



## **AURELIUS MINERALS INC.**

### **CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2022 AND 2021**

**(presented in Canadian dollars unless otherwise noted)**

**(Unaudited)**

#### **NOTICE TO READER OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of Aurelius Minerals Inc. (the "Company") have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.



## CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at (expressed in Canadian dollars, Unaudited)	Note	March 31 2022 \$	December 31 2021 \$
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents		1,258,515	1,329,426
Receivables	4	121,596	802,758
Prepaid expenses and deposits		82,171	45,202
		<b>1,462,282</b>	<b>2,177,386</b>
<b>Property, plant and equipment</b>	5	<b>1,523,195</b>	<b>1,567,938</b>
<b>Mineral properties</b>	6	<b>1,420,700</b>	<b>1,420,700</b>
<b>Reclamation deposit</b>	7	<b>1,500,000</b>	<b>1,500,000</b>
<b>Total Assets</b>		<b>5,906,177</b>	<b>6,666,024</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	8,12	675,509	1,094,456
Current portion of lease liability	9	141,908	137,815
Flow-through premium liability	13	85,265	145,117
		<b>902,682</b>	<b>1,377,388</b>
<b>Lease liability</b>	9	<b>320,203</b>	<b>360,025</b>
<b>Obligation upon Aureus Gold acquisition</b>	10	<b>1,164,439</b>	<b>1,301,256</b>
<b>Reclamation obligation</b>	11	<b>667,000</b>	<b>667,000</b>
<b>Total Liabilities</b>		<b>3,054,324</b>	<b>3,705,669</b>
<b>Shareholders' equity</b>			
Share capital	13	24,965,971	24,015,030
Warrants	13	145,187	67,433
Reserves	13	1,880,101	1,825,435
Deficit		<b>(24,139,406)</b>	<b>(22,947,543)</b>
<b>Total Shareholders' Equity</b>		<b>2,851,853</b>	<b>2,960,355</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>5,906,177</b>	<b>6,666,024</b>

Nature and continuance of operations (Note 1) and Subsequent event (Note 18).

*Approved and authorized on behalf of the Board of Directors:*

*"Gilles Arseneau"*

Gilles Arseneau, Chairman

*"Michael Leskovec"*

Michael Leskovec, Director

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



## CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(expressed in Canadian dollars, Unaudited)	Note	Three Month Period Ended March 31 2022 \$	Three Month Period Ended March 31 2021 \$
<b>EXPENSES</b>			
Exploration	6	844,192	1,727,185
Salaries and fees	12	206,031	213,942
Director fees		27,500	27,500
Investor relations		102,728	78,297
Legal, audit and accounting		-	3,507
Office and miscellaneous	12	14,248	12,690
Regulatory and transfer agent fees		14,498	23,144
Rent recovery	9,12	(19,919)	(17,438)
Travel		734	1,487
Depreciation	5	56,976	55,105
Interest expense on lease liability	9	10,660	5,024
Share-based compensation	13,12	54,666	-
		<b>(1,312,314)</b>	<b>(2,130,443)</b>
<b>OTHER INCOME</b>			
Interest income		-	1,288
Recognition of flow-through premium liability	13	106,667	494,116
Gain on acquisition obligation settlement	10	4,231	-
Foreign currency gain		9,553	18,209
		<b>120,451</b>	<b>513,613</b>
<b>Loss and comprehensive loss for the period</b>		<b>(1,191,863)</b>	<b>(1,616,830)</b>
<b>Basic and diluted loss per common share</b>		<b>(0.03)</b>	<b>(0.06)</b>
<b>Weighted average number of common shares outstanding</b>		<b>40,794,427</b>	<b>27,606,941</b>

Share consolidation (Note 3).

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



## CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Month Period Ended March 31 2022 \$	Three Month Period Ended March 31 2021 \$
(expressed in Canadian dollars, Unaudited)		
<b>Cash flows from operating activities</b>		
Loss for the period	(1,191,863)	(1,616,830)
Items not involving cash:		
Flow-through premium liability	(106,667)	(494,116)
Gain on acquisition obligation settlement	(4,231)	-
Unrealized foreign exchange gain	(9,890)	(18,714)
Share-based payment	54,666	-
Depreciation	56,976	55,105
Interest expense on lease liability	10,660	5,024
Changes in non-cash working capital items:		
Receivables	681,162	(152,308)
Prepaid expenses	(36,969)	(21,272)
Accounts payable and accrued liabilities	(418,947)	353,468
Net cash provided by (used in) operating activities	(965,103)	(1,889,643)
<b>Cash flows from financing activities</b>		
Issuance of capital stock for cash	974,967	-
Share issuance costs	(22,153)	-
Exercise of warrants for cash	-	60
Repayment of lease liability	(46,389)	(46,008)
Net cash provided by (used in) financing activities	906,425	(45,948)
<b>Cash flows from investing activities</b>		
Property and equipment purchases	(12,233)	(19,920)
Net cash provided by (used in) investing activities	(12,233)	(19,920)
<b>Change in cash and cash equivalents during the period</b>	<b>(70,911)</b>	<b>(1,955,511)</b>
<b>Cash and cash equivalents, beginning of the period</b>	<b>1,329,426</b>	<b>3,330,376</b>
<b>Cash and cash equivalents, end of the period</b>	<b>1,258,515</b>	<b>1,374,865</b>

Supplemental disclosure with respect to cash flows (Note 14).

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



## CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(expressed in Canadian dollars)	Shares #	Share Capital \$	Warrants \$	Reserves \$	Deficit \$	Total \$
<b>Balance, December 31, 2020</b>	<b>27,606,861</b>	<b>17,805,504</b>	<b>154,500</b>	<b>1,341,996</b>	<b>(14,923,999)</b>	<b>4,378,001</b>
Issued upon warrant exercise (Note 13b)	100	75	(15)	-	-	60
Reserves transferred on expired options (Note 13d)	-	-	-	(2,170)	2,170	-
Reserves transferred on expired warrants (Note 13e)	-	72,473	(68,235)	(4,238)	-	-
Loss for the period	-	-	-	-	(1,616,830)	(1,616,830)
<b>Balance, March 31, 2021</b>	<b>27,606,961</b>	<b>17,878,052</b>	<b>86,250</b>	<b>1,335,588</b>	<b>(16,538,659)</b>	<b>2,761,231</b>
<b>Balance, December 31, 2021</b>	<b>40,515,599</b>	<b>24,015,030</b>	<b>67,433</b>	<b>1,825,435</b>	<b>(22,947,543)</b>	<b>2,960,355</b>
Issued for private placements (Note 13b)	3,093,839	897,213	77,754	-	-	974,967
Issued to settle deferred payments	423,090	122,696	-	-	-	122,696
Share issuance costs (Note 13b)	-	(22,153)	-	-	-	(22,153)
Flow-through premium liability (Note 13b)	-	(46,815)	-	-	-	(46,815)
Share-based payment (Note 13d)	-	-	-	54,666	-	54,666
Loss for the period	-	-	-	-	(1,191,863)	(1,191,863)
<b>Balance, March 31, 2022</b>	<b>44,032,528</b>	<b>24,965,971</b>	<b>145,187</b>	<b>1,880,101</b>	<b>(24,139,406)</b>	<b>2,851,853</b>

Share consolidation (Note 3).

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



**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**For the three month periods ended March 31, 2022 and 2021**  
(expressed in Canadian dollars, unless otherwise noted)

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Aurelius Minerals Inc. was incorporated on April 5, 2007 under the Business Corporations Act, British Columbia. Aurelius Minerals Inc. and its subsidiary (“Aurelius” or the “Company”) are engaged in the exploration of its gold projects. On February 27, 2020, Aurelius completed the acquisition of its wholly owned subsidiary, Aureus Gold Inc., which holds the Aureus Gold properties in Nova Scotia, Canada. Aurelius also holds the Mikwam and Lipton gold exploration properties within the northern Abitibi Gold Belt in Ontario, Canada. The Company’s registered and records office is 2500 – 700 West Georgia Street, Vancouver, BC, Canada, V7Y 1B3. The Company also has an office in Toronto at 1900 – 110 Yonge Street, Toronto, ON, Canada, M5C 1T4. The shares of the Company are traded on the TSX Venture Exchange (“TSX-V”) under the symbol AUL and the OTCQB in the United States (OTCQB: AURQF).

The Company is subject to risks and challenges similar to other companies in a comparable stage of exploration. These risks include, but are not limited to, continuing losses, dependence on key individuals and the ability to secure adequate financing to meet minimum capital required to successfully complete its commitments and continue as a going concern. While the Company has not been adversely affected to date by the coronavirus COVID-19 global pandemic, other than a delay in the commencement of its 2020 exploration programs at its Nova Scotia properties, Aurelius continues to monitor and assess the impact of COVID-19.

During the year ended December 31, 2021, the Company completed a share consolidation as described in Note 3.

The Company’s ability to meet its obligations and maintain its exploration activities is contingent upon successful completion of additional financing arrangements.

These condensed interim consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. These material uncertainties may cast significant doubt on the entity’s ability to continue as a going concern.

These condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Such adjustments could be material.

**2. BASIS OF PRESENTATION**

**Statement of compliance**

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting”, as issued by the International Accounting Standards Board (“IASB”) and follow the same accounting policies and methods disclosed in Note 3 of the Company’s audited financial statements for the year ended December 31, 2021 unless otherwise indicated.

These condensed interim consolidated financial statements do not include all disclosures required by IFRS for annual consolidated financial statements and accordingly should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021.

The Company’s Board of Directors approved these financial statements on May 27, 2022.



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**Basis of presentation**

These condensed interim consolidated financial statements include the accounts of Aurelius Minerals Inc. and its wholly owned subsidiary, Aureus Gold Inc. from the date of acquisition (Note 6), and all intercompany transactions and balances are eliminated on consolidation.

These financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

**Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

***Economic recoverability and probability of future economic benefits of exploration and evaluation assets***

Management has determined that mineral costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessment of economic recoverability and probability of future economic benefits including geological and metallurgical information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plan at each reporting period date to determine whether any indication of impairment exists.

***Acquisition accounting***

The assessment of whether acquisitions are considered business combinations or asset acquisitions requires management judgement, the outcome of which may result in different accounting treatments. Judgement is also required to determine the fair value of the purchase price of the Acquisition (Note 6) based on the probability of making a future payment, in cash or shares, or returning the shares to Sprott Lending which is dependent on future exploration success. Judgement is also required to determine if the potential contingent payment should be classified as equity or a liability. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as a liability is re-measured at fair value at each reporting date and subsequent changes in fair value of the contingent consideration are expensed to profit or loss.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

***Decommissioning and rehabilitation provision***

Management's determination of the Company's decommissioning and rehabilitation provision is based on the reclamation and closure activities it anticipates as being required and its estimate of the probable costs and timing of such activities and measures. Accounting for reclamation obligations requires management to make estimates and judgements of the future costs the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each mining operation and exploration and development property. Actual costs incurred may differ from those amounts estimated. Also, future changes to environmental laws and



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regulations could increase the extent of reclamation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation. The provision represents management’s best estimate of the present value of the future reclamation and remediation obligation. The actual future expenditures may differ from the amounts currently provided.

***Valuation of share-based payments***

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company’s earnings and equity reserves. The resulting value calculated is not necessarily the value that the holder of the option could receive in an arm’s length transaction, given that there is no market for the options and they are not transferable.

***Income taxes***

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

**3. SHARE CONSOLIDATION**

On May 4, 2021, the Company completed a consolidation of the outstanding capital of the Company on the basis of 10 existing common shares for one new consolidated common share. Immediately prior to the consolidation, the Company had 276,069,713 common shares issued and outstanding and immediately after the consolidation, the Company had 27,606,961 post-consolidated common shares issued and outstanding. All information in these consolidated financial statements with respect to prior periods has been restated to be presented on a post share consolidation basis and may vary from the pre-consolidation balances due to the elimination of fractional shares.

Following the effective date of the share consolidation, each outstanding whole warrant of the Company will evidence the right of the holder thereof to acquire, in accordance with the terms of the warrant, 1/10 of a common share at the adjusted share price being the applicable warrant exercise price multiplied by 10. All outstanding warrant information in these consolidated financial statements has been restated to be presented giving effect to this share consolidation impact.

**4. RECEIVABLES**

	<b>March 31 2022</b>	December 31 2021
	\$	\$
Input sales tax recoverable	<b>91,581</b>	771,858
Other receivables	<b>30,015</b>	30,900
	<b>121,596</b>	802,758





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**5. PROPERTY, PLANT AND EQUIPMENT**

	Mill equipment \$	Mobile and infrastructure equipment \$	Office furniture and equipment \$	Exploration Equipment \$	Right of use assets \$	Total \$
<b>Cost</b>						
Balance – December 31, 2020	952,358	132,139	13,611	54,219	490,855	1,643,182
Additions	-	-	-	19,920	372,637	392,557
Balance – December 31, 2021	952,358	132,139	13,611	74,139	863,492	2,035,739
<b>Additions</b>	-	<b>12,233</b>	-	-	-	<b>12,233</b>
<b>Balance – March 31, 2022</b>	<b>952,358</b>	<b>144,372</b>	<b>13,611</b>	<b>74,139</b>	<b>863,492</b>	<b>2,047,972</b>
<b>Accumulated depreciation</b>						
Balance – December 31, 2020	-	15,968	7,094	790	219,330	243,182
Depreciation	-	20,876	2,369	10,978	190,396	224,619
Balance – December 31, 2021	-	36,844	9,463	11,768	409,726	467,801
<b>Depreciation</b>	-	<b>5,423</b>	<b>593</b>	<b>2,868</b>	<b>48,092</b>	<b>56,976</b>
<b>Balance – March 31, 2022</b>	-	<b>42,267</b>	<b>10,056</b>	<b>14,636</b>	<b>457,818</b>	<b>524,777</b>
<b>Net book value</b>						
At December 31, 2021	952,358	95,295	4,148	62,371	453,766	1,567,938
<b>At March 31, 2022</b>	<b>952,358</b>	<b>102,105</b>	<b>3,555</b>	<b>59,503</b>	<b>405,674</b>	<b>1,523,195</b>

As at March 31, 2022, the mill is not considered available for use and accordingly is not being depreciated.

**6. MINERAL PROPERTIES**

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and to the best of its knowledge, title to all of its properties, are properly registered and in good standing.

The Company capitalizes mineral property acquisition costs only, which include the cash consideration, earn-in or option agreement payments and the fair value of common shares issued for mineral properties. The Company holds interests in two mineral properties located in Ontario, Canada, and the Aureus Gold Properties, including the Aureus East and West, Tangier and Forest Hill properties, in Nova Scotia, Canada.

The capitalized acquisition costs are as follows:

	Mikwam \$	Lipton \$	Aureus West \$	Total \$
<b>Balance – December 31, 2010</b>	257,500	278,685	784,515	1,320,700
Additions	-	100,000	-	100,000
<b>Balance – December 31, 2021</b>	<b>257,500</b>	<b>378,685</b>	<b>784,515</b>	<b>1,420,700</b>
Additions	-	-	-	-
<b>Balance – March 31, 2022</b>	<b>257,500</b>	<b>378,685</b>	<b>784,515</b>	<b>1,420,700</b>

**Mikwam**

The Company acquired a 100% interest in Mikwam (subject to certain royalty interests and encumbrances) for



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aggregate cash payments of \$25,000 and 400,000 shares with aggregate fair value of \$232,500 to ALX Uranium Corp. (“ALX”) over a period of two years. In addition, the Company will pay ALX a 0.5% net smelter returns royalty (“NSR”). The Company has the right, at any time, to acquire the NSR from ALX in consideration of a cash payment of \$1,000,000.

**Lipton**

The Company entered into an option agreement to acquire a 100% interest in a portion of the Lipton Property, subject to a 2% NSR. The Company must pay \$1,000,000 over a ten-year period and issue 50,000 common shares (50,000 issued with an aggregate value of \$72,500). The Company has paid \$200,000 (initial payment of \$10,000 was made August 22, 2016) and the remaining \$800,000 is payable in annual cash payments between June 2022 and June 2026. The Company has the option to buy-back one-half of the NSR for \$2,500,000. The Company incurred costs related to staking additional claims, not subject to an NSR, in the amount of \$106,185.

In June 2020, the Company entered into a land access agreement with De Beers Canada Inc. (“De Beers”) which permitted De Beers the exclusive right to conduct activities to explore for diamonds on certain of the Lipton claims. Aurelius received \$20,000 and \$30,000 relating to access during 2020 and 2021, respectively, and does not expect further payments under the De Beers agreement.

**Aureus Gold Properties**

On February 27, 2020, pursuant to a master transaction agreement (the “Transaction Agreement”) entered into between Aurelius and Sprott Private Resource Lending (Collector) LP, by its General Partner, Sprott Resource Lending Corp. (“Sprott Lending” or “Sprott”), Aurelius acquired (the “Acquisition”) Aureus Gold Inc. (previously 2672403 Ontario Inc.) (“Aureus Gold”), the owner of a 100% interest in the Aureus gold properties including the Aureus Gold Project (other than the Aureus West Project), the Tangier Gold Project and the Forest Hill Gold Project located in Nova Scotia (collectively named, the “Aureus Gold Properties”) for total consideration of up to US\$8,200,000 in deferred payments (the “Deferred Payments”). The Deferred Payments are payable in cash or common shares of Aurelius (“Aurelius Shares”) or a combination of cash and Aurelius Shares at the sole option of the Company.

Subject to the terms of the Transaction Agreement, Aurelius acquired Aureus Gold in consideration for the Deferred Payments, payable as follows: (a) US\$2,500,000 within 90 days after filing a National Instrument 43-101 – Standard of Disclosure for Mineral Projects (“NI 43-101”) technical report in respect of all or part of the Aureus Gold Properties that establishes a minimum of 500,000 contained equivalent ounces of gold in the Measured and Indicated Mineral Resource categories (the “Mineral Resources Estimate Report”); and (b) provided that the Deferred Payment in (a) above has become due and payable, US\$5,700,000 on the first anniversary of the filing of a NI 43-101 feasibility study on all or part of the Aureus Gold Properties (the “Feasibility Study”). Aurelius has granted Sprott Lending a first ranking security interest on all assets related to the Aureus Gold Properties until the balance of the Deferred Payments has been satisfied, which was extended to the Aureus West property upon its acquisition.

Aurelius has the right, for a period of three years from the closing of the Acquisition, to extinguish the Deferred Payments for consideration of US\$4,000,000 payable in cash or in Aurelius Shares to Sprott Lending, less any prior payments made in cash or Aurelius Shares. Should the Company elect to pay the Deferred Payments in Aurelius Shares in an amount that would result in Sprott holding 20% or more of the issued and outstanding Aurelius Shares, such issuance will be subject to further review of the TSX Venture Exchange and acceptance and will require disinterested shareholder approval.

In the event that the Mineral Resources Estimate Report and/or the Feasibility Study has not been filed by the fifth anniversary of the closing of the Acquisition or Aurelius has otherwise determined in good faith not to proceed with



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preparing the Mineral Resources Estimate Report and/or Feasibility Study, and provided that a Change of Control has not occurred and is not contemplated, subject to certain conditions, Aurelius will be permitted to transfer the shares of Aureus Gold back to Sprott Lending for no additional consideration and the parties would then have no further obligations under the Transaction Agreement with respect to the Aureus Gold Properties.

**Aureus East**

The Company acquired the Aureus East property on February 27, 2020. The Department of Energy and Mines, Nova Scotia holds a 1% NSR on all gold sales. The property is also subject to a 1% NSR held by Metalla Royalty & Streaming Ltd.

**Aureus West**

The Company acquired the Aureus West property from Nycon Resources, Inc. on May 5, 2020 for cash consideration of US\$500,000 and 200,000 common shares of the Company with a fair value of \$50,000 and incurred transaction costs of \$32,915. The cash consideration was funded by Sprott Lending pursuant to the Transaction agreement. The Department of Energy and Mines, Nova Scotia holds a 1% NSR on all gold sales. The property is also subject to a 2% NSR held by Nycon Resources, Inc. The Company has the option to buy-back one-half of the NSR for US\$750,000 and, following exercise of the first buy-back right, has the option to buy-back the second half of the NSR for US\$1,000,000.

**Tangier**

The Company acquired the Tangier property on February 27, 2020. The Department of Energy and Mines, Nova Scotia holds a 1% NSR on all gold sales. Aurelius holds surface rights to the property subject to an annual payment of \$12,000 and a 1% net profits royalty from minerals produced up to a maximum of \$1,000,000.

**Forest Hill**

The Company acquired a 100% interest in mineral rights to the Forest Hill property on February 27, 2020. The Nova Scotia Department of Energy and Mines owns a 1% NSR on all gold sales. A previous Optionor holds a sliding scale royalty on portions of the property. All other marketable commodities within an area of interest are subject to a 1.75% NSR.



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The Company incurred exploration expenditures as follows:

	<b>Mikwam</b>	<b>Lipton</b>	<b>Aureus</b>	<b>Aureus</b>	<b>Tangier</b>	<b>Forest</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>East</b>	<b>West</b>	<b>\$</b>	<b>Hill</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land management	3,188	3,188	1,004	-	8,554	-	15,934
Site admin/maintenance	3,682	-	405,873	29,638	15,419	5,925	460,537
Geology	-	-	187,425	48,960	52,226	36,512	325,123
Sampling and analysis	-	-	83,976	89,283	-	-	173,259
Drilling	-	-	752,332	-	-	-	752,332
<b>Three months ended</b>							
<b>March 31, 2021</b>	<b>6,870</b>	<b>3,188</b>	<b>1,430,610</b>	<b>167,881</b>	<b>76,199</b>	<b>42,437</b>	<b>1,727,185</b>
Land management	3,000	3,000	1,224	-	4,862	-	12,086
Site admin/maintenance	2,400	-	357,045	9,413	9,333	11,423	389,614
Geology	-	-	224,268	26,466	13,662	34,881	299,277
Sampling and analysis	-	-	58,651	-	-	-	58,651
Drilling	-	-	106,149	-	-	-	106,149
Recoveries and grants	-	-	(4,317)	(3,238)	(7,339)	(6,691)	(21,585)
<b>Three months ended</b>							
<b>March 31, 2022</b>	<b>5,400</b>	<b>3,000</b>	<b>743,020</b>	<b>32,641</b>	<b>20,518</b>	<b>39,613</b>	<b>844,192</b>

During the three months ended March 31, 2022 and during the year ended December 31, 2021, the Company received \$21,585 and \$32,378, respectively, pursuant to an application made with the Government of Nova Scotia in respect of the Nova Scotia Minerals Resources Development Fund's (MRDF) Shared Funding Exploration Grant for an exploration program carried out by the Company during 2021. The MRDF is designed to assist and support projects in the mining sector that attract investment and grow Nova Scotia's economy and create jobs, especially in rural areas.

**7. DEPOSITS**

**Reclamation Deposit**

The Company assumed reclamation security payments to the Department of Energy and Mines of Nova Scotia related to the Aureus Gold property acquisition. The reclamation security deposit totals \$1,500,000 as at March 31, 2022.

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>March 31</b>	<b>December 31</b>
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Trade payables	<b>262,810</b>	755,783
Accrued liabilities	<b>412,699</b>	338,673
	<b>675,509</b>	1,094,456



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**9. LEASE LIABILITY**

	<b>March 31 2022</b>	December 31 2021
	\$	\$
<b>Current portion of lease liability</b>	<b>137,815</b>	73,061
Additions	-	121,219
Transfer from long-term lease liability	<b>39,822</b>	92,960
Lease payments during the period	<b>(46,389)</b>	(184,923)
Interest expense on lease liability	<b>10,660</b>	35,498
	<b>141,908</b>	137,815
<b>Non-current lease liability</b>	<b>360,025</b>	201,565
Additions	-	251,420
Transfer to current lease liability	<b>(39,822)</b>	(92,960)
	<b>320,203</b>	360,025

As at March 31, 2022, the Company is required to pay \$187,598 (December 31, 2021 – \$186,985) in undiscounted lease payments within the next twelve months and \$218,047 (December 31, 2021 – \$265,050) over the remaining term of the leases for a total of \$405,645 (December 31, 2021 – \$452,035).

During the three month period ended March 31, 2022, the Company renewed its Toronto office lease and recorded a rent recovery of \$19,910 (2021 – \$17,438) for receipts related to the sub lease arrangement, not included in lease liabilities, in profit or loss.

**10. OBLIGATION UPON ACQUISITION OF AUREUS GOLD**

Pursuant to the Transaction Agreement (Note 6), the Company has the right to pay the future purchase obligation in cash or shares and accordingly, under *IFRS 2 – Share-Based Payment*, management is required to assess the probability of the likelihood of the issuance of shares. Under *IAS 32 – Financial Instruments: Presentation*, management assessed that the future purchase obligation is a contingent settlement which results in a variable number of issuable common shares of the Company, dependent upon the share price at settlement and is classified as a liability. In addition, the liability contains a derivative feature under *IFRS 9 – Financial Instruments* as the fair value changes with changes in foreign exchange rates. Based on the probabilities assigned to whether management exercises the Deferred Payments, the early payment option of US\$4,000,000 or the right to transfer the Aureus Gold shares back to Sprott Lending, the value of the contingent consideration to acquire Aureus Gold was estimated at US\$2,000,000. The United States dollar denominated contingent obligation will be re-measured at each reporting date and changes in fair value due to changes in foreign exchange rates will be expensed to profit or loss.

	\$
<b>Balance – December 31, 2020</b>	<b>1,393,674</b>
Settlement upon Sprott’s participation right	(82,716)
Effect of foreign currency changes	(9,702)
<b>Balance – December 31, 2021</b>	<b>1,301,256</b>
Settlement upon Sprott’s participation right	(124,719)
Effect of foreign currency changes	(12,098)
<b>Balance – March 31, 2022</b>	<b>1,164,439</b>



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On February 7, 2022, the Company issued 423,090 common shares to Sprott Lending at a price of \$0.30 per common share in consideration of a reduction of the First Deferred Payment under the Transaction Agreement. \$124,719 (US\$98,445), being the value of the participation right exercise, was credited towards the First Deferred Payment and reduced the acquisition obligation. The difference between the issue price of the common shares and the fair value of the shares, being the closing price per share on that date of issue, resulted in a \$4,231 gain on acquisition obligation settlement.

On July 19, 2021, the Company issued 133,191 common shares to Sprott Lending at a price of \$0.41 per common share in consideration of a reduction of the First Deferred Payment under the Transaction Agreement. \$82,716 (US\$64,891), being the value of the participation right exercise, was credited towards the First Deferred Payment and reduced the acquisition obligation. The difference between the issue price of the common shares and the fair value of the shares, being the closing price per share on that date of issue, resulted in a \$25,306 gain on acquisition obligation settlement.

Since the acquisition of Aureus Gold on February 27, 2020, the Company has issued an aggregate 1,960,421 common shares to Sprott Lending in connection with the exercise of its participation right to maintain its percentage shareholding of Aurelius under the Transaction Agreement, and \$1,390,861 (US\$1,068,970), being the aggregate value of the participation right exercises, was credited towards the First Deferred Payment and reduced the acquisition obligation.

### 11. RECLAMATION OBLIGATION

The Company's estimates of future decommissioning and restoration for reclamation and closure costs for its Aureus East property are based on reclamation standards that meet Canadian regulatory requirements. Elements of uncertainty in estimating these amounts include potential changes in regulatory requirements, reclamation plans and cost estimates, discount rates and timing of expected expenditures.

As at March 31, 2022, the undiscounted amount of estimated cash flows required to settle the decommissioning and reclamation costs is estimated at \$667,000. The Company has considered the first milestone of three years to settle the early payment option pursuant to the Acquisition of Aureus East property and accordingly accretion is nominal due to the low and offsetting inflation and risk-free interest rates. The Company has recorded the undiscounted amount of estimated reclamation costs and will re-evaluate the estimated timing and value of outflows annually.

### 12. RELATED PARTY TRANSACTIONS

#### *Key Management Personnel*

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of directors and key executives is determined by the Board of Directors having regard to the performance of individuals and market trends.



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Compensation paid or payable to key management personnel for services rendered are as follows:

	<b>Three month period ended March 31, 2022</b>	Three month period ended March 31, 2021
	\$	\$
Salaries and fees <sup>(1)</sup>	<b>259,000</b>	262,750
Short-term employment benefits	<b>1,500</b>	1,500
Share-based payment	<b>12,464</b>	-
	<b>272,964</b>	264,250

<sup>(1)</sup> A portion of salaries for key management has been recorded in Exploration expenses.

The Company has related parties which consist of companies with directors and officers in common. Effective February 1, 2019, the Company entered into an agreement, to sublease a portion of its Toronto office space, with Maritime Resources Corp. ("Maritime"), a corporation with common directors and officers. Maritime was also invoiced for reimbursement of direct third-party purchases of certain office administration services.

	<b>Three month period ended March 31, 2022</b>	Three month period ended March 31, 2021
	\$	\$
Rent recovery	<b>19,919</b>	17,438
Office and other recovery	<b>1,286</b>	1,431
	<b>21,205</b>	18,869

Included in accounts payable and accrued liabilities at March 31, 2022 is \$255,237 (December 31, 2021 – \$268,081) due to officers and directors, including the CEO and VP Exploration for expenses and fees of \$63,154, and \$192,083 for directors' fees.

**13. SHARE CAPITAL AND RESERVES**

a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares are fully paid.

During the year ended December 31, 2021, the Company consolidated its share capital as described in Note 3.

b) Issued share capital

During the three month period ended March 31, 2022, the Company issued:

- 423,090 common shares at a fair value of \$122,696 to Sprott Lending upon private placements, in connection with the exercise of Sprott's participation right to maintain its percentage shareholding of Aurelius under the Transaction Agreement and was credited towards the First Deferred Payment and reduced the Obligation upon acquisition of Aureus Gold on the consolidated statements of financial position (Note 10), on February 7, 2022.
- 1,560,500 flow-through units at a price of \$0.33 per flow-through unit for gross proceeds of \$514,965 and 1,533,339 common share units at a price of \$0.30 per common share unit for aggregate gross proceeds of \$460,002 for aggregate gross proceeds of \$974,967, pursuant to the closing of the first tranche of a private placement financing on March 30, 2022. Each flow-through unit and common share unit consisted of one flow-through share and one



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common share, respectively, of the Company and one-half of one common share purchase warrant with each whole common share warrant entitling the holder thereof to acquire one common share at a price of \$0.40 per common share for a period of twenty-four months following the closing of the offering. Using the residual value approach, proceeds of \$77,754 were allocated to the common share purchase warrants. Cash transaction costs were \$16,412.

The subscription agreement for the flow-through common shares requires Aurelius to incur \$514,965 of qualifying Canadian Exploration Expenses (“CEE”) and renounce the CEE to the flow-through shares shareholders with an effective date of December 31, 2022. At the time of issuance, the excess price per unit of the flow-through common shares over the fair value price per common share resulted in a flow-through premium liability of \$46,815 and reduced share capital by the same amount.

During the year ended December 31, 2021, the Company issued:

- 2,418,611 flow-through shares at a price of \$0.36 per flow-through share for gross proceeds of \$870,700 and 963,333 common share units at a price of \$0.30 per common share unit for aggregate gross proceeds of \$289,000 for aggregate gross proceeds of \$1,159,700, on December 15, 2021. Each common share unit consisted of one common share of the Company and one-half of one common share purchase warrant with each whole common share warrant entitling the holder thereof to acquire one common share at a price of \$0.40 per common share for a period of twenty-four months following the closing of the offering. Using the residual value approach, proceeds of \$67,433 were allocated to the common share purchase warrants. Cash finders’ fees of \$49,080 were paid.

The subscription agreement for the flow-through common shares requires Aurelius to incur \$870,700 of qualifying CEE and renounce the CEE to the flow-through shares shareholders with an effective date of December 31, 2021. At the time of issuance, the excess price per unit of the flow-through common shares over the fair value price per common share resulted in a flow-through premium liability of \$145,117 and reduced share capital by the same amount. Pursuant to incurring eligible flow-through expenditures, the flow-through premium liability was reduced by \$106,667 and recognized into income during the three month period ended March 31, 2022.

- 133,191 common shares at a fair value of \$54,608 to Sprott Lending upon private placements, in connection with the exercise of Sprott’s participation right to maintain its percentage shareholding of Aurelius under the Transaction Agreement and was credited towards the First Deferred Payment and reduced the Obligation upon acquisition of Aureus Gold on the consolidated statements of financial position (Note 10), on July 19, 2021.
- 9,393,503 common shares comprised of 3,995,041 common shares of the Company at a price of \$0.60 per common share and 5,398,462 flow-through common shares at a price of \$0.675 per flow-through common share totaling aggregate gross proceeds of \$6,040,987, during May 2021.

The Company paid cash finders’ fees of \$237,466 and issued an aggregate of 371,392 compensation warrants, fair valued at \$148,968. Each compensation warrant entitles the holder to acquire one common share at a price of \$0.60 per common share and expire 18 months following the date of issue. Dundee Goodman Merchant Partners, a division of Goodman & Company, Investment Counsel Inc. (“Dundee”), a related party, entered into a finders’ fee agreements with the Company in respect of the offering. The Company will pay Dundee \$166,158 and issue approximately 258,344 compensation warrants valued at \$103,624. Total other cash transaction costs were \$112,309.

The subscription agreement for the flow-through common shares requires Aurelius to incur \$3,643,962 of qualifying CEE and renounce the CEE to the flow-through shares shareholders with an effective date of December 31, 2021. At the time of issuance, the excess price per unit of the flow-through common shares over the fair value price per common share resulted in a flow-through premium liability of \$404,885 and reduced share capital by the same





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amount. Pursuant to incurring eligible flow-through expenditures, the flow-through premium liability was reduced by \$nil and \$404,885 was recognized into income during the year ended December 31, 2021.

- 100 common shares upon the exercise of warrants.

<i><b>Flow-through premium liability</b></i>	<b>\$</b>
<b>Balance – December 31, 2020</b>	<b>494,116</b>
Flow-through premium liability – May private placement	404,885
Flow-through premium liability – December private placement	145,117
Settlement of flow-through premium to income	(899,001)
<b>Balance – December 31, 2021</b>	<b>145,117</b>
Flow-through premium liability – March private placement	46,815
Settlement of flow-through premium to income	(106,667)
<b>Balance – March 31, 2022</b>	<b>85,265</b>

c) Stock options

The Company, in accordance with its shareholder approved stock option plan, is authorized to grant options to directors, officers, employees and/or consultants, to acquire up to 10% of the issued and outstanding common shares. The exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. Options can be granted for a maximum term of ten years and vest immediately upon grant.

As at March 31, 2022, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

<b>Options Outstanding</b>	<b>Options Exercisable</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
260,000	260,000	\$ 1.20	July 5, 2022
71,520	71,520	\$ 0.80	March 5, 2023
400,000	400,000	\$ 0.60	January 23, 2024
569,040	569,040	\$ 0.60	May 8, 2025
82,500	82,500	\$ 1.00	September 9, 2025
50,000	50,000	\$ 1.00	September 23, 2025
1,252,500	1,252,500	\$ 0.35	October 19, 2026
200,000	50,000	\$ 0.35	November 1, 2026
50,000	50,000	\$ 0.35	January 8, 2027
<b>2,935,560</b>	<b>2,785,560</b>		



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A summary of the Company's stock options follows:

	Three months ended March 31, 2022		Year ended December 31, 2021	
	Options Outstanding #	Weighted Average Exercise Price \$	Options Outstanding #	Weighted Average Exercise Price \$
<b>Balance, beginning of period</b>	<b>2,885,560</b>	<b>0.55</b>	1,551,060	0.75
Granted	50,000	0.35	1,452,500	0.35
Expired/cancelled	-	-	(118,000)	0.66
<b>Balance, end of period</b>	<b>2,935,560</b>	<b>0.55</b>	2,885,560	0.55
<b>Options exercisable, end of period</b>	<b>2,785,560</b>	<b>0.55</b>	2,685,560	0.55

d) Options – Share-based compensation

During the three month period ended March 31, 2022, the Company granted 50,000 (year ended December 31, 2021 – 1,452,500) stock options to directors, officers, consultants and employees of the Company. During the three month period ended March 31, 2022, 50,000 stock options vested and the remaining 150,000 unvested stock options will vest by one-third every three months, for 9 months. During the three month period ended March 31, 2022, the Company recorded stock based compensation expense of \$54,666 (2021 – \$nil). The total fair value of unvested options that will be recognized in profit or loss in future periods amounts to \$18,145 at March 31, 2022 (2021 – \$nil). During the three month period ended March 31, 2022, nil (year ended December 31, 2021 – 118,000) stock options were cancelled or expired resulting in the reversal of \$nil (year ended December 31, 2021 – \$57,774) from reserves to deficit.

The weighted-average assumptions used for the Black-Scholes valuation of stock options granted during the three month period ended March 31, 2022 were risk-free interest rate of 1.51%; expected life of options of 5 years; dividend rate of 0%; and annualized volatility of 146.3%.

e) Warrants

As at March 31, 2022, the Company had outstanding share purchase warrants, enabling the holders to acquire further shares as follows:

Number of Warrants	Exercise Price	Expiry Date
2,813,322	\$ 0.70	July 15, 2022
1,948,124	\$ 0.80	July 15, 2022
315,393	\$ 0.60	November 4, 2022
56,000	\$ 0.60	November 14, 2022
3,728,043	\$ 1.60	December 21, 2022
298,242 <sup>(1)</sup>	\$ 0.80	December 21, 2022
481,666	\$ 0.40	December 15, 2023
1,546,920	\$ 0.40	April 1, 2024
<b>11,187,710</b>		

<sup>(1)</sup> Each agent warrant is exercisable to acquire one unit at a price of \$0.80 per unit for a period of five years, for a common share and a common share warrant.



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Share purchase warrant transactions were as follows:

	Three month period ended March 31, 2022		Year ended December 31, 2021	
	Warrants Outstanding #	Weighted Average Exercise Price \$	Warrants Outstanding #	Weighted Average Exercise Price \$
<b>Balance, beginning of period</b>	<b>9,640,790</b>	<b>1.03</b>	9,636,631	1.06
Granted	<b>1,546,920</b>	<b>0.40</b>	853,059	0.49
Exercised	-	-	(100)	0.60
Expired	-	-	(848,800)	0.60
<b>Balance, end of period</b>	<b>11,187,710</b>	<b>0.98</b>	9,640,790	1.03

**14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

Significant non-cash transactions during the three month period ended March 31, 2022 include:

- a) Recognition of a flow-through premium liability of \$46,815 and corresponding recognition into income pursuant to incurring eligible flow-through expenditures.
- b) Issuing 423,090 common shares with a fair value of \$122,696, reducing the Obligation upon acquisition of Aureus Gold.

Significant non-cash transactions during the three month period ended March 31, 2021 include:

- a) Transferring reserves of \$72,473 to share capital relating to expired warrants.

**15. SEGMENTED INFORMATION**

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of mineral properties in Canada.

**16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Company's financial instruments consist of cash and cash equivalents, receivables, deposits, accounts payable and accrued liabilities, lease liability and acquisition obligation. Cash and cash equivalents is measured at fair value



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based on Level 1 of the fair value hierarchy. The fair values of receivables, deposits, accounts payable and accrued liabilities approximate their book carrying values because of the short-term nature of these instruments. The carrying value of the lease liability approximates its fair value as it bears interest that approximates market rates. The contingent obligation is measured based on Level 3 inputs and changes in its fair value are recorded in profit or loss.

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by management under the direction and guidance of the Board of Directors. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

*Credit risk* - Credit risk is the risk of a financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligation. The Company's receivables consist primarily of tax receivables due from federal and provincial government agencies. The Company has no customers or trade receivables at March 31, 2022. The Company does not have a significant concentration of credit risk with any single counter-party. The Company's cash and cash equivalents is invested in short-term interest bearing accounts at major Canadian chartered banks. Because of these circumstances, the Company does not believe it has a material exposure to credit risk.

*Interest rate risk* - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company is not exposed to significant interest rate risk.

*Liquidity risk* - Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances, asset sales or a combination thereof. The Company is exposed to liquidity risk.

The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. As at March 31, 2022, the Company had cash and cash equivalents totalling \$1,258,515 (December 31, 2021 – \$1,329,426) to settle current liabilities of \$902,682 (December 31, 2021 – \$1,377,388). Subsequent to March 31, 2022, the Company completed the final two tranches of a private place financing for gross proceeds of \$585,038 (Note 18). Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

As at March 31, 2022, the Company's accounts payable and accrued liabilities have contractual maturities of less than 60 days and are subject to normal trade terms.

*Price risk* - The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

**17. CAPITAL MANAGEMENT**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the



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expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as equity, consisting of common shares, stock options and warrants.

The Company is dependent upon external financings to fund activities. In order to carry out any exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient geologic or economic potential and if it has adequate financial resources to do so. There were no changes in the Company's capital management strategy during the three month period ended March 31, 2022 compared to the previous year. The Company is not subject to externally imposed capital requirements.

As at March 31, 2022, the Company is obligated to incur \$230,700 of qualifying flow-through expenditures prior to December 31, 2022 and \$514,965 prior to December 31, 2023.

**18. SUBSEQUENT EVENTS**

Subsequent to March 31, 2022, the Company closed the final two tranches of a private placement financing on April 4 and April 12, 2022 through the issuance of 1,469,811 flow-through units at a price of \$0.33 per flow-through unit for gross proceeds of \$485,038 and 333,334 common share units at a price of \$0.30 per common share unit for aggregate gross proceeds of \$100,000 for aggregate gross proceeds of \$585,038. Each flow-through unit and common share unit consisted of one flow-through share and one common share, respectively, of the Company and one-half of one common share purchase warrant with each whole common share warrant entitling the holder thereof to acquire one common share at a price of \$0.40 per common share for a period of twenty-four months following the closing of the offering. The Company paid cash commission of \$5,400 and 18,000 broker warrants exercisable into common shares of the Corporation at a price of \$0.30 per share for a period of twenty-four months following closing.

The subscription agreement for the flow-through common shares for the three-tranche private placement financing requires Aurelius to incur \$1,000,003 of qualifying CEE and renounce the CEE to the flow-through shares shareholders with an effective date of December 31, 2022.