



ONE WORLD  
**LITHIUM**

# One World Lithium Inc.

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(Formerly One World Minerals Inc.)

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2019**

In Canadian Dollars

(Unaudited – Prepared by Management)

## **NOTICE TO READER**

The accompanying unaudited condensed interim consolidated financial statements of One World Lithium 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 unaudited condensed interim financial statements in accordance with the standards established by the Canadian Institute of Professional Accountants for a review of interim financial statements by an entity's auditor.

**ONE WORLD LITHIUM INC.**  
**(formerly One World Minerals Inc.)**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited - Expressed in Canadian Dollars)

		March 31, 2019	December 31, 2018
	Note	(\$)	(\$)
<b>Assets</b>			
<b>Current Assets</b>			
Cash		49,625	107,654
Receivables		73,695	47,298
Prepays		4,893	4,893
		<u>128,213</u>	<u>159,845</u>
<b>Non - Current Assets</b>			
Exploration and evaluation assets	5	3,107,654	3,107,654
Exploration and evaluation assets advance	5	213,717	208,817
		<u>3,449,584</u>	<u>3,476,316</u>
<b>Liabilities &amp; Shareholders' Equity</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	6,10	600,542	673,762
Loans payable	7	78,160	102,939
Share subscriptions	9	366,100	92,000
Credit facility	8	103,773	109,850
		<u>1,148,575</u>	<u>978,551</u>
<b>Shareholders' Equity</b>			
Share capital	9	16,406,580	16,359,655
Share-based payments reserve	9	1,080,343	912,342
Reserve- warrants	9	33,623	66,955
Contributed surplus	9	55,555	-
Deficit		<u>(15,275,092)</u>	<u>(14,841,187)</u>
		<u>2,301,009</u>	<u>2,497,765</u>
		<u>3,449,584</u>	<u>3,476,316</u>

The accompanying notes are an integral part of the condensed interim consolidated financial statements  
Nature of operations and going concern (Note 1)  
Subsequent events (Note 12)

Approved on behalf of the Board by:

"Douglas Fulcher"  
Douglas Fulcher, Director

"Kevin Milledge"  
Kevin Milledge, Director

**ONE WORLD LITHIUM INC.****(formerly One World Minerals Inc.)****Condensed Interim Consolidated Statements of Loss and Comprehensive Loss****(Unaudited - Expressed in Canadian Dollars)**

	Note	Three months ended March 31	
		2019	2018
		(\$)	(\$)
<b>EXPENSES</b>			
Consulting fees		147,521	45,875
Exploration and evaluation expense and impairment	5	8,217	210,960
Interest, accretion and financing costs	7,8	21,460	12,233
Investor relations		13,412	-
Legal		17,799	2,111
Management fees	10	45,000	45,000
Office, rent and phone		23,572	20,109
Professional fees		16,500	20,775
Share based payments	9c	255,041	154,171
Transfer agent and filing fees		11,423	5,456
		559,945	516,690
Gain on debt settlement	9b	(39,000)	-
<b>Net Loss and Comprehensive Loss</b>		<b>520,945</b>	<b>516,690</b>
<b>Basic and Diluted Loss per Common Share</b>		<b>(0.01)</b>	<b>(0.01)</b>
<b>Weighted Average Number of Shares Outstanding</b>		<b>83,297,965</b>	<b>64,449,372</b>

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

**ONE WORLD LITHIUM INC.**

(formerly One World Minerals Inc.)

**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**

(Unaudited - Expressed in Canadian Dollars)

	Share Capital			Share-based payments reserve (\$)	Contributed surplus (\$)	Deficit (\$)	Total shareholders' equity (\$)
	Shares (#)	Amount (\$)	Warrants (\$)				
<b>Balance - December 31, 2017</b>	<b>63,761,383</b>	<b>13,350,994</b>	<b>55,555</b>	<b>978,740</b>		<b>(12,828,029)</b>	<b>1,557,260</b>
Common shares upon private placement	5,055,506	1,028,650	-	-	-	-	1,028,650
Issued for cash, upon exercise of stock options	100,000	5,000	-	-	-	-	5,000
Reclassification adjustment upon exercise of stock options	-	45,000	-	(45,000)	-	-	-
Share based payments	-	-	-	154,171	-	-	154,171
Net loss for the period	-	-	-	-	-	(516,690)	(516,690)
<b>Balance - March 31, 2018</b>	<b>68,916,889</b>	<b>14,429,644</b>	<b>55,555</b>	<b>1,087,911</b>	-	<b>(13,344,719)</b>	<b>2,228,391</b>
Common shares upon private placement (net)	13,608,659	1,768,686	-	-	-	-	1,768,686
Issued for cash, upon exercise of stock options	151,000	7,700	-	-	-	-	7,700
Common shares issued for debt	160,000	24,000	-	-	-	-	24,000
Common shares issued for property	400,000	62,000	-	-	-	-	62,000
Warrants	-	-	11,400	-	-	-	11,400
Reclassification adjustment upon exercise of stock options	-	67,625	-	(67,625)	-	-	-
Share based payments	-	-	-	65,058	-	-	65,058
Transfer of share based payments expired	-	-	-	(173,002)	-	173,002	-
Net loss for the period	-	-	-	-	-	(1,669,470)	(1,669,470)
<b>Balance - December 31, 2018</b>	<b>83,236,548</b>	<b>16,359,655</b>	<b>66,955</b>	<b>912,342</b>	-	<b>(14,841,187)</b>	<b>2,497,765</b>
Common shares issued for debt	253,231	46,925	-	-	-	-	46,925
Warrants	-	-	22,223	-	-	-	22,223
Warrants expired	-	-	(55,555)	-	55,555	-	-
Share based payments	-	-	-	255,041	-	-	255,041
Transfer of share based payments expired	-	-	-	(87,040)	-	87,040	-
Net loss for the period	-	-	-	-	-	(520,945)	(520,945)
<b>Balance - March 31, 2019</b>	<b>83,489,779</b>	<b>16,406,580</b>	<b>33,623</b>	<b>1,080,343</b>	<b>55,555</b>	<b>(15,275,092)</b>	<b>2,301,010</b>

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

**ONE WORLD LITHIUM INC.**  
**(formerly One World Minerals Inc.)**  
**Condensed Interim Consolidated Statements of Cash Flows**  
(Unaudited - Expressed in Canadian Dollars)

	<b>Three months ended March 31</b>	
	<b>2019</b>	<b>2018</b>
	<b>(\$)</b>	<b>(\$)</b>
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	(520,945)	(516,690)
<b>Items not affecting cash:</b>		
Gain on debt settlement	(39,000)	-
Interest and financing costs	21,460	9,878
Share based payments	255,041	154,171
Impairment of Mogollon Property	-	31,910
<b>Changes in non-cash working capital:</b>		
Receivables	(26,397)	(2,362)
Prepaid expenses	-	-
Accounts payable and accrued liabilities	12,612	(29,810)
	<u>(297,229)</u>	<u>(352,903)</u>
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation assets	-	(31,910)
Exploration and evaluation advance	(4,900)	(20,402)
	<u>(4,900)</u>	<u>(52,312)</u>
<b>FINANCING ACTIVITIES</b>		
Loans paid	(30,000)	-
Securities issued for exercise of options	-	5,000
Securities issued for cash	-	360,450
Share subscriptions	274,100	56,215
	<u>244,100</u>	<u>421,665</u>
<b>Increase in cash for the period</b>	<b>(58,029)</b>	<b>16,450</b>
<b>Cash - beginning of the period</b>	<b>107,654</b>	<b>46,409</b>
<b>Cash - end of period</b>	<b>49,625</b>	<b>62,859</b>
<b>Supplemental disclosures</b>		
Fair value of warrants issued for credit facility	22,223	-
Common shares issued to settle debt and accounts payable	46,925	-

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

# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2019

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

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### 1. Nature of operations and going concern

One World Lithium Inc. (formerly One World Minerals Inc.), together with its subsidiary (collectively referred to as the "Company") was incorporated under the laws of the province of British Columbia on November 9, 1982. The Company is focused on the acquisition, exploration and development of resource properties in Mexico and the United States. The Company is considered to be in the exploration stage. The Company's head office and records offices are located at Suite 615, 800 West Pender Street, Vancouver, British Columbia, V6C 2V6. On February 28, 2017, the Company voluntarily delisted its common shares from the NEX Board of the TSX Venture Exchange ("Exchange") and began trading on the Canadian Securities Exchange ("CSE"). On January 19, 2018, the Company changed its name to One World Lithium Inc. to align with its primary exploration and evaluation asset.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which contemplates the realization of assets and discharge liabilities at their carrying values in the ordinary course of operations for the foreseeable future rather than through the process of forced liquidation. The condensed interim financial statements do not include any adjustments to the classification and amounts of assets and liabilities that may be required should the Company be unable to continue as a going concern. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of, participation in or interest in new properties, assets or business opportunities, as well as the successful results from exploration activities, and its ability to attain profitable operations and generate funds therefrom, and raise equity capital or obtain the necessary financing sufficient to meet current and future obligations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Although the Company has been successful at raising funds in the past through the issuance of securities, it is uncertain whether it will be successful in doing so in the future. The Company closed the second tranche of its non-brokered private placement raising \$525,675 in April 2019. The proceeds will assist the Company in continuing its activities for the next twelve months.

### 2. Basis of presentation, statement of compliance

#### *Statement of Compliance*

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of condensed interim financial statements, including IAS 34, Interim Financial Reporting and interpretations of the IFRS Interpretations Committee ("IFRIC"). They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The significant accounting policies, as disclosed, have been applied consistently to all periods presented in these financial statements.

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Lithium Investments Ltd., a Canadian company.

# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2019

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

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These condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and therefore should be read in conjunction with the Company's most recent annual financial statements as at and for the year ended December 31, 2018. The effects of the adoption of new and amended IFRS pronouncements have been disclosed in notes of these condensed interim financial statements.

These condensed interim consolidated financial were reviewed by the Board of Directors and approved and authorized for issuance on May 30, 2019.

### Use of estimates, assumptions and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting period. While management believes that the judgment, assumptions and estimates made are reasonable, actual results could differ from those estimates, and could impact future results of comprehensive income and cash flows. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Management of the Company assesses the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, provisions for restoration and environmental obligations and contingent liabilities.

### Adoption of new IFRS pronouncements

The Company has adopted the following new standard, along with any consequential amendments, prior to or effective January 1, 2019. These changes were made in accordance with the applicable transitional provisions and did not impact the Company's condensed interim consolidated financial statements.

IFRS 16, Leases: IFRS 16 was issued in January 2016 and replaces IAS 17 Leases. The standard requires lessees to recognize a right of use of asset and a lease obligation at the lease commencement date. The Company has assessed its office lease agreement and concluded that agreement does not constitute the ability to direct the use (right to use) of the underlying office premises in the context of IFRS 16. As such, the adoption of the standard has not had an impact on these condensed interim consolidated financial statements.

## **3. Financial instruments**

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

- Cash and cash equivalents and receivables, are classified as and measured at amortized cost.



# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE THREE MONTHS ENDED MARCH 31, 2019

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

- Accounts payable and accrued liabilities, loans payable, shares subscriptions and other payables are classified as and measured at amortized cost. Borrowings and other financial liabilities are classified as current or non-current based on their maturity date. The liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The Company's financial instruments as at March 31, 2019 and December 31, 2018 are as follows:

	March 31, 2019	December 31, 2018
	(\$)	(\$)
<b>Financial Assets</b>		
Cash	49,625	107,654
Prepaid expenses	4,893	4,893
Receivables	73,695	47,298
	<b>128,213</b>	<b>159,845</b>
<b>Financial liabilities</b>		
Accounts payable and accrued	600,542	673,762
Loans payable	78,160	102,939
Share subscriptions	366,100	92,000
Current Liabilities	103,773	109,850
	<b>1,148,575</b>	<b>978,551</b>
<b>Working capital deficit</b>	<b>(1,020,362)</b>	<b>(818,706)</b>

#### 4. Financial risk management

##### (a) Credit risk

Credit risk is the risk that a counter party to a financial instrument will fail to discharge its contractual obligations. The Company is not exposed to significant credit risk and overall the Company's credit risk has not changed significantly from the prior year.

##### (b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company is exposed to liquidity risk as it relates to its accounts payable and loans payable.

The Company's current and expected remaining contractual maturities for its financial liabilities with agreed repayment periods are presented below. The table includes the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to satisfy the liabilities.

# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE THREE MONTHS ENDED MARCH 31, 2019

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

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As at March 31, 2019	1 - 6 months
	\$
Accounts payable and accrued liabilities	600,542
Loan payable	78,160
Share subscriptions	366,100
Credit facility	103,773
	<u>1,148,575</u>

#### (c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

##### (i) Interest rate risk

Interest rate risk consists of two components:

- (a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and
- (b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

##### (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company incurs certain expenses in currencies other than the Canadian dollar. The Company is subject to foreign currency risk as a result of fluctuations in exchange rates. The Company manages this risk by maintaining bank accounts in US dollars to pay these foreign currency expenses as they arise. Receipts in foreign currencies are maintained in those currencies. The Company does not undertake currency hedging activities. The Company also does not attempt to hedge the net investment and equity of integrated foreign operations.

##### (iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to other price risk.

There were no changes in the Company's approach to managing the above risks.

**ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS****FOR THE THREE MONTHS ENDED MARCH 31, 2019**

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

**5. Exploration and evaluation assets**

Property	Mogollon Property (\$)	Salar del Diablo (\$)
<b>Total December 31, 2017</b>	-	<b>2,810,664</b>
Consideration paid	-	-
Acquisition costs	31,910	-
Less: impairment provision	(31,910)	-
<b>Total March 31, 2018</b>	-	<b>2,810,664</b>
Consideration paid	-	296,990
Acquisition costs	-	-
<b>Total December 31, 2018</b>	-	<b>3,107,654</b>
Consideration paid	-	-
Acquisition costs	-	-
<b>Total March 31, 2019</b>	-	<b>3,107,654</b>

**Acquisition of the Mogollon Project**

On February 28, 2017, the Company entered into an assignment agreement (the "Assignment Agreement"), pursuant to which the Company was assigned all rights and obligations of an original option agreement (the "Option Agreement") dated December 22, 2015, between Stand-up Investments ("SUI") and an option holder ("Third Party") in exchange for initially issuing 5,000,000 common shares of the Company as well as paying \$75,000 in cash.

During the year ended December 31, 2016, the Company made a payment to SUI for \$25,000 as part of the original option agreement. Under the terms of the Option Agreement, SUI has the option to acquire a 100% interest in the Mogollon silver-gold project located in New Mexico, US, by making annual payments totalling US\$1,000,000 to the Third Party as follows:

<b>On or before (Date)</b>	<b>Pay to Third Party (US\$)</b>
January 31, 2016	50,000 (Paid by SUI)
December 31, 2016	200,000 (Paid by SUI)
December 31, 2017	200,000
December 31, 2018	275,000
December 31, 2019	275,000
	<b>1,000,000</b>

Pursuant to the Assignment Agreement, the Company is required to assume the remaining payments to the Third Party as follows:

**ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS****FOR THE THREE MONTHS ENDED MARCH 31, 2019**

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

<b>On or before (Date)</b>	<b>Pay to Third Party (US\$)</b>
December 31, 2017	200,000
December 31, 2018	275,000
December 31, 2019	275,000
	<b>750,000</b>

Subsequent to the December 31, 2017 year end, the December 31, 2017 payment was extended to February 28, 2018. The Company was not successful in amending the February 28, 2018 payment of \$200,000 US to the Third Party and elected to terminate the Option Agreement with the Third Party. In addition to the above, the Company was also required to reimburse SUI US\$200,000 (\$262,740 CAD) previously paid by SUI to the Third Party on January 30, 2017.

Consideration paid to December 31, 2017 to SUI for the Mogollon Option Agreement:

For value of 5,000,000 shares issued at \$0.04 per share	\$	200,000
Issuance of 1,500,000 shares In lieu of cash payment	\$	75,000
Cash reimbursed to SUI US\$200,000	\$	262,740
<b>Total consideration paid</b>	<b>\$</b>	<b>537,740</b>

If the Company decided to continue with the option agreement, it had agreed to make the following additional payments and share issuance to SUI contingent on the Company making the following payments to the Third Party:

<b>On or before (Date)</b>	<b>Pay to SUI (CDN\$)</b>	<b>Pay to SUI (# of shares of OWL)</b>
April 1, 2018	200,000	5,000,000 <sup>(1)</sup>
April 1, 2019	-	5,000,000 <sup>(2)</sup>
	<b>200,000</b>	<b>10,000,000</b>

<sup>(1)</sup> In April 2018, the Company and SUI amended their Assignment Agreement whereby the April 1, 2018 payment of \$200,000 and shares issuance of 5,000,000 was extended to November 30, 2018.

<sup>(2)</sup> In April 2018, the April 1, 2019 commitment date for the share issuance was extended to November 30, 2019. SUI became a related party on April 25, 2018, as they share a common officer.

In addition, the Company has granted SUI a 1% net smelter return royalty (“NSR”) upon commencement of commercial production.

The Company was not successful in amending the February 28, 2018 payment of \$200,000 US to the Third Party and has elected to terminate the Option Agreement with the Third Party and the Assignment Agreement with SUI. As of December 31, 2018, the Company has provided an impairment provision of \$19,361 (December 31, 2017: \$604,880) against the carrying amount of the Mogollon Property.

# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2019

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

### Acquisition of the Salar del Diablo Property (formerly the Valle Del Diablo Property):

On October 10, 2017, the Company completed the acquisition of Lithium Investments Ltd. (“LIL”) by acquiring all of the shares of LIL from its shareholders in exchange for 10,000,000 common shares and a \$100,000 cash payment made 30 days after the close (November 10, 2017). All shares issued on October 10, 2017 were measured at \$0.235 per share, being the Company’s closing price on that date on the CSE.

The principal assets of LIL consist of the rights and interests under an option and joint venture agreement as amended (the “Option Agreement”) with third parties to acquire up to a 90% interest in the Salar del Diablo (formerly the Valle Del Diablo Property) in Mexico (the “Salar del Diablo Property”). In order to earn an 80% interest in the Salar del Diablo, the Company is required to issue 1,800,002 shares (1,000,002 shares were issued on October 10, 2017, 200,000 shares were issued on August 13, 2018 and 200,000 shares were issued on September 24, 2018 for a total value of \$297,000, being the total value of the shares on the date of issuance) and make payments up to US\$380,000 (as at December 31, 2018 US\$230,000 has been paid) to the third parties in stages. The balance of 400,000 shares and a US\$150,000 payment is due after completion of the drilling program which is to be expected to be completed during the 2019 fiscal year. If the project goes to commercial production the Company is also required to issue an additional 1,100,000 shares and make an additional payment of \$1,050,000. In addition, up until the delivery of a bankable feasibility report (the “BS Report”) on the Salar del Diablo Property LIL is responsible for all exploration expenditures. After the delivery of the BS Report each Joint Venture party (“JV Party”) is responsible for their prorata share of future funding. If either JV Party fails to contribute its share of the project cost their interest shall be diluted proportionally until their interest reaches 10% or less. Should the underlying JV Party’s interest dilute below a 10% equity interest or less, a 2% NSR royalty replaces the 10% equity interest and the other party will have the right at any time prior to the commencement of commercial production but not the obligation to purchase one-half of the NSR for US\$5,000,000.

On August 21, 2018, the third parties assigned their interest in the Option Agreement to Energy Metals Discovery Group, LLC, a Texas Limited Liability Company.

For accounting purposes, the acquisition of LIL has been recorded as an asset acquisition as LIL was not considered to be a business when applying the guidance within IFRS 3.

#### Consideration paid:

For value of 10,000,000 shares issued to LIL shareholders at \$0.235 per share	\$2,350,000
For value of 1,000,002 shares issued to Joint Venture Third Party at \$0.235 per share	\$235,000
Cash paid	\$100,000
<b>Total consideration paid, December 31, 2017</b>	<b>\$2,685,000</b>
For value of 200,000 shares issued to Joint Venture Third Party at \$0.16 per share	\$32,000
Cash paid	\$264,990
<b>Total consideration paid, December 31, 2018</b>	<b>\$2,981,990</b>

On September 24, 2018, the Company issued 200,000 shares as a penalty for late payment. The shares were valued at \$30,000, using the issuance date to determine the fair value of the shares. The penalty was included in the exploration and evaluation expense for the year ended December 31, 2018.

# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2019

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

The LIL purchase agreement requires the Company to continue making the following additional payments and share issuance to the former shareholders of LIL:

<b>On or before (Date)</b>	<b>Pay to former shareholders of LIL (CDN\$)</b>	<b>Pay to former shareholders of LIL (# of shares of OWL)</b>
October 10, 2018	\$ 200,000 (paid)	12,500,000
October 10, 2019	\$ 300,000	-
October 10, 2020	\$ 400,000	-
	<b>\$ 900,000</b>	<b>12,500,000</b>

As at December 31, 2018, the 12,500,000 shares have not been issued. On April 24, 2019 the Company agreed to increase the share issuance by 3,500,000 shares to 16,000,000 shares for the LIL shareholders agreeing to extend the date of the share issuance of shares to July 31, 2019.

In connection with the Salar del Diablo property, the Company, advanced \$213,717 to the property (2018: \$208,817) in respect of drilling, to be completed in 2019.

The following table shows the activity by category of exploration and evaluation and impairment provision for the three months ended March 31:

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Exploration and Evaluation Expenditures and Impairment Provision</b>	<b>(\$)</b>	<b>(\$)</b>
Geophysics	3,117	179,050
Other	5,100	-
Impairment charge on Mogollon Property	-	31,910
<b>Total</b>	<b>8,217</b>	<b>210,960</b>

## 6. Accounts payable and accrued liabilities

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
	<b>(\$)</b>	<b>(\$)</b>
Accounts payable and accrued liabilities	382,932	427,673
Part XII.6 tax payable	216,354	213,999
Due to related parties (note 10)	1,256	32,090
	<b>600,542</b>	<b>673,762</b>

# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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### 7. Loans Payable

	Loan #1		Loan #2		Loan #3		Total	
	Mar 31, 2019 (\$)	Dec 31, 2018 (\$)	Mar 31, 2019 (\$)	Dec 31, 2018 (\$)	Mar 31, 2019 (\$)	Dec 31, 2018 (\$)	Mar 31, 2019 (\$)	Dec 31, 2018 (\$)
<b>Balance - beginning</b>	-		<b>55,425</b>	<b>51,425</b>	<b>47,514</b>	-	<b>102,939</b>	<b>51,425</b>
Additions	-	5,000	-	-	-	50,000	-	55,000
Interest	-	-	581	4,000	740	1,414	1,321	5,414
Repayment	-	(5,000)	(30,000)	-	-	-	(30,000)	(5,000)
Bonus warrants	-	-	-	-	-	(11,400)	-	(11,400)
Accretion	-	-	-	-	3,900	7,500	3,900	7,500
<b>Balance - end</b>	<b>-</b>	<b>5,000</b>	<b>26,006</b>	<b>55,425</b>	<b>52,154</b>	<b>47,514</b>	<b>78,160</b>	<b>102,939</b>

Loan #1: On October 10, 2017, the Company received \$5,000 in respect of a loan. The loan was settled on May 17, 2018.

Loan #2: On August 24, 2017, the Company received \$50,000 in respect of a convertible loan. The loan matured on December 1, 2017 with no demand for repayment. The convertible feature (to convert the loan into common shares) also expired on the maturity date of December 1, 2017. On January 29, 2019, the Company settled \$30,000 of the loan. The loan is unsecured and bears interest of 8% per annum. \$581 was accrued during the period ended March 31, 2019 (December 31, 2018: \$5,425).

Loan #3: On July 12, 2018, the Company received \$50,000 in respect of a loan. The loan originally matured on October 31, 2018, which was subsequently extended to March 31, 2019. The loan is unsecured and bears interest of 6% per annum. \$740 was accrued during the period ended March 31, 2019 (December 31, 2018: \$1,414). In consideration for the Loan, on July 12, 2018, the Company issued 312,500 share purchase warrants to the Lender. On November 1, 2018, in consideration for extending the maturity date, the Company issued an additional 312,500 share purchase warrants to the Lender. Each Warrant will entitle the Lender to purchase one common share at \$0.16 per share for a period of 2 years. The bonus warrants were valued at \$11,400. The effective interest rate is 27.1%. Subsequent to period end, on April 1, 2019, the note was extended for another three months, with a new maturity date of June 30, 2019. An additional 312,500 warrants were granted in consideration of the extension. Each warrant will entitle the Lender to purchase one common share at \$0.165 per share for a period of 2 years.

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### 8. Credit facility

On February 22, 2017, the Company entered into a credit facility (“Credit Facility”), pursuant to which it can borrow from SUI an aggregate of up to \$250,000 in one or more tranches (each, a “Tranche”), at a rate of 8.0% per annum, with a maturity date for each Tranche of February 28, 2019. In consideration for the Credit Facility, the Company is required to issue share purchase warrants (“Warrants”) permitting SUI to purchase up to, in the aggregate, 1,250,000 shares, in proportion with each Tranche of the Credit Facility. Each Warrant allows for the purchase of one common share at \$0.20 per share for a period of 2 years from the date of the Tranche. On February 28, 2017 and under the terms of the Credit Facility, the Company borrowed \$100,000 from SUI, and issued Warrants allowing for the purchase of up to, in the aggregate, 500,000 common shares in the capital of the Company at \$0.20 per share until February 28, 2019. The warrants were valued at \$55,555 being the residual value of the \$100,000 credit facility present valued using a market interest rate of 50% for comparable debt with a similar risk profile of the Company.

	(\$)
<b>Balance, at December 31, 2017</b>	<b>74,350</b>
Accretion of debt discount	6,875
Accrued interest	2,017
<b>Balance, at March 31, 2018</b>	<b>83,242</b>
Accretion of debt discount	20,625
Accrued interest	5,983
<b>Balance, at December 31, 2018</b>	<b>109,850</b>
Accretion of debt discount, to February 28, 2019	4,844
Balance, at February 28, 2019	114,694
Fair value adjustment on issuance of share purchase warrants	(15,524)
Accretion of debt discount, to March 31, 2019	2,630
Accrued interest	1,973
<b>Balance, March 31, 2019</b>	<b>103,773</b>

On February 28, 2019, 400,000 warrants expired unexercised and 100,000 warrants were extended for an additional year. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.78%, expected life of 1 years, expected volatility of 99.37% and dividend yield of 0%. The total amount of the warrants, \$6,700, of which was recognized during the period ended March 31, 2019. This amount is included as a financing cost in the statement of loss.



# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

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On April 24, 2019 SUI agreed to extend the maturity date of the \$100,000 principal plus interest from February 28, 2019 to August 31, 2019. For this extension the Company issued Warrants allowing for the purchase of up to, in the aggregate, 500,000 common shares in the capital of the Company at \$0.20 per share until February 28, 2021. The warrants were valued at \$15,524 being the residual value of the \$100,000 credit facility present valued using a market interest rate of 40% for comparable debt with a similar risk profile of the Company. The total amount of the warrants, \$15,524, of which \$2,630 was recognized as an accretion expense during the period ended March 31, 2019.

## 9. Share capital

### a) Authorized

- Unlimited common shares without par value.

### b) Issued

During the three month period ended March 31, 2019, the Company issued the following:

#### **Debt settlements:**

On March 1, 2019, the Company settled a portion of debt owing to certain creditors by issuing 203,231 common shares at \$0.19, the fair value of the shares on the grant date. A portion of the debt (\$39,000) was forgiven and treated as a Gain on Debt Settlement.

On March 18, 2019, the Company in connection with the settlement of services with a third party issued 50,000 common shares at \$0.185, the fair value of the shares on the grant date.

During the year ended December 31, 2018:

1. **Private placements:** On March 22, 2018, the Company closed the first tranche of its private placement that was previously announced on November 9, 2017. The Company raised \$1,028,650 through the issuance of 6,857,667 units at a price of \$0.15 per unit. Each Unit was comprised of one common share in the capital of the Company and one non-transferable common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional share, at a price of \$0.20 per warrant share for a period of 24 months from the partial closing date of the Offering. All securities are subject to a four month and one day hold from the closing date. The Company received \$668,200 in 2017 towards this private placement which was included in share subscriptions payable. No finder's fees were paid in connection with the private placement.

On May 23, 2018, the Company closed the second tranche of its private placement that was previously announced on November 9, 2017. The Company raised \$522,100 through the issuance of 3,480,665 units at a price of \$0.15 per unit. Each Unit was comprised of one common share in the capital of the Company and one non-transferable common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional share, at a price of \$0.20 per warrant share for a period of 24 months from the partial closing date of the Offering. All securities are subject to a four month and one day hold from the closing date. No finder's fees were paid in connection with the private placement.

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### FOR THE THREE MONTHS ENDED MARCH 31, 2019

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On November 8, 2018, the Company closed the first tranche of its private placement that was previously announced on June 29, 2018. The Company raised \$1,248,875 through the issuance of 8,325,833 units at a price of \$0.15 per unit. Each Unit was comprised of one common share in the capital of the Company and one-half non-transferable common share purchase warrant. Each whole warrant will entitle the holder thereof to acquire one additional share, at a price of \$0.20 per warrant share for a period of 24 months from the partial closing date of the Offering. All securities are subject to a four month and one day hold from the closing date. No finder's fees were paid in connection with the private placement.

In connection with the private placement announced June 29, 2018, the Company received \$92,000 as at December 31, 2018 and \$366,100 as at March 31, 2019 in subscriptions in advance of issuance of units. The subscriptions advance has been presented in share subscriptions payable as at December 31, 2018 and March 31, 2019. On April 10, 2019 the Company closed the second tranche of this private placement which included the subscriptions in advance.

2. **Stock option exercise:** On March 29, 2018, 100,000 stock options were exercised at \$0.05, for total proceeds of \$5,000.

On July 18, 2018, 150,000 stock options were exercised at \$0.05, for total proceeds of \$7,500.

On December 19, 2018, 1,000 stock options were exercised at \$0.20, for a total of \$200.

3. **Debt settlement:** On April 26, 2018, the Company settled a portion of the debt owing to a related party through a debt settlement at \$0.15, the share price on the date of the grant, by the issuance of 160,000 common shares of the Company (Note 11).
4. **Option Agreement:** On August 13, 2018, as per the amended Option Agreement with Energy Metals Discovery Group, LLC ("EMDG") the Company issued 50,000 common shares to each of the individual members of EMDG totalling 200,000 common shares. The shares issued under this Option Agreement are subject to a four (4) month one (1) day hold period from trading and were released on December 14, 2018. The shares were valued at \$32,000, using the issuance date to determine the fair value of the shares.

On September 24, 2018 as per the third amendment to the Option Agreement with EMDG the Company issued 50,000 common shares to each of the individual members of EMDG totalling 200,000 common shares. The shares issued under this option agreement are subject to a four (4) month one (1) day hold period from trading and were released on January 25, 2019. The shares were valued at \$30,000, using the issuance date to determine the fair value of the shares.

#### c) **Stock options**

On February 4, 2013, the Company adopted a "rolling" stock option plan for its employees, directors, officers and self-employed consultants, which plan received regulatory approval in 2013. The terms of the plan provide for options to be granted to a maximum of 10% of the issued and outstanding common shares of the Company at the time of grant of the stock options. The exercise price of each option shall not be less than the minimum price permitted by the policies of the Exchange. The options may be granted for a maximum term of ten years from the date of grant, and at the Board's election, may include vesting provisions. The total amount of share-based payments expense, if any, which is expected to be recognized over the vesting period of options, is recognized during the period in which it occurs.

# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE THREE MONTHS ENDED MARCH 31, 2019

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On October 31, 2018, at the Company's Annual General Meeting the shareholders approved a new stock option plan to incorporate the policies of the Canadian Stock Exchange ("CSE"). Under the new stock option plan the maximum number of shares of the Company reserved for issuance will be limited to 10% of the issued shares of the Company at the time of any granting of options (on a non-diluted basis). In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The Board may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The exercise price of each option shall be determined by the Board provided that such exercise price shall be not lower than the greater closing price of the Company's shares on the CSE on the trading day prior to the date of grant. The options may be granted for a maximum term of ten years from the date of grant, and at the Board's election, may include vesting provisions. The total amount of share-based payments expense, if any, which is expected to be recognized over the vesting period of options, is recognized during the period in which it occurs.

During the three month period ended March 31, 2019:

On March 1, 2019, the Company granted incentive stock options allowing for the acquisition of 2,450,000 common shares of the Company at a price of \$0.19 per common share. The stock options are exercisable on or before March 1, 2021 and are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.77%, expected life of 2 years, expected volatility of 104.44% and dividend yield of 0%. The total amount of share based payments expense, \$255,041, of which was recognized during the period ended March 31, 2019.

During the year ended December 31, 2018:

On March 22, 2018, the Company granted incentive stock options allowing for the acquisition of 800,000 common shares of the Company at a price of \$0.20 per common share. The stock options are exercisable on or before March 22, 2020 and are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 2%, expected life of two years, expected volatility of 204.88% and dividend yield of 0%. The total amount of share based payments expense, \$100,022 was recognized during the year ended December 31, 2018.

On April 11, 2018, the Company granted incentive stock options allowing for the acquisition of 300,000 common shares of the Company at a price of \$0.20 per common share. The stock options are exercisable on or before April 11, 2020 are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.84%, expected life of 2 years, expected volatility of 191% and dividend yield of 0%. The total amount of share based payments expense, \$36,002, of which was recognized during the year ended December 31, 2018.

On May 11, 2018, the Company granted incentive stock options allowing for the acquisition of 500,000 common shares of the Company at a price of \$0.15 per common share. The stock options are exercisable on or before February 15, 2019 and are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.93%, expected life of 9 months, expected volatility of 83.16% and dividend yield of 0%. The total amount of share based payments expense, \$21,480, of which was recognized during the year ended December 31, 2018.

# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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On May 23, 2018, the Company granted incentive stock options allowing for the acquisition of 100,000 common shares of the Company at a price of \$0.15 per common share. The stock options are exercisable on or before May 23, 2020 and are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.98%, expected life of 2 years, expected volatility of 216.26% and dividend yield of 0%. The total amount of share based payments expense, \$13,144, was recognized during the year ended December 31, 2018.

On June 22, 2018, the Company granted incentive stock options allowing for the acquisition of 100,000 common shares of the Company at a price of \$0.15 per common share. The stock options are exercisable on or before June 22, 2020 and are fully vested. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.79%, expected life of 2 years, expected volatility of 194.19% and dividend yield of 0%. The total amount of share based payments expense, \$13,418, was recognized during the year ended December 31, 2018.

Pursuant to the vesting of options granted in prior years, the Company recognized \$35,163 in share based payments during the year ended December 31, 2018.

As at March 31, 2019, the Company had stock options outstanding to directors, officers and consultants for the purchase of up to, in the aggregate, 5,199,000 (December 31, 2018: 3,649,000) common shares exercisable as follows:

Number of stock options outstanding (#)	Number of stock options exercisable (#)	Exercise price (\$)	Expiry date
1,450,000	1,450,000	0.05	February 28, 2022
799,000	799,000	0.20	March 22, 2020
300,000	300,000	0.20	April 11, 2020
100,000	100,000	0.15	May 23, 2020
100,000	100,000	0.15	June 22, 2020
2,450,000	2,450,000	0.19	March 1, 2021
<b>5,199,000</b>	<b>5,199,000</b>		

The weighted average remaining contractual life of the stock options outstanding as at March 31, 2019 is 1.97 years (December 31, 2018: 1.74 years).

**ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS****FOR THE THREE MONTHS ENDED MARCH 31, 2019**

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A summary of the stock options outstanding at March 31, 2019 and December 31, 2018, and changes during the period then ended are as follows:

	Number of options (#)	Weighted average exercise price (\$)
Outstanding December 31, 2017	3,800,000	0.17
Granted	800,000	0.20
Exercised	(100,000)	0.05
Outstanding March 31, 2018	4,500,000	0.18
Granted	500,000	0.15
Granted	100,000	0.15
Granted	100,000	0.15
Granted	300,000	0.20
Expired	(600,000)	0.40
Expired	(1,100,000)	0.20
Exercised	(150,000)	0.05
Exercised	(1,000)	0.20
Outstanding December 31, 2018	3,649,000	0.14
Granted	2,450,000	0.19
Expired	(400,000)	0.25
Expired	(500,000)	0.15
Outstanding March 31, 2019	5,199,000	0.15

Share-based payments reserve is included in shareholders' equity and consists of the estimated fair value of stock options.

**d) Warrants**

During the three month period ended March 31, 2019:

- The Company, in connection with the Credit Facility (Note 8), issued 500,000 warrants, with each warrant entitling the holder to purchase one common share at a price of \$0.20 per share until on February 28, 2021. The warrants were valued at \$15,524 being the residual value of the present value of the Credit Facility.
- The Company, in connection with the Credit Facility (Note 8), extended the maturity date of 100,000 warrants for an additional year, with each warrant entitling the holder to purchase one common share at a price of \$0.20 per share until on February 28, 2020. The warrants were valued at \$6,700. The grant date fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.78%, expected life of 1 years, expected volatility of 99.37% and dividend yield of 0%.

# ONE WORLD LITHIUM INC. (FORMERLY ONE WORLD MINERALS INC.)

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*During the year ended December 31, 2018:*

- The Company, in connection with the March 22, 2018 Private Placement, issued 6,857,667 warrants, with each warrant entitling the holder to purchase one common share at a price of \$0.20 until on March 22, 2020. As the fair value of the shares was the same as the consideration received, no residual amount existed, and the warrants were valued at \$Nil.
- The Company, in connection with the May 23, 2018 Private Placement, issued 3,480,665 warrants, with each warrant entitling the holder to purchase one common share at a price of \$0.20 until on May 24, 2020. As the fair value of the shares was the same as the consideration received, no residual amount existed, and the warrants were valued at \$Nil.
- On July 12, 2018, the Company issued 312,500 share purchase warrants to the Lender (Note 7), each warrant will entitle the Lender to purchase one common share at \$0.16 per share for a period of 2 years. The warrants were valued at \$4,900 being the residual value of the \$50,000 loan present valued using a market interest rate of 40% for comparable debt with a similar risk profile of the Company.
- On November 1, 2018, the Company issued 312,500 share purchase warrants to the Lender (Note 7), each warrant will entitle the Lender to purchase one common share at \$0.16 per share for a period of 2 years. The warrants were valued at \$6,500 being the residual value of the \$50,000 loan present valued using a market interest rate of 40% for comparable debt with a similar risk profile of the Company.
- The Company, in connection with the November 8, 2018 Private Placement, issued 4,162,901 warrants, with each warrant entitling the holder to purchase one common share at a price of \$0.15 until on November 8, 2020. As the fair value of the shares was the same as the consideration received, no residual amount existed, and the warrants were valued at \$Nil.

A summary of the status of the warrants, with a weighted average life of 1.35 years, as at March 31, 2019 and December 31, 2018 follows:

	Number of Warrants	Weighted Exercise Price	Expiry Date
<b>Outstanding and Exercisable December 31, 2017</b>	<b>500,000</b>	<b>\$0.20</b>	
Issued	6,857,667	\$0.20	March 22, 2020
<b>Outstanding and Exercisable March 31, 2018</b>	<b>7,357,667</b>	<b>\$0.20</b>	
Issued	3,480,665	\$0.20	May 24, 2020
Issued	312,500	\$0.16	July 12, 2020
Issued	4,162,901	\$0.15	November 8, 2020
Issued	312,500	\$0.16	November 1, 2020
<b>Outstanding and Exercisable December 31, 2018</b>	<b>15,626,233</b>	<b>\$0.19</b>	
Expired	(500,000)	\$0.20	
Issued	100,000	\$0.20	February 28, 2020
Issued	500,000	\$0.20	February 28, 2021
<b>Outstanding and Exercisable March 31, 2019</b>	<b>15,726,233</b>	<b>\$0.19</b>	

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On February 28, 2019, 500,000 warrants expired unexercised resulting in a reclassification of \$55,555 to contributed surplus.

- e) Share-based payments reserve  
Share-based payments reserves include the value of stock option grants prior to exercise.

#### 10. Related party transactions

- a) Compensation of key management personnel

Key management personnel consist of the directors and executive officers of the Company. The remuneration, including stock-based compensation, of key management personnel during the periods ended March 31, 2019 and 2018 were as follows:

	For the three months ended March 31	
	2019	2018
	(\$)	(\$)
Management fees	45,000	45,000
Share based payments	62,459	315,000
	<b>107,459</b>	<b>360,000</b>

- b) Other related party transactions

Effective May 1, 2016, the Company entered into an office rental agreement in which an officer and director is a shareholder. For the period ended March 31, 2019 and 2018, the Company was charged rent and office expenses as follows:

	For the three months ended March 31	
	2019	2018
Rent and office	\$ 18,219	\$ 21,981

At March 31, 2019, the Company owes \$1,256 (December 31, 2018: \$31,508) for rent and office.

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### 11. Segmented information

All of the Company's operations are in the resource sector. The Company's mineral exploration and development operations are in Mexico. The assets and total assets identifiable with these geographical areas are as follows:

	March 31, 2019	December 31, 2018
	\$	\$
<b>Exploration &amp; Evaluation Assets</b>		
Canada	-	-
Mexico	3,107,654	3,107,654
	<b>3,107,654</b>	<b>3,107,654</b>

	March 31, 2019	December 31, 2018
	\$	\$
<b>Total Assets</b>		
Canada	128,213	159,844
Mexico	3,321,371	3,316,472
	<b>3,449,585</b>	<b>3,476,316</b>

### 12. Subsequent events

- On April 1, 2019, the Company extended a loan and issued an additional 312,500 share purchase warrants to the Lender (Note 7), each warrant will entitle the Lender to purchase one common share at \$0.165 per share for a period of 2 years.
- On April 09, 2019, the Company granted stock options allowing for the purchase of up to, in the aggregate, 300,000 common shares to a consultant of the Company at \$0.18 per share until December 31, 2019 with 150,000 vesting on June 10, 2019 and the balance vesting on July 10, 2019.
- On April 11, 2019 – the Company closed a second tranche of its non-brokered private placement, as previously announced on June 29, 2018. The Company raised \$ 525,675 through the issuance of 3,504,497 units at a price of \$0.15 per unit. Each Unit consists of one common share of the Company and one-half of a non transferable Common Share purchase warrant. Each Warrant will entitle the holder to purchase one Common Share at a price of \$0.20 for a period of 24 months from the closing of the offering. All securities are subject to a four month and one day hold from the closing date.
- On April 30, 2019, the Company granted stock options allowing for the purchase of up to, in the aggregate, 15,000 common shares to a consultant of the Company at \$0.20 per share until April 30, 2021. The options are fully vested.