UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended June 30, 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 001-36908

PARAMOUNT GOLD NEVADA CORP.

(Exact name of Registrant as specified in its Charter)

Nevada (State or other jurisdiction of incorporation or organization)	**98-0138393** (I.R.S. Employer Identification No.)
665 Anderson Street **Winnemucca, NV** (Address of principal executive offices)	**89445** (Zip Code)

Registrant's telephone number, including area code: (775) 625-3600

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 Par Value Per Share	PZG	NYSE American

Securities registered pursuant to Section 12(g) of the Act: **None**

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 Act. YES ☐ NO ☒

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). YES ☒ NO ☐

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 the 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	☐	Accelerated filer	☐
Non-accelerated filer	☒	Small 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 ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant, based on the closing price of the shares of common stock on the NYSE American LLC on December 31, 2019, was $15,498,938.

The number of shares of Registrant's Common Stock outstanding as of September 21, 2020 was 33,937,080.

Portions of the Registrant’s Definitive Proxy Statement relating to the Annual Meeting of Shareholders (the “2020 Proxy Statement”) are incorporated by reference into Part III of this Report where indicated. The 2020 Proxy Statement will be filed with the U.S. Securities Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

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Cautionary Note Regarding Forward-Looking Statements

This Form 10-K contains “forward-looking statements” within the meaning of applicable securities laws relating to Paramount Gold Nevada Corp. (“Paramount”, “we”, “us”, “our”, or the “Company”) which represent our current expectations or beliefs including, but not limited to, statements concerning our operations, performance, and financial condition. These statements by their nature involve substantial risks and uncertainties, credit losses, dependence on management and key personnel, variability of quarterly results, and our ability to continue growth. Statements in this annual report regarding planned drilling activities and any other statements about Paramount’s future expectations, beliefs, goals, plans or prospects constitute forward-looking statements. You should also see our risk factors beginning on page 6. For this purpose, any statements contained in this Form 10-K that are not statements of historical fact are forward-looking statements. Without limiting the generality of the foregoing, words such as “may”, “anticipate”, “intend”, “could”, “estimate”, or “continue” or the negative or other comparable terminology are intended to identify forward-looking statements. Other matters such as our growth strategy and competition are beyond our control. Should one or more of these risks or uncertainties materialize or should the underlying assumptions prove incorrect, actual outcomes and results could differ materially from those indicated in the forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for us to predict all of such factors, nor can we assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

GLOSSARY OF MINING TERMS

In this report, the following terms have the following meanings:

alteration – any change in the mineral composition of a rock brought about by physical or chemical means.

assay – a measure of the valuable mineral content.

development stage – a “development stage” project is one which is undergoing preparation of an established commercially mineable deposit for its extraction but which is not yet in production. This stage occurs after completion of a feasibility study.

dip – the angle that a structural surface, a bedding or fault plane, makes with the horizontal, measured perpendicular to the strike of the structure.

disseminated – where minerals occur as scattered particles in the rock.

exploration stage – an “exploration stage” prospect is one which is not in either the development or production stage.

fault – a surface or zone of rock fracture along which there has been displacement.

feasibility study – a comprehensive study of a mineral deposit in which all geological, engineering, legal, operating, economic, social, environmental and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production.

formation – a distinct layer of sedimentary rock of similar composition.

geochemistry – the study of the distribution and amounts of the chemical elements in minerals, ores, rocks, solids, water, and the atmosphere.

geophysical surveys – a survey method used primarily in the mining industry as an exploration tool, applying the methods of physics and engineering to the earth’s surface.

grade – quantity of metal per unit weight of host rock.

heap leach – a mineral processing method involving the crushing and stacking of an ore on an impermeable liner upon which solutions are sprayed to dissolve metals, e.g., gold, copper etc.; the solutions containing the metals are then collected and treated to recover the metals.

host rock – the rock in which a mineral or an ore body may be contained.

induced polarization – is a geophysical imaging technique used to identify the electrical chargeability of subsurface materials, such as ore.

in-situ – in its natural position.

mapped or geological mapping – the recording of geologic information including rock units and the occurrence of structural features, attitude of bedrock, and mineral deposits on maps.

mineral – a naturally occurring inorganic crystalline material having a definite chemical composition.

mineralization – a natural accumulation or concentration in rocks or soil of one or more potentially economic minerals; also the process by which minerals are introduced or concentrated in a rock.

mineralized material – refers to material that is not included in the reserve as it does not meet all of the criteria for adequate demonstration for economic or legal extraction.

open pit or open cut – surface mining in which the ore is extracted from a pit or quarry, the geometry of the pit may vary with the characteristics of the ore body.

ore – mineral bearing rock that can be mined and treated profitably under current or immediately foreseeable economic conditions.

ore body – a mostly solid and fairly continuous mass of mineralization estimated to be economically mineable.

outcrop – that part of a geologic formation or structure that appears at the surface of the earth.

oxide – gold-bearing ore that results from the oxidation of near surface sulfide ore.

preliminary economic assessment – a study that includes an economic analysis of the potential viability of mineral resources taken at an early stage of the project prior to the completion of a preliminary feasibility study.

preliminary feasibility study (pre-feasibility study) – comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on mining, processing, metallurgical, economic, marketing, legal, environmental, social and governmental considerations and the evaluation of any other relevant factors. probable reserve – refers to reserves for which quantity and grade and/or quality are computed from information similar to that used for proven (measured) reserves, but the sites for inspection, sampling, and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven reserves, is high enough to assume continuity between points of observation.

production stage – a "production stage" project is actively engaged in the process of extraction and beneficiation of mineral reserves to produce a marketable metal or mineral product.

proven reserve – refers to reserves for which (a) quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes; grade and/or quality are computed from the results of detailed sampling and (b) the sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth and mineral content of reserves are well-established.

quartz – a mineral composed of silicon dioxide, SiO_2 (silica)

RC (reverse circulation) drilling – a drilling method using a tri-cone bit or hammer bit, during which rock cuttings are pushed from the bottom of the drill hole to the surface through an inner tube, by liquid and/or air pressure moving through an outer tube.

reserve – refers to that part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination. Reserves must be supported by a feasibility study done to bankable standards that demonstrates the economic extraction. ("Bankable standards" implies that the confidence attached to the costs and achievements developed in the study is sufficient for the project to be eligible for external debt financing.) A reserve includes adjustments to the in-situ tons and grade to include diluting materials and allowances for losses that might occur when the material is mined.

rock – indurated naturally occurring mineral matter of various compositions.

sediment – particles transported by water, wind, gravity or ice.

sedimentary rock – rock formed at the earth's surface from solid particles, whether mineral or organic, which have been moved from their position of origin and re-deposited.

strike – the direction or trend that a structural surface, e.g. a bedding or fault plane, takes as it intersects the horizontal.

strip – to remove barren rock or overburden in order to expose ore.

sulfide – a mineral including sulfur (S) and iron (Fe) as well as other elements; metallic sulfur-bearing mineral often associated with gold mineralization.

PART I

Item 1. Business.

Paramount Gold Nevada Corp. is a Nevada corporation formed on June 15, 1992 under the name X-Cal (USA), Inc. Paramount Gold Nevada Corp. common stock trades on the NYSE American LLC under the symbol "PZG." Unless the context otherwise requires, reference to "we," "us," "our," "Paramount," the "Company" and other similar references refer to Paramount Gold Nevada Corp.

INITIAL PUBLIC OFFERING AND ORGANIZATIONAL TRANSACTIONS

On April 17, 2015, we entered into the previously disclosed separation and distribution agreement (the "Separation Agreement") with Paramount Gold and Silver Corp. ("PGSC"), to effect the separation (the "separation") of the Company from PGSC, and to provide for the allocation between the Company and PGSC of the Company's and PGSC's assets, liabilities and obligations attributable to periods prior to, at and after the separation.

We filed a registration statement on Form S-1 in connection with the distribution (the "distribution") by PGSC to its stockholders of all the outstanding shares of common stock of the Company, par value $0.01 per share. The registration statement was declared effective by the Securities and Exchange Commission ("SEC") on April 9, 2015. On April 6, 2015, the Company filed a Form 8-A with the SEC to register its shares of common stock under Section 12(b) of the Securities Exchange Act of 1934, as amended. The distribution, which effected a spin-off of the Company from PGSC, was made on April 17, 2015, to PGSC stockholders of record on April 14, 2015. On the distribution date, stockholders of PGSC received one share of Company common stock for every 20 shares of PGSC common stock held. Up to and including the distribution date, PGSC common stock traded on the "regular-way" market; that is, with an entitlement to shares of Company common stock distributed pursuant to the distribution. As a result of the distribution, the Company is now a publicly traded company independent from PGSC. On April 20, 2015, the Company's shares of common stock commenced trading on the NYSE American LLC (formerly NYSE MKT) under the symbol "PZG". An aggregate of 8,101,371 shares of Company common stock were distributed in the distribution. In connection with our separation from PGSC and PGSC's merger with and into Coeur Mining, Inc. ("Coeur"), PGSC contributed approximately $8.45 million to us as an equity contribution, and we issued 417,420 shares of our common stock, par value $0.01 per share, to Coeur in exchange for a cash payment by Coeur in the amount of $1.47 million.

On March 14, 2016, Paramount Gold Nevada Corp. and Calico Resources Corp. ("Calico") entered into an Arrangement Agreement providing for the acquisition of Calico by Paramount. On July 7, 2016, after having received the approval of the Supreme Court of British Columbia to the transaction, Paramount and Calico completed the transaction contemplated by the Arrangement Agreement, pursuant to which Calico became a wholly owned subsidiary of Paramount.

On November 14, 2016, Calico Resources Corp. was merged into Calico Resources USA Corp. As a result, Calico Resources USA Corp. became a wholly owned subsidiary of Paramount.

OVERVIEW OF PARAMOUNT GOLD NEVADA CORP.

We are engaged in the business of acquiring, exploring and developing precious metal projects in the United States of America. Paramount owns advanced stage exploration projects in the states of Nevada and Oregon. We enhance the value of our projects by implementing exploration and engineering programs that are likely to expand and upgrade known mineralized material to reserves. Paramount believes there are several ways to realize the value of its projects: selling its projects to producers; joint venturing its projects with other companies; or building and operating small mines on its own.

The Company's principal Nevada interest, the Sleeper Gold Project, is located in Humboldt County, Nevada, and was a producing mine until 1996.

Our project located in Oregon, known as the Grassy Mountain Project ("Grassy Mountain"), is located in Malheur County, Oregon, and was acquired by way of statutory plan of arrangement in the Province of British Columbia, Canada with Calico in July 2016.

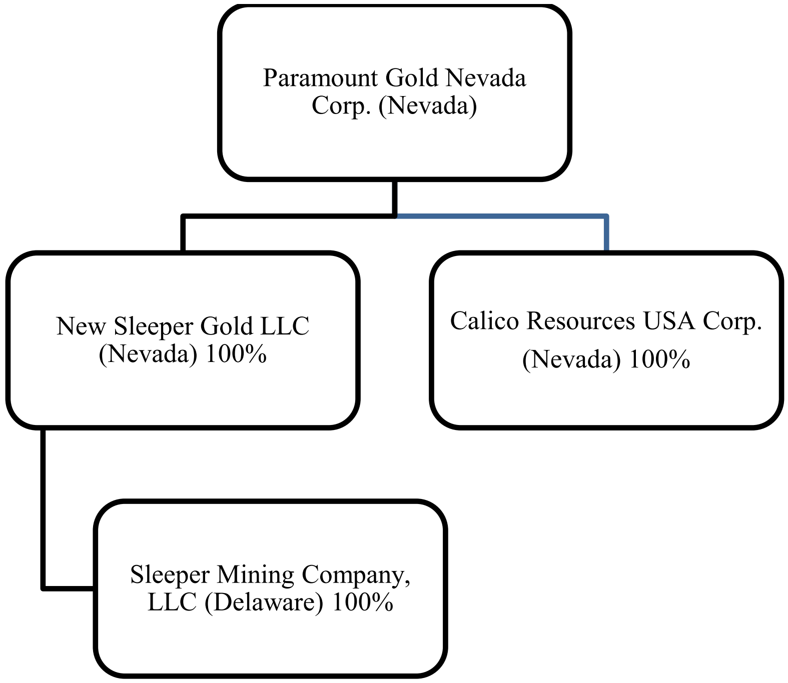
INTER-CORPORATE RELATIONSHIPS

We currently have three active wholly owned direct subsidiaries:

New Sleeper Gold LLC and Sleeper Mining Company, LLC, which operate our mining interests in Nevada.

Calico Resources USA Corp., which holds our interest in the Grassy Mountain Project in Oregon.

The Company's corporate structure is as follows:



COMPETITION

The mineral exploration industry is highly competitive. We compete with junior and senior mineral exploration companies, independent producers and institutional and individual investors who are actively seeking to acquire mineral exploration properties throughout the United States together with the equipment, labor and materials required to explore on those properties. Competition for the acquisition of mineral exploration interests is intense with many mineral exploration leases or concessions available through a competitive bidding process in which we may lack the technological information or expertise available to other bidders. Accordingly, these competitors may be able to spend greater amounts on acquiring mineral exploration interests of merit or on exploring or developing their mineral exploration properties. This advantage could enable our competitors to acquire mineral exploration properties of greater quality and interest to prospective investors who may choose to finance their exploration and development projects instead of the Company's. Such competition could adversely impact our ability to attain the financing necessary for us to acquire further mineral exploration interests.

We do not compete with anyone with respect to our existing mineral claims because they are 100% controlled or owned by us. We believe we have or can acquire on reasonable terms the equipment, labor and materials necessary to explore our current properties. Because there is presently no known mineral reserve at this time on our existing properties, we have not determined the impact of any capital expenditures on our earnings or competitive position in the event a potentially commercially mineable ore deposit is discovered.

UNITED STATES REGULATIONS

Mining Claims: Exploration activities on our properties are conducted both upon federally owned land and private land. Most federally owned land is administered by the Bureau of Land Management ("BLM"). On existing claims owned by the federal government, we are required to pay annual claim maintenance fees of $165 per claim on or before September 1st at the State Office of the BLM. In addition, we are required to pay the county recorder of the county in which the claim is situated an annual fee. The county fees in Nevada and Oregon are $12.00 and $5.00 per claim, respectively. On certain claims, we are required to pay a fee of $165.00 for each 20 acres of an association placer. For any new claims we acquire by staking, we must file a certificate of location with the State Office of the BLM within 90 days of making the claim along with a fee equal to the amount of the annual claim maintenance fee.

Annual Payments made to federal and other state agencies to maintain claims:

Property	Number of Claims	Federal payments to Bureau of Land Management	Payment to Local County	Total Annual Payment to Maintain Claims
Sleeper Gold Project and Other Nevada Claims	2,358	$ 398,805	$ 28,818	$ 427,623
Grassy Mountain Project and Other Oregon Claims	548	$ 90,420	$ 3,093	$ 93,513
Total Annual Payment to Maintain Mining Claims				$ 521,136

Mining Exploration: BLM regulations require, and we have obtained, permits for surface disturbances to conduct our exploration activities. At our Sleeper Gold Project, there are also numerous permits in place that are maintained from the previous mine operations. We maintain these permits for ease in updating should a decision be made to reinitiate production at the Sleeper Gold mine. Maintenance of these permits includes monthly, quarterly and annual monitoring and reporting to various government agencies and departments.

Environmental and Reclamation: Our Sleeper Gold Project is currently operated as an advanced exploration project and is subject to various permit requirements. We are required to submit a plan of operation, obtain permitting and post bonds that guarantee that reclamation is performed on lands associated with exploration.

We are also responsible for managing the reclamation requirements from the previous mine operations and have a bond posted with the BLM to guarantee that reclamation is performed on the associated mine facilities and activities. The Company funds any reclamation work related to mine closure at the Sleeper Gold Project with amounts held in a commutation account and holds an insurance policy that covers up to an aggregate of $25 million for required reclamation in excess of the funds held in the commutation account. On October 2, 2019, the Company submitted a three-year update to the reclamation cost estimate to the Nevada Division of Environmental Protection Agency for mine closure work for the Sleeper Gold Project. In September 2020, the Company's mine closure plan was determined sufficient by the BLM.

EMPLOYEES

As of June 30, 2020, we employed seven full-time employees and two consultants.

FACILITIES

Our principal office is located at 665 Anderson Street, Winnemucca, Nevada, 89445.

Item 1A. Risk Factors.

Described below are certain risks that we believe apply to our business and the industry in which we operate. You should carefully consider each of the following risk factors in conjunction with others provided in this Annual Report on Form 10-K and in our other public disclosures. The risks described below highlight potential events, trends or other circumstances that could adversely affect our business, financial condition, results of operations, cash flows, liquidity or access to sources of financing, and consequently, the market value of our common stock. These risks could cause our future results to differ materially from historical results. The risks described below are those that we have identified as material and is not an exhaustive list of all the risks we face. There may be others that we have not identified or that we have deemed to be immaterial. All forward-looking statements made by us or on our behalf are qualified by the risks described below.

Risks Related to our Business Operations

It is possible investors may lose their entire investment in the Company.

Prospective investors should be aware that if we are not successful in our endeavors, your entire investment in the Company could become worthless. Even if we are successful in identifying mineral reserves that can be commercially developed, there can be no assurances that we will generate any revenues and therefore our losses will continue.

No revenue generated from operations.

We have not generated any revenues from operations. Our net loss for the fiscal year ended June 30, 2020 totaled $6,430,141. We have incurred losses in the past, and we will likely continue to incur losses in the future. Even if our drilling programs identify gold, silver or other mineral reserves, there can be no assurance that we will be able to commercially exploit these resources, generate any revenues or generate sufficient revenues to operate profitably.

We will require significant additional capital to continue our exploration activities, and, if warranted, to develop mining operations.

None of our projects currently have proven or probable reserves. Substantial expenditures will be required to determine if proven and probable mineral reserves exist at any of our properties, to develop metallurgical processes to extract metal, to develop the mining and processing facilities and infrastructure at any of our properties or mine sites and, in certain circumstances, to acquire additional property rights. We have spent and will be required to continue to expend significant amounts of capital for drilling, geological and geochemical analysis, assaying, and, when warranted, feasibility studies with regard to the results of our exploration. We may not benefit from these investments if we are unable to identify commercially exploitable mineralized material. If we decide to put one or more of our properties into production, we will require significant amounts of capital to develop and construct the mining and processing facilities and infrastructure required for mining operations. Our ability to obtain necessary funding for these purposes, in turn, depends upon a number of factors, including the status of the national and worldwide economy and the price of gold, silver and other precious metals. We may not be successful in obtaining the required financing, or if we can obtain such financing, such financing may not be on terms that are favorable to us. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration or development and the possible, partial or total loss of our potential interest in certain properties. Any such delay could have a material adverse effect on our results of operations or financial condition.

We cannot be assured that any of our projects are economically feasible or that feasibility studies will accurately forecast operating results.

Our future profitability depends on the economic feasibility of our projects. We have not completed any feasibility studies for any of our projects. There can be no assurance that the results of a feasibility study for either the Grassy Mountain Project or the Sleeper Gold Project will be positive. Economic feasibility depends on many factors which include estimates on production rates, revenues, operating and capital costs. If we complete a feasibility study for any our projects and obtain financing to construct and initiate mining operations, there can be no assurance that actual operating results will not vary unfavorably from the estimates and assumptions included in the feasibility study.

We may acquire additional exploration stage properties, and we may face negative reactions if reserves are not located on acquired properties.

We may acquire additional exploration stage properties. There can be no assurance that we will be able to identify and complete the acquisition of such properties at reasonable prices or on favorable terms or that reserves will be identified on any properties that we acquire. We may also experience negative reactions from the financial markets if we are unable to successfully complete acquisitions of additional properties or if reserves are not located on acquired properties. These factors may adversely affect the trading price of our common stock or our financial condition or results of operations.

Our industry is highly competitive, attractive mineral lands are scarce, and we may not be able to obtain quality properties.

We compete with many companies in the mining industry, including large, established mining companies with substantial capabilities, personnel and financial resources. There is a limited supply of desirable mineral lands available for claim staking, lease or acquisition in the United States of America where we may conduct exploration activities. We may be at a competitive disadvantage in acquiring mineral properties because we compete with these individuals and companies, many of which have greater financial resources and larger technical staffs.

Title to mineral properties can be uncertain, and we are at risk of loss of ownership of one or more of our properties. Our ability to explore and operate our properties depends on the validity of our title to that property. A significant amount of our mineral properties consist of leases of unpatented mining claims. Unpatented mining claims provide only possessory title and their validity is often subject to contest by third parties or the federal government, which makes the validity of unpatented mining claims uncertain and generally more risky. These uncertainties relate to such things as the sufficiency of mineral discovery, proper posting and marking of boundaries, assessment work and possible conflicts with other claims not determinable from public record. Since a substantial portion of all mineral exploration, development and mining in the United States now occurs on unpatented mining claims, this uncertainty is inherent in the mining industry. We have not obtained title opinions covering our entire property, with the attendant risk that title to some claims, particularly title to undeveloped property, may be defective. There may be valid challenges to the title to our property which, if successful, could impair development and/or operations.

There are no confirmed commercially mineable ore deposits on any properties from which we may derive any financial benefit.

Neither we nor any independent geologist, has confirmed commercially mineable ore deposits on any of our properties. In order to carry out additional exploration programs of any potential ore body and to place it into commercial production, we will require substantial additional funding.

We have no mining operations and no history as a mining company.

We are an exploration stage mining company and have no ongoing mining operations of any kind. We have interests in mining claims which may or may not lead to production.

We have no history of earnings or cash flow from mining operations. If we are able to proceed to production, commercial viability will be affected by factors that are beyond our control such as the particular attributes of the deposit, the fluctuation in metal prices, the cost of constructing and the operation of a mine, prices and refining facilities, the availability of economic sources for energy, government regulations including regulations relating to prices, royalties, restrictions on production, quotas on exploration of minerals, as well as the costs of protection of the environment.

If our exploration costs are higher than anticipated, then our profitability will be adversely affected.

We are currently proceeding with plans to explore our mineral properties on the basis of estimated exploration costs. If our exploration costs are greater than anticipated, then we will have fewer capital resources for other expenses and losses could increase. Factors that could cause exploration costs to increase include adverse weather conditions, difficult terrain, increased government regulation and shortages of qualified personnel.

Assuming no adverse developments outside of the ordinary course of business, our exploration and development budget will be approximately up to $3.9 million for the next twelve months. Exploration will be funded by our available cash reserves and future issuances of common stock, warrants or units. Our exploration program may vary significantly from what we have budgeted depending upon the results we achieve. Even if we identify mineral reserves which have the potential to be commercially developed, we will not generate revenues until such time as we undertake mining operations. Mining operations will involve a significant capital infusion. Mining costs are speculative and dependent on a number of factors including mining depth, terrain and necessary equipment. We do not believe that we will have sufficient funds to implement mining operations without additional capital raises of debt and or equity or without a joint venture partner, of which there can be no assurance.

Our continuing reclamation obligations at our properties could require significant additional expenditures.

We are responsible for the reclamation obligations related to disturbances located on all of our properties, including the Sleeper Gold Project. We have posted a bond in the amount of the estimated reclamation obligation at the Sleeper Gold Project. Every three years, we are required to submit a mine closure plan to the BLM for the Sleeper Gold Project. Based on a review by the BLM of our mine closure plan that Paramount submitted in June 2016, the BLM determined that our existing bond was sufficient. There is a risk that any cash bond, even if increased based on the analysis and work performed to update the reclamation obligations, could be inadequate to cover the actual costs of reclamation when carried out. The satisfaction of bonding requirements and continuing reclamation obligations will require a significant amount of capital. There is a risk that we will be unable to fund these additional bonding requirements, and further, that the regulatory authorities may increase reclamation and bonding requirements to such a degree that it would not be commercially reasonable to continue exploration activities, which may adversely affect our results of operations, financial performance and cash flows.

Mining operations are hazardous, raise environmental concerns and raise insurance risks.

The development and operation of a mine or mineral property involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include, among other things, ground fall, flooding, environmental hazards and the discharge of toxic chemicals, explosions and other accidents. Such occurrences may result in work stoppages, delays in production, increased production costs, damage to or destruction of mines and other producing facilities, injury or loss of life, damage to property, environmental damage and possible legal liability for such damages as well. Although the Company maintains liability coverage in an amount which it considers adequate for its operations, such occurrences, against which the Company may not be able, or may elect not to insure, may result in a material adverse change in the Company's financial position. The nature of these risks is such that liabilities may exceed policy limits, in which event the Company would incur substantial uninsured losses.

There may be insufficient mineral reserves to develop any of our properties, and our estimates may be inaccurate.

There is no certainty that any expenditures made in the exploration of any properties will result in discoveries of commercially recoverable quantities of ore. Most exploration projects do not result in the discovery of commercially mineable deposits of ore and no assurance can be given that any particular level of recovery of precious metals from discovered mineralization will in fact be realized or that any identified mineral deposit will ever qualify as a commercially mineable ore body which can be legally and economically exploited. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. There can be no assurance that precious metals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site production conditions. Material changes in estimated reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

We have no proven reserves.

All of our properties are in the exploration stages only and are without known bodies of commercial ore. Development of these properties will follow only upon obtaining satisfactory exploration results. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration and development programs. Mineral exploration and development are highly speculative businesses, involving a high degree of risk. Few properties which are explored are ultimately developed into producing mines. There is no assurance that our mineral exploration and development activities will result in any discoveries of commercial quantities of ore. There is also no assurance that, even if commercial quantities of ore are discovered, a mineral property will be brought into commercial production. Discovery of mineral deposits is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, many of which are beyond the Company's control, such as the particular attributes of the deposit (such as size, grade and proximity to infrastructure), metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection.

In the course of exploration, development, and mining of mineral properties, certain unanticipated conditions may arise or unexpected or unusual events may occur, including rock bursts, cave-ins, fires, floods, or earthquakes. It is not always possible to fully insure against such risks and we may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they may reduce or eliminate any future profitability and may result in a decline in the value of the securities of the Company.

We face fluctuating gold and mineral prices.

The value of any mineral reserves we develop, and consequently the value of our common stock, depends significantly on the value of such minerals. The price of gold and silver as well as other precious and base metals have experienced volatile and significant price movements over short periods of time and are affected by numerous factors beyond our control, including international economic and political trends, expectations of inflation, interest rates, global or regional consumption patterns, speculative activities and increases in production due to improved mining and production methods. The supply of and demand for gold and silver, as well as other precious and base metals, are affected by various factors, including political events, economic conditions and production costs in major mineral producing regions.

Our estimates of mineralized material and other mineral resources are subject to uncertainty.

Estimates of mineralized material and other mineral resources are subject to considerable uncertainty. Such estimates are arrived at using standard acceptable geological techniques and are based on the interpretations of geological data obtained from drill holes and other sampling techniques. Engineers use feasibility studies to derive estimates of cash operating costs based on anticipated tonnage and grades of ore to be mined and processed, the predicted configuration of the ore bodies, expected recovery rates of metal from ore, comparable facility and operating costs and other factors. Actual cash operating costs and economic returns on projects may differ significantly from the original estimates, primarily due to fluctuations in the current prices of metal commodities extracted from the deposits, changes in fuel costs, labor rates, changes in permit requirements, and unforeseen variations in the characteristics of the ore body. Due to the presence of these factors, there is no assurance that any geological reports will accurately reflect actual quantities of gold, silver or other metals that can be economically processed and mined by us.

If we are unable to obtain all of our required governmental permits, our operations could be negatively impacted.

Our future operations, including exploration and development activities, required permits from various governmental authorities. Such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There can be no assurance that we will be able to acquire all required licenses or permits or to maintain continued operations at our properties.

We are subject to numerous environmental and other regulatory requirements.

All phases of mining and exploration operations are subject to governmental regulation including environmental regulation. Environmental legislation is becoming stricter, with increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and heightened responsibility for companies and their officers, directors and employees. There can be no assurance that possible future changes in environmental regulation will not adversely affect our operations. As well, environmental hazards may exist on a property in which we hold an interest that was caused by previous or existing owners or operators of the properties and of which the Company is not aware at present.

Government approvals and permits are required to be maintained in connection with our mining and exploration activities. Although we believe we currently have all required permits for our operations as currently conducted, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for the existing operations or additional permits for any possible future changes to the Company's operations, including any proposed capital improvement programs. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on the Company resulting in increased capital expenditures or production costs, reduced levels of production at producing properties or abandonment or delays in development of properties.

There is no assurance that there will not be title or boundary disputes.

Although we have investigated the right to explore and exploit our properties and obtained records from government offices with respect to all of the mineral claims comprising our properties, this should not be construed as a guarantee of title. Other parties may dispute the title to any of our properties or any property may be subject to prior unregistered agreements and transfers or land claims by aboriginal, native, or indigenous peoples. The title may be affected by undetected encumbrances or defects or governmental actions.

Local infrastructure may impact our exploration activities and results of operations.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power and water supplies are important determinants that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage or government or other interference in the maintenance or provision of such infrastructure could adversely affect our activities and profitability.

Because of the speculative nature of exploration for gold and silver properties, there is substantial risk that our business will fail.

The search for precious metals as a business is extremely risky. We cannot provide any assurances that the gold or silver mining interests that we acquired will contain commercially exploitable reserves of gold or silver. Exploration for minerals is a speculative venture necessarily involving substantial risk. Any expenditure that we make may not result in the discovery of commercially exploitable reserves of precious metals.

The precious metals markets are volatile markets. This will have a direct impact on our revenues (if any) and profits (if any) and could have an adverse effect on our ongoing operations.

The price of both gold and silver has fluctuated significantly over the past few years. Despite the volatility in the price of gold, there continues to be interest in gold and silver mining and companies engaged in that business, including the exploration for both gold and silver. However, in the event that the price of these metals falls, the interest in the gold and silver mining industry may decline and the value of our business could be adversely affected. Even if we are able to generate revenues, there can be no assurance that any of our operations will prove to be profitable. Finally, in recent decades, there have been periods of both overproduction and underproduction of both gold and silver resources. Such conditions have resulted in periods of excess supply of and reduced demand on a worldwide basis and on a domestic basis. These periods have been followed by periods of short supply of and increased demand for both gold and silver. We cannot predict what the market for gold or silver will be in the future.

Government regulation or changes in such regulation may adversely affect our business.

We have and will in the future engage experts to assist us with respect to our operations. We deal with various regulatory and governmental agencies and the rules and regulations of such agencies. No assurances can be given that we will be successful in our efforts or dealings with these agencies. Further, in order for us to operate and grow our business, we need to continually conform to the laws, rules and regulations of the jurisdictions in which we operate. It is possible that the legal and regulatory environment pertaining to the exploration and development of precious metals mining properties will change. Uncertainty and new regulations and rules could increase our cost of doing business or prevent us from conducting our business.

We are in competition with companies that are larger, more established and better capitalized than we are.

Many of our potential competitors have greater financial and technical resources, as well as longer operating histories and greater experience in mining.

Exploration for economic deposits of minerals is speculative.

The business of mineral exploration is very speculative, since there is generally no way to recover any of the funds expended on exploration unless the existence of mineable reserves can be established. We can exploit those reserves by either commencing mining operations, selling or leasing our interest in the property or entering into a joint venture with a larger resource company that can further develop the property to the production stage. Unless we can establish and exploit reserves before our funds are exhausted, we will have to discontinue operations, which could make our stock valueless.

The loss of key members of our senior management team could adversely affect the execution of our business strategy and our financial results.

We believe that the successful execution of our business strategy and our ability to move beyond the exploratory stages depends on the continued employment of key members of our senior management team. If any members of our senior management team become unable or unwilling to continue in their present positions, our financial results and our business could be materially adversely affected.

We operate in a regulated industry and changes in regulations or violations of regulations may result in increased costs or sanctions that could reduce our revenues.

Our organization is subject to extensive and complex federal and state laws and regulations. If we fail to comply with the laws and regulations that are directly applicable to our business, we could suffer civil and/or criminal penalties or be subject to injunctions or cease and desist orders. While we believe that we are currently compliant with applicable rules and regulations, if there are changes in the future, there can be no assurance that we will be able to comply in the future, or that future compliance will not significantly adversely impact our operations.

We rely on independent analysis to analyze our drilling results and planned exploration activities.

We rely on independent geologists to analyze our drilling results and to prepare resource reports on several of our mining claims. While these geologists rely on standards established by the Canadian Institute of Mining, Metallurgy and Petroleum, Standards on Mineral Resources and Mineral Reserves and other standards established by various licensing bodies, there can be no assurance that their estimates or results will be accurate. Analyzing drilling results and estimating reserves or targeted drilling sites is not a certainty. Miscalculations and unanticipated drilling results may cause the geologists to alter their estimates. If this should happen, we would have devoted resources to areas where resources could have been better allocated.

The COVID-19 pandemic has adversely impacted our business and may negatively impact our financial results in the future, and the ultimate impact will depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities in response to the pandemic.

The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains, lowered equity market valuations, created significant volatility and disruption in financial markets, and increased unemployment levels. In addition, the pandemic has resulted in temporary closures of many businesses and the institution of social distancing and sheltering in place requirements in many states and communities. As a result, our ability to continue with our planned activities may be significantly impacted, which could adversely affect the timing of completing our development programs which include the federal and state permitting of our Grassy Mountain Project in eastern Oregon. Furthermore, our business operations may also be disrupted if significant portions of our workforce are unable to work effectively, including because of illness, quarantines, government actions, or other restrictions in connection with the pandemic. In response to the pandemic, we have also suspended all travel for employees and consultants. The extent to which the COVID-19 pandemic impacts our business, results of operations, and financial condition, will depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities and other third parties in response to the pandemic.

If we fail to maintain an effective system of internal controls, we may not be able to accurately report our financial results or prevent fraud. As a result, current and potential stockholders could lose confidence in our financial reporting, which would harm our business and the trading price of our common stock.

Effective internal controls are necessary for us to provide reliable financial reports, prevent fraud and operate successfully as a public company. If we cannot provide reliable financial reports or prevent fraud, our reputation and operating results would be harmed. We cannot be certain that our efforts to develop and maintain our internal controls will be successful, that we will be able to maintain adequate controls over our financial processes and reporting in the future or that we will be able to comply with our obligations under Section 404 of the Sarbanes-Oxley Act of 2002. Any failure to develop or maintain effective internal controls, or difficulties encountered in implementing or improving our internal controls, could harm our operating results or cause us to fail to meet our reporting obligations. Ineffective internal controls could also cause investors to lose confidence in our reported financial information, which would likely have a negative effect on the trading price of our common stock.

Risks Related to Our Common Stock

Our stock price may be volatile.

The market price of our common stock has been volatile. We believe investors should expect continued volatility in our stock price. Such volatility may make it difficult or impossible for you to obtain a favorable selling price for our shares.

We do not intend to pay dividends for the foreseeable future.

We have never declared or paid any dividends on our common stock. We intend to retain all of our earnings, if any, for the foreseeable future to finance the operation and expansion of our business, and we do not anticipate paying any cash dividends in the future. As a result, you may only receive a return on your investment in our common stock if the market price of our common stock increases. Our board of directors retains discretion to change this policy.

The exercise of our outstanding options and warrants may depress our stock price.

The exercise of outstanding options and warrants, and the subsequent sale of the underlying common stock in the public market, or the perception that future sales of these shares could occur, could have the effect of lowering the market price of our common stock below current levels and make it more difficult for us and our stockholders to sell our equity securities in the future.

Sales or the availability for sale of shares of common stock by stockholders could cause the market price of our common stock to decline and could impair our ability to raise capital through an offering of additional equity securities.

Item 1B. Unresolved Staff Comments.

Not applicable as a smaller reporting company.

Item 2. Properties.

SLEEPER GOLD PROJECT

Overview and Location

Sleeper is a material exploration property of the Company. The Company has the rights to explore, develop and mine the property through our 100% ownership of unpatented lode mining claims. Sleeper is located 26 miles northwest of Winnemucca, Nevada. Automobile and truck access to the property is by Interstate Highway 80 to Winnemucca, north on Highway 95 for 32 miles, west on Highway 140 for 14 miles, and then south for 6 miles on the maintained gravel Sod House Road to the project site. An office building, heavy equipment enclosure and warehousing facility are present on the Sleeper Gold Property. Necessary supplies, equipment and services to carry out full sequence exploration and mining development projects are available in Winnemucca, Reno, and Elko, Nevada.

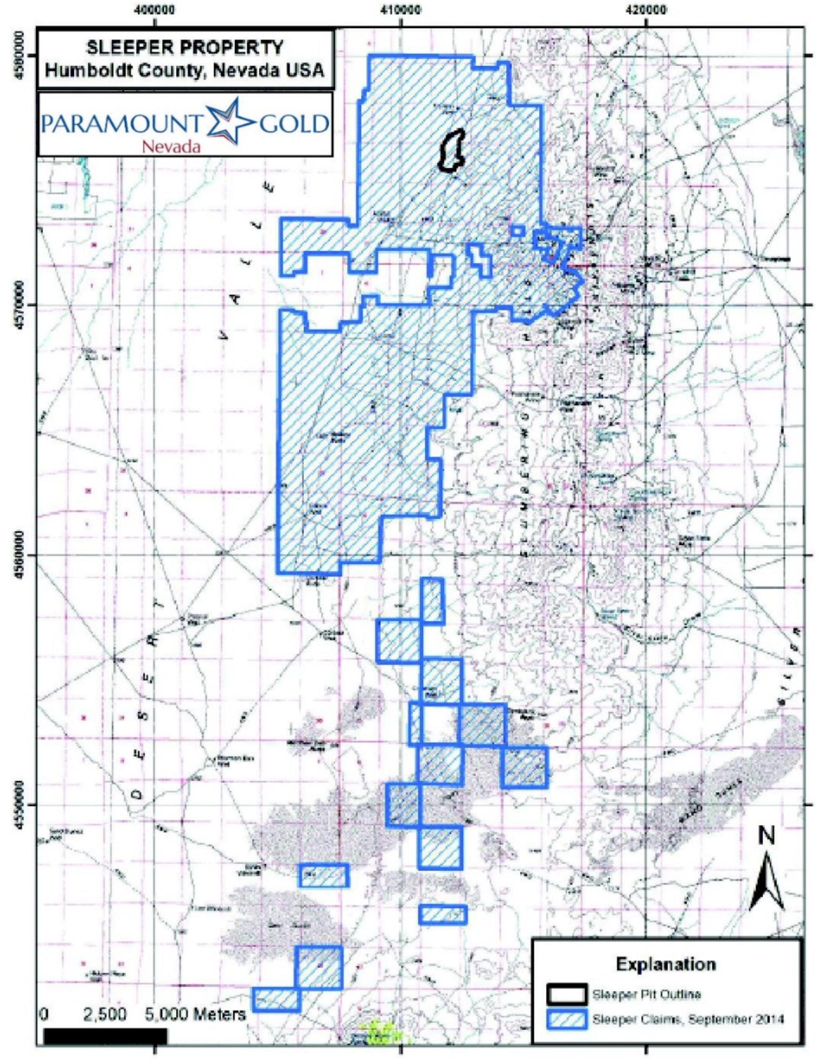
Mining Claims

The Sleeper Gold mine and its 1,044 unpatented lode mining claims were acquired by PGSC through its acquisition of X-Cal Resources Ltd. in August 2010. Additional mining claims have been staked or acquired which now comprise the Sleeper Gold Project.

The 100% owned mining claims are summarized in the following table:

The Sleeper Gold Project Properties	Claims	Approx sq. miles
Sleeper Gold Mine	1,044	34
Dunes	394	13
Mimi	884	29
Total	2,322	76

The following map illustrates the general location of the Sleeper Gold Project and the associated mining claims:

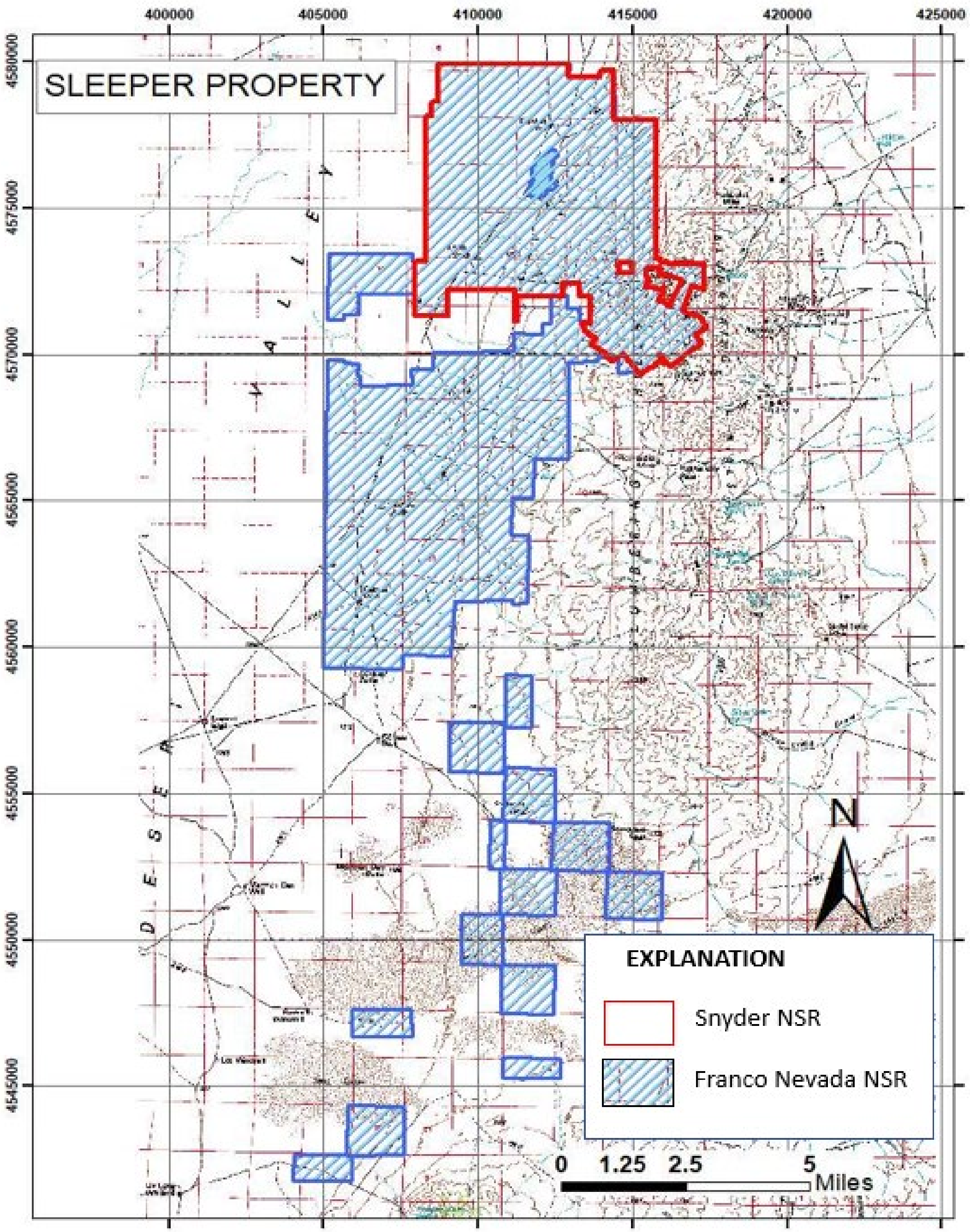


Property Agreements and Royalty Obligations:

The Snyder Syndicate, a private company, holds a one percent (1%) net smelter return royalty on the 1,044 Sleeper Gold mine claims in a mining scenario.

Franco-Nevada U.S. Corporation ("Franco"), holds a two percent (2%) net smelter return royalty on minerals produced from the 2,322 mining claims at the Sleeper Gold Project.

The following map illustrates the claims subject to the royalty:



History of Previous Operations

The Sleeper Gold Project includes a historic open pit mine (the "Sleeper Gold mine") operated by AMAX Gold Inc. ("Amax") from 1986 until 1996, which produced 1.66 million ounces of gold and 2.3 million ounces of silver. All processing facilities and equipment related to the mining operations conducted by Amax have been removed from the site.

Power and Water

As a result of Amax's mine operation from 1986 to 1996, electrical power is provided to the property by power lines. Water is available by two deep wells located on the property.

Paramount's Exploration History at Sleeper Gold Project

PGSC conducted its first exploration program at the Sleeper Gold mine in October 2010. It consisted of 19 drill holes totaling 18,065 feet and focused on verifying data on existing models and confirming continuity and strike extension of known mineralized zones. From July 1, 2011 through June 30, 2012, PGSC completed 79 drill holes totaling 21,013 feet and followed that up in the period from July 1, 2012, through June 30, 2013, with 38 drill holes totaling 55,104 feet.

In August 2011, PGSC announced the acquisition of 606 unpatented lode mining claims (the "Dunes Project") located eleven miles south of the Sleeper Gold mine from ICN Resources Ltd. ("ICN"). In consideration, PGSC issued 400,000 shares of its common stock to ICN.

In September 2011, PGSC announced the results of a new material estimate on the Sleeper Gold mine prepared by SRK Consulting ("SRK"). Such estimate was conducted in accordance with the Canadian standards set forth in National Instrument 43-101. Based on the results of the report, the Company commissioned Scott E. Wilson Consulting Inc. ("SEWC") to prepare a Preliminary Economic Assessment ("PEA") for the project. The PEA is designed to evaluate both the technical and financial aspects of various production scenarios using the material estimate developed by SRK.

In July 2012, PGSC announced the staking of 920 new lode mining claims (the "Mimi Project") adjacent to the west and immediately south, of the Sleeper Gold mine. The Mimi Project totals 18,400 acres.

In July 2012, PGSC announced the results of the PEA completed by SEWC on the Sleeper Gold mine property. SEWC concluded that the most attractive development scenario consists of a large-scale open pit mining operation with a heap leach processing plant handling both oxide and sulfide material, producing a gold-silver dore. The PEA assumes an 81,000 ton per day operation resulting in a projected 17-year operation with an average annual production of 172,000 ounces of gold and 263,000 ounces of silver. Paramount received the completed PEA report in September 2012.

In 2013, PGSC announced several results of a drilling campaign which was focused in and around the existing resource and pit areas. Assay results extended the mineralization east and south of the existing resource, opened up new depth potential below the existing sleeper pit and intercepted exceptional results in several zones. Additionally, PGSC undertook an extensive database review and as a result, a total of 473 core and RC holes have been re-logged and new cross-sections were generated. Paramount completed a re-interpreted lithological and structural model which will allow us to plan a new drill program and to update our mineralized material estimate model.

In August 2014, PGSC dropped a total of 212 mining claims from the Dunes and Mimi areas of the Sleeper Gold Project. These claims no longer had any geological value to the Company.

In May 2015, Paramount announced the results of its updated mineralized material estimate for its Sleeper Gold Project. The estimate incorporated all new drilling since the last mineralized material estimate that was completed in September 2011. Both estimations were completed by SRK.

In August 2015, we completed an initial geophysical survey which consisted of a helicopter magnetometry study. The survey defined several possible exploration targets which were reviewed by our geological team. Additional surveys on areas covered by overburden will be evaluated for further testing. This testing can include Induced Polarization programs or other indirect methodologies. The Company believes that the resulting data derived from the geophysical program will produce valuable drilling targets. Future drill programs will be designed with the aim identifying new zones of mineralization with an emphasis on areas covered with overburden.

In October 2015, we released the results of a new PEA for our Sleeper Gold Project in Nevada. The PEA was completed by Metal Mining Consultants Inc. ("MMC") of Denver, Colorado. MMC concluded that the optimal mining scenario is a 30,000 tonnes per day heap leach process facility fed by an open pit.

This mining scenario results in an average annual production of 102,000 ounces of gold and 105,000 ounces of silver for seven years with additional metal recovered over the following two years during final leaching of 37,850 ounces of gold and 30,500 ounces of silver. The life of mine average cash operating expenses are estimated to be $529 per equivalent gold ounce produced and the total life of mine capital requirements are estimated to be $258.8 Million.

This PEA is preliminary in nature and should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the Sleeper Gold Project have not been demonstrated at this time. Therefore, there can be no certainty that the estimates contained in the PEA will be realized.

Geology and Mineralization

The Sleeper Gold Project is situated within the western, apparently older, part of the Northern Nevada Rift geologic province of Miocene age, along the western flank of the Slumbering Hills within Desert Valley. The geological structures that underlie Desert Valley appear to have been down-dropped 3,000 to 3,300 feet along the north-to northeast-trending normal faults along the western edge of the Slumbering Hills.

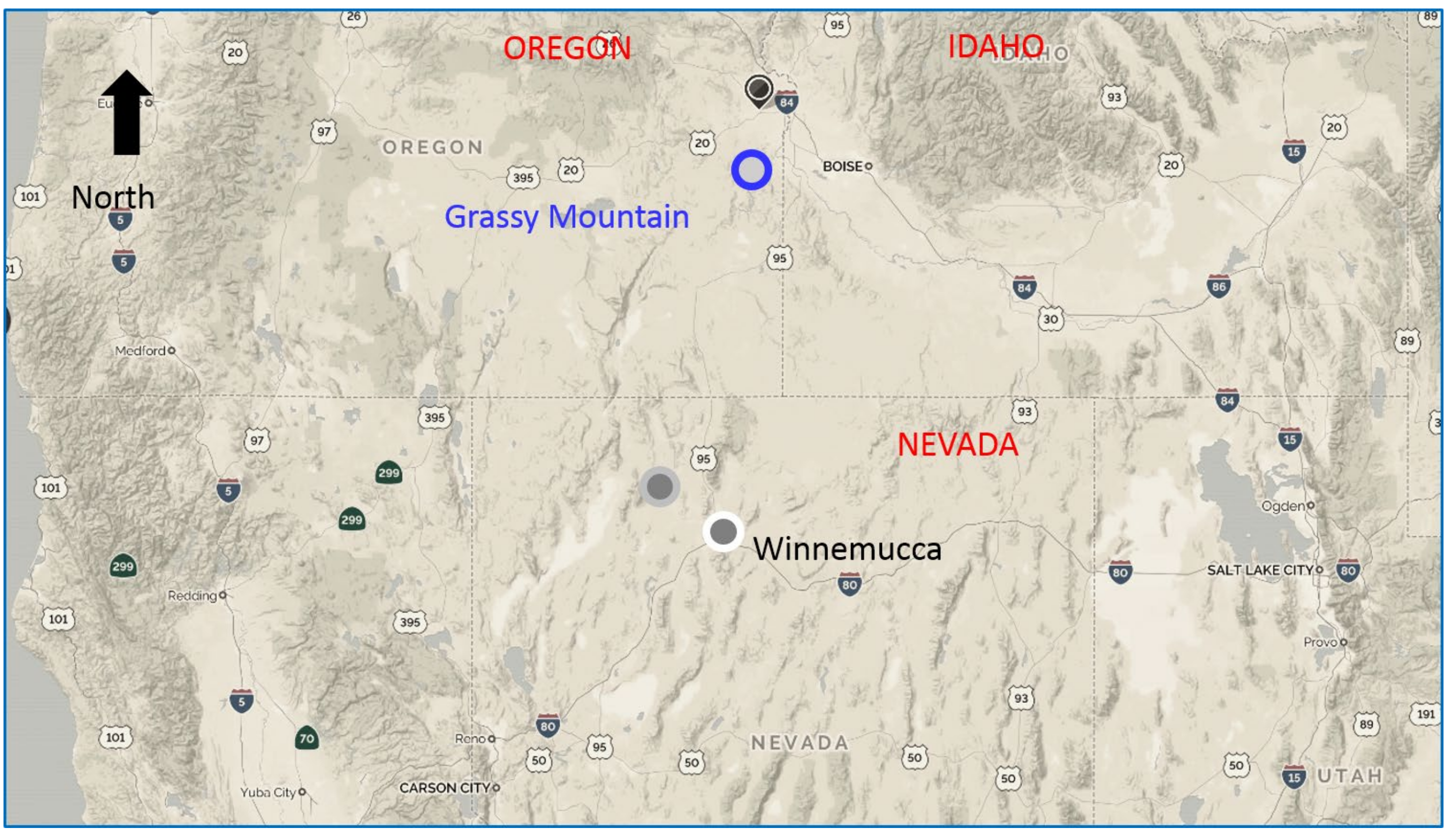
Four main types of gold mineralization are found within the Sleeper Gold Project deposit and may represent a continuum as the system evolved from a high level, high sulfidation system dominated by intrusion related fluids and volatiles to a low sulfidation meteoric water dominant system. In this setting the paragenetic relationships of the differing mineralization styles are as follows:

- Early – quartz-pyrite-marcasite stockwork;
- Intermediate – medium-grade, silica-pyrite-marcasite cemented breccias localized on zones of structural weakness;
- Late – high-grade, banded, quartz-adularia-electrum-(sericite) veins; and
- Post – alluvial gold-silver deposits in Pliocene gravels.

Grassy Mountain Gold Project

Overview and Location

The Grassy Mountain Project is located in Malheur County, Oregon, approximately 22 miles south of Vale, Oregon, and roughly 70 miles west of Boise, Idaho. The property is accessed by vehicle from the town of Vale by a private and BLM maintained dirt road. The project site is situated in the rolling hills of the high desert region of the far western Snake River Plain and consists of 442 unpatented lode claims and 3 patented lode claims all totaling roughly 9,300 acres. The local terrain is gentle to moderate, with elevations ranging from 3300 to 4,300 feet above mean sea level.

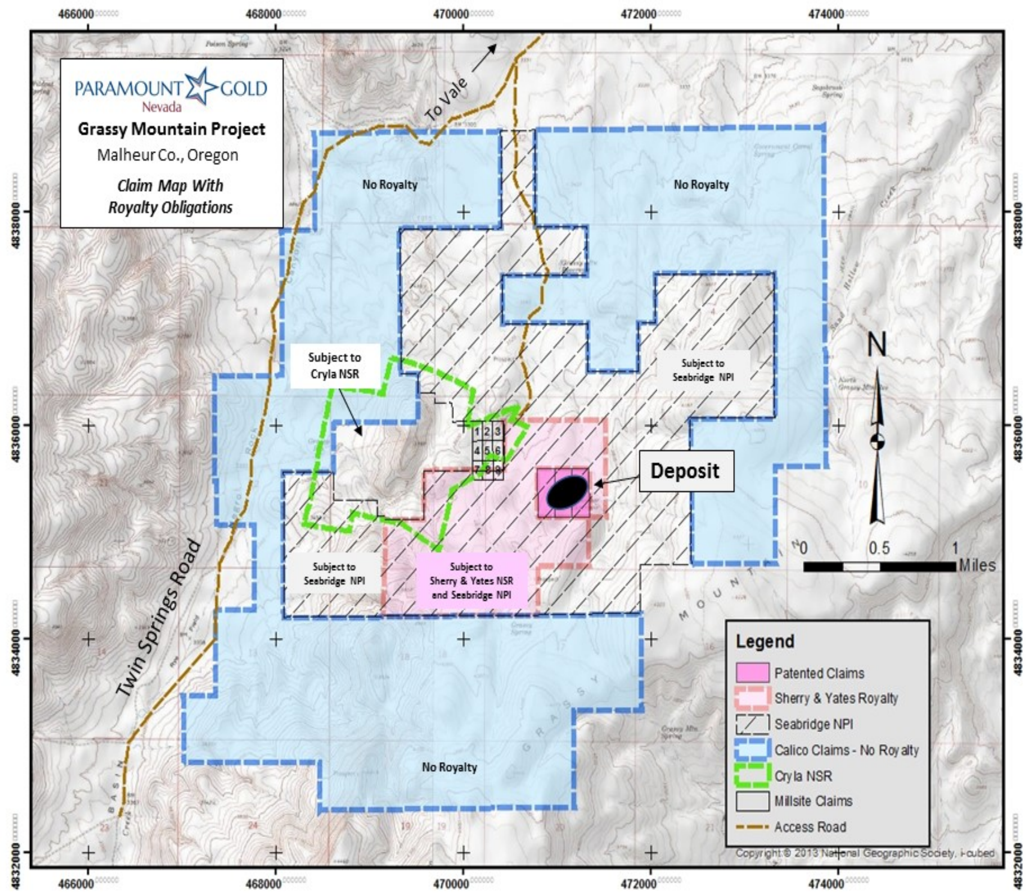


Power and Water

To effect mining operations power and water source infrastructure would need to be developed as it does not currently exist.

Property Agreements and Royalty Obligations

The following map illustrates the mining claims subject to royalty payments at the Grassy Mountain Project:



Sherry and Yates Inc.

Prior to 2018, Calico had an annual lease agreement in place with Sherry & Yates Inc. Under the agreement Calico was required to make annual advance royalty payments at a rate of $100,000 per year. In a mining production scenario, the agreement provided for a production royalty payments based on the price of gold. In February 2018, Paramount exercised its option to reduce the existing Net Smelter Royalty from 6% down to 1.5% and acquired all the rights to the unpatented and patented mining claims subject to the agreement at the Grassy Mountain Project for a total payment of $2.4 million.

Seabridge Gold

Seabridge Gold Inc. ("Seabridge"), a NYSE listed company, holds a net profits interest ("NPI") in a mining scenario at Grassy Mountain. The NPI is calculated at a rate of 10% on net profits on certain mining claims. Seabridge also holds an NPI put option in which during the 30 day period immediately following the day that Calico had delivered notice to Seabridge that a positive production decision has been made and construction financing has been secured with respect to the Grassy Mountain Project, Seabridge may cause Calico to purchase the NPI for CDN$10,000,000. If Seabridge exercises the right to cause Calico to purchase the NPI, the Company would likely need to seek additional equity or other financing to fund the purchase, which financing may not be available to the Company on favorable terms or at all.

Exploration History at Grassy Mountain

The Atlas Era

In 1986 Atlas Precious Metals (“Atlas”) acquired the Grassy Mountain property from two independent geologists, Dick Sherry and Skip Yates.

Atlas recognized soil geochemistry as an important tool for locating buried hydrothermal cells at Grassy Mountain. Most of the Atlas exploration targets were identified by claim-corner (600’ X 1500’ grid) soil sampling anomalies. Atlas conducted detailed soil and float sampling on several anomalies and identified a genetic link between gold mineralization and silicification. Between 1986 and 1991, Atlas completed 403 drill holes totalling 221,500 feet on the Grassy Mountain property. Out of the total, 193 were vertically oriented RC holes on 75 to 100 feet centers within the Grassy Mountain resource area. The remaining drill holes were located on prospects away from the main Grassy Mountain resource area. Many of these represent future exploration targets.

Atlas expanded the original claim block and collected additional geologic, mine engineering, civil engineering, and environmental baseline data to support a feasibility study, which was completed in 1990.

Declining gold prices and the perception of an unfavorable permitting environment at that time discouraged Atlas from developing the project, and the property was optioned to Newmont Exploration Ltd (“Newmont”) in 1992.

The Newmont Era

Newmont leased the Grassy Mountain property from Atlas in September 1992 for $30 million. In 1993, Newmont geologists mapped 40 square miles at a scale of 1:6000 and collected approximately 2,600 soil samples on a 400-feet by 200-feet grid to identify anomalies missed by the coarser Atlas grid. During 1993 and 1994, Newmont collected more than 400 rock chip samples and conducted several geophysical programs. A ground-based gravity survey was carried out along roadways and airborne magnetic and radiometric surveys were flown over the entire property. Ground based gradient array and ground magnetic surveys were conducted over primary target areas.

Newmont initiated an eleven-hole (11,472 feet) inclined diamond core drilling program designed to intersect and define the geometry of potential high-grade gold zones. Additionally, Newmont drilled one wedge hole off of their initial core drill hole. Three additional holes (2,912 feet) were drilled as RC pilot holes with core tails.

In late 1994, Newmont drilled 15 holes totalling approximately 15,000 feet and completed a mineral resource estimate that became the basis for an economic and mining method evaluation that was completed in 1995. Newmont determined that the project did not meet corporate objectives and returned the property to Atlas in September 1996.

The Tombstone Era

In January 1998, Atlas granted Tombstone Exploration Company Ltd (“Tombstone”) the option to purchase 100% of the property. Tombstone executed the option agreement and conducted an exploration program which included eight reverse circulation and two core holes totalling roughly 8,072 feet.

Prior to finalizing their agreement with Atlas, Tombstone completed an extensive review of previous work at the property and commissioned an economic study of alternative development scenarios. Relying heavily on Newmont’s gradient array surveys to define the drill targets. Lack of capital resources forced Tombstone to return the property to Atlas in May 1998.

The Seabridge/Calico Era

In February 2000, Seabridge entered an option agreement with Atlas to acquire a 100% interest in the Grassy Mountain property. Seabridge completed its acquisition of the Grassy Mountain Project in April 2003, and in April 2011, signed an option agreement granting Calico the sole and exclusive right and option to earn a 100% interest in the project.

During the 2011 exploration program, Calico mapped and sampled the Grassy Mountain deposit and completed three core and nine reverse circulation drill holes in the primary zone of mineralization on the property. Calico’s exploration strategy was to target areas where resource expansion was most probable. Historical data was thoroughly reviewed prior to drilling, and fresh sets of cross-sections and long-sections were constructed based on existing information. New interpretations of the orientation of mineralization and geology were plotted on the new sections. The new sections were then used to select areas where in-fill drilling was needed and areas where gold mineralization was open-ended and resource expansion probable. A detailed geologic model was produced based on the results of the 2011 exploration work, and subsequent supporting geophysical surveys were completed in March, 2012. On February 5, 2013, Calico exercised its option to acquire a 100% interest in the Grassy Mountain Project from Seabridge.

A mineralized material estimate was prepared by Hardrock Consulting Inc. in November, 2014. An independent preliminary economic assessment ("PEA") was prepared in February, 2015 by MMC, which verified the mineralized material estimate and included all drill data obtained as of September 26, 2014. The PEA concluded that potential exists for the discovery of additional mineralized material at exploration target areas identified within the Grassy Mountain claim block and the current mineralized material at Grassy Mountain is sufficient to warrant continued planning and effort to explore, permit, and develop the Grassy Mountain Project. There is sufficient data to support a basic geologic model and continuing development of the project and the detailed geologic model described in the PEA, along with the results of the exploration, drilling, and geophysical surveys completed as of October 2014, are sufficient to support preparation of a Preliminary Feasibility Study.

There is no certainty that the scenarios or estimated economics in the PEA will be realized.

<u>Paramount Era</u>

In November, 2016, Paramount received approval from the Oregon Department of Geology and Mineral Industries ("DOGAMI") under Division 37 guidelines to commence its 30-hole drill program at its 100%-owned Grassy Mountain Gold Project in Eastern Oregon. The drill program is a key component of its NI 43-101 Pre-Feasibility Study ("PFS") that the Company began in August. Drilling was commenced in late November and was completed in the Company's fourth quarter.

In May 2018, we released the results of a new PFS for our Grassy Mountain Project in Oregon. The PFS was completed by Mine Development Associates ("MDA") of Reno Nevada. MDA concluded the extraction of the estimated mineralized material will be accessed via a proposed underground mine that will be accessed via one decline and a system of internal ramps. The mine design is based on a production rate of 1,300 to 1,400 tons per day over four days per week, with two shifts per day, and will provide sufficient material to feed the 750 tons per day to the mill on a seven day per week basis.

The mineralization is considered to be amenable to a combination of gravity concentration and cyanide leaching. The recovery plan will be a conventional CIL type and will produce gold doré bars to be sold to gold refiners.

This mining scenario results in an average annual production of 47,000 ounces of gold and 50,000 ounces of silver for seven years. The metal prices used for the economic analysis includes $1,300 per ounce of gold sold and $16.75 per ounce of silver sold. The life of mine average cash operating costs are estimated to be $528 per gold ounce including silver revenues as credit produced and the total life of mine capital requirements are estimated to be $110 Million.

This PFS should not be considered to be a feasibility study, as the economics and technical viability of the Grassy Mountain Project have not been demonstrated at this time. Therefore, there can be no certainty that the estimates contained in the PFS will be realized.

In November 2019, Paramount submitted its Consolidated Permit Application ("CPA") to DOGAMI to enable the Company to build and operate its proposed, high grade underground gold mine located in Malheur County of eastern Oregon. The Application was reviewed by the DOGAMI and cooperating agencies for completeness. As part of this process, the permitting agencies have provided Paramount with a list of supplemental information and recommendations required to submit a modified CPA. Paramount, the DOGAMI and the permitting agencies will continue to work together to discuss the additional information requested, ensuring the submission of a complete modified CPA which will trigger the 225 day maximum permit evaluation process, upon which draft permits are issued. The NI 43-101 Feasibility Study for the Grassy Mountain Project is well underway and being led by Ausenco Engineering Canada Inc.

In February 2020, the Company submitted a revised Plan of Operation (the "POO") to the Federal Bureau of Land Management ("BLM") outlining the Company's plans to build and operate the proposed Grassy Mountain underground gold mine located in Malheur County, eastern Oregon. The BLM has reviewed the POO for completeness and has provided the Company with comments to address. The BLM has previously reviewed 19 of the baseline data reports ("BDRs") and their requests for clarifications have all been addressed. The BLM will register a Notice of Intent (the "Notice") in the Federal Register once the application is deemed complete. The Notice initiates the Environmental Impact Statement ("EIS") process under the National Environmental Policy Act.

Geology and Mineralization

Grassy Mountain is the largest of twelve recognized epithermal hot spring precious metal deposits of the Lake Owyhee volcanic field. The Lake Owyhee volcanic field occurs at the intersection of three tectonic provinces: the buried cratonic margin, the northern Basin and Range, and the Snake River Plain. During the mid-Miocene caldera volcanism occurred in the shallow crust throughout the

region, predominately ash-flow sheets and rhyolite tuff cones. The resulting regional stratigraphic section is a thick sequence of mid-Miocene volcanic rocks and coeval-to-Pliocene age non-marine lacustrine, volcaniclastic, and fluvial sedimentary rocks.
Bedrock outcrops in the vicinity of the Grassy Mountain property are typically composed of olivine-rich basalt and siltstones, sandstones, and conglomerates of the late Miocene Grassy Mountain Formation. These rocks are locally covered with relatively thin, unconsolidated alluvial and colluvial deposits. Erosion-resistant basalts cap local topographic highs. Arkosic sandstones have been encountered at the surface and at depth, but have not been correlated across the project area, in part due to lateral discontinuity associated with sedimentary facies changes and structural offset. The basal unit to the Grassy Mountain Formation is the Kern Basin Tuff, a non-welded, pumiceous, crystal tuff which displays cross beds and local surge structures. The Kern Basin Tuff ranges in thickness from 300 feet on the south bluffs of Grassy Mountain, to 1,500 feet in a drill hole beneath the Grassy Mountain Project area. The Kern Basin Tuff is overlain by a series of fluvial, lacustrine, and tuffaceous sediments. Most of the sedimentary units in the project area are silicified and strongly indurated. These sedimentary units include granitic clast conglomerate, arkosic sandstone, fine grained sandstone, siltstone, and tuffaceous siltstone/mudstone. The sedimentary facies of the Grassy Mountain Formation reportedly range from 300 to over 1,000 feet thick, and provide the host rocks of the Grassy Mountain mineral resource.

Several siliceous terraces are interbedded with the silicified sediments of the Grassy Mountain Formation. Terrace construction was apparently episodic and intermittently inundated by fluvial/lacustrine sediments and ash, resulting in an interbedded sequence of siltstone, tuffaceous siltstone, sandstone, conglomerate, and sinter terrace deposits. Proximal deposits are angular, inhomogeneous, clast-supported breccias of sandstone, siltstone, and sinter with indistinct clast boundaries in a sulfidic mud-textured matrix.

Grassy Mountain is a prominent, 150 feet high, silicified and iron-stained knob. Bedding is approximately horizontal at the hilltop, and dips at 10° to 25° to the north-northeast on the northern and eastern flanks of the hill. The bedding dip steepens to 30° to 40° on the west side of the hill due to drag folding in the footwall of the N20W striking Antelope Fault. The southwest slope of Grassy Mountain is covered by silicified arkose landslide debris.

Grassy Mountain is a horst block which has been raised 50 to 200 feet in a region of complex block faulting and rotation. Faulting at Grassy Mountain is dominated by post-mineral N30W to N10E striking normal faults developed during Basin and Range extension. On the northeast side of the deposit, these faults progressively down-drop mineralization beneath post-mineral cover. These offsets are suggested by interpreted offsets of a prominent white sinter bed in drill holes as well as intersections with fault gouge. The N70E striking Grassy Mountain Fault shows minor vertical offset of only 10 to 40 feet.

The surface expression of the Grassy Mountain system is indicated by weak to moderately strong silicification and iron staining with scattered chalcedonic veins/veinlets. Approximate dimensions of the Grassy Mountain deposit are 1600 feet long by 1000 feet wide by 600 feet thick. The deposit has a general N70 E elongation and a 15° bedding plane dip to the north-northeast as a result of faulting and fault block rotation. There is an envelope of lower grade mineralization at depths of 200 to 800 feet which contains a higher-grade zone of mineralization between 500 and 750 feet below the surface. The well-defined base of higher-grade mineralization from about 700 to 750 feet in depth suggests a strong pressure-temperature control on gold deposition. Sinters and breccias parallel the paleosurface present at the time of mineralization. Fractures created a stockwork pattern generally found below the sinter, though some vein extensions may extend to the surface. The stockwork is surrounded by silicified sediments. Mineralized quartz-adularia stockwork and vein types include single, banded, colliform, brecciated, and calcite-pseudomorphed veins. Visible gold (0.5 mm) has been found within the stockwork portions of the boiling horizon. The gold mostly occurs as electrum along the fracture margins or within microscopic voids. A brassy color is imparted due to the high silver content. The average silver to gold ratio at Grassy Mountain is 2.5:1.

Silicification occurs both pervasively as silica flooding and as cross-cutting veins, veinlets and stockworks. The silicified envelope has plan dimensions of 3000 feet (N-S) by 2500 feet (E-W). Silicification is surrounded by barren, relatively unaltered, clay-rich (20-40% montmorillonite), tuffaceous siltstone and arkose with minor disseminated diagenetic pyrite. Many of the sinters occur as sheets instead of mounds, which suggests that they may be related to vents along faults rather than point sources. Potassic alteration occurs as adularia flooding with destruction of biotite. The adularia is extremely fine-grained and is identified microscopically or by cobaltinitrite staining. Sulfate phases identified by XRD include jarosite and alunite in several mineralized samples. Clast-supported breccias contain sub-rounded to sub-angular sand to boulder-sized clasts of silicified arkose and siltstone in a jarosite-sericite clay matrix.

The Grassy Mountain deposit has a trace element signature that includes low levels of As, Sb, and Hg.

Other Non-Material Properties

NEVADA

The Company owns additional mining claims in the State of Nevada that represents its non-material properties. The Mill Creek property which comprises 36 unpatented lode mining claims are located in Lander County. The Company intends to maintain the annual mining claim fees of approximately $7,000 for these claims and is actively marketing them for sale to interested third parties.

The Mill Creek claims are without known mineral reserves and there is no current exploratory work being performed.

OREGON

In October 2018, Paramount entered into an agreement with Cryla LLC ("Cryla") that gives the Company the right to acquire 44 mining claims covering 580 acres located immediately to the west of the proposed Grassy Mountain Project. Paramount will make annual lease payments to Cryla and following year three of the agreement, Paramount has the right to purchase the claims for a cash payment of $560,000. If purchased, Cryla will maintain a production Net Smelter Royalty ("NSR") based on the prevailing price of gold. Paramount has the right to reduce the NSR from 2% to 1% for a payment of $800,000.

In November 2018, Paramount entered into an agreement with Nevada Select Royalty ("Nevada Select") to purchase 100% interest in the Frost Project, which consists of 40 mining claims located approximately 12 miles west of its Grassy Mountain Project. A total consideration of $250,000 payable to Nevada Select will be based on certain events over time. Nevada Select will retain a 2% NSR on the Frost Claims and Paramount has the right to reduce the NSR to 1% for a payment of $1 million.

Item 3. Legal Proceedings.

None

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

MARKET INFORMATION

Our common stock began trading on the NYSE American LLC under the symbol "PZG" on April 20, 2015. Prior to that time, there was no public market for our stock. The following table sets forth for the indicated periods the high and low intra-day sales prices per share for our common stock on the NYSE American LLC for the two most recent years.

	High	Low
Year Ended June 30, 2020		
First Quarter	$ 1.04	$ 0.66
Second Quarter	$ 0.85	$ 0.64
Third Quarter	$ 1.03	$ 0.47
Fourth Quarter	$ 1.38	$ 0.55
Year Ended June 30, 2019		
First Quarter	$ 1.29	$ 1.01
Second Quarter	$ 1.24	$ 0.83
Third Quarter	$ 1.04	$ 0.83
Fourth Quarter	$ 0.90	$ 0.70

HOLDERS

As of September 12, 2020, there were 162 registered shareholders of our common stock.

DIVIDENDS

We currently do not anticipate paying cash dividends for the foreseeable future.

RECENT SALE OF UNREGISTERED SECURITIES AND USE OF PROCEEDS

EQUITY COMPENSATION PLAN

Set out below is information as of June 30, 2020 with respect to compensation plans (including individual compensation arrangements) under which our equity securities are authorized for issuance under our Equity Incentive Plan.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price per share of outstanding options	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	1,243,995	$ 1.20	925,000
Equity compensation plans not approved by security holders	—	$ —	—
TOTAL	1,243,995		925,000

Item 6. Selected Financial Data.

Not applicable as a smaller reporting company.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Overview

We are a company engaged in the business of acquiring, exploring and developing precious metal projects in the United States of America. Paramount owns advanced stage exploration projects in the states of Nevada and Oregon. We enhance the value of our projects by implementing exploration and engineering programs that are likely to expand and upgrade known mineralized material to reserves. The following discussion updates our outlook and plan of operations for the foreseeable future. It also analyzes our financial condition and summarizes the results of our operations for the years ended June 30, 2020 and 2019 and compares each year's results to the results of the prior year.

Operating Highlights:

In June 2020, the Company closed a non-brokered registered direct offering and a concurrent best efforts agency offering in Canada (the "Offerings") of 4,807,700 shares of its common stock at a price of $1.04 per common stock for aggregate gross proceeds of $5.0 million.

In May 2020, the Company entered into an Controlled Equity Offering℠ Sales Agreement ("Sales Agreement") with Cantor Fitzgerald & Co. and Canaccord Genuity LLC (together, the "Agents"), pursuant to which the Company may issue and sell shares of its common stock from time to time through the Agents for aggregate sales proceeds of up to $8,000,000, subject to the offering limitations currently applicable to the Company under General Instruction I.B.6. of Form S-3. Sales of the Company's common stock through the Agents will be made by any method that is deemed to be an "at-the-market" equity offering as defined in Rule 415 promulgated under the Securities Act of 1933, as amended. As of June 30, 2020, we sold 372,742 shares of common stock under the Sales Agreement at an average approximate price of $1.17 per share for gross proceeds of $436,783. After deducting transaction fees and commissions and all other costs, we received net proceeds of $312,518.

In February 2020, the Company submitted a revised POO to the BLM outlining the Company's plans to build and operate the proposed Grassy Mountain underground gold mine located in Malheur County, eastern Oregon. The BLM will review the POO for completeness, which is expected to take 30 days, and will subsequently provide the Company with comments, if any. The BLM has previously reviewed 19 of the baseline data reports ("BDRs") and their requests for clarifications have all been addressed. The BLM will register a Notice of Intent (the "Notice") in the Federal Register once the application is deemed complete. The Notice initiates the Environmental Impact Statement ("EIS") process under the National Environmental Policy Act.

In November 2019, Paramount submitted its CPA to DOGAMI to enable the Company to build and operate its proposed, high grade underground gold mine located in Malheur County of eastern Oregon. The Application was reviewed by the DOGAMI and cooperating agencies for completeness. As part of this process, the permitting agencies have provided Paramount with a list of supplemental information and recommendations required to submit a modified CPA. Paramount, the DOGAMI and the permitting agencies will continue to work together to discuss the additional information requested, ensuring the submission of a complete modified CPA which will trigger the 225 day maximum permit evaluation process, upon which draft permits are issued. The NI 43-101 Feasibility Study for the Grassy Mountain Project is well underway and being led by Ausenco Engineering Canada Inc. with expected completion during the Company's second quarter for the year-ended June 30, 2021.

In September 2019, the Company entered into agreements with accredited investors and issued convertible notes in a private transaction (the "Private Placement"). Under the terms of the Private Placement, Paramount sold an aggregate of 5,478 notes at $975 per $1000 face amount with a four-year maturity for aggregate proceeds of $5.34 million. Each convertible note bears an interest rate of 7.5% per annum, payable semi-annually. The principle amount of the convertible notes is convertible at a price of $1.00 per share of Paramount common stock. At any point after the second anniversary of the issuance of the convertible notes, Paramount may force conversion if the share price of its common stock remains above $1.75 for 20 consecutive trading days. The convertible notes are secured by a lien on all assets of the Company and, pursuant to the terms of the convertible notes, the Company is required to maintain a working capital balance of $250,000.

In September 2019, Paramount received from the State of Nevada's Division of Minerals, the Excellence in Mine Reclamation Award for the Company's reclamation efforts at the Sleeper Project. The award was based on an assessment from representatives from the US Forest Service, the Nevada Department of Environmental Protection, the Nevada Division of Minerals, the Nevada Department of Wildlife, and the Bureau of Land Management who visited and reviewed the reclamation of the Sleeper Pit and our management of surface and underground water.

In August 2019, the Company issued 1,096,791 shares of common stock to Ausenco Engineering USA South Inc. ("Ausenco") in exchange for services to complete a feasibility study at its Grassy Mountain Project. The shares will be held in escrow until Ausenco delivers a feasibility study report to the Company.

Outlook and Plan of Operation:

We believe that investors will gain a better understanding of our company if they understand how we measure and talk about our results. As an exploration and development company, we recognize the importance of managing our liquidity and capital resources. We pay close attention to non-discretionary cash expenses and look for ways to minimize them when possible. We ensure we have sufficient cash on hand to meet our annual land holding costs as the maintenance of mining claims and leases are essential to preserve the value of our mineral property assets.

For the upcoming fiscal year, we intend to undertake the following:

Grassy Mountain Project: Paramount expects to complete the Feasibility Study in its second quarter and to focus its efforts on continued state and federal mining permitting for the fiscal year ending June 30, 2021. As a follow up to submitting the CPA in November 2019, Paramount will respond to the State of Oregon's CPA completeness review ("Review") received in February 2019. The Review provided included proposed resolutions and additional information required by the Company and will assist the Company in submitting a revised CPA. The Company expects the revised CPA to address all the comments and requests for additional information with the objective of submitting a complete revised CPA that allows the State of Oregon to determine whether to issue a state mining permit for the Grassy Mountain Project. In addition to the State of Oregon permitting activities, Paramount expects to respond to BLM comments it received on its POO. Once all the comments have been addressed, the BLM will register a Notice in the Federal Register once the application is deemed complete. The Notice initiates the EIS process under the National Environmental Policy Act. To complete these activities Paramount will engage specialized mining consulting firms, work with State and Federal contracted thirds parties and work directly with both state and federal permitting agencies. The Company has budgeted approximately $1.5 million to complete these permitting activities during the upcoming fiscal year. The Company has also budgeted approximately $0.4 million for general and administration expenses and annual claim maintenance fees for a total budget at Grassy Mountain of $1.9 million.

Sleeper Gold Project:

Paramount is planning to initiate several programs during the upcoming fiscal year that it believes will enhance the value of the Sleeper Gold Project. The programs planned include: 1) A review of all geological, geochemical and geophysical data for the purposes of generating targets for exploration drilling to locate additional higher-grade mineralization in the close proximity of the original Sleeper pit or in the large mining claim package owned by the Company.; (2) Evaluate the various successful metallurgical tests, previously conducted on the sulfide bearing mineralized material in order to optimize the best economic alternatives and increase the number of gold ounces produced in a proposed mining scenario. This could include bio or alkaline oxidation in a heap leach scenario, flotation and oxidation and gold recoveries from concentrates.; and (3) Update the resource estimation and preliminary economic assessment with the best alternatives identified for the project. These exploration programs are expected to cost approximate $0.5 million to $0.75 million. The Company is also budgeting $0.75 million for claim management and general and administration expenses at the Sleeper Gold Project. If all exploration programs are completed the total budget for fiscal year ended June 30, 2021 will be approximately $1.25 to $1.50 million.

Frost Project:

The Company will implement an initial reverse circulation drill program to test historical drill results and additional selective targets. The estimated budget to complete the drill program, assay lab testing and geological model is approximately $0.5 million.

Comparison of Operating Results for the year ended June 30, 2020 as compared to June 30, 2019

Results of Operations

We did not earn any revenue from mining operations for the years ended June 30, 2020 and 2019. During the year ended June 30, 2020, we completed various activities and milestones as described above in operating highlights. Other normal course of business activities included filing annual mining claim fees with the BLM, reclamation work at the Sleeper mine site and on-going reviews of its mining claims were completed.

Net Loss

Our net loss for the year ended June 30, 2020 was $6,430,141 compared to a net loss of $5,970,048 in the previous year. The increase of approximately 8% is fully described below. We will continue to incur losses for the foreseeable future as we continue with our planned exploration and development programs.

Expenses

Exploration and Land Holding Costs

For the year ended June 30, 2020, exploration expenses were $4,201,138 compared to $3,558,663 in the prior year. This represents an increase of 18% or $642,475. In the current fiscal year, the Company submitted the consolidated mining permit application with the State of Oregon and submitted a revised POO for its Grassy Mountain Project. It also continued to work on its previously announced feasibility study for the Grassy Mountain project. Total exploration expenses at Grassy Mountain during the year were $3,348,180 . Included were expenses of $723,279 related to the Company's reclamation activities at the Sleeper Project to reclaim various water collection ponds from the past mining operation. These reclamation expenses are reimbursed from funds held in a commutation account as part of the Company's insurance program for outstanding reclamation and environmental obligations at the Sleeper Gold Project. For the year ended June 30, 2019, the Company developed mine design plans required to satisfy permit application requirements at the Grassy Mountain Project. The Company received its conditional land use permit application with the county of Malheur.

For the year ended June 30, 2020, land holding costs decreased by 3% or by $17,040 from the prior year to $592,978. The decrease is primarily due to not incurring lease costs for non-essential mining claims leased from third parties.

Salaries and Benefits

For the year ended June 30, 2020, salary and benefits increased by 7% or by $60,423 from the prior year to $989,602. Salary and benefits is comprised of cash and stock-based compensation of the Company's executive and corporate administration teams. The increase in expenses was due to bonuses awarded to the Company's employees and stock-based compensation incurred for new option grants. Included in the salary and benefits expense amount for the year ended June 30, 2020 and 2019 was non-cash stock based compensation of $132,286 and $231,527, respectively.

Directors' Compensation

For the year ended June 30, 2020, directors' compensation decreased by 40% or by $60,979 from the prior year ended June 30, 2019. The decrease reflects the reduction in stock-based compensation recorded in the current year-ended June 30, 2020 compared to the prior year ended June 30, 2019.

Professional Fees and General and Administration

For the year ended June 30, 2020, professional fees were $166,894 compared to $186,852 in the prior year. This represents a decrease of 11% or $19,958. The decrease is mainly due to the one time nature of legal expenses incurred for the various permitting activities undertaken for the Grassy Mountain Project in the comparative year.

For the year ended June 30, 2020, general and administration expenses decreased by 24% to $495,628 from $651,538 in the prior year. The decrease is mainly a result of decreased travel and marketing costs incurred by the Company.

Liquidity and Capital Resources

As an exploration and development company, Paramount funds its operations, reclamation activities and discretionary exploration programs with its cash on hand. At June 30, 2020, we had cash and cash equivalents of $5,434,081 compared to $463,690 as at June 30, 2019.

The main uses of cash were comprised of the following material amounts:

- Cash used to fund our operations which included general and administration expenses, land holding costs, exploration programs at our Grassy Mountain of $ 5,145,291.

In addition to cash used in operating activities, the Company used and received cash as follows:

- Cash used to purchase computer equipment of $4,719;
- Cash received from equity financings, convertible debt financing and issuance of a promissory note of $10,120,401.

We anticipate our twelve-month cash expenditures for our fiscal year ending June 30, 2021 to be as follows:

- $1.8 million on corporate administration expenses (expenses include executive management and employee salaries, legal, audit, marketing and other general and administrative expenses)
- $1.25 million to $1.50 million on the Sleeper Gold Project (exploration programs, expenses include reclamation costs, employee salary and benefits, and land holding costs)
- $2.4 million on the Grassy Mountain Project and Frost Project (expenses include consulting fees, land holding costs and general and administration expenses, environmental impact statement preparation, and costs associated with the State of Oregon permit revised CPA)

Our anticipated expenditures will be funded by our cash on hand and other capital resources. Historically, we and other similar exploration and development public companies have accessed capital through equity financing arrangements or by the sale of royalties on its mineral properties. If, however we are unable to obtain additional capital or financing, our exploration and development activities will be significantly adversely affected.

Contractual Obligations

The following table summarizes our obligations and commitments as of June 30, 2020 to make future payments under certain contracts, aggregated by category of contractual obligation, for specified time periods:

	Payments due by period				
Contractual Obligations	**Total**	**Less than 1 year**	**1-3 years**	**4-5 years**	**More than 5years**
Accounts Payable & Accrued Liabilities	$ 925,260	$ 925,260	—	—	—
Asset Retirement Obligations	$ 615,170	$ 154,231	$ 37,108	$ 15,679	$ 408,152
Total	$ 1,540,430	$ 1,079,491	$ 37,108	$ 15,679	$ 408,152

Critical Accounting Policies

Management considers the following policies to be most critical in understanding the judgments that are involved in preparing the Company's consolidated financial statements and the uncertainties that could impact the results of operations, financial condition and cash flows. Our financial statements are affected by the accounting policies used and the estimates and assumptions made by management during their preparation. Management believes the Company's critical accounting policies are those related to mineral property acquisition costs, exploration and development cost, stock-based compensation, derivative accounting and foreign currency translation.

Estimates

The Company prepares its consolidated financial statements and notes in conformity to United States Generally Accepted Accounting Principles ("U.S. GAAP") and requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. On an ongoing basis, management evaluates these estimates, including those related to allowances for doubtful accounts receivable and long-lived assets. Management bases these estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Mineral property acquisition costs

The Company capitalizes the cost of acquiring mineral properties and will amortize these costs over the useful life of a property following the commencement of production or expense these costs if it is determined that the mineral property has no future economic value or the properties are sold or abandoned. Costs include cash consideration and the fair market value of shares issued on the acquisition of mineral properties. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts of the specific mineral property at the time the payments are made.

The amounts recorded as mineral properties reflect actual costs incurred to acquire the properties and do not indicate any present or future value of economically recoverable reserves.

Exploration expenses

We record exploration expenses as incurred. When we determine that precious metal resource deposit can be economically and legally extracted or produced based on established proven and probable reserves, further exploration expenses related to such reserves incurred after such a determination will be capitalized. To date, we have not established any proven or probable reserves and will continue to expense exploration costs as incurred.

Asset Retirement Obligation

The fair value of the Company's asset retirement obligation ("ARO") is measured by discounting the expected cash flows using a discount factor that reflects the credit-adjusted risk free rate of interest, while taking into account the inflation rate. The Company prepares estimates of the timing and amounts of expected cash flows and ongoing reclamation expenditures are charged against the ARO as incurred to the extent they relate to the ARO. Significant judgments and estimates are made when estimating the fair value of AROs.

Stock Based Compensation

For stock option grants with market conditions that affect vesting, the Company uses a lattice approach incorporating a Monte Carlo simulation to value stock options granted.

For stock option grants that have no market conditions that affect vesting, the Company uses the Black-Scholes option valuation model to value stock options granted. The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. The model requires management to make estimates which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. For purposes of the calculation, the following assumptions were used for the fiscal years ended June 30, 2020 and 2019:

	2020	2019
WA Risk free interest rate	1.60%	N/A
WA Expected dividend yield	0%	N/A
WA Expected stock price volatility	61.00%	N/A
WA Expected life of options	5 years	N/A

Reclassification

Certain comparative figures have been reclassified to conform to the current year-end presentation.

Off-Balance Sheet Arrangements

We are not currently a party to, or otherwise involved with, any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, or capital resources.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Foreign Currency Exchange Rate Risk

The Company holds cash balances in both U.S. and Canadian dollars. We transact most of our business in U.S. dollars. We do not manage our foreign currency exchange rate risk through the use of financial or derivative instruments, forward contracts or hedging activities.

In general, the strengthening of the U.S. dollar will positively impact our expenses transacted in Canadian dollars. Conversely, any weakening of the U.S dollar will increase our expenses transacted in Canadian dollars. We do not believe that any weakening of the U.S. dollar as compared to the compared to the Canadian dollar will have an adverse material effect on our operations.

Interest Rate Risk

The Company’s investment policy for its cash and cash equivalents is focused on the preservation of capital and supporting the liquidity requirements of the Company. The Company’s interest earned on its cash balances is impacted on the fluctuations of U.S. interest rates. We do not use interest rate derivative instruments to manage exposure to interest rate changes. We do not believe that interest rate fluctuations will have any material effect on our operations.

Item 8. Financial Statements and Supplementary Data.

Our financial statements, accompanying notes and Report of Independent Registered Public Accounting Firm are included in this Annual Report on Form 10-K beginning on page F-1, which are incorporated in this Item 8 by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

DISCLOSURE CONTROLS AND PROCEDURES

Under the supervision and with the participation of our management, including the Principal Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on this evaluation, our Principal Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of such date. Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including the Principal Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under then supervision of, the company's principal executive and principal financial officers and effected by the company's board of directors, management and other personnel, 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 and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;

- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to 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. Our management assessed the effectiveness of our internal control over financial reporting as of June 30, 2020. In making this assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated 2013 Framework. Based on this assessment, our management concluded that, as of June 30, 2020, our internal control over financial reporting is effective based on those criteria.

Because we are a smaller reporting company, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting for so long as we are a smaller reporting company.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes to our internal control over financial reporting that occurred during the year ended June 30, 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.

The information required by Items 401, 405, 406, 407(c)(3), (d)(4) and (d)(5) of Regulation S-K will be contained in the Company's 2020 Proxy Statement, to be filed with the SEC 120 days following the end of the Company's fiscal year ended June 30, 2020 (the "2020 Proxy Statement") and is hereby incorporated by reference thereto.

Item 11. Executive Compensation.

The information required by Item 402 and paragraph (e)(4) and (e)(5) of Item 407 of Regulation S-K will be contained in the Company's 2020 Proxy Statement, to be filed with the SEC 120 days following the end of the Company's fiscal year ended June 30, 2020 and is hereby incorporated by reference thereto.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by Item 201(d) and Item 403 of Regulation S-K will be contained in the Company's 2020 Proxy Statement, to be filed with the SEC 120 days following the end of the Company's fiscal year ended June 30, 2020 and is hereby incorporated by reference thereto.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by Item 404 and Item 407(a) of Regulation S-K will be contained in the Company's 2020 Proxy Statement, to be filed with the SEC 120 days following the end of the Company's fiscal year ended June 30, 2020 and is hereby incorporated by reference thereto.

Item 14. Principal Accounting Fees and Services.

The information required by Item 9(e) of Schedule 14A will be filed in the Company's 2020 Proxy Statement, to be filed with the SEC within 120 days following the end of the Company's fiscal year ended June 30, 2020 and is hereby incorporated by reference thereto.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) The following report and financial statements are filed together with this Annual Report:

(1) Audited Consolidated Financial Statements of Paramount Gold Nevada Corp.

Included in Part II of this report:

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets as of June 30, 2020 and 2019

Consolidated Statements of Operations for the years ended June 30, 2020 and 2019

Consolidated Statements of Cash Flows for the years ended June 30, 2020 and 2019

Consolidated Statements of Stockholders' Equity for the years ended June 30, 2020 and 2019

Notes to Consolidated Financial Statements

(b) Index to Exhibits

Exhibit Number	Description
1.1	Controlled Equity Offering[SM] Sales Agreement, dated as of May 20, 2020, by and between Paramount Gold Nevada Corp., Cantor Fitzgerald & Co. and Canaccord Genuity LLC (Incorporated herein by reference to Exhibit 1.1 to Current Report on Form 8-K of the Company filed on May 20, 2020)
1.2	Agency Agreement, dated as of June 24, 2020, by and between Paramount Gold Nevada Corp., Canaccord Genuity Corp. and Cantor Fitzgerald Canada Corporation. (Incorporated herein by reference to Exhibit 1.2 to Current Report on Form 8-K of the Company filed on June 25, 2020)
2.1	Form of Separation and Distribution Agreement by and between Paramount Gold and Silver Corp. and the Registrant.[1]
2.2	Agreement and Plan of Merger among Coeur Mining, Inc., Hollywood Merger Sub, Inc., Paramount Gold and Silver Corp., and the Registrant, Dated as of December 16, 2014.[1]
2.3	Arrangement Agreement and Plan of Arrangement dated March 14, 2016, among Paramount Gold Nevada Corp. and Calico Resources Corp. (Incorporated herein by reference to Exhibit 2.1 to Current Report on Form 8-K of the Company filed on March 17, 2016)
3.1	Certificate of Amended and Restated Articles of Incorporation.[2]
3.2	Amended and Restated Bylaws.[2]
4.1*	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934
4.2	Form of Warrant (Incorporated herein by reference to Exhibit 4.1 to Current Report on Form 8-K of the Company filed on February 9, 2017)
4.3	Form of Warrant (Incorporated herein by reference to Exhibit 4.1 to Current Report on Form 8-K of the Company filed on June 29, 2018)
4.4	Form of Senior Secured Convertible Note (Incorporated herein by reference to Exhibit 4.1 to Current Report on Form 8-K of the Company filed on September 13, 2019)
10.1	2015 Stock Incentive and Equity Compensation Plan.[2]
10.2	2016 Stock Incentive and Equity Compensation Plan (Incorporated herein by reference to Exhibit 1 to Definitive Proxy Statement on Schedule 14A of the Company filed on October 28, 2016)
10.3	Form of Stock Subscription Agreement between Coeur Mining, Inc. and the Registrant.[3]
10.4	Employment Agreement dated October 26, 2015 between Company and Glen Van Treek (Incorporated herein by reference to Exhibit 10.1 to Current Report on Form 8-K of the Company filed on October 26, 2015)
10.5	Employment Agreement dated October 26, 2015 between Company and Carlo Buffone (Incorporated herein by reference to Exhibit 10.2 to Current Report on Form 8-K of the Company filed on October 26, 2015)
10.6	Amended Employment Agreement Glen Van Treek dated August 10, 2016 (Incorporated herein by reference to exhibit 10.1 to Current Report on Form 8-K of the Company filed on August 12, 2016)
10.7	Amended Employment Agreement Carlo Buffone dated August 10, 2016 (Incorporated herein by reference to exhibit 10.2 to Current Report on Form 8-K of the Company filed on August 12, 2016)
10.8	Form of Subscription Agreement (Incorporated herein by reference to Exhibit 10.1 to Current Report on Form 8-K of the Company filed on February 9, 2017)
10.9	Form of Subscription Agreement (Incorporated herein by reference to Exhibit 10.1 to Current Report on Form 8-K of the Company filed on June 29, 2018)
10.10	Form of Security Agreement (Incorporated herein by reference to Exhibit 10.1 to Current Report on Form 8-K of the Company filed on September 13, 2019)
21.1*	List of subsidiaries.
23.1*	Consent of MNP LLP, Independent Registered Public Accounting Firm
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document

Exhibit Number	Description
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.

[1] Incorporated by reference to the exhibit filed in the Registrant’s Amendment No. 1 to Registration Statement on Form S-1 filed on February 23, 2015.

[2] Incorporated by reference to the exhibit filed in the Registrant’s Form 10-Q filed on May 22, 2015.

[3] Incorporated by reference to the exhibit filed in the Registrant’s Amendment No. 3 to Registration Statement on Form S-1 filed on April 2, 2015.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Company Name

Date: September 25, 2020

By: /s/ Rachel Goldman
Rachel Goldman
(Director and CEO)

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Name	Title	Date
/s/ Rachel Goldman **Rachel Goldman**	Director and CEO (Principal Executive Officer)	September 25, 2020
/s/ Carlo Buffone **Carlo Buffone**	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	September 25, 2020
/s/ Glen Van Treek **Glen Van Treek**	Director, President and Chief Operating Officer	September 25, 2020
/s/ John Seaberg **John Seaberg**	Director	September 25, 2020
/s/ Rudi Fronk **Rudi Fronk**	Director	September 25, 2020
/s/ John Carden **John Carden**	Director	September 25, 2020
/s/ Eliseo Gonzalez-Urien **Eliseo Gonzalez-Urien**	Director	September 25, 2020
/s/ Christopher Reynolds **Christopher Reynolds**	Director	September 25, 2020
/s/ Pierre Pelletier **Pierre Pelletier**	Director	September 25, 2020

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of **Paramount Gold Nevada Corp.**

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Paramount Gold Nevada Corp. (the Company) as of June 30, 2020 and 2019, and the related consolidated statements of operations and comprehensive loss, stockholders' equity, and cash flows for each of the years in the two year period ended June 30, 2020, and the related notes (collectively referred to as the consolidated financial statements).

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of June 30, 2020 and 2019, and the results of its consolidated operations and its consolidated cash flows for each of the years in the two year period ended June 30, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

MNP LLP

Chartered Professional Accountants
We have served as the Company's auditor since 2015.
Toronto, ON

September 25, 2020

PARAMOUNT GOLD NEVADA CORP.
Consolidated Balance Sheets
as of June 30, 2020 and 2019

	As at June 30, 2020	As at June 30, 2019
Assets		
Current Assets		
Cash and cash equivalents	$ 5,434,081	$ 463,690
Prepaid and deposits	442,596	348,771
Total Current Assets	5,876,677	812,461
Non-Current Assets		
Mineral properties (Note 7)	47,333,313	47,055,132
Property and equipment	8,467	6,303
Reclamation bond (Note 8)	695,041	1,401,833
Total Non-Current Assets	48,036,821	48,463,268
Total Assets	$ 53,913,498	$ 49,275,729
Liabilities and Stockholders' Equity		
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	$ 925,260	$ 980,310
Reclamation and environmental obligation, current portion (Note 8)	154,231	97,287
Total Current Liabilities	1,079,491	1,077,597
Non-Current Liabilities		
Convertible debt (Note 6)	5,256,228	—
Promissory note (Note 6)	35,628	—
Reclamation and environmental obligation, non-current portion (Note 8)	460,939	868,390
Total Liabilities	6,832,286	1,945,987
Stockholders' Equity		
Common stock, par value $0.01, 50,000,000 authorized shares, 32,958,404 issued and outstanding at June 30, 2020 and 26,519,954 issued and outstanding at June 30, 2019 (Note 5)	329,584	265,200
Additional paid in capital	100,881,957	94,764,730
Deficit	(54,130,329)	(47,700,188)
Total Stockholders' Equity	47,081,212	47,329,742
Total Liabilities and Stockholders' Equity	$ 53,913,498	$ 49,275,729

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

Commitments and Contingencies: Note 12
Subsequent Events: Note 13

PARAMOUNT GOLD NEVADA CORP.
Consolidated Statements of Operations and Comprehensive Loss
for the Years ended June 30, 2020 and 2019

	For the Year Ended June 30, 2020	For the Year Ended June 30, 2019
Revenue		
Other income (Note 9)	$ 728,910	$ 400,388
Total Revenue	728,910	400,388
Expenses		
Exploration (Note 10)	4,201,138	3,558,663
Land holding costs (Note 10)	592,978	610,018
Professional fees	166,894	186,852
Salaries and benefits	989,602	929,179
Directors compensation	92,054	153,033
General and administrative	495,628	651,538
Insurance	150,911	130,720
Depreciation	2,555	2,624
Accretion (Note 8)	94,591	165,505
Total Expenses	6,786,351	6,388,132
Net Loss before other items	6,057,441	5,987,744
Other items		
Interest income	(16,509)	(27,177)
Interest and service charges	389,209	9,481
Net Loss before Income Taxes	$ 6,430,141	$ 5,970,048
Net Loss and Comprehensive Loss	$ 6,430,141	$ 5,970,048
Loss per Common share		
Basic	$ 0.23	$ 0.23
Diluted	$ 0.23	$ 0.23
Weighted Average Number of Common Shares Used in Per Share Calculations		
Basic	27,583,566	25,855,541
Diluted	27,583,566	25,855,541

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

PARAMOUNT GOLD NEVADA CORP.
Consolidated Statements of Stockholders' Equity
for the Years ended June 30, 2020 and 2019

	Shares (#)	Common Stock	Additional Paid-In Capital	Deficit	Total Stockholders' Equity
Balance at June 30, 2018	**23,074,954**	**$ 230,750**	**$ 90,695,497**	**$(41,730,140)**	**$ 49,196,107**
Stock based compensation	—	—	231,527	—	231,527
Capital issued for financing (Note 5)	2,400,000	24,000	2,887,286	—	2,911,286
Capital issued for warrant exercise (Note 5)	1,045,000	10,450	950,420	—	960,870
Net loss	—	—	—	(5,970,048)	(5,970,048)
Balance at June 30, 2019	**26,519,954**	**$ 265,200**	**$ 94,764,730**	**$(47,700,188)**	**$ 47,329,742**
Stock based compensation	—	—	203,192	—	203,192
Capital issued for services (Note 4)	1,096,791	10,968	965,176	—	976,144
Capital issued for payment of interest	161,217	1,612	117,697	—	119,309
Capital issued for financing (Note 5)	5,180,442	51,804	4,831,162	—	4,882,966
Net loss	—	—	—	(6,430,141)	(6,430,141)
Balance at June 30, 2020	**32,958,404**	**$ 329,584**	**$100,881,957**	**$(54,130,329)**	**$ 47,081,212**

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

PARAMOUNT GOLD NEVADA CORP.
Consolidated Statements of Cash Flows
for the Years ended June 30, 2020 and 2019

	For the Year Ended June 30, 2020	For the Year Ended June 30, 2019
Net Loss	$ (6,430,141)	$ (5,970,048)
Adjustment for:		
Depreciation	2,555	2,624
Share based payments	976,144	—
Stock based compensation	203,192	231,527
Amortization of debt issuance costs	54,421	—
Interest expense	324,160	—
Accretion expense (Note 8)	94,591	165,505
Interest earned on reclamation bond	(16,487)	(27,117)
(Increase) decrease in other assets	—	16,292
(Increase) decrease in prepaid expenses	(93,825)	(104,646)
Increase (decrease) in accounts payable and accrued liabilities	(259,901)	52,348
Cash used in operating activities	(5,145,291)	(5,633,515)
Purchase of equipment	(4,719)	—
Sale of royalty on mineral property (Note 7)	—	1,927,660
Cash provided by (used in) investing activities	(4,719)	1,927,660
Capital issued for financing (Note 5)	4,882,966	2,911,286
Convertible debt issued (Note 6)	5,201,807	—
Promissory note (Note 6)	35,628	—
Capital issued for warrant exercise (Note 5)	—	960,870
Cash provided by financing activities	10,120,401	3,872,156
Change in cash during year	4,970,391	166,301
Cash at beginning of year	463,690	297,389
Cash at end of year	$ 5,434,081	$ 463,690

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

PARAMOUNT GOLD NEVADA CORP.
Notes to Consolidated Financial Statements

Note 1. Description of Business and Summary of Significant Accounting Policies

Paramount Gold Nevada Corp. (the "Company" or "Paramount"), incorporated under the General Corporation Law of the State of Nevada, and its wholly-owned subsidiaries are engaged in the acquisition, exploration and development of precious metal properties. The Company's wholly owned subsidiaries include New Sleeper Gold LLC, Sleeper Mining Company, LLC, and Calico Resources USA Corp ("Calico"). The Company is in the process of exploring its mineral properties in Nevada and Oregon, United States. The Company's activities are subject to significant risks and uncertainties, including the risk of failing to secure additional funding to advance its projects and the risks of determining whether these properties contain reserves that are economically recoverable. The Company's shares of common stock trade on the NYSE AMERICAN LLC under the symbol "PZG".

Basis of Presentation and Preparation

The consolidated financial statements are prepared by management in accordance with U.S. generally accepted accounting principles ('U.S. GAAP") and are presented in US dollars. The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany accounts and transactions are eliminated in consolidation.

The Company faces various risks related to the COVID-19 global pandemic. The Company cannot at this time predict the impact of the COVID-19 pandemic, but it could have a material adverse effect on the business, financial position, results of operations and/or cash flows. The results of operations for the year ending June 30, 2020 is not necessarily indicative of the operating results expected for any future period.

Foreign Currency Translation and Transactions

The Company's functional and reporting currency is the United States dollar. Foreign denominated monetary assets and liabilities are translated into their U.S. dollar equivalents using foreign exchange rates which prevailed at the balance sheet date. Revenues and expenses are translated at average rates of exchange during the period. Related translation adjustments as well as gains or losses resulting from foreign currency transactions are reported as part of operating expenses on the statement of operations.

Use of Estimates

The preparation of these consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates made by management in the accompanying consolidated financial statements include the adequacy of the Company's reclamation and environmental obligation, share based compensation, warrant valuation, valuation of deferred tax asset, and assessment of impairment of mineral properties.

Cash and Cash Equivalents

All highly liquid investments with maturities of three months or less at the date of purchase are classified as cash and cash equivalents. The carrying amount of these securities approximates fair value because of the short-term maturity of these instruments.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist principally of cash and cash equivalents. The Company maintains cash in accounts which may, at times, exceed federally insured limits. At June 30, 2020, the Company had $5.13 million of balances in excess of federally insured limits. The Company deposits its cash with financial institutions which it believes have sufficient credit quality to minimize the risk of loss.

Fair Value Measurements

The Company has adopted FASB ASC 820, Fair Value Measurements and Disclosures, which defines fair value, establishes guidelines for measuring fair value and expands disclosures regarding fair value measurements. The Company applies fair value accounting for all financial assets and liabilities and non – financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company has adopted FASB ASC 825, Financial Instruments, which allows companies to choose to measure eligible financial instruments and certain other items at fair value that are not required to be measured at fair value. The Company has not elected the fair value option for any eligible financial instruments.

Stock Based Compensation

The Company has adopted the provisions of FASB ASC 718, "*Stock Compensation*" ("ASC 718"), which establishes accounting for equity instruments exchanged for employee services. Under the provisions of ASC 718, stock-based compensation cost is measured at the grant date, based on the calculated fair value of the award, and is recognized as an expense over the employee's requisite service period (generally the vesting period of the equity grant). New shares of the Company's common stock will be issued for any options exercised.

Mineral Properties

Mineral property acquisition costs are capitalized when incurred and will be amortized using the units-of-production method over the estimated life of the reserve following the commencement of production. If a mineral property is subsequently abandoned or impaired, any capitalized costs will be expensed in the period of abandonment or impairment.

Acquisition costs include cash consideration and the fair market value of shares issued on the acquisition of mineral properties. Net proceeds from the sale of royalties are deducted from the carrying value of the mineral properties.

Exploration Costs

Exploration costs, which include maintenance, development and exploration of mineral claims, are expensed as incurred. When it is determined that a mineral deposit can be economically developed as a result of establishing proven and probable reserves, the costs incurred after such determination will be capitalized and amortized over their useful lives. To date, the Company has not established the commercial feasibility of its exploration prospects; therefore, all exploration costs are being expensed.

Property and Equipment

Equipment is recorded at cost less accumulated depreciation. All equipment is depreciated over its estimated useful life at the following annual rates:

Computer equipment	30% declining balance
Equipment	20% declining balance

Long-Lived Assets

In accordance with ASC 360, "Property, Plant, and Equipment", the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. Recoverability is assessed based on the carrying amount of the asset and its fair value which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount exceeds fair value.

Reclamation and Environmental Obligation

The Company follows the provisions of ASC 440, "Asset Retirement and Environmental Obligations", which establishes the standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment, or other disposal of long-lived tangible assets arising from the acquisition, construction or development and for normal operations of such assets. The Company's asset retirement obligations are further described in Note 7.

Net Loss per Share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during each period. Diluted loss per share reflect the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock.

For the years ended June 30, 2020 and 2019, the shares of common stock equivalents related to outstanding stock options have not been included in the diluted per share calculation as they are anti-dilutive as the Company has recorded a net loss from continuing operations for each year.

Leases

The Company determines if an arrangement is, or contains, a lease at the inception date. Operating leases are included in *Other assets, non-current* with related liabilities included in *Accrued liabilities and Other long-term liabilities*. Assets under finance leases, which primarily represent property and equipment, are included in Property, plant and equipment, net with related liabilities in debt, current and debt, non-current on the Consolidated Balance Sheet.

Operating lease assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. We use our estimated incremental borrowing rate in determining the present value of lease payments. Variable components of the lease payments such as maintenance costs are expensed as incurred and not included in determining the present value. Our lease terms include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense is recognized on a straight-line basis over the lease term. Currently, the Company does not have any leases with terms greater than 12 months.

Revenue Recognition

The Company adopted Accounting Standards Code Topic 606, "Revenue from Contracts with Customers" ("Topic 606") with a date of initial application of July 1, 2018. As a result of this adoption, the Company has changed its accounting policy for revenue recognition. Revenue is measured based on the amount of consideration that is expected to be received by the Company for providing goods or services under a contract with a customer, which is initially estimated with pricing specified in the contract and adjusted primarily for sales returns, discounts and other credits at contract inception then updated each reporting period. The Company recognizes revenue when persuasive evidence of a contract with a customer exists and a performance obligation is identified and satisfied as the customer obtains control of the goods or services.

Revenue is recognized net of any taxes collected from customers and subsequently remitted to governmental authorities.

When the Company performs shipping and handling activities after the customer obtains control of the goods, the Company accounts for the costs as fulfillment costs which are included in cost of revenues, as allowed under Topic 606.

Convertible Debt

The Company reviews the terms of its convertible notes payable to determine whether to account for any portion of the proceeds towards the conversion feature. In general, when the convertible notes instrument has the following characteristics and terms no portion of the proceeds from the issuance shall be accounted for as attributable to the conversion feature: a) is convertible into common stock of the Company at a specified price at the option of holder; b) the debt is sold at a price or has value at issuance not significantly in excess of the face amount; c) an interest rate that is lower than the Company could establish for nonconvertible debt; d) an initial conversion price that is greater than the fair value of the common stock at time of issuance and; e) a conversion price that does not decrease except pursuant to antidilution provisions. When proceeds are not attributable to the conversion features of the debt, the Company records the entire amount as a liability. If the fair value option is not elected, the Company will reduce the initial carrying amount of the debt by any direct and incremental issuance costs paid to third parties that are associated with the convertible debt issuance.

The Company also reviews the terms of its convertible notes payable to determine whether there are embedded derivatives, included the embedded conversion option, that are required to be bifurcated and accounted for as individual derivative financial instruments. In circumstances where convertible debt contains embedded derivatives that are to be separated from the host contracts, the total proceeds received are first allocated to the fair value of the derivative financial instruments determined using the binomial model. The remaining proceeds, if any, are then allocated to the debenture cost contracts, usually resulting in those instruments being recorded at a discount from their principal amount. This discount is accreted over the expected life of the instruments to profit (loss) using the effective interest method.

The debenture host contracts are subsequently recorded at amortized cost at each reporting date, using the effective interest method. The embedded derivatives are subsequently recorded at fair value at each reporting date, with changes in fair value recognized in profit (loss).

Income Taxes

Income taxes are determined using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. In addition, a valuation allowance is established to reduce any deferred tax asset for which it is determined that it is more likely than not that some portion of the deferred tax asset will not be realized.

Potential benefits of income tax losses are not recognized in the accounts until realization is more likely than not. The Company has adopted FASB ASC 740 as of its inception. Pursuant to FASB ASC 740 the Company is required to compute tax asset benefits for net operating losses carried forward. Potential benefits of net operating losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future periods; and accordingly is offset by a valuation allowance. FIN No.48 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken in tax returns.

To the extent interest and penalties may be assessed by taxing authorities on any underpayment of income tax, such amounts would be accrued and classified as a component of income tax expense in our Consolidated Statements of Operations and Comprehensive Loss. The Company elected this accounting policy, which is a continuation of our historical policy, in connection with our adoption of FIN 48.

Note 2. Recent Accounting Guidance

In February 2016, the FASB issued ASU No. 2016-02, Leases. The new standard establishes a right-of-use (“ROU”) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. These changes will be effective for the Company's fiscal year beginning July 1, 2019. The Company adoption of this guidance on July 1, 2019 did not have a material effect on the Company's consolidated financial position, results of operations, cash flows and related disclosures.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses. The changes will be effective for the Company’s fiscal year beginning July 1, 2020. Among other things, these amendments require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The Company is currently evaluating the potential impact. The Company is currently evaluating the potential impact of implementing these changes on the Company's consolidated financial position, results of operations, and cash flows.
In January 2017, the FASB issued ASU No. 2017 -04, Intangibles – Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment. These changes will be effective for the Company’s fiscal year beginning July 1, 2021. These amendments eliminate Step 2 from the goodwill impairment test. The annual, or interim, goodwill impairment test is performed by comparing the fair value of a reporting unit with its carrying amount. An impairment charge should be recognized for the amount by which the carrying amount exceeds the reporting unit’s fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. The amendments also eliminate the requirements for any reporting unit with zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform Step 2 of the goodwill impairment test. An entity has the option to perform the qualitative assessment for a reporting unit to determine if the quantitative impairment test is

necessary. The Company is currently evaluating the potential impact of implementing these changes on the Company's consolidated financial position, results of operation, and cash flows.

In August 2018, the FASB issued ASU No. 2018-13, Fair Value Measurement. These changes will be effective for the Company's fiscal year beginning July 1, 2020. The amendments on changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively for only the most recent interim or annual period presented in the initial fiscal year of adoption. All other amendments should be applied retrospectively to all periods presented upon their effective date. Early adoption is permitted. The Company is currently evaluating the potential impact of implementing these changes on the Company's consolidated financial position, results of operations, and cash flows.

In December 2019, the FASB issued ASU 2019-2, "Income Taxes – Simplifying the Accounting for Income Taxes (Topic 740)" which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. ASU 2019-12 will be effective for interim and annual periods beginning after December 15, 2020 (January 1, 2021 for the Company). Early adoption is permitted. The Company is currently evaluating the impact the adoption of ASU 2019-12 will have on its consolidated financial statements.

Note 3. Fair Value Measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization with the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Inputs that are both significant to the fair value measurement and unobservable.

The following table sets forth the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy. As required by ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

		Fair Value at June 30, 2020			June 30, 2019
Assets	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 5,434,081	5,434,081	—	—	$ 463,690

The Company's cash and cash equivalents are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices. The cash and cash equivalents that are valued based on quoted market prices in active markets are primarily comprised of commercial paper, short-term certificates of deposit and U.S. Treasury securities.

Note 4. Non-Cash Transactions

During the year-ended June 30, 2020, the Company the Company issued 1,096,791 shares to Ausenco Engineering USA South Inc. ("Ausenco") in exchange for services valued at $976,144 to complete a feasibility study at its Grassy Mountain Project. The shares are being held in escrow until Ausenco delivers a feasibility study on Grassy Mountain to the Company.

During the year-ended June 30, 2020, the Company issued 161,217 shares of Common Stock for payment of interest accrued and owing at December 31, 2019 on its outstanding 2023 Secured Convertible Notes.

During the comparative year-ended June 30, 2019, the Company did not enter into any non-cash activities.

Note 5. Capital Stock

Authorized Capital

Authorized capital stock consists of 50,000,000 common shares with par value of $0.01 per common share (2019- 50,000,000 common shares with par value $0.01 per common share).

During the year-ended June 30, 2020, the Company issued 1,096,791 shares at a value of $0.89 per share to Ausenco in exchange for services to complete a feasibility study at its Grassy Mountain Project (Note 4). The Company also issued 161,217 shares for payment of interest accrued and owing at December 31, 2019 (Note 4 and 6).

During the year-ended June 30, 2020, the Company issued 4,807,700 shares at a price of $1.04 per share for gross proceeds of $5.0 million. Share issuance costs were $0.43 million for net proceeds of $4.57 million.

During the year ended June 30, 2020, the Company issued 372,742 shares at an average approximate price of $1.17 for gross proceeds of $436,783. Share issuance costs, including one-time transaction costs and commissions were $124,265 for net proceeds of $312,518.

During the year-ended June 30, 2019, the Company issued 2,400,000 units at $1.25 per unit for aggregate proceeds of $3 million. Share issuance costs were $0.09 million for net proceeds of $2.91 million. Each unit consists of one share of common stock and one warrant to purchase one-half of a share of common stock. Each warrant will have a two year term and will be exercisable at the following exercise prices: in the first year at $1.30 per share and in the second year at $1.50 per share. Also during the year ended June 30, 2019, the Company issued 1,045,000 shares from the exercising of warrants for gross proceeds of $0.96 million.

At June 30, 2020 there were 32,958,404 common shares issued and outstanding (June 30, 2019 – 26,519,954 common shares).

Warrants

A summary of warrant exercisable into common stock as of June 30, 2020, and changes during year ended is presented below:

	Warrants	Weighted Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value ($)
Outstanding at July 1, 2019	1,200,000	$ 1.40	1.03	—
Issued	—	—	—	—
Exercised	—	—	—	—
Outstanding at June 30, 2020	1,200,000	$ 1.40	0.03	—

Stock Options and Stock Based Compensation

Paramount's 2015 and 2016 Stock Incentive and Compensation Plan, which is shareholder-approved, permits the grant of share options and shares to its employees for up to 2.169 million shares of common stock. Option awards are generally granted with an exercise price equal to the market price of Paramount's stock at the date of grant and have contractual lives of 5 years. To better align the interests of its key executives and employees with those of its shareholders a significant portion of those share option awards will vest contingent upon meeting certain stock price appreciation performance goals. Option and share awards provide for accelerated vesting if there is a change in control (as defined in the employee share option plan).

During the year-ended June 30, 2020, the Company granted 690,000 stock options to employees, directors and consultants with a strike price of $1.00. Each option carries a 5 year term. Options received by senior management and directors will vest and become exercisable on achieving the following performance conditions: 1) ½ upon the completion of the Grassy Mountain Project feasibility study and 2) ½ on the issuance of mining permits for the Grassy Mountain Project by the State of Oregon. Options received by employees and consultants will vest and become exercisable as follows: 1/3 on the first anniversary of the date of grant, 1/3 on the second anniversary of the date of grant and 1/3 on the third anniversary of the date of grant. There were no option granted for the year-ended June 30, 2019.

The fair value for these options was calculated using the Black-Scholes option valuations method. The weighted average assumptions used for the fiscal years ending June 30, 2020 and 2019 were as follows:

	2020	2019
Weighted average risk-free interest rate	1.60%	N/A
Weighted-average volatility	61.00%	N/A
Expected dividends	0.00	N/A
Weighted average expected term (years)	5	N/A
Weighted average fair value	$ 0.39	N/A

A summary of option activity under the Stock Incentive and Compensation Plan as of June 30, 2020, and changes during the year then ended is presented below.

Options	Options	Weighted Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value ($)
Outstanding at July 1, 2019	1,568,995	$ 1.50	1.95	$ —
Granted	690,000	$ 1.00	$ 4.47	$ 165,600
Exercised	—	—	—	—
Forfeited or expired	1,015,000	$ 1.53	$ 0.05	$ —
Outstanding at June 30, 2020	1,243,995	$ 1.20	3.63	$ 165,600
Exercisable at June 30, 2020	300,003	$ 1.39	2.71	$ —

A summary of the status of Paramount's non-vested options as of June 30, 2020 and changes during the year ended June 30, 2020 is presented below.

Non-vested Options	Options	Weighted-Average Grant-Date Fair Value
Nonvested at July 1, 2019	340,660	$ 0.79
Granted	690,000	0.38
Vested	66,668	0.74
Forfeited	20,000	0.74
Nonvested at June 30, 2020	943,992	$ 0.51

As of June 30, 2020 and 2019, there was $153,802 and $108,003 respectively of total unrecognized compensation cost related to non-vested share-based compensation arrangements granted under the employee share option plan. That cost is expected to be recognized over a weighted-average period of 1.05 years. The total fair value of shares vested during the years ended June 30, 2020 and 2019, was $202,121 and $nil, respectively.

Note 6. Debt

	Convertible Debt			
	June 30, 2020		June 30, 2019	
	Current	Non-Current	Current	Non-Current
2019 Secured Convertible Notes	$ —	$ 5,477,690	$ —	$ —
Less: unamortized discount and issuance costs	—	(221,462)	—	—
	$ —	$ 5,256,228	$ —	$ —

In September 2019, the Company completed a private offering of 5,478 Senior Secured Convertible Notes ("2019 Convertible Notes") at $975 per $1,000 face amount due in 2023. Each 2019 Convertible Note will bear an interest rate of 7.5% per annum, payable semi-annually. The principal amount of the 2019 Convertible Notes will be convertible at a price of $1.00 per share of Paramount common stock. Unamortized discount and issuance costs of $275,883 will be amortized as an additional interest expense over the four-year term of the 2019 Convertible Notes. During the year-ended June 30, 2020, the Company amortized $54,421 of discount and issuance costs. At any point after the second anniversary of the issuance of the convertible notes, Paramount may force conversion if the share price of its common stock remains above $1.75 for 20 consecutive trading days. The convertible notes are secured by a lien on all assets of the Company and the Company is required to maintain a working capital balance of $250,000.

On May 5, 2020, the Company was granted a loan (the "PPP Loan") from Wells Fargo Bank, N.A. in the amount of $35,628 pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The PPP Loan which was in the form of a Promissory Note matures on May 3, 2022 and bears interest at a rate of 0.98% per annum, payable monthly commencing on November 1, 2020. The Note many be prepaid by the Company at any time prior to maturity with no prepayment penalties. Under the terms of the PPP, certain amounts of the PPP Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

Note 7. Mineral Properties

The Company has capitalized acquisition costs on mineral properties as follows:

	June 30, 2020	June 30, 2019
Sleeper	$ 24,147,585	$ 23,869,404
Grassy Mountain	23,185,728	23,185,728
	$ 47,333,313	$ 47,055,132

Sleeper:

Sleeper is located in Humbolt County, Nevada approximately 26 miles northwest of the town of Winnemucca. The Sleeper Gold Mine consists of 2,322 unpatented mining claims totaling approximately 38,300 acres.

During the year-ended June 30, 2020, the Company recorded a change in reclamation and environmental obligation of $278,181 (Note 8). This change in estimate is a result of completing certain reclamation activities in the year-ended June 30, 2020 that were expected to be completed in future periods.

During the year-ended June 30, 2019, the Company sold to Franco Nevada U.S. Corporation ("Franco") a two percent (2%) net smelter return royalty on minerals produced from its Sleeper Gold property for gross cash proceeds of $2,000,000. Net proceeds of the transaction of $1,927,659 decreased the carrying value of the Sleeper property. This decrease was offset by the change in reclamation and environmental obligation of $122,406 (Note 8).

Grassy Mountain:

The Grassy Mountain Project is located in Malheur County, Oregon, approximately 22 miles south of Vale, Oregon, and roughly 70 miles west of Boise, Idaho. It consists of 442 federal mining claims, 3 patented lode claims, and various leased fee land surface and surface/mineral rights, all totaling approximately 9,300 acres.

Note 8. Reclamation and Environmental Obligation:

The Company holds an insurance policy which is in effect until 2033 related to its Sleeper Gold Project. The policy covers reclamation costs up to an aggregate of $25 million in the event the Company's bond is insufficient to cover any mandated reclamation obligations.

As a part of its insurance program, the Company has funds in a commutation account which is used to reimburse reclamation costs and indemnity claims. The balance of the commutation account and reclamation bonds at June 30, 2020 is $695,041 (June 30, 2019 - $1,401,833).

Reclamation and environmental costs are based principally on legal requirements. Management estimates costs associated with reclamation of mineral properties and properties under mine closure. On an ongoing basis the Company evaluates its estimates and assumptions; however, actual amounts could differ from those based on estimates and assumptions.

The asset retirement obligation at the Sleeper Gold Project has been measured using the following variables: 1) Expected costs for earthwork, re-vegetation, in-pit water treatment, on-going monitoring, labor and management, 2) Inflation adjustment, and 3) Market risk premium. The sum of the expected costs by year is discounted using the Company's credit adjusted risk free interest rate from the time it expects to pay the retirement obligation to the time it incurs the obligation. The reclamation and environmental obligation recorded on the balance sheet is equal to the present value of the estimated costs.

The current undiscounted estimate of the reclamation costs for existing disturbances at the Sleeper Gold Project is $4,010,403 as required by U.S Bureau of Land Management and the Nevada Department of Environmental Protection. Assumptions used to compute the asset retirement obligations for the year ended June 30, 2020 for the Sleeper Gold Project included a credit adjusted risk free rate and inflation rate of 9.76% (2019 – 9.76%) and 1.6% (2019 – 1.6%), respectively. Expenses are expected to be incurred between the years 2019 and 2056.

Changes to the Company's reclamation and environmental obligation for the year ended June 30, 2020 are as follows:

	June 30, 2020	June 30, 2019
Balance at beginning of year	$ 965,677	$ 1,072,551
Accretion expense	94,591	165,505
Payments	(723,279)	(394,785)
Change in estimate of existing obligation	278,181	122,406
Balance at end of year	$ 615,170	$ 965,677

The balance of the reclamation and environmental obligation of $615,170 (2019 - $965,677) is comprised of a current portion of $154,231 (2019 - $97,287) and a non-current portion of $460,939 (2019 - $868,390).

Note 9. Other Income

The Company's other income details were as follows:

	Year Ended 2020	Year Ended 2019
Re-imbursement of reclamation costs	$ 723,279	$ 394,785
Leasing of water rights to third party	5,631	5,520
Reimbursement of workers compensation insurance	—	83
Total	$ 728,910	$ 400,388

Note 10. Segmented Information

Segmented information has been compiled based on the material mineral properties in which the Company performs exploration activities.

Expenses and mineral property carrying values by material project for the year ended June 30, 2020:

	Exploration Expenses	Land Holding Costs	Mineral Properties As at June 30, 2020
Sleeper Gold Project	$ 852,958	$ 423,508	$ 24,147,585
Grassy Mountain Project	3,348,180	169,470	23,185,728
	$ 4,201,138	$ 592,978	$ 47,333,313

Expenses and mineral property carrying values by material project for the year ended June 30, 2019:

	Exploration Expenses	Land Holding Costs	Mineral Properties As at June 30, 2019
Sleeper Gold Project	$ 836,371	$ 409,931	$ 23,869,404
Grassy Mountain Project	2,722,292	200,087	23,185,728
	$ 3,558,663	$ 610,018	$ 47,055,132

Note 11. Income Taxes

At June 30, 2020, the Company has net operating loss carry forwards of $48,984,744 (2019 - $43,150,088) expiring between the years 2020 and 2038 which are available to reduce future taxable income. Tax losses incurred after June 30, 2017 may be carried forward indefinitely. The tax effects of the significant components within the Company's deferred tax asset (liability) at June 30, 2020 and 2019 are as follows:

	2020	2019
United States		
Mineral properties	$ 1,206,528	$ 389,869
Asset retirement obligation	129,186	177,087
Stock options	356,189	313,519
Net operating losses	9,933,638	8,650,011
	$ 10,936,166	$ 9,531,039
Valuation allowance	(10,257,518)	(9,531,039)
Mineral properties	$ (678,648)	$ —
Net deferred tax asset	$ —	$ —

The income tax recovery differs from the amounts computed by applying statutory tax to pre-tax losses as a result of the following:

	2020	2019
Income (Loss) before taxes	$ (6,430,141)	$ (5,970,048)
US Statutory tax rate	21.00%	21.00%
Expected income tax (recovery)	(1,350,330)	(1,253,710)
Non-deductible items	2,426	2,190
Change in estimates	(57,853)	7,671
Other items	—	—
Change in tax rates	—	—
Change in valuation allowance	1,405,757	1,243,849
Total income taxes (recovery)	$ —	$ —
Current tax expense (recovery)	—	—
Deferred tax expense (recovery)	—	—
	$ —	$ —

The potential tax benefits of net operating losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years.

Accounting for uncertainty for Income Tax

Income taxes are determined using assets and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. In addition, a valuation allowance is established to reduce any deferred tax asset for which it is determined that it is more likely than not that some portion of the deferred tax asset will not be realized.

Effective July 1, 2009, the Company adopted the interpretation for accounting for uncertainty in income taxes which was an interpretation of the accounting standard accounting for income taxes. This interpretation created a single model to address accounting for uncertainty in tax positions. This interpretation clarifies the accounting for income taxes, by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements.

As at June 30, 2020 and 2019, the Company's consolidated balance sheets did not reflect a liability for uncertain tax positions, nor any accrued penalties or interest associated with income tax uncertainties. The Company is subject to income taxation at the federal and state levels. The Company is subject to US federal tax examinations for the tax years 2011 through 2020. Loss carryforwards generated or utilized in years earlier than 2011 are also subject to examination and adjustment. The Company has no income tax examinations in process.

Note 12. Commitments and Contingencies:

Lease Commitments

The Company has an office premises leases that expires on June 30, 2021. The aggregate minimum rentals payable for this operating lease is as follows:

Year	Total Amount
2021	$ 10,575

During the year ended June 30, 2020, $46,885 was recognized as rent expense in the consolidated statements of operations and comprehensive loss.

Other Commitments

Paramount has an agreement to acquire 44 mining claims ("Cryla Claims") covering 589 acres located immediately to the west of the proposed Grassy Mountain site from Cryla LLC. Paramount is obligated to make annual lease payments of $40,000 per year the first two years of the lease term and $60,000 per year thereafter with an option to purchase the Cryla Claims for $560,000 at any time. The term of the agreement is 25 years. In the event Paramount exercises its option to acquire the Cryla Claims, all annual payments shall be credited against a production royalty that will be based on a prevailing price of the metals produced from the Cryla Claims. The royalty rate ranges between 2% and 4% based on the daily price of gold. The agreement with Cryla can be terminated by Paramount at any time. Paramount made the annual lease payment of $60,000 as required by the agreement during the year ended June 30, 2020. The Cryla Claims are without known mineral reserves and there is no current exploratory work being performed.

Paramount has an agreement with Nevada Select Royalty ("Nevada Select") to purchase 100% in the Frost Project, which consists of 40 mining claims located approximately 12 miles west of its Grassy Mountain Project. A total consideration of $250,000 payable to Nevada Select will be based on certain events over time. Upon signing the agreement, Paramount made a payment of $10,000 to Nevada Select. Nevada Select will retain a 2% NSR on the Frost Claims and Paramount has the right to reduce the NSR to 1% for a payment of $1 million. All required payments under the agreement are up to date as of June 30, 2020. The Frost Claims are without known mineral reserves.

Note 13. Subsequent Events

Subsequent to June 30, 2020, the Company issued 595,281 shares at an average price of $1.33 per share and for gross proceeds of approximately $0.8 million. The Company also issued 183,395 at an average price of $1.12 per share for the payment of interest accrued and owing at June 30, 2020 for its outstanding convertible debt.

Subsequent to June 30, 2020, 200 Senior Secured Convertible Notes were converted and as a result the Company issued 200,000 shares of its Common Stock.

Subsequent to June 30, 2020, the Company issued 55,000 stock-options to purchase common stock at strike price of $1.23. The term of the options is 5 years.

Exhibit 21.1

List of Subsidiaries

Name	State/Province of Incorporation	Ownership Percentage
Sleeper Mining Company, LLC	Delaware	100%
New Sleeper Gold, LLC	Nevada	100%
Calico Resources USA Corp.	Nevada	100%

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-205024) of Paramount Gold Nevada Corp. of our report dated September 25, 2020 with respect to the consolidated financial statements of Paramount Gold Nevada Corp. for the year ended June 30, 2020, which appears in this Form 10-K.

Yours truly,

MNP LLP

MNP LLP

Toronto, Canada
September 25, 2020

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Rachel Goldman, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended June 30, 2020 of Paramount Gold Nevada Corp.;

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 small business issuer as of, and for, the periods presented in this report;

4. The small business issuer'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 small business issuer 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 small business issuer, 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 small business issuer'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 small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

   (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 small business issuer'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 small business issuer's internal control over financial reporting.

Date: September 25, 2020

By: /s/ Rachel Goldman
Rachel Goldman
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Carlo Buffone, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended June 30, 2020 of Paramount Gold Nevada Corp.;
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 small business issuer as of, and for, the periods presented in this report;
4. The small business issuer'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 small business issuer 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 small business issuer, 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 small business issuer'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 small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
   - (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 small business issuer'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 small business issuer's internal control over financial reporting.

Date: September 25, 2020

By: /s/ Carlo Buffone
Carlo Buffone
Chief Financial Officer

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 Paramount Gold Nevada Corp. (the "Company") on Form 10-K for the period ending June 30, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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 result of operations of the Company.

Date: September 25, 2020

By: /s/ Rachel Goldman

Rachel Goldman
Chief Executive Officer

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 Paramount Gold Nevada Corp. (the "Company") on Form 10-K for the period ending June 30, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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 result of operations of the Company.

Date: September 25, 2020

By: /s/ Carlo Buffone
Carlo Buffone
Chief Financial Officer

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

Paramount Gold Nevada Corp. ("we," "us," "our" and the "Company") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our common stock. The following description of our common stock is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our amended and restated articles of incorporation and our amended and restated bylaws, each of which are filed as exhibits to the Annual Report on Form 10-K, of which this exhibit is a part, and to the applicable provisions of Nevada law, including the Nevada Revised Statutes ("NRS"). We encourage you to read our amended and restated articles of incorporation and our amended and restated bylaws and the applicable provisions of Nevada law for more information.

Authorized Share Capital

Our authorized capital stock consists of 50,000,000 shares of common stock. As of September 8, 2020, there were 33,937,080 shares of common stock outstanding.

Common Stock

Holders of our common stock are entitled to one vote for each share held of record on all matters on which stockholders are entitled to vote generally, including the election or removal of directors. The holders of our common stock do not have cumulative voting rights in the election of directors.

Upon our liquidation, dissolution or winding-up and after payment in full of all amounts required to be paid to creditors, the holders of our common stock will be entitled to receive pro rata our remaining assets available for distribution. Holders of our common stock do not have preemptive, subscription, redemption or conversion rights. The common stock will not be subject to further calls or assessment by us. There is no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of our common stock are fully paid and non-assessable.

Dividends

Under NRS 78.288, the directors of a corporation may authorize, and the corporation may make, distributions (including cash dividends) to stockholders, but no such distribution may be made if, after giving it effect:

- the corporation would not be able to pay its debts as they become due in the usual course of business; or
- the corporation's total assets would be less than the sum of (x) its total liabilities plus (y) the amount that would be needed, if the corporation were to be dissolved at the time of distribution, to satisfy the preferential rights upon dissolution of stockholders whose preferential rights are superior to those receiving the distribution.

The NRS prescribes the timing of the determinations above depending on the nature and timing of payment of the distribution. For cash dividends paid within 120 days after the date of authorization, the determinations above must be made as of the date the dividend is authorized. When making their determination that a distribution is not prohibited by NRS 78.288, directors may consider:

- financial statements prepared on the basis of accounting practices that are reasonable in the circumstances;
- a fair valuation, including, but not limited to, unrealized appreciation and depreciation; and/or
- any other method that is reasonable in the circumstances.

Declaration and payment of any dividend are subject to the discretion of our board of directors.

Annual Stockholder Meetings

Our amended and restated articles of incorporation and our amended and restated bylaws provides that annual stockholder meetings are held at a date, time and place as exclusively selected by our board of directors. To the extent permitted under applicable law, we may conduct meetings by remote communications, including by webcast.

Anti-Takeover Effects of Our Amended and Restated Articles of Incorporation and Amended and Restated Bylaws and Certain Provisions of Nevada Law

The provisions of our amended and restated articles of incorporation and amended and restated bylaws and of the NRS summarized below may have an anti-takeover effect and may delay, defer or prevent a tender offer or takeover attempt that you might consider in your best interest, including an attempt that might result in your receipt of a premium over the market price for your shares. These provisions are also designed, in part, to encourage persons seeking to acquire control of us to first negotiate with our board of directors, which could result in an improvement of their terms.

Authorized but Unissued Capital Stock

Nevada law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of the NYSE American, which will apply so long as our common stock remains listed on the NYSE American, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or then-outstanding number of shares of common stock. Additional shares may be issued in the future for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions.

Moreover, the board of directors has the authority, without stockholder approval, to issue shares of our authorized, unissued and unreserved common stock.

Board of Directors

Our amended and restated articles of incorporation and amended and restated bylaws provides that the number of directors will be fixed from time to time exclusively pursuant to a resolution adopted by the board of directors.

Business Combinations and Acquisition of Control Shares

Our amended and restated articles of incorporation and amended and restated bylaws provides that the Company has elected not to be governed by certain Nevada statutes that may have the effect of discouraging corporate takeovers.

Nevada's “combinations with interested stockholders” statutes (NRS 78.411 through 78.444, inclusive) prohibit specified types of business “combinations” between certain Nevada corporations and any person deemed to be an “interested stockholder” for two years after such person first becomes an “interested stockholder” unless the corporation’s board of directors approves the combination (or the transaction by which such person becomes an “interested stockholder”) in advance, or unless the combination is approved by the board of directors and sixty percent of the corporation's voting power not beneficially owned by the interested stockholder, its affiliates and associates. Furthermore, in the absence of prior approval certain restrictions may apply even after such two-year period. For purposes of these statutes, an “interested stockholder” is any person who is (1) the beneficial owner, directly or indirectly, of ten percent or more of the voting power of the outstanding voting shares of the corporation, or (2) an affiliate or associate of the corporation and at any time within the two previous years was the beneficial owner, directly or indirectly, of ten percent or more of the voting power of the then-outstanding shares of the corporation. The definition of the term “combination” is sufficiently broad to cover most significant transactions between a corporation and an “interested stockholder”. Our amended and restated articles of incorporation provides that these statutes do not apply to us.

Nevada's “acquisition of controlling interest” statutes (NRS 78.378 through 78.3793, inclusive) contain provisions governing the acquisition of a controlling interest in certain Nevada corporations. These “control share” laws provide generally that any person that acquires a “controlling interest” in certain Nevada corporations may be denied voting rights, unless a majority of the disinterested stockholders of the corporation elects to restore such voting rights. Our amended and restated articles of incorporation and our amended and restated bylaws provides that these statutes do not apply to any acquisition of our common stock. Absent such provision in our articles of incorporation or bylaws, these laws would apply to us if we were to have 200 or more stockholders of record (at least 100 of whom have addresses in Nevada appearing on our stock ledger) and do business in the State of Nevada directly or through an affiliated corporation, unless our articles of incorporation or bylaws in effect on the tenth day after the acquisition of a controlling interest provide otherwise. These laws provide that a person acquires a "controlling interest" whenever a person acquires shares of a subject corporation that, but for the application of these provisions of the NRS, would enable that person to exercise (1) one-fifth or more, but less than one-third, (2) one-third or more, but less than a majority or (3) a majority or more, of all of the voting power of the corporation in the election of directors. Once an acquirer crosses one of these thresholds, shares which it acquired in the transaction taking it over the threshold and within the 90 days immediately preceding the date when the acquiring person acquired or offered to acquire a controlling interest become "control shares" to which the voting restrictions described above apply.

In addition, NRS 78.139 also provides that directors may resist a change or potential change in control if the directors, by majority vote of a quorum, determine that the change is opposed to, or not in, the best interests of the corporation.

Removal of Directors; Vacancies

Under NRS 78.335, one or more of the incumbent directors may be removed from office by the vote of stockholders representing two-thirds or more of the voting power of the issued and outstanding stock entitled to vote. Our amended and restated articles of incorporation provides that any newly created position on the board of directors that results from an increase in the total number of directors and any vacancies on the board of directors will be filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum, by a sole remaining director.

No Cumulative Voting

The NRS does not permit stockholders to cumulate their votes other than in the election of directors, and then only if expressly authorized by the corporation's articles of incorporation. Our amended and restated articles of incorporation expressly prohibits cumulative voting.

Special Stockholder Meetings

Our amended and restated articles of incorporation provides that special meetings of our stockholders may be called at any time only by or at the direction of (i) the board of directors, (ii) the chairman of the board of directors or (iii) two or more of the members of our board of directors. Our amended and restated bylaws prohibits the conduct of any business at a special meeting other than as specified in the notice for such meeting.

Requirements for Advance Notification of Director Nominations and Stockholder Proposals

Our amended and restated bylaws establishes advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors. In order for any matter to be properly brought before a meeting of our stockholders, the stockholder submitting the proposal or nomination will have to comply with advance notice requirements and provide us with certain information. Generally, to be timely, a stockholder's notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the immediately preceding annual meeting of stockholders. Our amended and restated bylaws specifies requirements as to the form and content of the stockholder's notice. Our amended and restated bylaws allows the chairman of the meeting to prescribe rules and regulations for the conduct of stockholders meetings which may preclude the conduct of certain business at a meeting if the rules and regulations are not followed.

Stockholder Action by Written Consent

Our amended and restated articles of incorporation and amended and restated bylaws provides that the stockholders may not in any circumstance take action by written consent.

Supermajority Provisions

Our amended and restated articles of incorporation and amended and restated bylaws provides that the board of directors is expressly authorized to make, alter, amend, change, add to, rescind or repeal, in whole or in part, our bylaws without a stockholder vote in any matter not inconsistent with the laws of the State of Nevada and our amended and restated articles of incorporation. Except as indicated below, any amendment, alteration, rescission or repeal of our bylaws by our stockholders will require the affirmative vote of the holders of at least two-thirds of the voting power of our outstanding capital stock entitled to vote thereon, voting together as a single class.

Any amendment to our articles of incorporation to be effected pursuant to, or to be effective upon or after the consummation of, a merger, conversion or exchange in which Paramount Gold Nevada Corp. is a constituent entity, in each case which has been otherwise duly authorized and approved by our board of directors and our stockholders in accordance with our amended and restated articles of incorporation, our amended and restated bylaws, the NRS and other applicable law, requires an affirmative vote by the stockholders holding no less than the majority of the then-issued and outstanding shares of stock entitled to vote thereon.

Dissenters' Rights of Appraisal and Payment

The provisions of Nevada's dissenter's rights statutes (NRS 92A.300 through 92A.500, inclusive) specify certain corporate actions giving rise to the right of a stockholder to demand payment of “fair value” (as defined in NRS 92A.320) of its shares, subject to a number of limitations and procedural requirements.

Stockholders' Derivative Actions

Our stockholders may be entitled to bring an action in our name to procure a judgment in our favor, also known as a derivative action, subject to the requirements of applicable law.

Exclusive Forum

Our amended and restated articles of incorporation provides that unless we consent to the selection of an alternative forum the Sixth Judicial District Court of Northern Nevada shall be the sole and exclusive forum (to the extent the forum has personal jurisdiction over the indispensable parties named as defendants therein) for any (i) derivative action or proceeding brought in the name or right of the corporation or on its behalf, (ii) action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or agents to the corporation or any of our stockholders, creditors or other constituents or stakeholders, (iii) action asserting a claim arising pursuant to any provision of Chapters 78 or 92A of the NRS or any provision of the corporation's articles of incorporation or bylaws or (iv) any action asserting a claim governed by the internal affairs doctrine.

Limitations on Liability and Indemnification of Officers and Directors

Our amended and restated articles of incorporation provides that the liability of our directors and officers shall be eliminated or limited to the fullest extent permitted by the NRS. NRS 78.138(7) provides that, subject to very limited statutory exceptions and unless the articles of incorporation or an amendment thereto (in each case filed on or after October 1, 2003) provide for greater individual liability, a director or officer is not individually liable to a corporation or its stockholders or creditors for any damages as a result of any act or failure to act in his or her capacity as a director or officer unless it is proven that: (i) the act or failure to act constituted a breach of his or her fiduciary duties as a director or officer and (ii) the breach of those duties involved intentional misconduct, fraud or a knowing violation of law.

Our amended and restated bylaws provides that we must indemnify and advance expenses to our directors and officers to the fullest extent permitted under the NRS. We also are expressly authorized to carry directors' and officers' liability insurance providing indemnification for our directors, officers and certain employees for some liabilities. We believe that these indemnification and advancement provisions and insurance are useful to attract and retain qualified directors and executive officers.

Deemed Notice and Consent

Our amended and restated articles of incorporation provides that any person purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed, to the fullest extent permitted by law, to have notice of and consented to all of the provisions of our amended and restated articles of incorporation (including, without limitation, the provisions described above under " - Exclusive Forum"), our amended and restated bylaws and any amendment to our articles of incorporation or bylaws enacted in accordance therewith and applicable law.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computer Shareholder Services, Inc., who address is 111 Founders Plaza East Hartford, CT 06108.

Listing

Our shares of common stock is listed on the NYSE American under the symbol "PZG."