b>\$ 626,428</b>

(1) Asset retirement costs will be amortized over the related long-lived asset using a units of production method. During 2019, the Company reduced its estimate of Asset retirement costs and Asset retirement obligation by \$205,738 (see Note 10 *Asset Retirement Obligation*).

(2) During the year ended December 31, 2019, the arbitration panel awarded distributions from 2016 and 2017 to Goldrich from GNP that paid the balance of principal and interest of Loan3, a loan made to purchase a royalty interest from Jumbo Basin, a 2% NSR royalty interest payable on all production from certain Goldrich mining claims at the Chandalar, Alaska property. While reviewing the carrying costs of the royalty interest, management determined that its carrying value exceeded the contractual purchase price by \$36,350, and adjusted the carrying value during 2019 as a charge to its Statements of Operations.



## 4. Joint Venture

**12 Months Ended  
Dec. 31, 2020**

### Notes

#### 4. Joint Venture

#### **4. JOINT VENTURE**

On April 3, 2012, Goldrich Placer, LLC (“GP”), a subsidiary of Goldrich, entered into a term sheet for a joint venture with NyacAU, LLC (“NyacAU”), an Alaskan private company, to bring Goldrich’s Chandalar placer gold properties into production as defined in the joint venture agreement (the “Operating Agreement”) which was subsequently signed with an effective date of April 2, 2012. In each case as used below in reference to the JV, ‘production’ is as defined by the Operating Agreement. As part of the Operating Agreement, GP and NyacAU (together the “Members”) formed a 50:50 joint venture company, Goldrich NyacAU Placer LLC (“GNP”), to operate the Chandalar placer mines, with NyacAU acting as managing partner. Goldrich has no significant control or influence over the JV, and therefore accounts for its investment using the cost less impairment method.

#### *Arbitration*

In December 2017, the Company filed an arbitration statement of claim against NyacAU and other parties. The claim challenged certain accounting treatment of capital leases, allocations of tax losses, charges to the JV for funding costs related to the JV manager’s financing, related-party transactions, and other items of dispute in a previous mediation that was unsuccessful in reaching an agreement. As a result, the Company participated in an arbitration before a panel of three independent arbitrators during 2018 to address these items. Through 2020 and the filing of this report in 2021, the Company has continued to respond to panel inquiries, make motions to prosecute or defend positions, answer motions made by the opposing JV partner and aggressively support the Company’s efforts toward success.

The Company records amounts for contingent losses when it is probable that a liability could be incurred and can be reasonably estimated. To date, the arbitration proceedings are still in progress, with some rulings being issued for and against the Company’s positions. No assurance can be given that the arbitration will result in a successful outcome for the Company. Due to uncertainties relating to the pending outcome, the financial statements contain only adjustments for the final results of the arbitration that are estimable and probable. See Note 13 *Commitments and Contingencies* and Note 14 *Subsequent Events* for additional information and rulings subsequent to December 31, 2020. The Company incurred \$173,877 and \$202,431 in arbitration expenses during the years ended December 31, 2020 and December 31, 2019, respectively.

**5. Related Party  
Transactions**

**12 Months Ended  
Dec. 31, 2020**

**Notes**

**5. Related Party Transactions**

**5. RELATED PARTY TRANSACTIONS**

In addition to related party transactions described in Notes 6 and 9, the Company has accrued amounts to the Company's Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and board of directors fees for amounts earned but not yet paid. Beginning in January 2016 and through December 31, 2020, the CEO's salary has not been paid in full. Salary due to the CFO have been accrued and remain unpaid, as have board of directors fees:

	<b>Year ended 12/31/20</b>	<b>Year ended 12/31/19</b>
<b>CEO</b>		
Balance at beginning of period	\$ 426,500	\$ 295,000
Deferred salary	166,000	180,000
Deferred expenses	17,351	-
Payments	(19,000)	(48,500)
Ending Balance	590,851	426,500
<b>CFO</b>		
Balance at beginning of period	78,644	64,909
Deferred	27,354	42,703
Payments	(17,262)	(28,968)
Ending Balance	88,736	78,644
Board fees payable	108,202	95,003
Total Related party payables	\$ 787,789	\$ 600,147

**6. Notes Payable & Notes  
Payable - Related Party**

**12 Months Ended  
Dec. 31, 2020**

**Notes**

**6. Notes Payable & Notes  
Payable - Related Party**

**6. NOTES PAYABLE & NOTES PAYABLE - RELATED PARTY**

At December 31, 2020, the Company has outstanding notes payable of \$1,062,106 and outstanding notes payable - related party of \$3,641,053. At December 31, 2019, the Company had outstanding notes payable of \$1,020,000 and outstanding notes payable - related party of \$3,246,316. The notes payable and notes payable - related party accrued interest of 15% and matured on October 31, 2018. In November 2019, the Company and the holders of the notes, amended the notes, and the notes are now due within 10 days of a demand notice of the holders. There has been no notice of default or demand issued by any holder.

During the year ended December 31, 2020, the Company received additional tranches of the notes payable for \$436,842 discounted at 5%, or \$21,842 resulting in net proceeds of \$415,000, respectively, of which \$375,000, was received from a related party, Nicholas Gallagher, a shareholder and director of the Company, who also holds the full balance of the notes payable - related party described above. During the year ended December 31, 2019, the Company received additional tranches of the notes payable for a total of \$934,737, discounted at 5% or \$46,737, resulting in net proceeds of \$888,000, of which net proceeds of \$824,000 was from Mr. Gallagher. The notes are due upon demand and accrue simple interest at 15%.

During the years ended December 31, 2020 and December 31, 2019, the Company incurred finder fees totaling \$12,450 and \$7,697, respectively, to related party entities, and incurred \$0 and \$26,640, respectively, of other finance and placement costs. Interest of \$678,119 was expensed during the year ended December 31, 2020 of which \$520,382 was to related parties. Interest of \$552,492 was expensed during the year ended December 31, 2019 of which \$402,527 was to related parties.

During the year ended December 31, 2020, the Company issued no warrants in connection with the notes payable. During the year ended December 31, 2019, the Company issued 3,442,888 warrants in connection with the notes payable, of which 275,476 warrants were for finders fees. The Class T warrants have an exercise price of \$0.03 and expire on various dates from November 30, 2022 through December 19, 2024.

The fair value of the Class T warrants issued during the year ended December 31, 2019, was \$44,203 and was calculated on the issue dates using the following assumptions:

**December 31, 2019**

Market price of common stock on date of issuance	\$0.007 - \$0.0275
Risk-free interest rate	1.34% - 2.51%
Expected dividend yield	0
Expected term (in years)	5
Expected volatility	\$0.007 - \$0.0275

### Inter-Creditor Agreement

Effective November 1, 2019, the Company entered into an Amended and Restated Loan, Security, and Interc Creditor Agreement (the “Amended Agreement”) with Mr. Gallagher, in his capacity as agent for and on behalf of the holders of the notes payable. No compensation was paid or accrued for Mr. Gallagher, either in cash or warrants, for his services as agent for other holders. Under the Amended Agreement, for each holder of the notes payable, whether or not a related party:

1. Any loans arising after July 1, 2018 by Mr. Gallagher and any loans made after November 1, 2019 by any new or existing Holder other than Mr. Gallagher, after Mr. Gallagher has consented in writing to such loan or advance, were designated as Senior Notes, with loans made prior to November 1, 2019 designated as Junior Notes. Senior Notes are entitled to be repaid in full before any of the Junior Notes are repaid; and
2. The Company agreed to other terms, the most significant of which are as follows:
  - a. to pay, no later than February 28, 2021, (1) to the order of NGB Capital Limited (a company owned by Mr. Gallagher), a finder’s fee in the amount of \$49,273, and (2) to the order of Capital Investments 4165 LLC a finder’s fee in the amount of \$7,920. Of these amounts \$6,500 and \$nil have been remitted as of the date of this report; and
  - b. to reimburse Mr. Gallagher, no later than February 20, 2020, for up to \$35,000 in legal fees and costs incurred by Mr. Gallagher in connection with the Amended Agreement. The Company accrued \$32,644 at December 31, 2019 and this amount was paid during the year ended December 31, 2020.
3. The borrower and holder entered into a Deed of Trust whereunder the notes are secured by a security interest in all real property, claims, contracts, agreements, leases, permits and the like.
4. The Company entered into a written Guaranty whereunder, among other conditions, the Company unconditionally guarantees and

promises to pay to the order of each holder the principal sum and all interest payable on each Note payable held by such holder when and as the same becomes due, whether at the stated maturity thereof, by acceleration, call for redemption, tender, or otherwise.

The Company is not in default as no demand has been made for payment or delivery and the holders have provided a waiver of default.

The Company and Mr. Gallagher agreed in the Amended Agreement that Mr. Gallagher, at his option, has the right to convert outstanding but unpaid and future interest on his loan into stock of the Company at \$0.015 per share. In a separate agreement dated September 10, 2020, the Company and holders, agreed to convert \$36,813 of unpaid interest into stock of the Company at \$0.015 per share. During the year ended December 31, 2020, a total of 13,719,248 common shares were issued to the holders in exchange for interest payable of \$205,788, of which \$168,976 was payable to Mr. Gallagher.

## 7. Notes Payable in Gold

**12 Months Ended  
Dec. 31, 2020**

### Notes

#### 7. Notes Payable in Gold

#### 7. NOTES PAYABLE IN GOLD

During 2013, the Company issued notes payable in gold totaling \$820,000, less a discount of \$205,000, for net proceeds of \$615,000. Under the terms of the notes, the Company agreed to deliver gold to the holders at the lesser of \$1,350 per ounce of fine gold or a 25% discount to market price as calculated on the contract date and specify delivery of gold in November 2014.

After several amendments to the terms of the note agreements, through the date of the issuance of these financial statements, the gold notes have not been paid and the note holders have not demanded payment or delivery of gold. At December 31, 2020 and 2019, 266.788 ounces of fine gold was due and deliverable to the holders of the Notes. No demand has been made for payment.

The Company estimates the fair value of the notes, based on the market approach with Level 2 inputs of gold delivery contracts based upon previous contractual delivery dates, using the market price of gold on December 31, 2020 of approximately \$1,888 per ounce as quoted on the London PM Fix market or \$503,590 in total. The valuation resulted in an increase in gold notes payable of \$97,271 during the year ended December 31, 2020. At December 31, 2019, the Company had outstanding total notes payable in gold of \$406,319.

Interest of \$38,043 on the notes was expensed during the year ended December 31, 2020, and \$51,523 is accrued at December 31, 2020 and is included in interest payable. Interest of \$35,025 on the notes was expensed during the year ended December 31, 2019, and \$13,480 is accrued at December 31, 2019 and is included in interest payable.

## 8. CARES Act PPP Loan

**12 Months Ended  
Dec. 31, 2020**

### Notes

#### 8. CARES Act PPP Loan

#### 8. CARES ACT PPP LOAN

On April 15, 2020, the Company was granted a loan (the “Loan”) from Washington Trust Bank, in the aggregate amount of \$50,600, pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the Cares Act, which was enacted March 27, 2020.

The Loan, which was in the form of a Note dated April 15, 2020 issued by the Borrower, matures on April 15, 2022 and bears interest at a rate of 1% per annum, payable monthly commencing on November 15, 2020. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The Company intends to use the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

On October 22, 2020, the Loan had a change in terms. Under the new terms, the maturity date was changed to May 1, 2022 and the first payment was deferred to June 1, 2021 to allow additional time to prepare the forgiveness application. If the application is denied, the first monthly payment of \$4,284 will be due the first of the month following the denial. Additionally, if the forgiveness application is denied, the Company will have the option to extend the loan to May 1, 2025 instead of the current maturity date of May 1, 2022. As of the date of this report, the Company has not submitted its forgiveness application but plans to do so within the second quarter of 2021. The Company believes it used the entire loan amount for qualifying expenses, but there is no guarantee that the loan will be forgiven.

[Notes](#)[9. Stockholders' Equity](#)9. **STOCKHOLDERS' EQUITY**Common Stock:

At the special shareholders meeting on November 13, 2020, the Company's shareholders approved an increase in the authorized common stock from 250,000,000 to 750,000,000 shares, with par value remaining at \$0.10 per share.

Series A Convertible Preferred Stock:

The Company has 150,000 shares of Series A Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 1,000,000 shares of Series A Preferred Stock, no par value, with the following rights and preferences:

- **Liquidation Preference:** Upon a liquidation event, an amount in cash equal to \$2.00 per share (adjusted appropriately for stock splits, stock dividends and the like), for a total of \$300,000 at December 31, 2020 and 2019, together with declared but unpaid dividends to which the holders of outstanding shares of Series A Preferred Stock are entitled shall be paid prior to liquidation payments to holders of Company securities junior to the Series A Preferred Stock.
- **Voting:** Each holder of Series A Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series A Preferred Stock could be converted.
- **Conversion:** Any share of Series A Preferred Stock may, at the option of the holder, be converted at any time into six shares of common stock. The Company has the right, at its sole option, to convert all Series A Preferred Stock into common stock after the third anniversary of its issuance if the weighted average trading price of the common stock exceeds \$1.00 per share for ten consecutive trading days. The Company also has the right, at its sole option, to convert all Series A Preferred Stock into common stock after the tenth anniversary from the date of issuance.
- **Dividend Rate:** The holders of Series A Preferred Stock shall be entitled to receive, when and as declared by the Board, yearly cumulative dividends from the surplus or net profits of the Company at an effective rate of 5% per annum, of the original Series A Preferred Stock purchase price of \$1.00 per share. The Series A dividend shall accrue ratably from the date of issuance of the Series A Preferred Stock through the entire period in which shares of Series A Preferred Stock are held and shall be payable to the holder of the Series A Preferred Stock on the conversion date of the Series A Preferred Stock or as may be declared by the Board, with proper adjustment for any dividend period which is less than a full year.
- **Preferential and Cumulative.** The Series A dividends shall be payable before any dividends will be paid upon, or set apart for, the common stock of the Company and will be cumulative, so that any dividends not paid or set apart for payment for the Series A Preferred Stock, will be fully paid and set apart for payment, before any dividends will be paid upon, or set apart for, the common stock of the Company.
- **Payment of Dividend:** If the Company shall have sufficient earnings to pay a dividend on the Series A Preferred Stock, upon declaration of any dividend by the Board in compliance with the Alaska Code and the Company's Articles of Incorporation and Bylaws, the holder of Series A Preferred Stock may elect to receive payment of Series A dividend on a dividend payment date in cash, or provisionally in gold. Payment of Series A dividends in gold shall be paid only if the Company is producing gold in sufficient quantities as of the dividend payment date to pay such in-kind dividend and shall be delivered in the form of gold produced from the Company's Chandalar property. We have total dividends in arrears of \$92,583 as of December 31, 2020 and \$84,958 as of December 31, 2019. Total dividends of \$30,618 were declared and payable as a result of conversion of preferred stock during 2011 and 2016, and have been recorded on the Company's balance sheets at December 31, 2020 and 2019.

Conversion of outstanding shares of Series A Preferred stock would have resulted in dilution of 900,000 common shares for the years ended December 31, 2020 and 2019.



#### Series B Convertible Preferred Stock:

The Company has 200 shares of Series B Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 300 shares of Series B Preferred Stock, no par value, with the following rights and preferences:

- Liquidation Preference:** Upon a liquidation event, an amount in cash equal to \$1,000 per share (adjusted appropriately for stock splits, stock dividends and the like), for a total of \$200,000 at December 31, 2020 and 2019, shall be paid prior to liquidation payments to holders of Company securities junior to the Series B Preferred Stock. Holders of the Company's Series A Preferred Stock shall be paid in advance of holders of the Series B Preferred Stock on the occurrence of a Liquidation Event.
- Voting:** Each holder of Series B Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series B Preferred Stock could be converted. Holders of Series B Preferred Stock vote as a single class with the common shares on an as-if-converted basis. No holder of Series B Preferred Stock is entitled to pre-emptive voting rights.
- Conversion:** Shares of Series B Preferred Stock may, at the option of the holder, be converted at any time into a number of fully-paid and non-assessable shares of common stock as is equal to the product obtained by multiplying the Series B shares by \$1,000, then dividing by the Series B conversion price of \$0.07 per common share. The Series B conversion price is subject to adjustment in accordance with the provisions of the statement of designation.
- Dividend Rate:** The holders of Series B Preferred Stock shall not be entitled to receive dividends.

Conversion of outstanding shares of Series B Preferred stock would result in dilution of 2,857,142 common shares for the years ended December 31, 2020 and 2019.

#### Series C Convertible Preferred Stock:

The Company has 250 shares of Series C Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 250 shares of Series C Preferred Stock, no par value, with the following rights and preferences:

- Liquidation Preference:** Upon a liquidation event, an amount in cash equal to \$1,000 per share (adjusted appropriately for stock splits, stock dividends and the like), for a total of \$250,000 at December 31, 2020 and 2019, shall be paid prior to liquidation payments to holders of Company securities junior to the Series C Preferred Stock. Holders of the Company's Series A Preferred Stock and Series B Preferred Stock shall be paid in advance of holders of the Series C Preferred Stock on the occurrence of a Liquidation Event.
- Voting:** Each holder of Series C Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series C Preferred Stock could be converted. Holders of Series C Preferred Stock vote as a single class with the common shares on an as-if-converted basis. No holder of Series C Preferred Stock is entitled to pre-emptive voting rights.
- Conversion:** Shares of Series C Preferred Stock may, at the option of the holder, be converted at any time into a number of fully-paid and non-assessable shares of common stock as is equal to the product obtained by multiplying the Series C shares by \$1,000, then dividing by the Series C conversion price of \$0.03 per common share. The Series C conversion price is subject to adjustment in accordance with the provisions of the statement of designation.
- Dividend Rate:** The holders of Series C Preferred Stock shall not be entitled to receive dividends.

Conversion of outstanding shares of Series C Preferred stock would result in dilution of 8,333,333 common shares for the years ended December 31, 2020 and 2019.

#### Series D Convertible Preferred Stock:

The Company has 150 shares of Series D Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 150 shares of Series D Preferred Stock, no par value. Conversion of outstanding shares of Series D Preferred stock would result in dilution of 5,000,000 common shares for the years ended December 31, 2020 and 2019.

Series E Convertible Preferred Stock:

The Company has 300 shares of Series E Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 300 shares of Series E Preferred Stock, no par value. Conversion of outstanding shares of Series E Preferred stock would result in dilution of 10,000,000 common shares for the years ended December 31, 2020 and 2019.

Series F Convertible Preferred Stock:

The Company has 153 shares of Series F Convertible Preferred Stock outstanding at December 31, 2020 and 2019. These shares were issued from the designated 300 shares of Series F Preferred Stock, no par value. Conversion of outstanding shares of Series F Preferred stock would result in dilution of 5,100,000 and 5,100,000 common shares for the years ended December 31, 2020 and 2019, respectively.

Series D, E and F Preferred Stock were issued with the following rights and preferences:

- Liquidation Preference:** Upon a liquidation event, an amount in cash equal to \$1,000 per share (adjusted appropriately for stock splits, stock dividends and the like), shall be paid prior to liquidation payments to holders of Company securities junior to the Series D, E, and F Preferred Stock. Holders of the Company's Series A, B and C Preferred Stock shall be paid in advance of holders of the Series D, E and F Preferred Stock on the occurrence of a Liquidation Event.
- Voting:** Each holder of Series D, E and F Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series D, E and F Preferred Stock could be converted. Holders of Series D, E and F Preferred Stock vote as a single class respectively with the common shares on an as-if-converted basis. No holder of Series D, E and F Preferred Stock is entitled to pre-emptive voting rights.
- Conversion:** Shares of Series D, E and F Preferred Stock may, at the option of the holder, be converted at any time into a number of fully-paid and non-assessable shares of common stock as is equal to the product obtained by multiplying the Series D, E and F shares by \$1,000, then dividing by the Series D, E and F conversion price of \$0.03 per common share. The Series D, E and F conversion price is subject to adjustment in accordance with the provisions of the statement of designation.
- Dividend Rate:** The holders of Series D, E and F Preferred Stock shall not be entitled to receive dividends.
- The Series D, E and F Preferred Stock includes a redemption feature as described above.

A related party and member of the Company's board of directors, Nicholas Gallagher, holds and controls all of the outstanding shares of the Series A, B and C Preferred Stock, 50 shares of the Series D Preferred Stock, 280 shares of the Series E Preferred Stock and all of the Series F Preferred Stock.

**Warrants:**

The following is a summary of warrants at December 31, 2020:

	Shares	Exercise Price (\$)	Expiration Date
<b>Class O Warrants: (Issued for Private Placement)</b>			
Outstanding and exercisable at January 1, 2019	5,000,000	.06	Mar 31, 2020
Outstanding and exercisable at December 31, 2019	5,000,000		
Expired	(5,000,000)		
Outstanding and exercisable at December 31, 2020	-		

<b>Class P Warrants: (Issued for Sale of GNP Distribution Interest)</b>				
Outstanding and exercisable at January 1, 2019	2,250,000	.07		Jun 23, 2020
Outstanding and exercisable at December 31, 2019	2,250,000			
Expired	(2,250,000)			
Outstanding and exercisable at December 31, 2020	-			
<b>Class P-2 Warrants: (Issued for Finders Fees)</b>				
Outstanding and exercisable at January 1, 2019	1,200,000	.05		Jun 23, 2020
Outstanding and exercisable at December 31, 2019	1,200,000			
Expired	(1,200,000)			
Outstanding and exercisable at December 31, 2020	-			
<b>Class Q Warrants: (Issued for Private Placement of Preferred Stock)</b>				
Outstanding and exercisable at January 1, 2019	8,333,333	.03		Dec 8, 2020
Outstanding and exercisable at December 31, 2019	8,333,333			
Warrants exercised	(8,333,333)			
Outstanding and exercisable at December 31, 2020	-			
<b>Class Q-2 Warrants: (Issued for Finders Fees)</b>				
Outstanding and exercisable at January 1, 2019	833,333	.03		Dec 8, 2020
Outstanding and exercisable at December 31, 2019	833,333			
Warrants exercised	(833,333)			
Outstanding and exercisable at December 31, 2020	-			
<b>Class R Warrants: (Issued for Private Placement)</b>				
Outstanding and exercisable at January 1, 2019	15,000,001	.045		Apr 6 to Dec 9, 2021
Outstanding and exercisable at December 31, 2019	15,000,001			
Outstanding and exercisable at December 31, 2020	15,000,001			
<b>Class S Warrants: (Issued for Private Placement of Preferred Stock)</b>				
Outstanding and exercisable at January 1, 2019	5,100,000	.03		Dec 30, 2021 to Mar 30, 2022
Outstanding and exercisable at December 31, 2019	5,100,000			
Warrants exercised	(466,664)			
Outstanding and exercisable at December 31, 2020	4,633,336			
<b>Class T Warrants: (Issued with Senior Secured Notes Payable)</b>				
Outstanding and exercisable at January 1, 2019	17,490,776	.03		Dec 22, 2022 to Dec. 24, 2023
Warrants issued	5,117,581			Jan 1 to Oct, 2024
Outstanding and exercisable at December 31, 2019	22,608,357			
Warrants exercised	(5,000,000)			
Outstanding and exercisable at December 31, 2020	17,608,357			

Warrants outstanding at December 31, 2019

were 60,325,024 with a weighted average exercise price of \$0.038.

Warrants and weighted average exercise price at December 31, 2020

37,241,694 .036

Warrants issued in 2019 included 3,442,888 issued to holders of Notes payable and Notes payable - related parties for 2019 borrowings, and 1,399,262 warrants for finders fees for 2017 and 2018 issued in 2019. See table in Note 6 *Notes Payable and Notes Payable - Related Parties*. During the year ended December 31, 2020, 8,450,000 warrants expired, representing all Class O, P and P-2 warrants.

### Warrant Exercises

During September and October 2020, the Company received \$439,000 cash as a result of the exercise of Class Q, Class S, and Class T warrants at an exercise price of \$0.03 per common share. The warrants were owned by Mr. Gallagher and were transferred to unrelated parties. The unrelated parties then exercised the warrants for cash, resulting in the issuance of 14,633,330 common shares.

### Stock Options and Stock-Based Compensation:

Under the Company's 2008 Equity Incentive Plan, as amended by shareholder vote on November 13, 2020 (the "Plan"), options to purchase shares of common stock may be granted to key employees, contract management and directors of the Company. The Plan permits the granting of nonqualified stock options, incentive stock options and shares of common stock. Upon exercise of options, shares of common stock are issued from the Company's treasury stock or, if insufficient treasury shares are available, from authorized but unissued shares. Options are granted at a price equal to the closing price of the common stock on the date of grant. The stock options are generally exercisable immediately upon grant and for a period of 10 years.

In the event of cessation of the holder's relationship with the Company, the holder's exercise period terminates 90 days following such cessation. The Plan authorizes the issuance of up to 16,129,304 shares of common stock, subject to adjustment for certain events, such as a stock split or other dilutive events. As of December 31, 2020, there were a total of 8,929,304 shares available for grant in the Plan, 6,075,000 shares issued and 50,000 options exercised in prior years, and 1,075,000 options exercisable and outstanding.

A summary of stock option transactions for the years ended December 31, 2020 and 2019 are as follows:

	Shares	Weighted-Average Exercise Price (per share)	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Options outstanding and exercisable at December 31, 2018	1,825,000	\$ 0.20	4.59	\$0
Expired in 2019	(750,000)	\$ 0.405		
Options outstanding and exercisable at December 31, 2019	1,075,000	\$ 0.06	6.24	\$0
Options outstanding and exercisable at December 31, 2020	1,075,000	\$ 0.06	5.24	\$2,125

For the years ended December 31, 2020 and 2019, the Company recognized no share-based compensation for consultants. As of December 31, 2020 and 2019, the intrinsic value of options outstanding and exercisable was \$2,125 and \$0, respectively.

### Interest Payable Satisfied with Common Stock

On September 10, 2020, the holders of the notes payable and notes payable related party, agreed to convert a portion of their unpaid interest into stock of the Company at \$0.015 per share. A total of 13,719,248 common shares with a basis of \$0.015 per share, were issued to the holders, reducing interest payable and interest payable related party, by \$205,787, of which \$168,976 was to Mr. Gallagher.

**10. Asset Retirement  
Obligation**

**12 Months Ended  
Dec. 31, 2020**

[Notes](#)

[10. Asset Retirement  
Obligation](#)

**10. ASSET RETIREMENT OBLIGATION**

On an ongoing basis, management evaluates its estimates and assumptions; however, actual amounts could differ from those based on such estimates and assumptions. Changes to the Company's asset retirement obligation on its Chandalar property are as follows:

	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Asset Retirement Obligation	\$	\$
- beginning balance	155,951	347,778
Reduction of Asset retirement obligation	-	(205,738)
Accretion	6,238	13,911
Asset Retirement Obligation - ending balance	<u>\$</u> <u>162,189</u>	<u>\$</u> <u>155,951</u>

During 2019, the Company reduced its estimate of Asset retirement asset and Asset retirement obligation by \$205,738. Acres of disturbed property, which were included in the calculation of the previous Asset retirement obligation, were reduced due to consumption of the disturbed acreage by the mining activities of the JV, which expanded the mine pit and consumed acres previously identified. This reduction and revision of the mine life to 10 years reduced the required reclamation to be performed by the Company.

Due to the uncertainty of the outcome of arbitration, it is not possible at this time to reasonably estimate or quantify what future obligation may be required to be recorded for the Company's prior mining activities (see Note 4 - *Joint Venture; Arbitration*).

## 11. Remediation

**12 Months Ended  
Dec. 31, 2020**

### Notes

#### 11. Remediation

#### **11. REMEDIATION**

The Company is responsible to remediate areas disturbed by mining activities, with the exception of certain access roads, airstrips or other amenities that are permanent in nature and improve the general access and maintainability of state lands covered by the Company's mining claims. The Company has accrued \$100,000 and \$100,000, respectively, for remedies required at a former owner's mine site in addition to the asset retirement obligation as of December 31, 2020 and 2019.

## 12. Income Taxes

12 Months Ended

Dec. 31, 2020

### [Notes](#)

#### [12. Income Taxes](#)

#### 12. INCOME TAXES

The Company did not recognize a tax provision for the years ended December 31, 2020 and 2019.

Following are the components of deferred tax assets and allowances at December 31, 2020 and 2019:

	2020	2019
Deferred tax assets arising from:		
Capitalized exploration and development costs	\$ 57,000	\$ 48,000
Unrecovered promotional and exploratory costs	112,000	112,000
Accrued remediation costs	68,000	66,000
Note payable in gold	29,000	-
Share based compensation	278,000	278,000
Net operating loss carryforwards	13,150,000	12,547,000
Total deferred tax assets	13,694,000	13,051,000
Less valuation allowance	(13,694,000)	(13,051,000)
<b>Net deferred tax assets</b>	<b>\$ -</b>	<b>\$ -</b>

Management has determined that it is more likely than not that the Company will not realize the benefit of its deferred tax assets. Therefore, a valuation allowance equal to 100% of deferred tax asset has been recognized. The deferred tax assets were calculated based on an effective tax rate of 30% for 2020 and 2019.

During the year ended December 31, 2016, the Company filed amended tax returns to correct allocations of Joint Venture losses reported to the Company for the years ending 2012 through 2015, resulting in an increase in losses reported on its federal and state tax returns of \$7.5 million and \$6.8 million, respectively. For each year since 2015, the Company filed its federal and state tax returns with corrected allocations of losses from the Joint Venture. The Company's and the Joint Venture's federal returns for the 2015, 2016 and 2017 tax years were audited by the Internal Revenue Service ("IRS") to determine correct allocation of losses for the Joint Venture and its partners. In August 2020, the IRS issued an unfavorable ruling as it affects the Company in regard to the audit of the joint venture which, when the individual partners' effects are communicated to the Company by the IRS, is probable to decrease the Company's net federal and state net operating loss carryforwards ("NOL") by totals of \$2.0 million and \$1.8 million, respectively for the years under audit. The change would not result in any current tax liability or refund unless and until the Company could utilize its net operating loss carryforwards. The 2018 tax return would require amendment with a reduction to taxable net operating loss of approximately \$41,000.

At December 31, 2020, the Company had federal and state tax-basis net operating loss carryforwards, prior to giving effect to the probable changes resulting from the IRS audit of the joint venture as described above, totaling \$44.8 million and \$41.5 million, respectively. Of these net operating losses, \$36.6 million will expire in various amounts from 2021 through 2037. Combined federal net operating losses of \$8.1 million for the years 2018 through 2020 do not expire, but are limited to 80% of taxable income at the time of usage.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted in response to the COVID-19 pandemic. The CARES Act, among other things, permits NOL carryovers and carrybacks to offset 100% of taxable income for taxable years

beginning before 2021. In addition, the CARES Act allows NOLs incurred in 2018, 2019, and 2020 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes. The Company does not expect that the NOL carryback provision of the CARES Act would result in a material cash benefit.

The CARES Act increases the amount of business interest expense that may be deducted for tax years beginning in 2019 and 2020 by computing the section 163(j) limitation. The CARES Act generally limits a taxpayer's business interest deductions for a taxable year to the sum of: (1) 30% of the taxpayer's adjusted taxable income for that year, (2) its business interest income and (3) floor plan financing interest. Any interest expense not deductible under 163(j) for any affected year may be carried forward without limitation. The Company does not expect that the change in the section 163(j) provision of the CARES Act would result in a material cash effect.

The differences between the provision (benefit) for federal income taxes and federal income taxes computed using the U.S. statutory tax rate of 21% were as follows:

	<b>2020</b>		<b>2019</b>	
Federal income tax expense (benefit) based on statutory rate	\$ (455,000)	21.0%	\$ (547,000)	21.0%
State income tax expense (benefit), net of federal taxes	(190,000)	8.7%	(227,000)	8.7%
Non-deductible share-based compensation	-	-%	-	-%
Revision of NOL estimates, state apportionment factors and state effective tax rates	2,000	(0.1)%	321,000	(12.2)%
Increase (decrease) in valuation allowance	643,000	(29.6)%	453,000	(17.5)%
<b>Total taxes on income (loss)</b>	<b>\$ -</b>	<b>-%</b>	<b>\$ -</b>	<b>-%</b>

The Company has assessed its tax positions other than the NOL issue above and has determined that it has taken an uncertain tax position that is probable to affect its federal and state net operating loss carryforwards in amounts by \$2.0 million and \$1.8 million, respectively, as described above, but does not give rise to an unrecognized tax liability being reported. In the event that the Company is assessed penalties and/or interest, penalties will be charged to other operating expense and interest will be charged to interest expense.

The Company files federal income tax returns in the United States only. Tax attributes, mainly net operating losses after 2014, can and probably will be adjusted as a result of an audit, as described above. The Company's 2015, 2016 and 2017 tax filings are currently under examination. The Company is no longer subject to federal income tax examination by tax authorities for years before 2015.



### 13. Commitments and Contingencies

12 Months Ended  
Dec. 31, 2020

#### Notes

#### 13. Commitments and Contingencies

#### 13. COMMITMENTS AND CONTINGENCIES

The Company has two near-term commitments:

- \$83,963 for claims fees originally due on September 1, 2020 for which an extension for payment to September 1, 2021 was acquired as a result of COVID-19 deferrals allowed by the State of Alaska, and
- An \$84,000 liability for a consulting contract for which services have not been received.

The Company is subject to Alaska state annual claims rental fees in order to maintain our non-patented claims. In addition to the annual claims rental fees of \$125,945 due November 30 of each year, we are also required to meet annual labor requirements of approximately \$61,100 due November 30 of each year. The Company is able to carry forward costs for annual labor that exceed the required yearly totals for four years. The Company has significant carryovers to 2020 to satisfy its annual labor requirements. This carryover expires in the years 2021 through 2025 if unneeded to satisfy requirements in those years.

#### *Arbitration*

In 2017, the Company, its subsidiary and the joint venture, as claimants, filed an arbitration statement of claim before a three-member Arbitration Panel (“the Panel”), against our JV partner and its affiliates; NyacAU, LLC (“NyacAU”), BEAR Leasing, LLC, and Dr. J. Michael James, as respondents. In 2018, the respondents filed a counter-claim against the Company, its subsidiaries and certain members of the Company’s current and former management, the counterclaim respondents. The arbitration claim alleged, amongst other things, claims concerning related-party transactions, accounting issues including capital vs. operating leases, interpretation of the joint venture operating agreement, allocation of tax losses between the joint venture partners, and unpaid amounts due Goldrich relating to the Chandalar Mine.

It is possible that there could be either adverse or favorable developments in the arbitration pending with the Company and its JV partner. The Company records provisions in the consolidated financial statements for pending arbitration results when it determines that an outcome is probable, and the amount of loss can be reasonably estimated. At the present time, except as stated otherwise, while it is reasonably possible that a favorable or unfavorable outcome in the arbitration may occur, after assessing the information available, management is unable to estimate the possible loss, or range of losses, for the pending arbitration; and accordingly, no estimated losses have been accrued in the consolidated financial statements for favorable or unfavorable outcomes. Legal defense costs are expensed as incurred. Favorable rulings would not

result in the recognition of gains prior to offsetting against losses, due to the ruling being an estimate which must be constructively received prior to recognition.

During the year ended December 31, 2019, and December 31, 2020, the Panel released various awards relating to the allegations of both parties. Some of which have been in favor of the Company's positions some have been in favor of our JV partner and its affiliates. The arbitration is ongoing and the various parties to the claims and counterclaims continue to disagree on several matters.

On May 25, 2019, the Panel issued an Interim Award, which requested input from the parties on a small number of discrete issues, all input to be supported by references to the arbitration record.

On November 30, 2019, the Panel ordered the Partial Final Award and concurrently the Second Interim Award Regarding Dissolution/Liquidation of GNP and Related Issues ("the Second Interim Award").

### **The Partial Final Award**

The Partial Final Award addressed several matters including leases and the impact of their characterization on interim distributions. As a result, the Panel determined that the Company is entitled to an additional \$214,797 in distributions for 2016 and an additional \$198,644 for 2017, for a total of \$413,441 from GNP. In like manner, the Panel determined that NyacAU is entitled to an additional \$413,441 in distributions for these years. As the Company is uncertain as to the collectability of these distributions, no recognition of these awards are included in its Statement of Operations for the year ended December 31, 2020.

The Partial Final Award also addressed the Company's claim for payment of interest earned by LOC 1. The Panel determined that NyacAU should pay the Company 50% of the interest earned on LOC 1 actually received by NyacAU, or \$126,666. NyacAU challenged this award but the Panel issued an additional ruling stating the amount owed to be \$120,883 to Goldrich plus 5% prejudgment interest on unpaid LOC1 interest as it fell due, see *Supplemental Orders 5-8* below. As the Company is uncertain as to the collectability of this award, no recognition of this other income is included in its Statement of Operations for the year ended December 31, 2020.

The Panel ruled Goldrich was responsible to pay NyacAU for the 2012 reclamation work and NyacAU is also entitled to 5% interest on the award from the date the first invoice was sent to Goldrich in 2014. Goldrich has accrued a liability for this ruling on its consolidated balance sheet of \$437,869 included in accounts payable and interest payable, however, Goldrich has contested the party to whom payment should be made and whether additional amounts not invoiced by GNP should be included in the award.

The Partial Final Award found the Company liable for an act of negligent misrepresentation regarding the concealment of certain technical information from NyacAU. The Company has vigorously disputed the concealment and the finding of negligence. Nevertheless, as a result of the Panel's determination, the Panel awarded Dr. J. Michael James a reimbursement of 17% of his previous \$350,000 stock investment in the Company or \$59,500 plus prejudgment interest of 5% and legal fees, for a total of \$83,388. In addition, the Panel awarded Dr. James \$9,858, plus interest at 5% and legal fees, for personal expenses incurred relating to GNP's operations. These amounts plus additional interest have been included in accounts payable and interest payable on the consolidated balance sheet at December 31, 2020.

### **The Second Interim Award**

The Second Interim Award was necessitated by the fact that the dissolution/liquidation of the joint venture had not yet run its course. In the Second Interim Award the Panel ordered that:

- a) No later than January 15, 2020, NyacAU and Goldrich shall attempt to establish, by agreement, a market value for the GNP permit in connection with a transfer of the Permit to Goldrich or a third party, taking into consideration the obligation of GNP, or any transferee of the permit, to complete reclamation in accordance with NyacAU's government-approved reclamation plan.
- b) Reasonably prior to May 31, 2020, NyacAU shall perform its obligation to "make provision ... for reclamation by (1) adding all reclamation expenses actually incurred by NyacAU to LOC 1; (2) from GNP's assets, to the extent possible after payment of GNP's debts and liabilities and liquidation expenses".

Neither order from the Second Interim Award was successfully executed by the parties on the dates specified by the Panel. The Second Interim Award confirmed the dissolution of GNP and noted that "no provision of the Claims Lease or the Operating Agreement speaks directly to the rights or obligations of GNP to transfer its mining permit, which is held in the name of the manager, NyacAU. Although GNP no longer has the right to mine, NyacAU, as holder of the permit and as ruled by the Panel, has the liability of reclamation.

### *Balance and payment of LOC1*

The Panel calculated a tentative balance of LOC1 at \$16,483,271 as of June 2019. This balance will be adjusted for any additional costs incurred by GNP in the liquidation or awards and/or adjustments made by the arbitration Panel. Management believes that, if there is no further placer production from these claims, Goldrich will not have a liability to pay 50% of LOC1.

The Panel ruled in the Final Post Award that LOC1 cannot be increased for costs incurred after mining operations have ceased, including costs for

reclamation. “This deprives NyacAU of a security interest in 50% of future placer gold production at the site to repay reclamation expenses which it advances.” Further, the Panel ruled that the Operating Agreement does not impose an obligation on the Company to pay 50% of the reclamation fee, but that the reclamation obligation resides with the permit holder. See *Final Post Award Orders* below.

#### *Right to Offset Damages or Distributions*

The Panel granted the request that any damages awarded to one party can be an offset to distributions (or damages) due to the other party.

#### *Judgements issued by Superior Court*

On April 29, 2020, the Superior Court of the State of Alaska issued a judgement in favor of Dr. James, in the total amount of \$13,713 (for the 2012 reclamation costs personally incurred, including interest) and \$83,588 (for the adjustment to Dr. James’ stock purchase, including interest). On June 9, 2020 and June 20, 2020, the Court awarded additional costs and attorney’ s fees. The Court ordered both Goldrich and NyacAU to submit a status report to the Court in September 2020 regarding the Panel’ s clarification of the payable for the 2012 reclamation, including interest, and to clarify the party for the award, NyacAU or GNP. The status report has been filed by both parties, and these judgements remain unpaid and in force before the Superior Court. These amounts related to these judgements were accrued for at December 31, 2019. As of December 31, 2020, a total amount of \$101,669 is included for the judgement and post judgement interest in accounts payable and interest payable on the consolidated balance sheet.

#### **Final Post Award Orders**

On September 4, 2020, the arbitration panel issued Final Post Award Orders, wherein the panel issued rulings on multiple issues, including but not limited to, those discussed below:

##### **•Reclamation**

The Company had previously filed a motion to compel NyacAU to correct accruals for certain expenses including reclamation, demobilization, equipment rental and utilities. Most notably, the Company contended that an accrual for reclamation liability was short of a much larger estimate prepared by independent professionals as engaged by Goldrich. The Panel denied the Company’ s motion and ruled that Goldrich does not have the authority to compel the establishment of any reserves on the GNP financial records.

The Company had previously filed a motion to compel NyacAU to reclaim the disturbed acres as required under the Operating Agreement and the mining permit issued to NyacAU in 2013, and to require NyacAU to fund the reclamation reserve from cash that had been

distributed to NyacAU. The Panel denied the Company's motion and ruled that while there was express provision in the Operating Agreement to establish reserves necessary for contingent or unforeseen liabilities or obligations, which could conceivably include reclamation reserves, the agreement does not impose an express obligation to reclaim the project site.

•*Mining Claims*

All of the Company's mining claims remain the property of the Company; however, NyacAU staked several claims contiguous to the claims owned by the Company. The Company had previously filed a motion to compel the transfer NyacAU's claims from NyacAU to the Company. The motion was granted in part in that the claims held in NyacAU's name were ruled to be owned by the Company, but would not be transferred immediately. They would remain in the possession of NyacAU as manager of the liquidation until the property covered by the claims was not being used for liquidation activities and could be transferred without disruption to the liquidation activity.

**Supplemental Orders 5-8**

On December 4, 2020, the arbitration Panel issued Supplemental Orders 5-8, wherein the Panel issued rulings on multiple material issues:

•*2018 Profitability and 2018 Interim Distributions*

Under the GNP Operating Agreement, Goldrich was entitled to receive certain interim distributions based on GNP's profitability. Goldrich received such distributions for 2016 and 2017. Goldrich challenged the Panel's understanding of facts related to GNP's profitability for 2018 as presented in the arbitration proceedings and made a motion for GNP to distribute interim distributions for 2018 after applying the arbitration rulings made to date. Goldrich submitted a claim to the arbitration Panel for approximately \$680,000 plus prejudgment interest thereon at 5%. The arbitration Panel denied Goldrich's claim. Based on the Panel's ruling, the paydown by NyacAU, as manager of GNP, of Line of Credit 1 ("LOC1") with GNP funds, rather than the payment of a 2018 interim distribution to Goldrich, is not considered a misappropriation of funds. LOC1 is a related party loan between GNP and NyacAU.

The Panel ruled that GNP was dissolved at the end of the 2018 mining season (September 28, 2018) by failing to meet the Minimum Production Requirement of the GNP Operating Agreement rather than May 2019, when NyacAU published a formal notice of dissolution to the State of Alaska and to creditors. Based on this and other evidence, the Panel found that GNP was dissolved by no later than October 9, 2018, which precedes the date by which any interim distribution would otherwise have been due under the GNP Operating Agreement (October 31 - December 31, 2018). Accordingly, the Panel ruled that Goldrich

is precluded from receiving any interim distributions for 2018 under the GNP Operating Agreement which provides that “[m]embers have a right to Distributions from the Company before the dissolution and winding up of the Company.”

•Goldrich’s Portion of Interest Paid on LOC1

Under the GNP Operating Agreement, Goldrich is to receive 50% of any interest on LOC1 paid by GNP to NyacAU. Goldrich made a claim to the Panel that GNP had paid interest to NyacAU and that Goldrich was entitled to 50% of the amount paid. The Panel ruled that NyacAU is obligated to pay Goldrich 50% of \$241,797 in interest “received” by NyacAU up to October 2018, when GNP was dissolved and commenced liquidation, in the total principal amount of \$120,883. Goldrich is also entitled to recover 5% prejudgment interest on unpaid LOC1 interest as it fell due through October 1, 2018, after which date no interest would be shared with Goldrich.

•Clarification of Award

In the Partial Final Award given in 2019, the arbitration Panel made an award to NyacAU of \$377,253 in damages and pre-award interest relating to 2012 reclamation expenses incurred on Goldrich’s behalf. Goldrich made an “Application for Modification and Correction of Arbitration Award, for Vacation of Award, or for Resubmission to Arbitration Panel for Clarification”, requesting an order from the Alaska court, under the Alaska Arbitration Act, that the damages awarded for unpaid 2012 reclamation expenses were to be paid to GNP, not NyacAU, and that the Panel clarify the appropriate amount of damages and interest to be paid. The Panel ruled that it will resolve these issues after the parties submit evidence and argument supporting their respective positions on the merits.

## 14. Subsequent Events

**12 Months Ended  
Dec. 31, 2020**

### Notes

#### 14. Subsequent Events

#### **14. SUBSEQUENT EVENTS**

Subsequent to the year ended December 31, 2020, the Company received additional notes payable from a related party of \$116,000, net of discount.

During February 2021, the Company received \$130,000 cash as a result of exercise of Class S warrants at an exercise price of \$0.03 per common share. Ownership of these warrants had been in the hands of a related party and were sold by him personally to unrelated parties. The unrelated parties then exercised the warrants for cash, resulting in the issuance of 4,333,333 common shares.

Subsequent to December 31, 2020, Mr. Gallagher sold 6,000,000 of his Class T warrants to Mr. Schara, 1,000,000 Class T warrants to Mr. Sharp, and 500,000 Class T warrants to an employee of the Company. None of these warrants have been exercised.

Subsequent to December 31, 2020, on April 7, 2021, the arbitration panel issued two orders:

- Order on Respondents' Motion to Preserve Confidentiality of Arbitration Proceedings, wherein the panel ruled that the Company did not violate confidentiality when it filed the arbitration rulings as exhibits to its public reporting with the Securities and Exchange Commission, and
- Order on Respondents' Motion to Confirm Judgment, to correct, clarify, or modify an award made in the Partial Final Award. This order confirmed a GNP claim against the Company for \$50,685 for additional reclamation costs, including interest of \$2,589. This event has been recognized and accrued in the financial statements for the year ended December 31, 2020.

**2. Summary of Significant  
Accounting Policies:  
Consolidation of and  
Accounting for Subsidiaries  
(Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Consolidation of and  
Accounting for Subsidiaries**

**Consolidation of and Accounting for Subsidiaries**

The consolidated financial statements include the accounts of the Company and the accounts of its 100% owned subsidiary Goldrich Placer, LLC. This subsidiary is included in the accompanying financial statements by consolidation of the Statements of Operations and the Balance Sheets as of and for the years ended December 31, 2020 and December 31, 2019, with all intercompany balances and investment accounts eliminated.



**2. Summary of Significant  
Accounting Policies:  
Accounting For Investments  
in Joint Ventures (Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Accounting For Investments in  
Joint Ventures**

**Accounting for Investments in Joint Ventures**

For joint ventures in which the Company does not have joint control or significant influence, the cost method is used. For those joint ventures in which there is joint control between the parties, the equity method is utilized whereby the Company's share of the ventures' earnings and losses is included in the statement of operations as earnings in joint ventures and its investments therein are adjusted by a similar amount. The Company periodically assesses its investments in joint ventures for impairment. If management determines that a decline in fair value is other than temporary it will write-down the investment and charge the impairment against operations.

*GNP:*

The Company has an equity method investment in Goldrich NyacAU Placer LLC, a 50%-owned joint venture in which the Company does not have joint control or significant influence. See Note 4 *Joint Venture*. The carrying amount of this investment was \$nil as of December 31, 2020 and 2019, respectively.

*CGL:*

The Company invested \$25,000 in a 49% interest in Chandalar Gold LLC ("CGL") during the year ended December 31, 2020. The Company does not have control or significant influence over CGL and accounts for it using the equity method. During the year ended December 31, 2020, CGL had no operating activities. Goldrich has accrued a distribution to CGL of \$35,794 in accrued liabilities, and if and when that distribution is remitted to CGL, the Company would in turn receive a distribution of approximately 49% of that distribution back from CGL.

**2. Summary of Significant  
Accounting Policies:  
Contingencies (Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Contingencies**

**Contingencies**

In determining accruals and disclosures with respect to loss contingencies, the Company evaluates such accruals and contingencies for each reporting period. Estimated losses from loss contingencies are accrued by a charge to income when information available prior to issuance of the financial statements indicates that it is probable that a liability could be incurred, and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the loss contingency is made in the financial statements when it is at least reasonably possible that a material loss could be incurred.

**2. Summary of Significant  
Accounting Policies:  
Earnings (loss) Per Share  
(Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Earnings (loss) Per Share**

**Earnings (Loss) Per Share**

For the years ended December 31, 2020 and 2019, the effect of the Company' s outstanding convertible preferred shares, options and warrants, totaling 70,507,169 and 93,590,499 for the two years, respectively, has not been included in the Company' s net income (loss) per share as their inclusion would have been anti-dilutive. (See Note 9)

**2. Summary of Significant  
Accounting Policies: Recent  
Accounting Pronouncements  
(Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Recent Accounting  
Pronouncements**

**Recent Accounting Pronouncements**

In August 2018, the FASB issued ASU No. 2018-13 *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The update removes, modifies and makes additions to the disclosure requirements on fair value measurements. The update is effective for fiscal years beginning after December 15, 2019. The Company adopted this change during the year ended December 31, 2020. This adoption did not have a material effect on the Company's financial statements.

In December 2019, the FASB issued ASU No. 2019-12 *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. The update contains a number of provisions intended to simplify the accounting for income taxes. The update is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. Management is evaluating the impact of this update on the Company's consolidated financial statements.

In August 2020, the FASB issued ASU No. 2020-06 *Debt - Debt With Conversion And Other Options (Subtopic 470-20) And Derivatives and Hedging - Contracts In Entity's Own Equity (Subtopic 815-40): Accounting For Convertible Instruments And Contracts In An Entity's Own Equity*. The update simplifies the accounting for and disclosures related to company debt that is convertible or can be settled in a company's own equity securities. The update is effective for fiscal years beginning after December 15, 2021. Management is evaluating the impact of this update on the Company's consolidated financial statements.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption.

**2. Summary of Significant  
Accounting Policies: Cash  
and Cash Equivalents  
(Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Cash and Cash Equivalents**

**Cash and Cash Equivalents**

For the purposes of the statement of cash flows, we consider all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

**2. Summary of Significant  
Accounting Policies: Use of  
Estimates (Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Use of Estimates**

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates used in preparing these financial statements include those assumed in estimating the recoverability of the cost of mining claims, joint venture distributions, accrued remediation costs, asset retirement obligations, stock-based compensation, deferred tax assets and related valuation allowances and uncertainties regarding the outcome of arbitration proceedings and other contingencies. Actual results could differ from those estimates.

**2. Summary of Significant  
Accounting Policies: Mineral  
Interests (Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Mineral Interests**

**Mineral Interests**

The Company capitalizes costs for acquiring mineral properties, claims and royalty interests and expenses costs to maintain mineral rights and leases as incurred. Should a property reach the production stage, these capitalized costs would be amortized using the units-of-production method on the basis of periodic estimates of ore reserves. Mineral properties are periodically assessed for impairment of value, and any subsequent losses are charged to operations at the time of impairment. If a property is abandoned or sold, its capitalized costs are charged to operations.

**2. Summary of Significant  
Accounting Policies:  
Exploration Costs and Mine  
Preparation Costs (Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Exploration Costs and Mine  
Preparation Costs**

Exploration Costs & Mine Preparation Costs Exploration costs are expensed in the period in which they occur. Costs to prepare mineral properties for mining, such as economic assessments and mine plans are expensed in the period in which they occur.



**2. Summary of Significant  
Accounting Policies: Income  
Taxes (Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Income Taxes**

**Income Taxes**

Income taxes are recognized in accordance with Accounting Standards Codification (“ASC”) 740 Income Taxes, whereby deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized.

Uncertain tax positions are evaluated in a two-step process, whereby (i) it is determined whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (ii) for those tax positions that meet the more-likely-than-not recognition threshold, the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with the related tax authority would be recognized.

The Company has assessed its tax positions other than the net operating loss issue described in Note 12 *Income Taxes*, and has determined that it has taken an uncertain tax position that is probable to affect its federal and state net operating loss carryforwards in amounts by \$2.0 million and \$1.8 million, respectively, but does not give rise to an unrecognized tax liability being reported. In the event that the Company is assessed penalties and/or interest, penalties will be charged to other operating expense and interest will be charged to interest expense.

**2. Summary of Significant  
Accounting Policies:  
Revenue Recognition  
(Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Revenue Recognition**

**Revenue Recognition**

The Company's revenues from its joint venture have historically been its primary revenues. The Company has determined that its revenue does not arise from contracts with customers, does not involve satisfaction of any performance obligations on the part of the Company, or require Company assets to be recognized or applied to determine costs to obtain or fulfill any contract generating revenue.

**2. Summary of Significant  
Accounting Policies: Stock-  
based Compensation  
(Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Stock-based Compensation**

**Stock-Based Compensation**

The Company periodically issues common shares or options to purchase shares of the Company's common shares to its officers, directors or other parties. These issuances are recorded at fair value. The Company uses a Black Scholes valuation model for determining fair value of options to purchase shares, and compensation expense is recognized ratably over the vesting periods on a straight-line basis. Compensation expense for grants that vest immediately are recognized in the period of grant.

**2. Summary of Significant  
Accounting Policies:  
Remediation and Asset  
Retirement Obligation  
(Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Remediation and Asset  
Retirement Obligation**

**Remediation and Asset Retirement Obligation**

The Company's operations have been, and are subject to, standards for mine reclamation that have been established by various governmental agencies. The Company records the fair value of an asset retirement obligation as a liability in the period in which the Company incurs a legal obligation for the retirement of tangible long-lived assets. A corresponding asset is also recorded and depreciated over the life of the long-lived asset using a units of production method. After the initial measurement of the asset retirement obligation, the liability will be adjusted at the end of each reporting period to reflect changes in the estimated future cash flows underlying the obligation. Determination of any amounts recognized is based upon numerous estimates and assumptions, including future retirement costs, future inflation rates and the credit-adjusted risk-free interest rates.

For non-operating properties, the Company accrues costs associated with environmental remediation obligations when it is probable that such costs will be incurred and they are reasonably estimable. Such costs are based on management's estimate of amounts expected to be incurred when the remediation work is performed.

**2. Summary of Significant  
Accounting Policies: Fair  
Value Measurement, Policy  
(Policies)**

**12 Months Ended**

**Dec. 31, 2020**

**Policies**

**Fair Value Measurement,  
Policy**

**Fair Value Measurements**

When required to measure assets or liabilities at fair value, the Company uses a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used. The Company determines the level within the fair value hierarchy in which the fair value measurements in their entirety fall. The categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Level 1 uses quoted prices in active markets for identical assets or liabilities, Level 2 uses significant other observable inputs, and Level 3 uses significant unobservable inputs. The amount of the total gains or losses for the period are included in earnings that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date.

During 2020 and 2019, the Company determined fair value on a recurring basis and non-recurring basis as follows:

	Balance December 31, 2020	Balance December 31, 2019	Fair Value Hierarchy level
Liabilities			
Recurring: Notes payable in gold (Note 7)	\$ 503,590	\$ 406,319	2

The carrying amounts of financial instruments, including notes payable, approximate fair value at December 31, 2020 and 2019. The inputs to the valuation of Level 2 liabilities are described in Note 7 *Notes Payable in Gold*.

**2. Summary of Significant  
Accounting Policies: Fair  
Value Measurement, Policy:  
Schedule of Fair Value,  
Assets and Liabilities  
Measured on Recurring  
Basis (Tables)**

**12 Months Ended**

**Dec. 31, 2020**

**Tables/Schedules**

**Schedule of Fair Value, Assets  
and Liabilities Measured on  
Recurring Basis**

	Balance	Balance	Fair Value
	December 31, 2020	December 31, 2019	Hierarchy level
Liabilities			
Recurring: Notes payable in gold (Note 7)	\$ 503,590	\$ 406,319	2

**3. Property, Equipment and  
Mining Claims: Property,  
Plant and Equipment  
(Tables)**

**12 Months Ended**

**Dec. 31, 2020**

[Tables/Schedules](#)

[Property, Plant and Equipment](#)

	<b>2020</b>	<b>2019</b>
Exploration and mining equipment	\$	\$
	1,627,351	1,627,351
Vehicles and rolling stock	390,140	390,140
Office and other equipment	65,549	65,549
<b>Total</b>	<b>2,083,040</b>	<b>2,083,040</b>
Accumulated depreciation	(2,083,040)	(2,082,324)
<b>Equipment, net of depreciation</b>	<b>\$</b>	<b>\$ 716</b>
	-	

**3. Property, Equipment and  
Mining Claims: Schedule of  
Mining Properties and  
Claims (Tables)**

**12 Months Ended**

**Dec. 31, 2020**

[Tables/Schedules](#)

[Schedule of Mining Properties and Claims](#)

	<b>2020</b>	<b>2019</b>
Chandalar property and claims	\$	\$
	264,000	264,000
2003 purchased claims	35,000	35,000
Unpatented state claims staked	40,400	40,400
Asset retirement costs	<sup>(1)</sup> 37,028	37,028
Jumbo Basin royalty interest	<sup>(2)</sup> 250,000	250,000
<b>Total</b>	\$	\$
	<b>626,428</b>	<b>626,428</b>



**5. Related Party  
Transactions: Schedule of  
Related Party Transactions  
(Tables)**

**12 Months Ended**

**Dec. 31, 2020**

[Tables/Schedules](#)

[Schedule of Related Party](#)

[Transactions](#)

	<b>Year ended 12/31/20</b>	<b>Year ended 12/31/19</b>
<b>CEO</b>		
Balance at beginning of period	\$ 426,500	\$ 295,000
Deferred salary	166,000	180,000
Deferred expenses	17,351	-
Payments	(19,000)	(48,500)
Ending Balance	590,851	426,500
<b>CFO</b>		
Balance at beginning of period	78,644	64,909
Deferred	27,354	42,703
Payments	(17,262)	(28,968)
Ending Balance	88,736	78,644
Board fees payable	108,202	95,003
Total Related party payables	\$ 787,789	\$ 600,147

**6. Notes Payable & Notes  
Payable - Related Party:  
Fair Value Measurement and  
Measurement Inputs,  
Recurring and Nonrecurring  
(Tables)**

**12 Months Ended**

**Dec. 31, 2020**

**Tables/Schedules**

**Fair Value Measurement and Measurement Inputs,  
Recurring and Nonrecurring**

	<b>December 31, 2019</b>
Market price of common stock on date of issuance	\$0.007 - \$0.0275
Risk-free interest rate	1.34% - 2.51%
Expected dividend yield	0
Expected term (in years)	5
Expected volatility	\$0.007 - \$0.0275

**9. Stockholders' Equity:  
Schedule of Stockholders'  
Equity Note, Warrants or  
Rights (Tables)**

**12 Months Ended**

**Dec. 31, 2020**

[Tables/Schedules](#)

[Schedule of Stockholders'  
Equity Note, Warrants or  
Rights](#)

	Shares	Exercise Price (\$)	Expiration Date
<b>Class O Warrants: (Issued for Private Placement)</b>			
Outstanding and exercisable at January 1, 2019	5,000,000	.06	Mar 31, 2020
Outstanding and exercisable at December 31, 2019	5,000,000		
Expired	(5,000,000)		
Outstanding and exercisable at December 31, 2020	-		
<b>Class P Warrants: (Issued for Sale of GNP Distribution Interest)</b>			
Outstanding and exercisable at January 1, 2019	2,250,000	.07	Jun 23, 2020
Outstanding and exercisable at December 31, 2019	2,250,000		
Expired	(2,250,000)		
Outstanding and exercisable at December 31, 2020	-		
<b>Class P-2 Warrants: (Issued for Finders Fees)</b>			
Outstanding and exercisable at January 1, 2019	1,200,000	.05	Jun 23, 2020
Outstanding and exercisable at December 31, 2019	1,200,000		
Expired	(1,200,000)		
Outstanding and exercisable at December 31, 2020	-		
<b>Class Q Warrants: (Issued for Private Placement of Preferred Stock)</b>			
Outstanding and exercisable at January 1, 2019	8,333,333	.03	Dec 8, 2020
Outstanding and exercisable at December 31, 2019	8,333,333		
Warrants exercised	(8,333,333)		
Outstanding and exercisable at December 31, 2020	-		
<b>Class Q-2 Warrants: (Issued for Finders Fees)</b>			
Outstanding and exercisable at January 1, 2019	833,333	.03	Dec 8, 2020
Outstanding and exercisable at December 31, 2019	833,333		
Warrants exercised	(833,333)		
Outstanding and exercisable at December 31, 2020	-		
<b>Class R Warrants: (Issued for Private Placement)</b>			
Outstanding and exercisable at January 1, 2019	15,000,001	.045	Apr 6 to Dec 9, 2021
Outstanding and exercisable at December 31, 2019	15,000,001		
Outstanding and exercisable at December 31, 2020	15,000,001		
<b>Class S Warrants: (Issued for Private Placement of Preferred Stock)</b>			
Outstanding and exercisable at January 1, 2019	5,100,000	.03	Dec 30, 2021 to Mar 30, 2022

Outstanding and exercisable at December 31, 2019	5,100,000		
Warrants exercised	(466,664)		
Outstanding and exercisable at December 31, 2020	4,633,336		
<b>Class T Warrants: (Issued with Senior Secured Notes Payable)</b>			
Outstanding and exercisable at January 1, 2019	17,490,776	.03	Dec 22, 2022 to Dec. 24, 2023
Warrants issued	5,117,581		Jan 1 to Oct, 2024
Outstanding and exercisable at December 31, 2019	22,608,357		
Warrants exercised	(5,000,000)		
Outstanding and exercisable at December 31, 2020	17,608,357		
Warrants outstanding at December 31, 2019 were 60,325,024 with a weighted average exercise price of \$0.038.			
Warrants and weighted average exercise price at December 31, 2020	37,241,694	.036	

**9. Stockholders' Equity:  
Share-based Compensation  
Arrangement by Share-  
based Payment Award,  
Options, Vested and  
Expected to Vest, Exercisable  
(Tables)**

**Tables/Schedules**

**Share-based Compensation  
Arrangement by Share-based  
Payment Award, Options,  
Vested and Expected to Vest,  
Exercisable**

**12 Months Ended**

**Dec. 31, 2020**

	<b>Shares</b>	<b>Weighted- Average Exercise Price (per share)</b>	<b>Weighted Average Remaining Contractual Term (Years)</b>	<b>Aggregate Intrinsic Value</b>
Options outstanding and exercisable at December 31, 2018	1,825,000	\$ 0.20	4.59	\$0
Expired in 2019	(750,000)	\$ 0.405		
Options outstanding and exercisable at December 31, 2019	1,075,000	\$ 0.06	6.24	\$0
Options outstanding and exercisable at December 31, 2020	1,075,000	\$ 0.06	5.24	\$2,125

**10. Asset Retirement  
Obligation: Schedule of  
Asset Retirement  
Obligations (Tables)**

**12 Months Ended**

**Dec. 31, 2020**

[Tables/Schedules](#)

[Schedule of Asset Retirement](#)

[Obligations](#)

	<b>December 31, 2020</b>	<b>December 31, 2019</b>
Asset Retirement Obligation	\$	\$
- beginning balance	155,951	347,778
Reduction of Asset retirement obligation	-	(205,738)
Accretion	6,238	13,911
Asset Retirement Obligation - ending balance	\$ 162,189	\$ 155,951

**12. Income Taxes: Schedule  
of Components of Income  
Tax Expense (Benefit)  
(Tables)**

**12 Months Ended**

**Dec. 31, 2020**

**Tables/Schedules**

**Schedule of Components of  
Income Tax Expense (Benefit)**

	<b>2020</b>	<b>2019</b>
Deferred tax assets arising from:		
Capitalized exploration and development costs	\$ 57,000	\$ 48,000
Unrecovered promotional and exploratory costs	112,000	112,000
Accrued remediation costs	68,000	66,000
Note payable in gold	29,000	-
Share based compensation	278,000	278,000
Net operating loss carryforwards	13,150,000	12,547,000
Total deferred tax assets	13,694,000	13,051,000
Less valuation allowance	(13,694,000)	(13,051,000)
<b>Net deferred tax assets</b>	<b>\$ -</b>	<b>\$ -</b>

**12. Income Taxes: Schedule  
of Effective Income Tax Rate  
Reconciliation (Tables)**

**12 Months Ended  
Dec. 31, 2020**

[Tables/Schedules](#)

[Schedule of Effective Income](#)

[Tax Rate Reconciliation](#)

	<b>2020</b>		<b>2019</b>	
Federal income tax expense (benefit) based on statutory rate	\$ (455,000)	21.0%	\$ (547,000)	21.0%
State income tax expense (benefit), net of federal taxes	(190,000)	8.7%	(227,000)	8.7%
Non-deductible share-based compensation	-	-%	-	-%
Revision of NOL estimates, state apportionment factors and state effective tax rates	2,000	(0.1)%	321,000	(12.2)%
Increase (decrease) in valuation allowance	643,000	(29.6)%	453,000	(17.5)%
<b>Total taxes on income (loss)</b>	<b>\$ -</b>	<b>-%</b>	<b>\$ -</b>	<b>-%</b>



1. Organization and Description of Business (Details) - USD (\$)	12 Months Ended Dec. 31, 2020	Dec. 31, 2019
<a href="#">Details</a>		
<a href="#">Entity Incorporation, Date of Incorporation</a>	Mar. 26, 1959	
<a href="#">Going Concern</a>	The accompanying consolidated financial statements have been prepared under the assumption that the Company will continue as a going concern. The Company has incurred losses since its inception and does not have sufficient cash to fund normal operations and meet debt obligations for the next 12 months without deferring payment on certain current liabilities and/or raising additional funds.	
<a href="#">Going Concern, continued</a>	The Company currently has no historical recurring source of revenue and an accumulated deficit of \$37,663,315 at December 31, 2020. These factors raise substantial doubt about the Company' s ability to continue as a going concern. The Company may profitably execute a production business plan, and thereby, its ability to continue as a going concern may improve and become less dependent on the Company' s ability to raise capital to fund its future exploration and working capital requirements. The Company' s plans for the long-term return to and continuation as a going concern include the profitable exploitation of its mining properties and financing the Company' s future operations through sales of its common stock and/or debt.	
<a href="#">Accumulated deficit</a>	\$ 37,663,315	\$ 35,493,775

**2. Summary of Significant  
Accounting Policies:  
Earnings (loss) Per Share  
(Details) - shares**

**12 Months Ended**  
**Dec. 31, 2020 Dec. 31, 2019**

**Details**

<u>Antidilutive Securities Excluded from Computation of Earnings Per Share, Amount</u>	70,507,169	93,590,499
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**2. Summary of Significant  
Accounting Policies: Fair  
Value Measurement, Policy:  
Schedule of Fair Value, Dec. 31, 2020 Dec. 31, 2019  
Assets and Liabilities  
Measured on Recurring  
Basis (Details) - USD (\$)**

**Details**

<u>Notes payable in gold</u>	\$ 503,590	\$ 406,319
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**3. Property, Equipment and  
Mining Claims: Property,  
Plant and Equipment  
(Details) - USD (\$)**

**Dec. 31,    Dec. 31,  
2020        2019**

**Details**

Exploration and mining equipment

\$            \$  
1,627,351 1,627,351

Vehicles and rolling stock

390,140    390,140

Office and other equipment

65,549     65,549

Property, Plant and Equipment, Gross

2,083,040 2,083,040

Accumulated Depreciation, Depletion and Amortization, Property, Plant, and Equipment,

Excluding Capital Leased Assets

(2,082,324)

Property, Plant, and Equipment, Owned, Net

\$ 0            \$ 716

**3. Property, Equipment and  
Mining Claims: Schedule of  
Mining Properties and  
Claims (Details) - USD (\$)**

**Dec. 31, 2020 Dec. 31, 2019**

**Details**

<u>Property and claims</u>	\$ 264,000	\$ 264,000
<u>Purchased claims</u>	35,000	35,000
<u>Unpatented state claims staked</u>	40,400	40,400
<u>Asset retirement costs</u>	(137,028)	37,028
<u>Jumbo Basin royalty option</u>	(2,250,000)	250,000
<u>Property, Plant and Equipment, Other, Gross</u>	\$ 626,428	\$ 626,428

**12 Months Ended****4. Joint Venture (Details) -  
USD (\$)****Dec. 31, 2020****Dec.  
31,  
2019****Details****Equity Method Investments**

On April 3, 2012, Goldrich Placer, LLC (“GP”), a subsidiary of Goldrich, entered into a term sheet for a joint venture with NyacAU, LLC (“NyacAU”), an Alaskan private company, to bring Goldrich’s Chandalar placer gold properties into production as defined in the joint venture agreement (the “Operating Agreement”) which was subsequently signed with an effective date of April 2, 2012.

**Arbitration costs (Note 4)**

\$ 173,877

\$  
202,431

**5. Related Party  
Transactions: Schedule of  
Related Party Transactions  
(Details) - USD (\$)**

**12 Months Ended  
Dec. 31, 2020 Dec. 31, 2019**

<u>Related party payables</u>	\$ 787,789	\$ 600,147
<u>Chief Executive Officer</u>		
<u>Officers Compensation beginning balance</u>	426,500	295,000
<u>Officer compensation, deferred during period</u>	166,000	180,000
<u>Expenses deferred during period</u>	17,351	0
<u>Officers Compensation, cash paid during period</u>	(19,000)	(48,500)
<u>Officers compensation, ending balance</u>	590,851	426,500
<u>Chief Financial Officer</u>		
<u>Officers Compensation beginning balance</u>	78,644	64,909
<u>Officer compensation, deferred during period</u>	27,354	42,703
<u>Officers Compensation, cash paid during period</u>	(17,262)	(28,968)
<u>Officers compensation, ending balance</u>	88,736	78,644
<u>Board Fees</u>		
<u>Officer compensation, deferred during period</u>	\$ 108,202	\$ 95,003

6. Notes Payable & Notes Payable - Related Party (Details) - USD (\$)		12 Months Ended	
		Dec. 31, 2020	Dec. 31, 2019
<a href="#">Notes payable, net of discount</a>	\$ 1,062,106		\$ 1,020,000
<a href="#">Notes payable, net of discount - related party</a>	3,641,053		3,246,316
<a href="#">Notes payable, net of discount</a>	1,062,106		1,020,000
<a href="#">Proceeds from notes payable and warrants - related party, net</a>	375,000		824,000
<a href="#">Cash paid for interest</a>	\$ 3,974		72,890
<a href="#">Shares issued for interest</a>	13,719,248		
<a href="#">Shares issued for interest</a>	13,719,248		
<a href="#">Tranche 1</a>			
<a href="#">Notes payable, net of discount</a>	\$ 436,842		
<a href="#">Debt Instrument, Description</a>	the Company received additional tranches of the notes payable for \$436,842 discounted at 5%, or \$21,842 resulting in net proceeds of \$415,000, respectively, of which \$375,000, was received from a related party		
<a href="#">Notes payable, net of discount</a>	\$ 436,842		
<a href="#">Debt Instrument, Unamortized Discount</a>	21,842		
<a href="#">Proceeds from Notes Payable</a>	415,000		
<a href="#">Proceeds from notes payable and warrants - related party, net</a>	375,000		
<a href="#">Finder fees</a>			
<a href="#">Payments for Brokerage Fees</a>	12,450		7,697
<a href="#">Payments of Debt Issuance Costs</a>	0		26,640
<a href="#">Interest</a>			
<a href="#">Cash paid for interest</a>	678,119		552,492
<a href="#">Interest Expense, Related Party</a>	\$ 520,382		\$ 402,527
<a href="#">Class T</a>			
<a href="#">Sale of Stock, Description of Transaction</a>			During the year ended December 31, 2019, the Company issued 3,442,888 warrants in connection with the notes payable
<a href="#">Warrants exercised</a>	3,442,888		
<a href="#">Shares issued for interest</a>	275,476		
<a href="#">Shares issued for interest</a>	275,476		



6. Notes Payable & Notes Payable - Related Party: Fair Value Measurement and Measurement Inputs, Recurring and Nonrecurring (Details)	12 Months Ended  Dec. 31, 2020 \$ / shares
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**Details**

Stock price on date of grant, maximum \$ 0.0275

Risk free interest rate, maximum 2.51%

**8. CARES Act PPP Loan**  
**(Details) - USD (\$)**

**12 Months Ended**  
**Dec. 31, 2020 Dec. 31, 2019**

**Details**

Proceeds from CARES Act PPP loan \$ 50,600      \$ 0

9. Stockholders' Equity (Details) - USD (\$)	12 Months Ended		
	Dec. 31, 2020	Dec. 31, 2019	Nov. 13, 2020
<a href="#">Common Stock, Shares Authorized</a>	750,000,000	750,000,000	
<a href="#">Preferred Stock, Shares Outstanding</a>	0	0	
<a href="#">Preferred Stock, Shares Authorized</a>	8,998,700	8,998,700	
<a href="#">Share-based compensation - options</a>	\$ 0	\$ 0	
<a href="#">Aggregate Intrinsic Value</a>	\$ 2,125	\$ 0	
<a href="#">Common stock increase</a>			
<a href="#">Common Stock, Shares Authorized</a>			750,000,000
<a href="#">Series A</a>			
<a href="#">Preferred Stock, Shares Outstanding</a>	150,000	150,000	
<a href="#">Preferred Stock, Shares Authorized</a>	1,000,000	1,000,000	
<a href="#">Dilutive Securities, Effect on Basic Earnings Per Share, Options and Restrictive Stock Units</a>	\$ 900,000	\$ 900,000	
<a href="#">Series B</a>			
<a href="#">Preferred Stock, Shares Outstanding</a>	200	200	
<a href="#">Preferred Stock, Shares Authorized</a>	300	300	
<a href="#">Dilutive Securities, Effect on Basic Earnings Per Share, Options and Restrictive Stock Units</a>	\$ 2,857,142	\$ 2,857,142	
<a href="#">Series C</a>			
<a href="#">Preferred Stock, Shares Outstanding</a>	250	250	
<a href="#">Preferred Stock, Shares Authorized</a>	250	250	
<a href="#">Dilutive Securities, Effect on Basic Earnings Per Share, Options and Restrictive Stock Units</a>	\$ 8,333,333	\$ 8,333,333	
<a href="#">Series D</a>			
<a href="#">Preferred Stock, Shares Outstanding</a>	150	150	
<a href="#">Preferred Stock, Shares Authorized</a>	150	150	
<a href="#">Dilutive Securities, Effect on Basic Earnings Per Share, Options and Restrictive Stock Units</a>	\$ 5,000,000	\$ 5,000,000	
<a href="#">Series E</a>			
<a href="#">Preferred Stock, Shares Outstanding</a>	300	300	
<a href="#">Preferred Stock, Shares Authorized</a>	300	300	
<a href="#">Dilutive Securities, Effect on Basic Earnings Per Share, Options and Restrictive Stock Units</a>	\$ 10,000,000	\$ 10,000,000	
<a href="#">Series F</a>			
<a href="#">Preferred Stock, Shares Outstanding</a>	153	153	
<a href="#">Preferred Stock, Shares Authorized</a>	300	300	
<a href="#">Dilutive Securities, Effect on Basic Earnings Per Share, Options and Restrictive Stock Units</a>	\$ 5,100,000	\$ 5,100,000	

9. Stockholders' Equity: Schedule of Stockholders' Equity Note, Warrants or Rights (Details) - USD (\$)	12 Months Ended	
	Dec. 31, 2020	Dec. 31, 2019
<a href="#">Details</a>		
<a href="#">Warrants Outstanding</a>	\$ 37,241,694	\$ 60,325,024

**9. Stockholders' Equity:  
Share-based Compensation  
Arrangement by Share-  
based Payment Award,  
Options, Vested and  
Expected to Vest, Exercisable  
(Details)**

**12 Months Ended**

**Details**

	<b>Dec. 31, 2020 USD (\$) \$ / shares shares</b>	<b>Dec. 31, 2019 USD (\$) \$ / shares shares</b>	<b>Dec. 31, 2018 \$ / shares shares</b>
<a href="#"><u>Share-based Compensation Arrangement by Share-based Payment Award, Options, Outstanding, Number   shares</u></a>	1,075,000	1,075,000	1,825,000
<a href="#"><u>Share-based Compensation Arrangement by Share-based Payment Award, Options, Outstanding, Weighted Average Exercise Price   \$ / shares</u></a>	\$ 0.06	\$ 0.06	\$ 0.20
<a href="#"><u>Weighted Average Remaining Term</u></a>	5.24	6.24	4.59
<a href="#"><u>Share-based Compensation Arrangement by Share-based Payment Award, Options, Expirations in Period   shares</u></a>		(750,000)	
<a href="#"><u>Share-based Compensation Arrangement by Share-based Payment Award, Options, Forfeitures and Expirations in Period, Weighted Average Exercise Price   \$ / shares</u></a>		\$ 0.405	
<a href="#"><u>Aggregate Intrinsic Value   \$</u></a>	\$ 2,125	\$ 0	

**10. Asset Retirement  
Obligation: Schedule of  
Asset Retirement  
Obligations (Details) - USD  
(\$)**

**12 Months Ended**

**Dec. 31, 2020 Dec. 31, 2019**

**Details**

<u>Asset Retirement Obligation - beginning balance</u>	\$ 155,951	\$ 347,778
<u>Reduction of Asset retirement obligation</u>	0	(205,738)
<u>Accretion Expense</u>	6,238	13,911
<u>Costs Incurred, Asset Retirement Obligation Incurred</u>	\$ 162,189	\$ 155,951

**11. Remediation (Details) -  
USD (\$)**

**Dec. 31, 2020 Dec. 31, 2019**

**Details**

<u>Environmental Exit Costs, Assets Previously Disposed, Liability for Remediation</u>	\$ 100,000	\$ 100,000
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**12. Income Taxes: Schedule  
of Components of Income  
Tax Expense (Benefit)  
(Details) - USD (\$)**

	<b>Dec. 31, 2020</b>	<b>Dec. 31, 2019</b>
<b><u>Details</u></b>		
<a href="#"><u>Deferred Tax Assets, Capital Loss Carryforwards</u></a>	\$ 57,000	\$ 48,000
<a href="#"><u>Deferred Tax Assets, Other Loss Carryforwards</u></a>	112,000	112,000
<a href="#"><u>Effective Income Tax Rate Reconciliation, Nondeductible Expense, Amount</u></a>	68,000	66,000
<a href="#"><u>Income Tax Reconciliation Notes Payable in Gold</u></a>	29,000	0
<a href="#"><u>Effective Income Tax Rate Reconciliation, Nondeductible Expense, Share-based Payment Arrangement, Amount</u></a>	278,000	278,000
<a href="#"><u>Effective Income Tax Rate Reconciliation, Other Reconciling Items, Amount</u></a>	13,150,000	12,547,000
<a href="#"><u>Deferred Tax Assets, Gross</u></a>	13,694,000	13,051,000
<a href="#"><u>Deferred Tax Assets, Valuation Allowance</u></a>	(13,694,000)	(13,051,000)
<a href="#"><u>Deferred Tax Assets, Net of Valuation Allowance</u></a>	\$ 0	\$ 0



**12. Income Taxes: Schedule  
of Effective Income Tax Rate  
Reconciliation (Details) -  
USD (\$)**

**12 Months Ended**  
**Dec. 31,      Dec. 31,**  
**2020          2019**

**Details**

<u>Effective Income Tax Rate Reconciliation at Federal Statutory Income Tax Rate, Amount</u>	\$ (455,000)	\$ (547,000)
<u>Effective Income Tax Rate Reconciliation, at Federal Statutory Income Tax Rate, Percent</u>		0.00%
<u>Effective Income Tax Rate Reconciliation, State and Local Income Taxes, Amount</u>	(190,000)	\$ (227,000)
<u>Effective Income Tax Rate Reconciliation, State and Local Income Taxes, Percent</u>		8.70%
<u>Effective Income Tax Rate Reconciliation, Deduction, Other, Amount</u>	0	\$ 0
<u>Effective Income Tax Rate Reconciliation, Other Adjustments, Amount</u>	2,000	\$ 321,000
<u>Effective Income Tax Rate Reconciliation, Other Adjustments, Percent</u>		(12.20%)
<u>Effective Income Tax Rate Reconciliation, Change in Deferred Tax Assets Valuation Allowance, Amount</u>	643,000	\$ 453,000
<u>Effective Income Tax Rate Reconciliation, Other Reconciling Items, Percent</u>		(17.50%)
<u>Income Tax Expense (Benefit)</u>	\$ 0	\$ 0
<u>Effective Income Tax Rate Reconciliation, at Federal Statutory Income Tax Rate, Percent</u>		0.00%

**14. Subsequent Events  
(Details)**

**12 Months Ended  
Dec. 31, 2020**

Notes payable related party

Subsequent Event, Description Subsequent to the year ended December 31, 2020, the Company received additional notes payable from a related party of \$116,000, net of discount.

Warrant Exercises

Subsequent Event, Description During February 2021, the Company received \$130,000 cash as a result of exercise of Class S warrants at an exercise price of \$0.03 per common share.

Sale of unexercised warrants

Subsequent Event, Description Subsequent to December 31, 2020, Mr. Gallagher sold 6,000,000 of his Class T warrants to Mr. Schara, 1,000,000 Class T warrants to Mr. Sharp, and 500,000 Class T warrants to an employee of the Company.

Arbitration Final POst Award  
Orders

Subsequent Event, Description Subsequent to December 31, 2020, on April 7, 2021, the arbitration panel issued two orders