

**ALBA MINERALS LTD.**

**FORM 2A - LISTING STATEMENT**

**Date: October 24, 2019**

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SCHEDULE "A" – Audited Financial Statements of Alba Minerals Ltd. for the years ended December 31, 2018, 2017 and 2016, and Interim Financial Statements for the six months ended June 30, 2019.

SCHEDULE "B" – Management Discussion & Analysis of Alba Minerals Ltd. for the years ended December 31, 2018, 2017 and 2016, and for the six months ended June 30, 2019.

## **2. Corporate Structure**

### *2.1 Name and Address*

The Issuer's full corporate name is "Alba Minerals Ltd." and its addresses are as follows:

Head Office and Mailing Address: Suite 2150-555 West Hastings Street, Vancouver British Columbia, V6B 4N6.

Registered and Records Office: Suite 2150-555 West Hastings Street, Vancouver British Columbia, V6B 4N6.

The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

### *2.2 Incorporation*

Alba Minerals Ltd. (the "Company" or "Alba") was initially incorporated as St. Elias Explorations Ltd. (N.P.L.) in British Columbia under the *Business Corporations Act* (British Columbia) on August 1, 1969. Subsequently the Issuer underwent a series of name changes as follows: Cutlass Exploration Ltd. (N.P.L.) (October 6, 1972); Great Hercules Resources Inc. (N.P.L.) (April 27, 1977); and Pacific Coast Funding & Resources Inc. (April 4, 1979). This Issuer was struck off the register and dissolved but reinstated and restored on January 20, 1984. Subsequent to reinstatement the Issuer underwent the following name changes: Alliance Resources Ltd. (June 12, 1986); Acrex Ventures (February 7, 1994); and Alba Minerals Ltd. (July 9, 2014). The Company's capital structure consists of an unlimited number of common shares without par value and without special rights and restrictions attached to such shares. The Issuer is engaged in the acquisition, exploration and development of resource properties. The Company's common shares are listed for trading on Tier 2 of the TSX Venture Exchange (the "Exchange") under the symbol "AA".

### *2.3 Inter-Corporate Relationships*

The Issuer has a wholly owned inactive subsidiary incorporated in Nevada, USA and known as "Acrex Minerals (U.S.) Inc." ("Acrex"). Additionally, the Issuer has a second subsidiary incorporated in Salta, Argentina called "Alba Minerals Ltd." that holds the 100 percent interest in its Argentinian properties.

#### *2.4 Fundamental Change or Proposed Acquisition*

The Issuer is not re-qualifying in this Listing Statement.

#### *2.5 Non-Corporate Issuers and Issuer Incorporated Outside of Canada*

This section is not applicable to the Issuer as it is a British Columbia company.

### **3. General Development of the Business**

#### *3.1 General Development*

The Issuer was incorporated under the laws of British Columbia on August 1, 1969. The Issuer's objective since inception has been to acquire, explore and develop mineral properties that have potential for production of mineral commodities.

The common shares of the Issuer are listed for trading on the TSX Venture Exchange under the trading symbol "AA" and shall be delisted from the TSX Venture Exchange upon the listing of the shares of the Issuer on the Canadian Securities Exchange.

All of the Issuer's activities to date with respect to its interests in mineral properties have been of an exploratory nature. The objective of the Issuer is to develop mineral properties to a stage where they can be operated profitably. The Issuer also holds the following mineral property interests:

#### ***Rainbow Canyon, Nevada***

By an Agreement dated March 25, 2011, the Company purchased non-patented prospective gold mineral claims and staked additional claims during the same year, in Washoe County, Nevada, USA. The purchase price for the claims was US\$125,000 (CAN\$123,719). A 3% Net Smelter Return ("NSR") is reserved to the vendor subject to the Company's right to purchase back up to a 2% NSR by the payment of \$500,000 for each 1% NSR interest purchased. The Company also acquired additional claims by way of staking.

On February 8, 2017, the Company entered into an option agreement with Astorius Resources Ltd. (“Astorius”) to sell 100% interest in the Rainbow Canyon gold property. To complete the exercise of the option, Astorius must pay an aggregate of \$80,000 cash by March 1, 2018. During the year ended December 31, 2018 this option agreement became in default as Astorius was unable to fulfill its commitment. The agreement was mutually terminated.

In July 2019, the Company filed a Notice of Intent with the BLM for its Rainbow Canyon Property to include additional drilling which would follow up on the RCR-03 gold intercept with 3-5 RC drill holes.

### ***Clayton Valley, Nevada***

On December 5, 2016, the Company entered into an interim agreement to acquire up to a 50% interest in prospective lithium mineral claims in Clayton Valley, Esmeralda County, Nevada. The agreement also includes claims in San Bernardino County, California. A final option agreement (the “Agreement”) was signed on February 8, 2017 with Noram, a company with a common director and Green Energy Inc. (“Green Energy”) (a wholly owned subsidiary of Noram).

The first part of the Agreement is an option to purchase a 25% interest in the property for \$255,000 paid to Green Energy as follows:

- (i) Upon signing the letter of intent \$ 127,500 (paid)
- (ii) Completion of a drilling program by Green Energy Inc. \$127,500 (paid)

This cash investment in Noram financed the completion of a drill program and further exploration work in which a NI 43-101 compliant resource was defined. The Zeus Property currently has an Inferred Mineral Resource of 145 million metric tonnes at a grade of 1,145 ppm Li, which equates to 0.88 million tonnes Lithium Carbonate Equivalent (“LCE”).

The second part of the Agreement granted the Company an option to acquire a further 25% interest in the property by making a series of payments totaling \$845,000 to Green Energy in 2017.

On January 8, 2018, the parties amended the second part of the agreement due, granting the Company the option to acquire a further 25% interest in the property by making a cash payment of \$350,000 prior to March 1, 2018.

On May 28, 2018, the Company signed an agreement with Noram to sell its 25% interest in the Clayton Valley project. The transaction received final approval from the Exchange on November 19, 2018. In consideration for its interest, the Company received 3,800,000 common shares of Noram with an initial fair value of \$1,140,000 and cash of \$400,000.

### ***Quiron II, Argentina***

On August 2, 2017, the Company signed an option agreement to acquire 100% of the Quiron II lithium project, a prospective lithium exploration property in the Pocitos Salar, Province of Salta, Argentina. On August 3, 2017, the Company received Exchange approval. The final terms of the definitive agreement for the Company to acquire 100% interest in the Quiron II property are as follows:

Date	Cash		Shares Issued	Work Obligations
On signing the Definitive Agreement	US\$50,000	(paid)	2,400,000	(Issued, Note 5) Nil
On Exchange approval	US\$50,000	(paid)	Nil	Nil
Exploration expenditures (18 months after Exchange approval)	Nil		Nil	US\$400,000
Upon Acceptance of an NI 43-101 Report by the Exchange	US\$400,000		Nil	Nil
<b>TOTAL</b>	<b>US\$500,000</b>		<b>2,400,000</b>	<b>US\$400,000</b>

In 2017, the Company engaged Conhidro S.R.L. - a hydrogeological consultancy company led by Dr. Garcia - to carry out geophysical prospecting within the Property. This consisted of a Vertical Electrical Sounding (VES) survey with two East-West trending prospecting lines to explore the hydrogeological ambient of the property's subsurface in order to define the potency, thickness and resistivity values of layers, aquifers and related intersections. In optimal conditions and similar environments to the Salar de Pocitos, the Schlumberger Method allows depths of 350 meters and deeper to be explored. Preliminary results received in January of 2018, confirmed the presence of brines within Quiron II towards the Salar and indicate subsurface zones of high electrical conductivity that likely correspond to brines within mixed clastic and evaporite units. A shallower subsurface zone of lower conductivity is interpreted to correspond to a freshwater aquifer above the brine. The largest high conductivity zone underlies the western half of the property, under a veneer of alluvium that is ~100 m - ~350 m - thick. The top of the interpreted brine zone is as shallow as 130 m depth (Figure 4), and likely is contiguous with the aquifer under Salar de Pocitos. The

Company commissioned a report on the results written by Conhidro entitled “Prospeccion Geofisca en Salar de Pocitos Mina Quiron II” and dated Enero, 2018.

The Company is currently in default of this agreement and renegotiating with the optionor. The Company has requested an extension of 4 years for the work commitments, however there is no guarantee that this will be acceptable. As of the date of the listing agreement, the Company remains in default.

### ***Chascha Norte, Argentina***

On January 18, 2018, the Company entered into a property option agreement to acquire 100% interest in the prospective lithium Chascha Norte Property, located in Salar de Arizaro, Argentina for the following consideration:

- a) Cash payment of \$250,000 (paid); and
- b) Issuance of 4,500,000 common shares (issued).

On October 11, 2018, the Company received TSX Venture Exchange approval to acquire a 100% interest in the Chascha Norte Lithium Property in Salta, Argentina.

### ***Muddy Mountain, Nevada***

On June 25, 2018, the Company entered into a property option agreement with a non-arm’s length party to acquire a 100% interest in the prospective lithium Muddy Mountain Project, located in Clark County, Nevada for the following consideration:

- a) Cash payment of US\$5,000 upon execution of the Agreement (paid);
- b) Total cash payments of US\$235,000 as follows:
  - i. US\$35,000 on the Exchange approval date;
  - ii. US\$45,000 on the first anniversary of the Exchange approval date;
  - iii. US\$55,000 on the second anniversary of Exchange approval date; and
  - iv. US\$100,000 on the third anniversary of Exchange approval date.
- c) Issuance of 1,400,000 common shares as follows:
  - i. 200,000 shares within 30 days of the Exchange approval date;
  - ii. 300,000 shares within 30 days of the first anniversary of the Exchange approval date;
  - iii. 400,000 shares within 30 days of the second anniversary of the Exchange approval date; iv. 500,000 shares within 30 days of the third anniversary of the Exchange approval date.

- d) Completion of an aggregate of US\$120,000 in exploration expenditures as follows:
- i. US\$20,000 on or before the first anniversary of the Exchange approval date;
  - ii. US\$40,000 on or before the first anniversary of the Exchange approval date; and
  - iii. US\$60,000 on or before the first anniversary of the Exchange approval date.

The agreement is subject to a 2% NSR which can be repurchased by the Company for \$3,000,000.

The Company filed a notice of intent to complete work in the summer of 2018 and has worked diligently with the Bureau of Land Management to satisfy their numerous requests since. Despite over a year of completing the various requirements, the Company has not received approval to conduct a work program to the date of the Listing Statement. The agreement is in default and the Company has elected not to continue with the option effective as of September 1, 2019. Consequently, \$13,182 will be impaired for the third quarter ended September 30, 2019.

### ***Journey Exploration Inc.***

On May 9, 2019, the Company entered into an agreement with Journey Exploration Inc. ("Journey"), a private arm's length company, to acquire all of the issued and outstanding share capital of Journey. Journey holds a 100% interest in five prospective vanadium and uranium properties, and an option to acquire 100% of a sixth property in Colorado and Utah known as the Torado Vanadium and Uranium Project. As of the date of the Listing Statement, the agreement with Journey is in default as Alba has not complied with the terms of the agreement. The existing agreement expired on August 31, 2019 and the Company has been in discussions with Journey to re-negotiate the terms and enter into a new agreement, however no agreement has been reached to date. The Vendor has paid all of the fees to keep the claims in good standing for the upcoming year and is presently seeking other opportunities. As a result there is no security that the transaction will proceed with Alba at this time and there is no guarantee that the Company will be able to complete this transaction in the future.

### ***3.2 Significant Acquisition***

The Issuer has not completed an acquisition or disposition or proposed any significant probable acquisition or disposition for which financial statements would be required under National Instrument 41-101.



### *3.3 Trends*

As of the date of the Listing Statement, the Issuer plans to focus on its Rainbow Canyon Property, as described under the heading “Narrative Description of the Business” as well as any additional properties it may acquire from time to time. The financing and exploration and development of the Issuer’s properties are subject to a number of factors, including laws and regulations in the areas of taxation, environmental, permitting and others, hiring qualified people, and obtaining necessary services in jurisdictions where the Issuer operates. The current trends relating to these factors are favourable but could change at any time and negatively affect the Issuer’s operations and business. Please refer to “Narrative Description of the Business” for risk factors affecting the Issuer. Other than as disclosed herein, the Issuer is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Issuer’s business financial condition or results of operations.

## **4. Narrative Description of the Business**

### *4.1 General*

#### **(1) Issuer’s Business**

The business objective of the Issuer is to identify, evaluate, acquire and explore mineral properties for the purposes of identifying a lithium or gold mineral resource deposit for the development of a mine or for the sale of the deposit or the Issuer to a senior mining company. The Issuer’s primary activity is the exploration of the Rainbow Canyon Gold Property located in Washoe County, Nevada, USA. In addition to the Rainbow Canyon Property, the Company currently holds interests in the following prospective lithium and gold properties (*See Section 3.1 General Development for further details*):

#### ***Clayton Valley, Nevada***

On May 2, 2018, the Company received 3,800,000 common shares of Noram Ventures Inc. (“Noram”) as partial consideration in the sale of the Company’s interest in the Clayton Valley project. The common shares are classified as fair value through other comprehensive income (loss) (“FVTOCI”). The initial fair value of the shares was \$1,140,000 based on quoted

market price. As at December 31, 2018, the Company held 3,800,000 common shares of Noram. The closing share price was \$0.27 and the fair value of the shares was \$1,026,000. During the year ended December 31, 2018, the Company recognized an unrealized loss of \$114,000 in other comprehensive loss. The closing share price on June 30, 2019 was \$0.09 and the fair value of the shares was \$342,000.

### **Quiron II, Argentina**

The Quiron II property is located within South America's Lithium Triangle (northern Chile, northwestern Argentina and southwest Bolivia), where over half of the earth's identified resources of lithium exist and companies such as SQM, FMC and near-term producer Ady Ressources are currently mining lithium carbonate. The property consists of 2,421 hectares of prospective exploration property in the Pocitos Salar, Province of Salta, Argentina. The Project is located approximately 7 km South East of Millennial Lithium – Southern Lithium JV Pocitos North Cruz Brine Project and 12 km northeast from the Liberty One Lithium Corp. Pocitos West Project.

### **Chascha Norte, Argentina**

The Chascha Norte concession consists of a single mining claim, which covers 2843 hectares. It is located in the Southeastern part of the Salar de Arizaro, the largest yet unknown Salar in this district, in closest vicinity to Argentina Lithium & Energy Corporation's and Lithium X's Arizaro lithium brine projects.

### ***Rainbow Canyon Property***

By an agreement dated March 25, 2011, the Company purchased non-patented mineral claims and staked additional claims during the same year, in Washoe County, Nevada, USA. The purchase price for the claims was US\$125,000 (CAN\$123,719). A 3% Net Smelter Return ("NSR") is reserved to the vendor subject to the Company's right to purchase back up to a 2% NSR by the payment of \$500,000 for each 1% NSR interest purchased. In total, the Issuer holds 55 mining claims comprising the Rainbow Canyon Property. During the year ended December 31, 2017, the Company elected to write down the value of the Rainbow Canyon Property to \$Nil as a result of both the proceeds from an option to sell the Property and impairments of the acquisition costs and past exploration and evaluation expenses.

(a) 12 Month Business Objectives

The Issuer has re-examined its objectives pertaining to the Property and decided the Issuer's primary objectives over the next 12 months are as follows:

- Complete Phase I of the recommended work program set out in the Technical Report.

(b) Significant Events/Milestones

The following is a budget for a Phase I of the recommended work program included in the Technical Report totalling \$172,716 (\$130,156 USD) to complete.

<b>ITEM</b>	<b>COST (USD)</b>	<b>COST (CDN @1.327/USD)</b>
a) Permitting and Bonding	\$8,500	\$11,279
b) Construct Roads, Drill Pads	\$2,784	\$3,694
c) Drilling	\$107,430	\$142,560
d) Project Report	\$1,800	\$2,388
Contingency (8%)	\$9,641	\$12,795
<b>TOTAL</b>	<b>\$130,156</b>	<b>\$172,716</b>

(c) Total Funds Available

The Issuer's working capital as at August 30, 2019 is \$708,861.

(d) Principal Uses of Funds

The Issuer intends to use the funds available as follows:

<b>Funds Available (as of August 30, 2019)</b>	<b>\$708,861</b>
Complete Phase I of recommended work program set in the Technical Report	(\$172,716)
Annual estimated general and administrative costs <sup>(1)</sup>	(\$220,000)
Working Capital	(\$150,000)

<b>Total</b>	\$166,145
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Notes: (1) The estimated general and administrative costs for the next 12 months are as follows:

Office & Administration	\$40,000
Professional Fees (Legal & Audit)	\$20,000
Management Fees	\$120,000
Salaries & Consultants	\$20,000
Investor Relations & Communications	\$20,000
<b>Total G&amp;A</b>	<b>\$220,000</b>

(2) Principal Products and Services

Not applicable.

(3) Production and Sales

Not applicable.

(4) Competitors

See “Risks Associated with the Property – Competition”

(5) Lending Operations

Not applicable.

(6) Bankruptcies, Receiverships and Similar Proceedings

The Issuer has not been involved in any bankruptcies, receiverships or similar proceedings within the most recently completed financial years.

(7) Restructuring Transactions

On July 9, 2014, the Company announced that the TSX Venture Exchange had approved the consolidation of the Company’s issued and outstanding common shares on the basis of one (1) new for five (5) old basis. Effective at the opening on July 10, 2014, the Company commenced trading on the TSXV on a consolidated basis under a new CUSIP number

012027108 and ISIN CA0120271089. The 40,760,447 common shares of the Company outstanding were reduced to approximately 8,152,089 shares. The Company changed its name to Alba Minerals Ltd. from Acrex Ventures Ltd. and its trading symbol to “AA” as part of the consolidation.

#### (8) Social or Environmental Policies Fundamental to Operations

None.

#### *4.2 Companies with Asset Backed Securities*

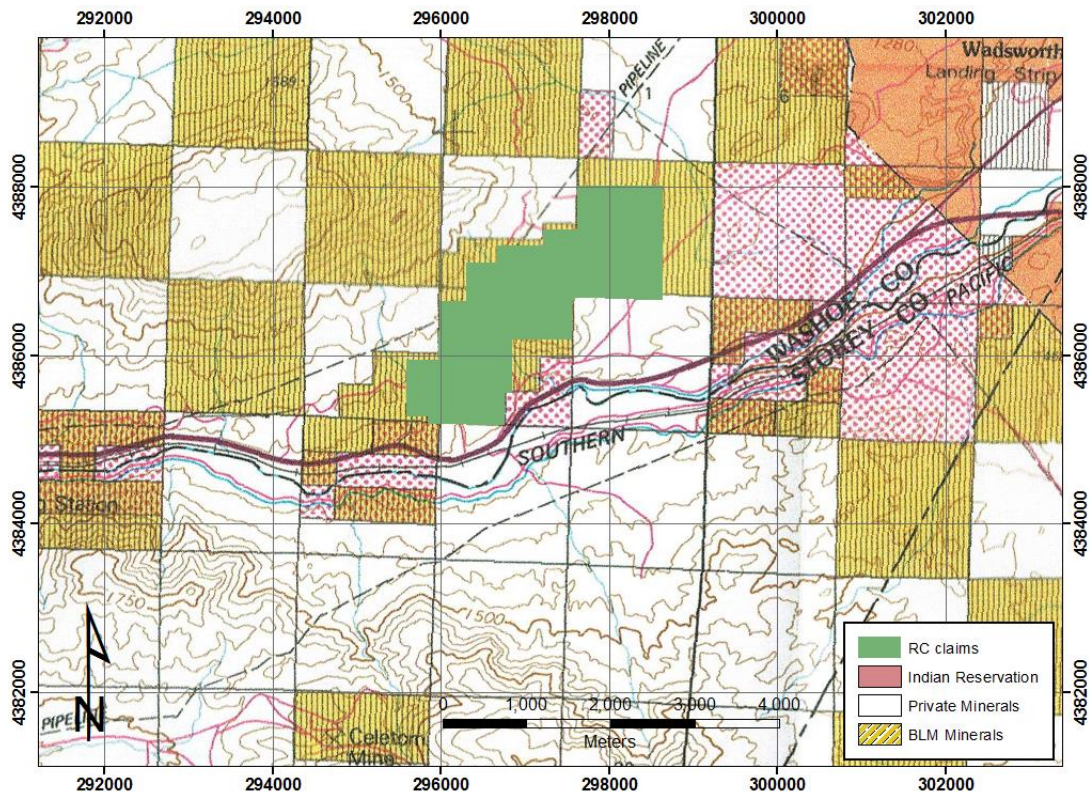
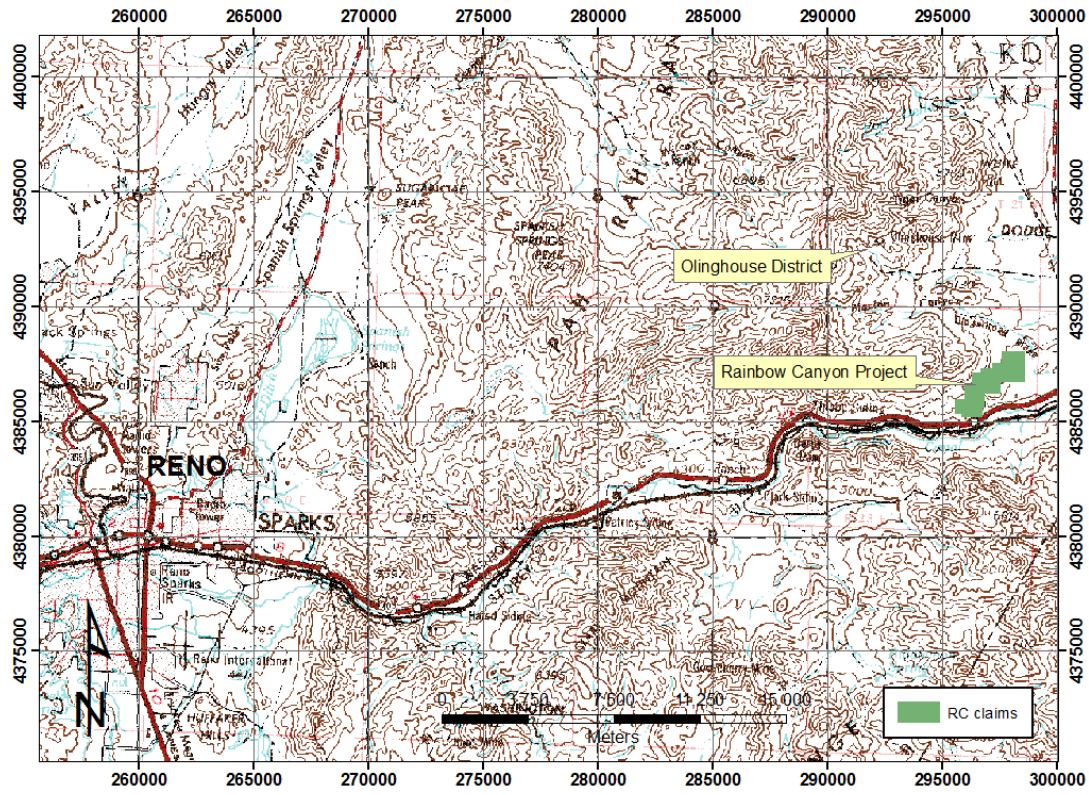
This section is not applicable to the Issuer.

#### *4.3 Issuers with Mineral Exploration Projects*

The following information regarding the property has been summarized from a technical report on the property entitled “Technical Report on the Rainbow Canyon Property, Washoe County, Nevada, USA” for Alba Minerals Inc.” dated August 20, 2019 (the “Technical Report” or “Report”) and prepared by D. Kenneth Brook, C.P.G. (the “Author”) of Desert Ventures Inc. The Author is an independent Qualified Person as defined by NI 43-101. The Technical Report has been prepared in accordance with NI 43-101 and is available for inspection at the head office of the Issuer during normal business hours.

#### 5.0 PROPERTY DESCRIPTION AND LOCATION

The property comprises 55, unpatented, lode mining claims as listed in Appendix A. The property is located about 24 miles (40 km) east of Reno, Nevada, and contains approximately 1,133 acres (458 hectares) Figure 1. The claims are located in sections 11, 12, 14 and 15 of Township 20 north and Range 23 east on the Mt. Diablo Base Meridian, Figure 2. An inclined shaft, which appears to be the main focus of early work, is located in the SW ¼ of section 12 at NAD 27, zone 11 UTM coordinates of 297,450 east and 4,387,324 north.



**Nature of Title and Obligations.** BLM records show a 100% ownership interest in the claims is held by Acrex Minerals (U.S.) Inc. (“Acrex”), a private Nevada corporation which is a wholly owned subsidiary of Alba Minerals Ltd. (“Alba” or the “Company”). All of the claims are on ground administered by the Bureau of Land Management (“BLM”). Under the US Mining Law of 1872, the locator of a claim has the right to explore, develop and mine minerals on the claim. Unpatented claims do not convey ownership of the surface to the claimant, but the claimant is allowed to explore the surface. Access is via established, two-track dirt roads that cross over both BLM and privately-owned ground. To date, there has been no restrictions on traveling on the private ground. Currently, there is not a Federal royalty. A standard claim is 600 feet (182.9 m) wide and 1,500 feet (457.3 m) long, covers 20.6 acres (8.34 hectares) and has each corner marked with a two-inch by two-inch by four-foot high wooden post. Another post located on the center line of the claim contains the Notice of Location, which describes who has located the claim and its size. All claims require an initial filing fee with the BLM of \$225.00 and a county fee of \$37.50 per claim. There is, also, an annual filing of a “Notice of Intent to Hold” along with payment of a \$165 per claim maintenance fee to the Bureau of Land Management and \$10.50 per claim fee to the county in which the claim is located. Acrex has paid the required BLM maintenance and county filing fees, and the claims are valid until September 1, 2020. The claims generally conform to the shape of the sections and were located using a Trimble GPS unit, but they have not been legally surveyed.

**Agreements and Royalties.** Alba formed Acrex Minerals (U.S.) Inc, (Acrex)its wholly owned, U.S. subsidiary in March of 2011. In March of 2011, Acrex purchased 52 RC claims from Gold (U.S.A.) Invest, Inc. for a cash payment of \$125,000 and a three percent (3%) Net Smelter Return Royalty (NSR) held by Gold (U.S.A.) Invest, Inc., a subsidiary of Entrée Gold. Acrex has two options to purchase portions of the royalty. Each option has the right to purchase one third of the NSR royalty for \$500,000. These options can be exercised at any time. Acrex dropped all but five of the claims prior to 2016. In 2016 and 2017 Acrex staked an additional 50 claims to give the present claim configuration.

On February 8, 2017, Alba Minerals Ltd. and Astorius Resources Ltd. (“ARL”) entered into an Option Agreement for ARL to acquire 100% of the issued and outstanding shares of Acrex Minerals (U.S.) Inc. from Alba. The Agreement calls for ARL to make a series of cash payments totaling \$80,000 by June 15, 2018 in order to exercise the Acrex option. ARL is also

responsible for maintaining the claim in good standing. During the term of the Agreement, ARL conducted a mapping and sampling program and drilled six holes. However, ARL did not complete the required payments, and on March 2, 2018 ALBA sent a Notice of Default to ARL which terminated the Option Agreement. ALBA still owns 100% of the issued and outstanding shares of Acrex. The Author is not an expert on claim titles, but to the extent known, claim filings and agreements appear to be in order.

**Environmental Liabilities.** The Author is not an expert in environmental matters.

During the site visit, there did not appear to be any major environmental concerns that might affect access, title, or the right or ability to perform work on the property.

**Permitting Requirements.** Any exploration work, which creates a surface disturbance on BLM land is subject to BLM rules and regulations. A “Notice of Intent to Operate” (Notice) describing the planned work must be filed with the BLM for surface disturbances under five acres. BLM approval of the Notice must be obtained, and the required reclamation bond must be posted before any surface disturbance takes place. Surface disturbances greater than five acres require a “Plan of Operation” (Plan) to be filed with the BLM, and the Plan involves an in-depth environmental review of the property. In 2012, Acrex planned a drilling program and submitted a Notice to the BLM to construct four drill pads on the property. The Notice was approved, file N-90162, and Acrex posted a \$5,320 reclamation bond with the BLM. The holes were not drilled, and the Notice has expired. In April of 2017 Acrex filed a new Notice with the BLM, Notice #NVN-095336 and posted a \$7,354 reclamation bond. This bond covered the disturbance created by the April 2017 drilling program. In July of 2019, Acrex submitted a revised Notice to the BLM to construct a new drill site and access road for the recommended six-hole program. Acrex is responsible for reclaiming the disturbance created by the drilling program. If the BLM accepts the reclamation, the bond will be returned.

**Other Factors Affecting Property.** The Rainbow Canyon claims are within the “Checkerboard Pattern” of land ownership where most of the odd numbered sections are privately owned, and the even numbered sections belong to the BLM, Figure 2. The northern one half of section 11 is privately owned by the Star Living Trust in Las Vegas, Nevada. It may become beneficial to the project for Acrex to acquire exploration rights to this land, as some of the strongest veins and magnetic lows are within meters of the current property boundary.



There are high-voltage electric transmission lines and a buried gas pipeline that cross the property, and each of these has a dedicated easement or right of way that precedes the mining claims. Any mining operation in the future would have to deal with these right of way issues. At this point in time, the Author is not aware of any other significant factors which would affect the property.

## 5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, and PHYSIOGRAPHY

**Access to Property.** The property is easily accessed by traveling east on I-80 from Reno to the Wadsworth exit, approximately 24 miles (40 km), and exiting onto the service road on the south side of I-80. Drive west on the service road until reaching a small underpass going under I-80 and turn right passing under I-80. The road veers to the left and continues west past the rest stop on I-80. Approximately 1.25 km beyond the rest stop, turn right and travel approximately 1.4 km north, and turn left onto a two-track road that leads into the claims 0.5 km to the west, Figure 3.

**Climate.** The property has a semi-arid climate that is typical of the western U.S. with little precipitation and warm temperatures for most of the year. The property does receive occasional snowfall during the winter, and the snow usually melts quickly allowing year-round access.

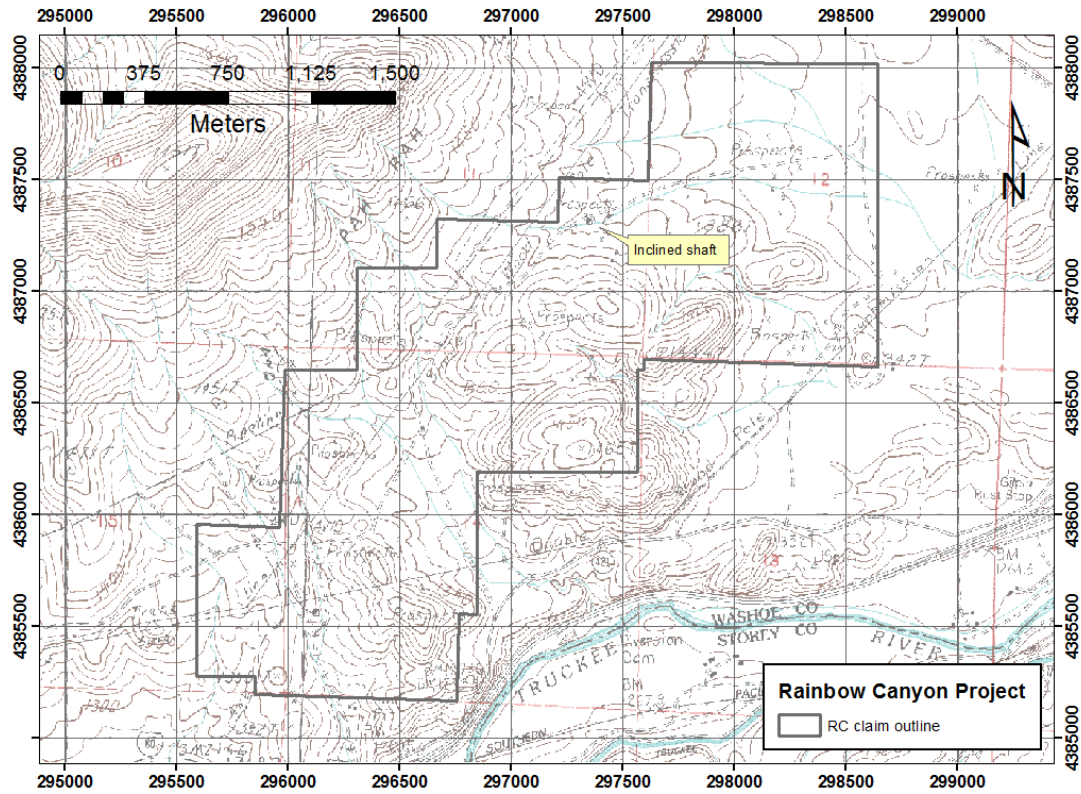


Figure 3. RC claims and access

**Local Resources and Infrastructure.** The small community of Wadsworth is four km to the northeast, and Fernley, population 14,000, is about 10 km to the east of the property along I-80. Skilled labor, supplies, and accommodations are available in Fernley and in the major cities of Sparks and Reno, 24 miles (40 km) to the west. The Southern Pacific Railroad and I-80 both follow the Truckee River valley just south of the property. There are no facilities on the property, but two electric transmission lines and a gas pipeline are quite near the property. Availability of power from these lines is not known. Any water needed in operations would have to be developed by wells.

**Physiography.** The property lies north of the Truckee River, and elevations range from 1310 m to 1465 m. Maximum relief is about 150 m, and hill tops are usually rounded with moderate slopes. Vegetation is sparse and consists of grasses and small bushes.

**Sufficiency of Surface Rights.** The 55 existing claims could provide sufficient room to conduct mining operations. However, if future exploration work generates favorable results, an additional 15 lode claims should be staked in section 12 to claim the available land.

## 6.0 HISTORY

**History of Area.** A revised and updated version of McNutt (2011) gives the following description of the history of the area. The Rainbow Canyon area, part of the Olinghouse mining district of northwest Nevada, has seen prospecting and minor gold production since 1860. Initial prospecting was probably done by settlers using the Truckee River valley on their way to California. However, little information has been recorded about the ownership, exploration and production in the area from that time to the present day. Garside and Bonham (1992) suggest that total historical production from lode mining and alluvial placer operations in the Olinghouse district, located 5 km north of the property, was at least 30,000 ounces with small but steady production. Wilson et al (2000) estimate that historical production was over 70,000 ounces. Most of the historical production listed was from prospects and small mining operations in the area of Township 21N, Range 23E to the north of the Rainbow Canyon property. There is no documented historic production from Rainbow Canyon.

**Previous Owners.** There are a number of old claim posts throughout the property, but the history and ownership of these old, lapsed claims has not been researched. In 2009, PacMag Metals (“PacMag”), an Australian company, staked the original block of 80 RC claims in the name of their U.S. subsidiary. In March of 2011, Alba formed a wholly owned U.S. subsidiary, Acrex Minerals (U.S.) Inc (“Acrex”). After the purchase of the claims by Acrex had been completed in 2011, Gold (USA) Invest, Inc. transferred title to the property (reduced to 52 RC claims) to Acrex by filing a Quitclaim Deed with Reserved Net Smelter Returns Royalty (as described in Section 4.3) with the BLM. In 2017, Astorius Resources Ltd. was granted an option to purchase all of the issued and outstanding shares of Acrex as described in section 5 and entitled “Agreements and Royalties”, but this agreement has been terminated.

**Exploration Work and Results from Previous Owners.** An inclined shaft, which appears to be the main focus of early work, is located in the SW  $\frac{1}{4}$  of section 12 at NAD 27, zone 11 UTM coordinates of 297,450 east and 4,387,324 north, Figure 3. PacMag. has conducted exploration work on the property, and this work is described in the following sections.

**Surface Sampling.** Pac Mag's sampling in 2009 consisted of select and chip sampling of quartz vein material from historic prospect pits and waste dump piles that are found throughout the property. A total of 53 samples was taken on the original 80 claim property. All samples were of quartz vein material or strongly altered wallrock material with silicification. Of these 53 samples, 19 samples had analytical results greater than 1.0 gram/Tonne (g/T) gold, (with a maximum value of 20.86 g/T gold), 10 samples had 0.50 to 1.0 g/T gold, 14 samples had 0.10 g/T to 0.50 g/T gold and 10 samples had less than 0.10 g/T gold.

In 2016, 2017 and 2018, additional surface samples were collected by Jon Gant for Alba and Acrex. The gold values for these sampling programs are shown in Figure 4 (1 g/T = 1 ppb), and arsenic values are shown in Figure 5.

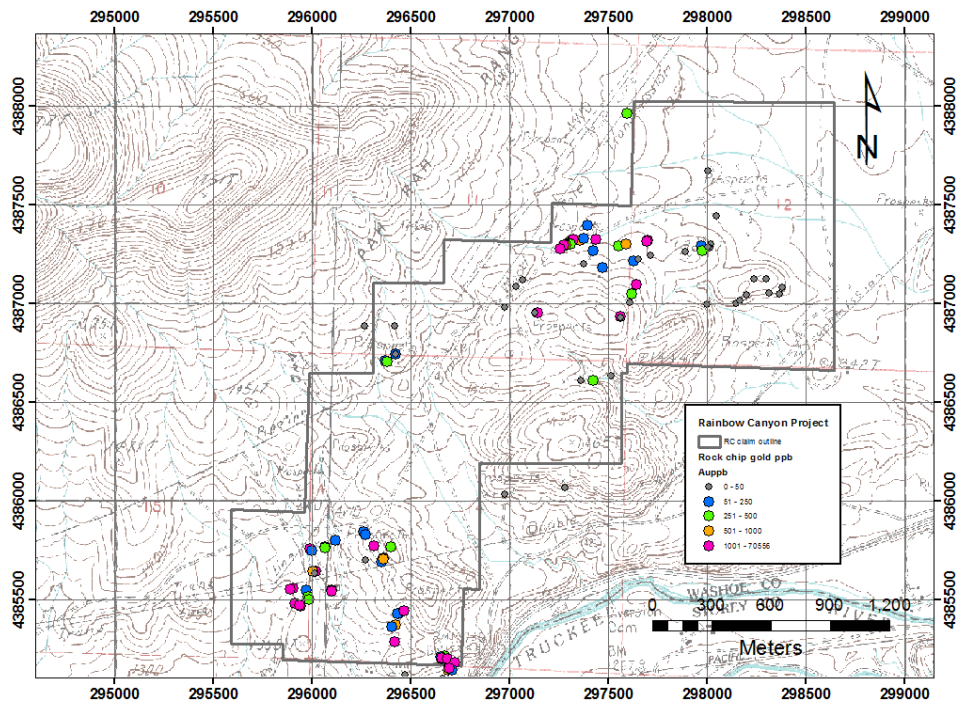


Figure 4. Rock chip gold values

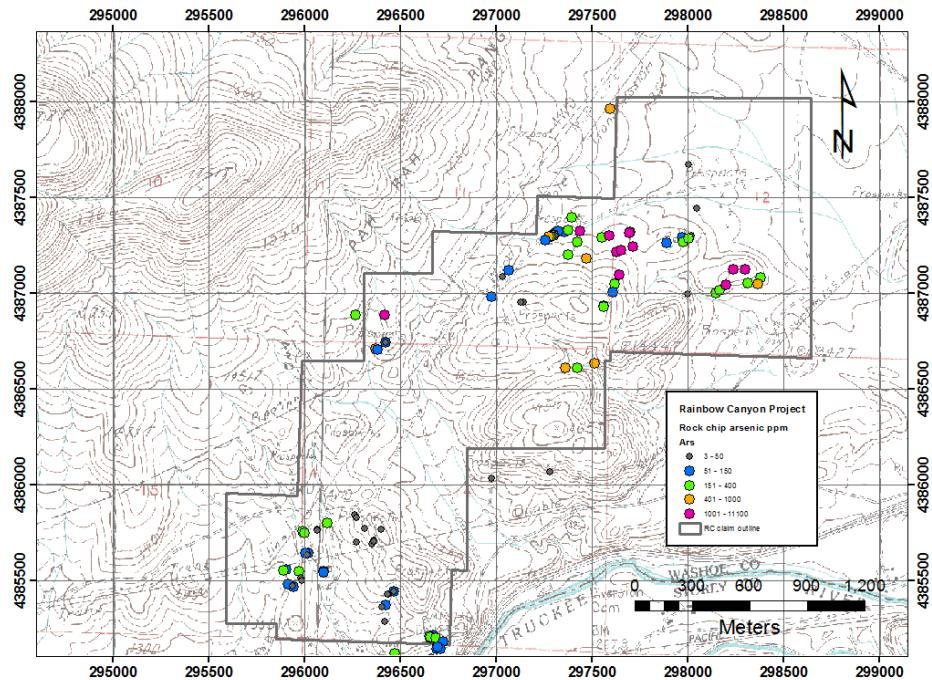


Figure 5. Rock chip arsenic values

Sample locations, descriptions and assay data are included in Appendix B of the Technical Report (available on SEDAR under the Company’s profile). Many of the gold values were quite similar in the 2009 and the 2011 samples. However, some of the values varied by more than 100% between the two sample sets, and this difference strongly suggests the presence of particulate gold. Both sets of samples were intentionally biased toward the collection of visible quartz veining from the dumps and prospects. This sampling bias is typical of the methods used for early stage exploration projects in which the goal is to determine if the hydrothermal system contains any gold at all. Existing outcrops of the veining do not provide an opportunity to collect channel-style samples. Assay results indicate that there is gold mineralization on several different parts of the property, however, the most interesting mineralization appears to be in the northeast portion of the property in sections 11 and 12.

**Soil Sampling.** ARL collected eleven soil samples were collected east of the main shaft and south of the access road. There is no description of the procedure used to collect these samples or the analytical procedure used by the lab. These samples were collected as an orientation survey only and had a maximum value of 452 parts per billion (ppb) gold. Since the alteration in the veining zones generates a sharp color contrast from the unaltered country rock, visual mapping of the veining zones is probably a more useful tool than soil sampling.

**Geophysical Surveys.** ARL conducted a ground magnetic survey was done to determine if the surface areas of strong clay alteration would have a reduced magnetic response. The survey was done on 50 meter-spaced lines over a portion of the property in sections 11 and 12, and with 100 meter-spaced lines on the rest of the claim block. Readings were taken at 5 to 10-meter intervals. The map, Figure 6, shows reduced to pole (RTP) magnetic lows in blue,

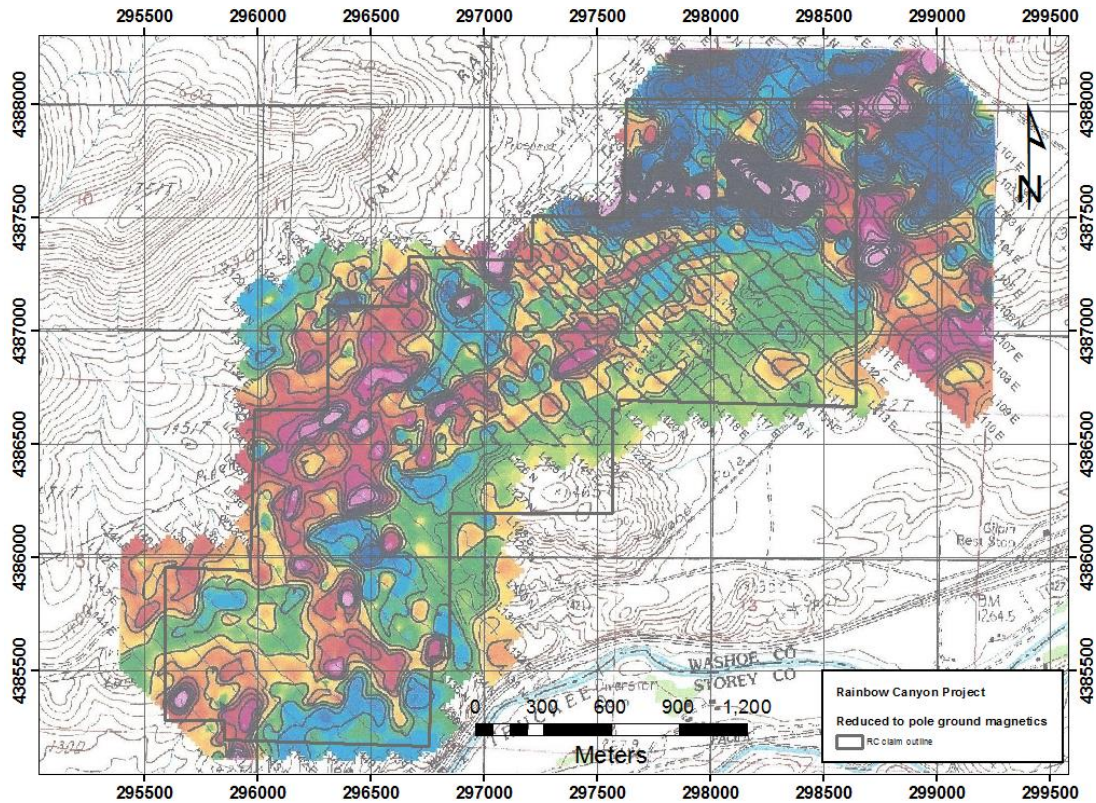


Figure 6 Reduced to pole ground magnetic

and these lows coincide with many of the areas of quartz veining and strong alteration. There is a pronounced magnetic low shown in blue along the northern edge of the claim block that is totally covered by alluvium. Higher magnetic values are shown in orange and red. Magnetic susceptibility readings on outcrops and dump material in the vicinity of the section 11 and 12 mineralization show that unaltered Alta Formation volcanic rocks have a much higher magnetic susceptibility than altered rocks (Gant, 2011 (c)). Sample locations, descriptions and magnetic susceptibility readings are included in Appendix C of the Technical Report (available on SEDAR under the Company's profile).

**Geologic Mapping.** In 2011, J. Gant, a Reno geologist, completed detailed geologic and alteration maps for sections 11 and 12 and a more reconnaissance style map for the surrounding area. This work is described in section 7.0 below, Property Geology and Mineralization, and shown in Figures 9 and 10. This work demonstrated the association of the quartz veining with zones of intense argillic alteration.

**Drilling.** In May of 2017, Acrex conducted a six-hole, reverse circulation (RC) drilling program. The drilling focused on the mapped vein structures in section 12, Figure 7.

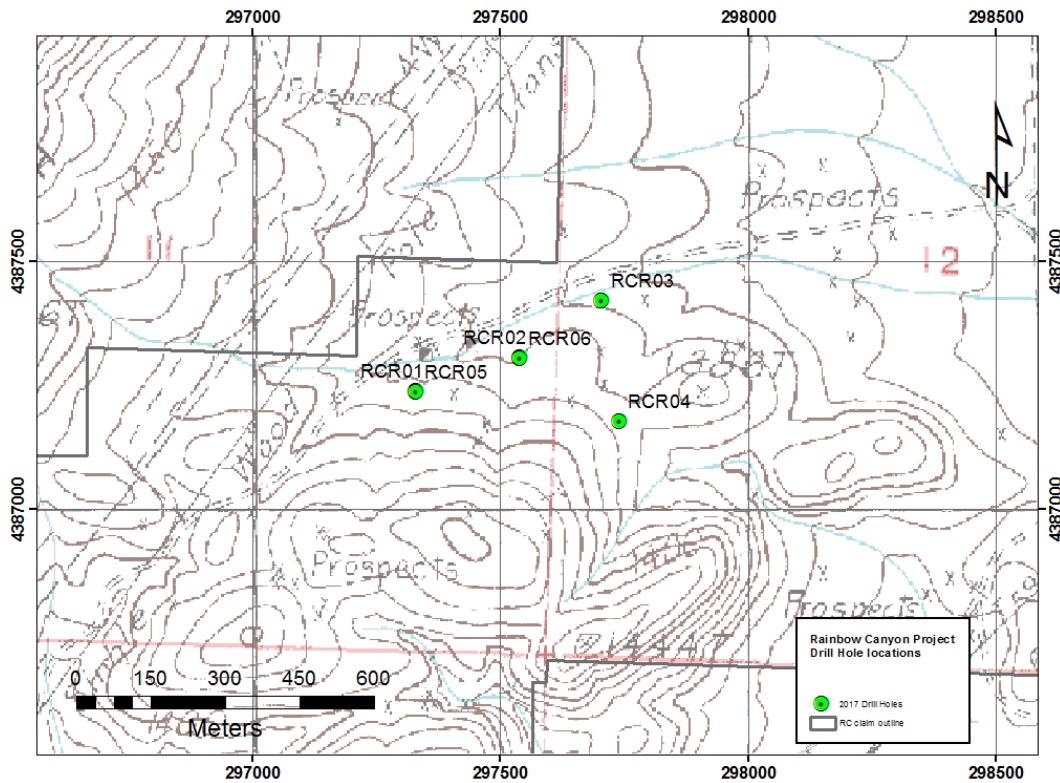


Figure 7 Drill hole location map

Assay results for the drill holes are shown in Table 1. Drill hole RCR-03 intersected 19.647 g/T gold in the main vein structure. Holes RCR-04 and 05 intersected lower-grade mineralization. Assay standards and blank samples were submitted along with the drill cuttings as part of the QC program, and assay results matched the standards. The high-grade value from hole RCR-03

Drill Hole ID	Intercept (ft)		Intvl	Intercept (m)		Intvl	Au ppb	Ag ppm	As ppm	Sb ppm	Hg ppm	% Vn Qtz	% Pyrite
	From	To		From	To								
<b>RCR-01</b>	220	230	10	67	70	3	24	0.9	196	10	1.8	tr	0.2-0.5
<b>RCR-02</b>	235	255	20	72	78	6	15	0.6	168	8	1.6	-	tr
<b>RCR-03</b>	330	335	5	101	102	2	19,647	19.4	50	4	1.2	2	1
<b>RCR-04</b>	480	490	10	146	149	3	444	0.2	38	3	0.5	tr	tr
<b>RCR-05</b>	205	210	5	63	64	2	690	5.6	131	8	2.5	tr	(FeOx)
<b>RCR-06</b>	285	290	5	87	88	2	11	0.9	824	24	2.8	2	0.5

Table 1 Drill hole assay results

was located at the anticipated depth of the vein structure, and a duplicate sample of this interval returned a gold value of 18.5 g/T. The high value could reflect the presence of particulate gold which may have created a nugget effect. Hole RCR-04 drilled across a northeast-trending zone of strong bleaching and clay alteration occurring in a gully that appears to be an offshoot of the main vein. The cost of this program was C\$ 133,780.

**Interpretation of Results.** The work completed to date on the Rainbow Canyon property has clearly demonstrated the presence of widespread zones of hydrothermal alteration with high gold values in quartz veins of 48 g/T. The mapped alteration and veining zones have a NE trend and are interpreted to be dilatent zones associated with a more EW- trending, left-lateral fault zone. The alteration zones have undergone magnetite destruction as shown by the magnetic susceptibility readings in Appendix C of the Technical Report (available on SEDAR under the Company's profile). The ground magnetic survey shown in Figure 6 has a pronounced magnetic low along the northern edge of the claim block, and this low corresponds to the main shaft veining zone projected to the northeast into an area covered by gravel. A lesser magnetic low shown in green trends to the NE and corresponds to a series of mapped, gold-bearing surface shows and prospect pits. These magnetic lows are interpreted to be zones of strong hydrothermal alteration and potential gold mineralization and are prime drill targets.

**Production History.** No records of historic production were found for the Rainbow Canyon property, although the size of the waste dump for the inclined shaft suggests that there are probably several hundred feet of underground workings. There are also numerous other shafts, adits and prospect pits on the claims.



## 7.0 PROPERTY GEOLOGY AND MINERALIZATION

**Regional Geology.** The property lies within the northern portion of the Walker Lane, a crustal-scale, northwest-trending zone of structural disruption at least 700-km long and 80-160 km-wide. This structural zone forms a transition between the northwest-trending Sierra Nevada range to the west, and the north- to northeast-trending ranges of the Great Basin Province of Nevada to the east (Stewart, 1992). Most of the Walker Lane is characterized by domains of northwest-trending, right lateral faults, although there are three domains that are characterized by northeast-striking faults with left-lateral displacement. The property is located in the Carson domain which is characterized by east-northeast-striking left-lateral faults (Stewart, 1992). The Olinghouse fault is just to the north of the property, and mapping has indicated as much as three km of left-lateral slip along this N 80° E-striking fault.

The region is predominately underlain by Tertiary volcanic and intrusive rocks and smaller areas of Tertiary sedimentary rocks. Mesozoic intrusions, sedimentary and volcanic rocks occur mostly in the west part of the Carson Block. There were three major magmatic events in the area:

- Oligocene ash flow tuffs,
- Early Miocene intermediate volcanism,
- younger Miocene mafic – bimodal volcanism.

Tertiary intrusive rocks include Miocene granodiorite and late Tertiary dacite and microdiorite, Garside et al (2000). A regional geologic map (Garside et al, 2000) is shown in Figure 7. Alluvial sediments cover the shallow slopes and valleys. The youngest deposits are lake sediments deposited from glacial Lake Lahontan.

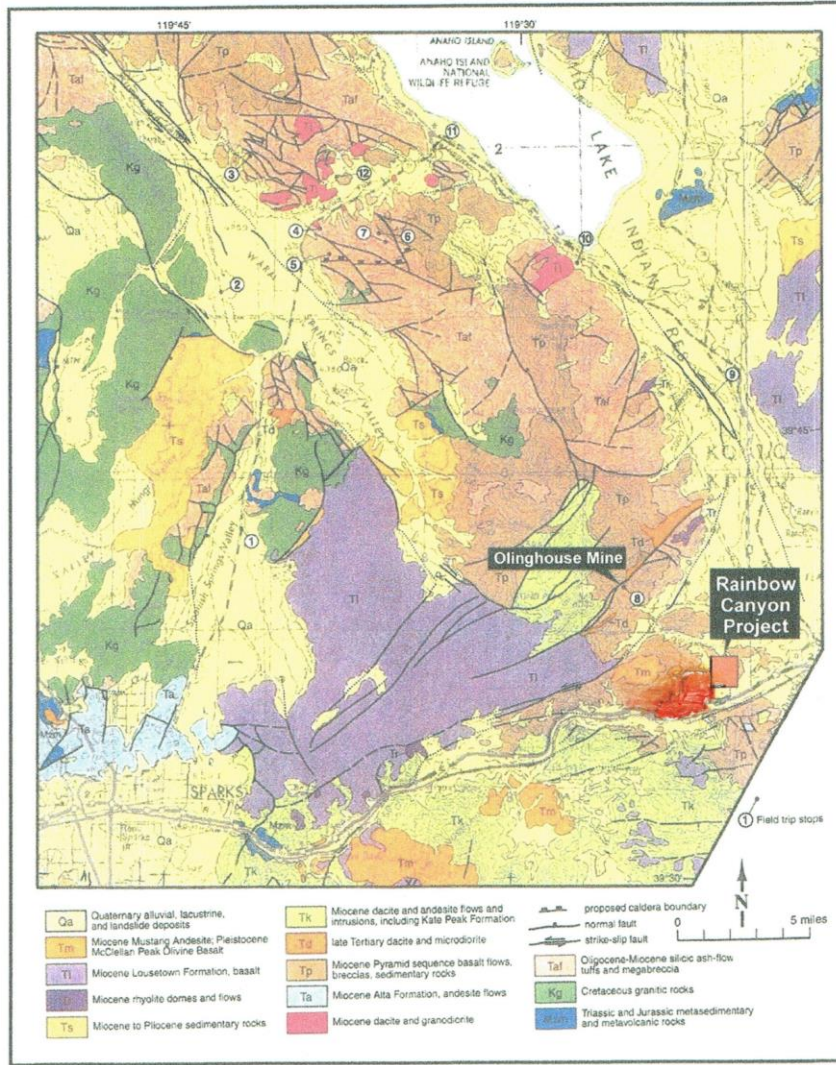


Figure 8. Regional geology map

**Property Geology.** Most of the lithologic unit names used in the Report are from Rose (1969) who did detailed mapping in the area. The property is underlain by Tertiary volcanic and sedimentary rocks, which strike northeasterly and dip about 20 to 30 degrees to the northwest, and by local zones of Quaternary alluvial and lacustrine sediments. Figure 9 is the geology map of sections 11 and 12 by Gant (2011 (a)), and it shows the lowest unit is the Hartford Hill Rhyolite which crops out in the southern part of the property. The Hartford Hill consists of

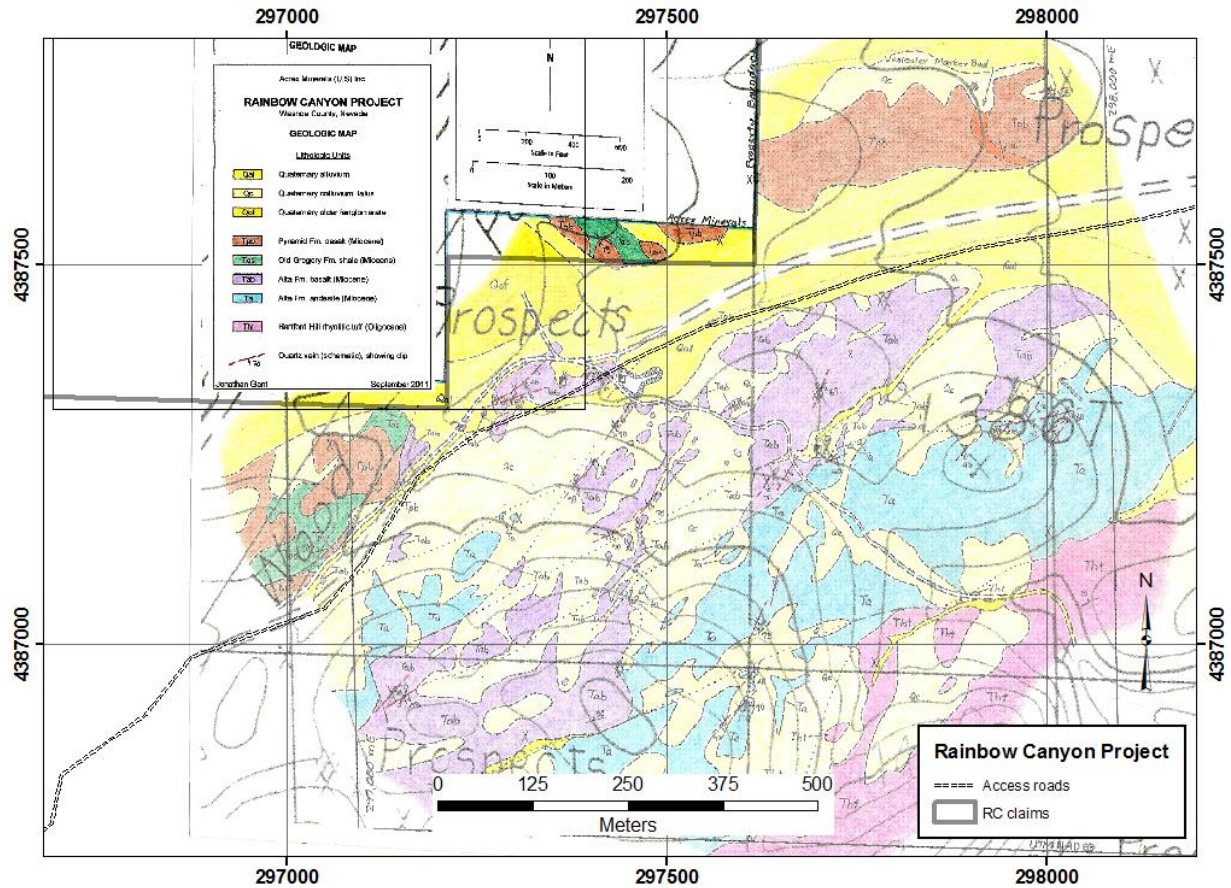


Figure 9. Section 11 and 12 geology map

varicolored, welded, crystal-rich ash flow tuffs. The Hartford Hill is overlain by the Alta Formation comprising primarily hornblende and pyroxene andesite flows and basalts. Most of the quartz veins and altered zones on the property are hosted by the Alta Formation. The Alta is overlain by the Old Gregory Formation which is composed of rhyolite tuffs and tuff breccias with minor brown shale and green siltstone.

In the northwestern part of the property, the Old Gregory Formation has been mapped as being in fault contact with the Pyramid sequence of basaltic to andesitic amygdaloidal flows and minor rhyolite tuffs with pumice fragments. Rocks to the SE of the fault contact dip shallowly to the northwest, and the Pyramid Sequence rocks to the northwest of the fault dip shallowly to the southeast. Pyramid Sequence mafic flows east of the property dip to the northwest. The ground magnetic survey results (Figure 6) show a different magnetic pattern under the alluvium cover in Section 12, and this pattern may in part be due to intrusive activity. Intrusions in the area include andesitic dikes associated with Alta Formation volcanic rocks and mafic to felsic dikes of the Pyramid sequence (Chloropagus Fm of Rose). There are early Miocene

dacite and granodiorite intrusions; and these rocks are more common in the Pyramid mining district to the north, Garside et al (2000). Mapped faults appear to be part of the NE- to ENE-trending Olinghouse fault system with left-lateral and dip-slip movement. Several of the quartz veins on the property are close to, and may be in splays of, these faults. Figure 10 (Gant, 2011 (a)) shows structurally controlled zones of alteration affecting the outcrops on the property.

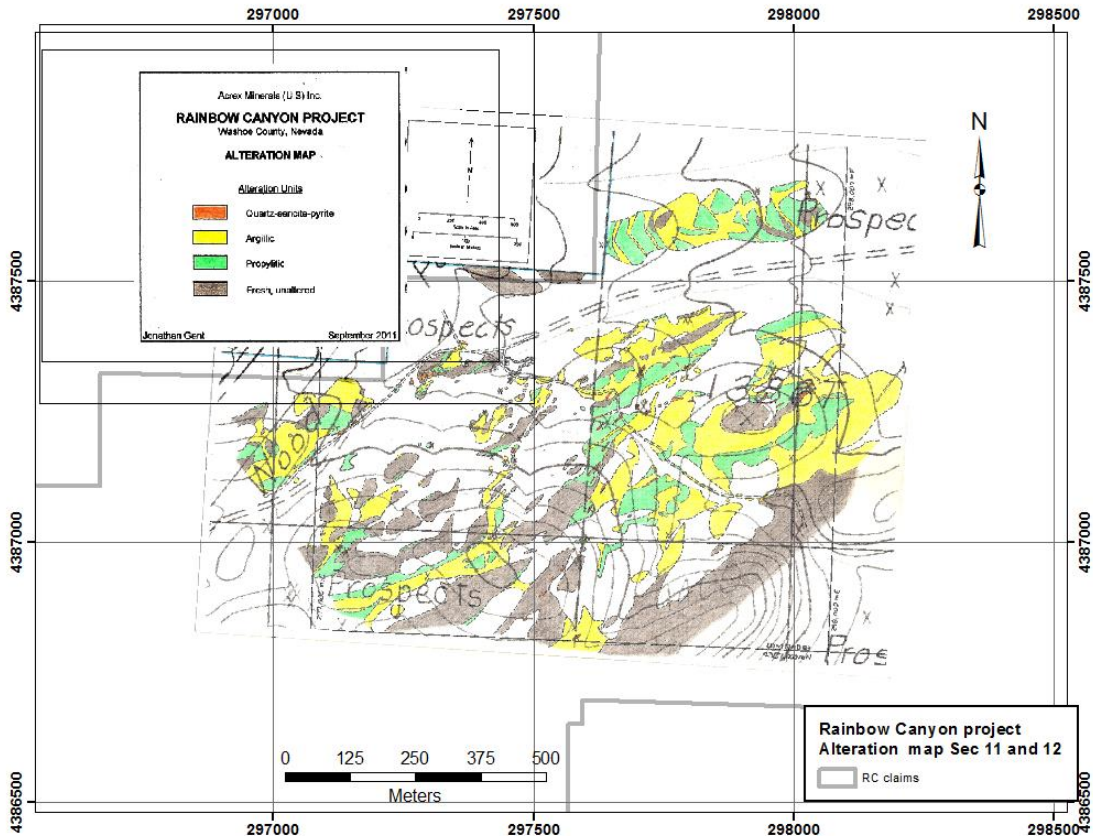


Figure 10. Sections 11 and 12 alteration map

**Type and Character of Mineralization.** Gold mineralization hosted in rhyolites and andesites has been identified in numerous surface outcrops throughout the property, and it usually occurs in narrow quartz veins within wider zones of strong argillic alteration. Most of the veins dip steeply to the southeast and trend NE to ENE. Veins are typically 20cm wide or less, and limited outcrop in the vicinity of veins makes it difficult to trace veins for more than a few meters. Because of this limited exposure of the mineralized zones, sampling data is not sufficient to confirm the length, width, depth and continuity of the zones. These limited exposures may also be a result of lack of vein continuity along strike. There is no information

available on the depth extent of the veins. Despite the difficulty of tracing individual veins on surface, the mineralization observed in Sections 11 and 12 seems to have some continuity along a NE to ENE trend over a strike length of at least 500 meters.

In 2009, PacMag personnel visited most of the historic prospect pits, and small shafts on the property and surrounding area. They sampled quartz vein material in outcrop and took selected and chip samples from the dumps. A maximum gold value of 20 g/T was found, and sample descriptions, locations and assay values are shown in Appendix B of the Technical Report (available on SEDAR under the Company's profile). Some of the gold values show a weak correlation with arsenic.

The veins consist of massive to weakly banded white quartz, often with chalcedonic or opaline quartz. Vugs and fractures are often coated with small, light grey to clear quartz crystals. Iron oxide-staining from the oxidation of sulfide minerals is common in the bleached zone around the veins. Outward from the bleached zones, the andesitic rocks have undergone argillic alteration which has lightened the rock from an original dark grey to a light to medium gray to violet color. This violet alteration color is particularly prevalent on the hanging-wall sides of the veins. Gant (2018, personal communication) has observed in Google images large areas of this violet colored alteration on the hanging-wall side of the Comstock Lode vein system.

Work by government and industry geologists in northern Nevada has determined that most, if not all, of the low sulfidation gold mineralization in the Olinghouse Mining District just to the north of the property occurred 10.5 million years ago (Ma) (Garside et al, 2000). It is likely that mineralization on the property has a similar age.

## 8.0 DEPOSIT TYPE

**Deposit Type.** The primary deposit type that is found on the property is epithermal, low-sulfidation, gold mineralization in structurally controlled alteration zones in Tertiary volcanic rocks. The essential characteristics of this type of mineralization as described by White and Hedenquist, (1999) are:

- Structural control – mineralization is in or adjacent to fault structures
- Quartz veins – quartz veins fill cavities, vein stockworks commonly developed

- Disseminated or replacement mineralization is minor
- Common vein gangue minerals are quartz, chalcedony, calcite, and adularia.
- Wallrock alteration to illite most common but may not be widely developed
- Sulfide minerals are minor pyrite, lesser sphalerite and galena, minor arsenopyrite
- Element association is high for Au, Ag, As, Sb, Hg, Zn

**Geologic Model for Exploration.** There are a number of epithermal gold deposit models in the geologic literature including the one described above. The different features and characteristics of the various models can be examined, and those features that best apply to a specific project can form the basis for a hybrid deposit model tailored to that project. The Rainbow Canyon property model is based on structurally controlled zones of hydrothermal alteration and gold mineralization. These zones are typically recessive because of the clay alteration, but they are bleached and iron oxide-stained and are in stark contrast to the surrounding darker, unaltered rocks. The hydrothermal alteration was also magnetite destructive, which causes the altered zones to appear as magnetic lows. The ground magnetic survey delineated several, well developed, linear, magnetic lows, and these are interpreted to be zones of strong alteration and potential mineralization.

## 9.0 EXPLORATION INFORMATION

Alba has conducted only limited exploration work on the property. The Company has all of the data from the previous work programs and this work has accrued to the benefit of Alba. Previous exploration work is described in section 6 of this listing statement.

## 10.0 DRILLING

Historic drilling is described in section 6 of this Listing Statement.

**Drilling by Acrex.** In May of 2017, Acrex conducted a six-hole, reverse circulation (RC) drilling program. The drilling focused on the mapped vein structures in section 12, Figure 10.

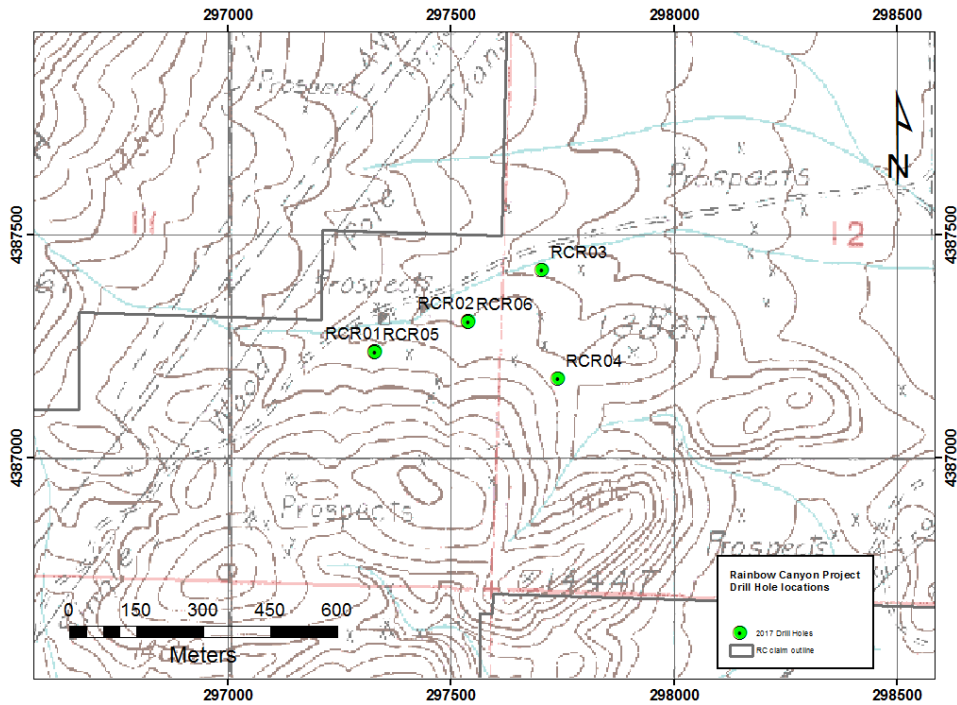


Figure 10 Drill hole location map

Assay results for the drill holes are shown in Table 1. Drill hole RCR-03 intersected a five-foot interval (1.5m) assaying 19.647 g/T gold in the main vein structure. Holes RCR-04 and 05 intersected lower-grade mineralization. Assay standards and blank samples were submitted along with the drill cuttings as part of the QC program, and assay results matched the standards.

Drill Hole ID	Intercept (ft)		Intvl	Intercept (m)		Intvl	Au ppb	Ag ppm	As ppm	Sb ppm	Hg ppm	% Vn Qtz	% Pyrite
	From	To		From	To								
<b>RCR-01</b>	220	230	10	67	70	3	24	0.9	196	10	1.8	tr	0.2-0.5
<b>RCR-02</b>	235	255	20	72	78	6	15	0.6	168	8	1.6	-	tr
<b>RCR-03</b>	330	335	5	101	102	2	19,647	19.4	50	4	1.2	2	1
<b>RCR-04</b>	480	490	10	146	149	3	444	0.2	38	3	0.5	tr	tr
<b>RCR-05</b>	205	210	5	63	64	2	690	5.6	131	8	2.5	tr	(FeOx)
<b>RCR-06</b>	285	290	5	87	88	2	11	0.9	824	24	2.8	2	0.5

Table 1 Drill hole assay results

The intercept in hole RCR-03 was located at the anticipated depth of the vein structure, and a duplicate sample of this interval returned a gold value of 18.5 g/T. The high value could reflect the presence of particulate gold which may have created a nugget effect. Hole RCR-04 drilled across a northeast-trending zone of strong bleaching and clay alteration occurring in a gully that appears to be an offshoot of the main vein. The cost of this program was C\$ 133,780.

## 11.0 SAMPLE PREPARATION and ANALYSIS, and SECURITY

**2009 Samples.** Pac Mag's sampling in 2009 consisted of select and chip sampling of quartz vein material from historic prospect pits and waste dump piles that are found throughout the property. A total of 53 samples was taken on the original 80 claim property. All samples were of quartz vein material or strongly altered wallrock material with silicification. The Author has no information regarding how the samples were treated in the field or the security involved during transport to the lab. The 2009 samples were analyzed at the American Assay Labs Inc.'s (AAL) modern facility in Sparks, Nevada. AAL is a recognized, commercial lab and has no ties to the issuer. AAL is ISO 17025 accredited and is approved by the Nevada Department of Environmental Protection. Based on the reports from AAL, the 2009 analytical work appears to have been carried out in a professional manner using industry standard methods. AAL used a blank sample, a standard, and a repeat analysis on a routine basis (one each per 20 samples). The samples were put in stainless steel trays and dried for eight hours at 85° C. the samples are then crushed with 70% passing 2mm. A 300 g sample is then split off for fire assay and the rest of the sample is bagged as the reject. Samples over 10 g/T Au were analyzed using fire assay with a gravimetric finish. Trace element analyses were determined using ICP with a two-acid digestion according to AAL analysis certificates.

**2011 Samples.** The 2011 samples were collected by McNutt (2011) and were delivered to the ALS Minerals Reno office by McNutt. He states that no aspect of the sample preparation was done by an employee, officer, director or associate of the issuer. The rock samples were crushed to 70% or more passing 2mm, and a 250 gram split was pulverized to 85% or more passing 75 microns. A 30 gram sample of the pulverized material was analyzed by fire assay with Induced Coupled Plasma – Atomic Emission Spectrometry finish. Samples with >10.0 g/T Au were reanalyzed using fire assay with a gravimetric finish. ALS Minerals has ISO 9001-2008 accreditation. For quality control purposes three samples were run as a check; the results were within an accepted range (0.217 g/T Au to 0.292 g/T Au; 0.546 g/T Au to 0.404 g/T Au; 1.630 g/T Au to 1.270 g/T Au). The soil samples that were collected consisted of 1.0 to 1.5 kg samples of -10 mesh material sieved in the field. They were analyzed at ALS Minerals in Reno. Samples were pulverized to 85% passing 75 microns then treated to aqua regia digestion and ICP-MS and ICP-AES analysis. McNutt (2011) states that the sample



preparation, analysis and security procedures at AAL and ALS Minerals are adequate and meet or exceed the standards for the industry.

Results are shown in Figure 7 and 8 and in Appendix B of the Technical Report (available on SEDAR under the Company's profile). The 70.5 g/T gold value from the main dump (RCKB01) substantiates that there are high-grade veins on the property. Sample RCKB06 contained 1 g/T Au and was a 4 m-long, chip-channel sample across an argillically altered zone. This gold value suggests that there might be wider zones of lower-grade material on the property.

**2017 Drill Samples.** Samples from the ARL 2017 drilling program came from the discharge hose on the drill rig and were put through a hydraulically driven, rotary splitter with a total of -12- partitions. The sample was collected from -six- of the partitions. After the five-foot interval was drilled, the bit was lifted off the bottom of the hole and the hole was cleared with compressed air before drilling was resumed. The sample from the rotary splitter went into a 10" X 17" cloth bag, and approximately three to four kg of sample were collected. The bag was labeled with the hole number and footage interval. Samples were kept on the drill site until the end of the drilling shift, and they were then put in a locked trailer on site each evening by Jon Gant. Acrex placed a blank sample and an assay standard every 20 samples. American Assay Labs came to the site twice to pick up all of the drill samples and take them to their lab in Sparks, Nevada for analysis. Sample preparation procedure is described in section 11.1. American Assay Labs inserts its own blank sample and two assay standard samples for every 20 samples analyzed. It is the Author's opinion that sample preparation, security and analytical procedures were adequate.

## 12.0 DATA VERIFICATION

Assay and geologic data used in the Report were supplied by the issuer. The assay data were verified by reviewing the original assay reports from the lab. During the April 2016 site visit, the Author of the Report collected 14 rock chip samples from vein zones as well as from argillically altered rock exposed in outcrops and from the dumps of prospect pits. The samples were delivered to American Assay Labs in Sparks for analysis by fire assay for gold and ICP for other elements. The geologic data were reviewed by the Author during the site visits. The data are adequate for the purposes of the Technical Report.

### 13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

This section does not apply to the Rainbow Canyon project.

### 14.0 MINERAL RESOURCE ESTIMATES

This section does not apply to the Rainbow Canyon project.

### 15.0 MINERAL RESERVE ESTIMATES

This section does not apply to the Rainbow Canyon project.

### 16.0 MINING METHODS

This section does not apply to the Rainbow Canyon project.

### 17.0 RECOVERY METHODS

This section does not apply to the Rainbow Canyon project.

### 18.0 PROJECT INFRASTRUCTURE

This section does not apply to the Rainbow Canyon project.

### 19.0 MARKET STUDIES AND CONTRACTS

This section does not apply to the Rainbow Canyon project.

### 20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

This section does not apply to the Rainbow Canyon project.

## 21.0 CAPITAL AND OPERATING COSTS

This section does not apply to the Rainbow Canyon project.

## 22.0 ECONOMIC ANALYSIS

This section does not apply to the Rainbow Canyon project.

## 23.0 ADJACENT PROPERTIES

As of June 2018, the BLM records do not show any other valid mining claims within two miles (3.2 km) of the Acrex claim group. There are numerous examples of low-sulfidation type deposits in western Nevada, and this information on these deposits are mentioned just to illustrate the style of mineralization found on the property. This information on the deposits is not necessarily indicative of the mineralization on the property that is the subject of the Technical Report. Three miles north of the property is the Olinghouse deposit which has gold in quartz-calcite-pyrite-adularia veining associated with dacite dikes, Figure 1 (Garside et al, 1992). Within the broader area of the Carson structural domain block, there are other low-sulfidation style gold deposits. The Gooseberry mine is 19 km south of the property, and it was actively mined during the 1980's (Mining Record, 1984).

The Talapoosa gold deposit is 19 km south of the property, and the quartz-adularia-gold veins are hosted by NW-trending faults and dacite dikes. R.H. Sillitoe, a noted expert on gold deposits, examined the property and commented : "Inspection of apparently representative drill core from the Bear Creek, Main and East Hill zones suggests that the best gold and silver grades are hosted by fine-grained, saccharoidal quartz, of the type normally found in low-sulphidation epithermal vein systems. The quartz is sulphide deficient and typically contains <0.5 volume % pyrite and traces of base-metal sulphides and silver sulphosalts. Most of the sulphides, largely pyrite and marcasite, occur in the surrounding silicified, and clay altered andesite where they are the products of sulphidation of pre-existing iron during vein development." (Sillitoe, 2011).

Perhaps the best known low-sulfidation deposit is the Comstock Lode located 50km SSW of the property, and this deposit produced 8.4 million ounces gold hosted in the Alta Formation. (John et al 1999).

**24.0 EXPLORATION PROGRAM RECOMMENDATIONS**

A six-hole RC drilling program is recommended to test for extensions of the known mineralized zones. These holes will be located near the existing holes as shown in Figure 11 and Table 2.

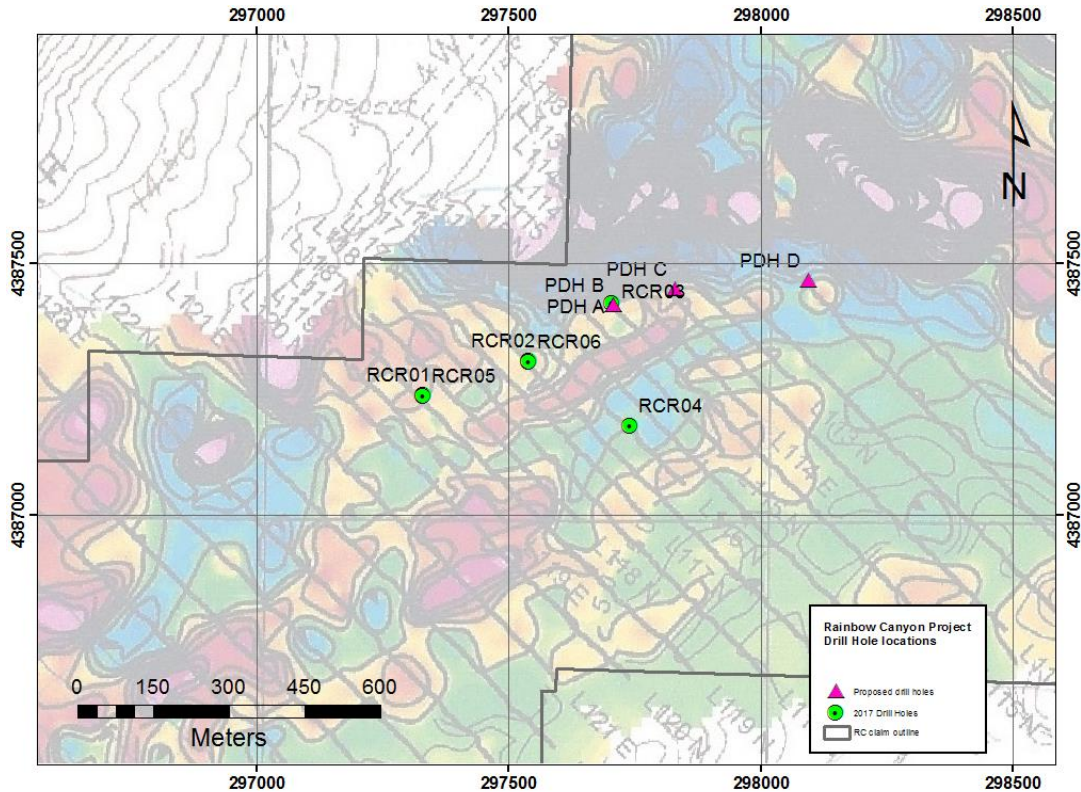


Figure 11 Proposed drill hole locations

DH ID	mE	mN	Bearing	Dip	TD (ft)	TD (m)
PDH A	297,709	4,387,419	N 25° W	75	550	168
PDH B	297,709	4,387,419	N 15° E	60	500	152
PDH C	297,832	4,387,450	N 30° W	60	500	152
PDH D	298,098	4,387,466	N 25° E	65	420	128
				<b>Totals</b>	<b>1,970</b>	<b>600</b>

Table 2 Proposed drill holes

The budget estimate for this program is \$130,156 and the budget worksheet is shown below.

RAINBOW CANYON ESTIMATE OF DRILLING COST August, 2019				
Six hole, RC Program				
PERMITTING				
	NOI permit preparation		1,500	
	Reclamation bonding		7,000	
			<u>8,500</u>	8,500
CONSTRUCT ROADS DRILL PADS				
	Geologist time for supervision	1 days @	600	600
	vehicle operating expenses	80 miles @	0.55	44
	living expenses, motel	days @	75	-
	meals	days @	40	-
	Equipment mob - demob			1,500
	Equipment operation	8 hours @	80	640
			<b>Total</b>	<b>2,784</b>
				<b>2,784</b>
DRILLING				
	Senior Geologist time	8 days @	600	4,800
	vehicle operating expenses	300 miles @	0.55	165
	living expenses, motel	7 days @	75	525
	meals	8 days @	40	320
	Contract Geologist time	days @	500	-
	vehicle operating expenses	miles @	0.55	-
	living expenses, motel	days @	75	-
	meals	days @	40	-
	Rig mob - demob			3,000
	Driller per diem	8 days @	300	2,400
	RC Drilling costs	3570 feet @	18	64,260
	Water and hauling	8 days @	300	2,400
	Assaying samples, Au only 5 ft intervals	714 samples @	35	24,990
	ICP analysis 30% samples,	214.2 samples @	12	2,570
	Rush (48 hr) assays for vein only	samples @	210	-
	Bags, boxes, standards and supplies			1,500
	U-Haul trailer rental			500
			<b>Total</b>	<b>107,430</b>
				<b>107,430</b>
				<b>118,714</b>
PROJECT REPORT				
	Geologist time	2 days @	600	1,200
	Drafting data compilation	1 days @	600	600
	Map prints etc			
			<b>Total</b>	<b>1,800</b>
				<b>1,800</b>
			<b>Total</b>	<b>120,514</b>
			Project subtotal	120,514
			Contingencies @ 8%	9,641
			<b>Project total</b>	<b>130,156</b>
			<b>TOTAL</b> US \$	130,156
			Canada \$ at C 1.327/ US \$	172,716.42

#### 4.4 Issuers with Oil and Gas Operations

This section is not applicable to the Issuer.

### 5. Selected Financial Information

#### 5.1 Annual Information

The following tables set out certain selected financial information of the Issuer for the periods indicated.

Please refer to the corresponding management's discussion and analysis for a full discussion of the data, including, among other matters, the comparability of data and changes in accounting policies.

	Six Months Ended June 30, 2019 (\$)	Year Ended December 31, 2018 (\$)	Year Ended December 31, 2017 (\$)	Year Ended December 31, 2016 (\$)
Revenues	NIL	NIL	NIL	NIL
Net Income (Loss)	(620,381)	36,359	(1,126,895)	(316,868)
Comprehensive Loss	(1,304,381)	(77,641)	(1,126,895)	(316,868)
Basic & Diluted Income (Loss) per Share	(0.01)	0.01	(0.04)	(0.04)
Total Assets	2,013,701	2,676,096	1,548,597	632,380
Long Term Liabilities	NIL	NIL	NIL	NIL
Working Capital	806,330	1,496,571	801,149	150,220

The audited financial statements of the Issuer for years ended December 31, 2018, 2017 and 2016 and unaudited financial statements for the six months ended June 30, 2019 are attached hereto as Schedule A. The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

#### 5.2 Quarterly Information

The following table summarizes information derived from the Issuer's financial statements for the each of the eight most recently completed quarters:

Quarter Ended	June 30	March 31	December 31	September 30	June 30	March 31	December 31	September 30
Year	2019	2019	2018	2018	2018	2018	2017	2017
Revenue	\$NIL	\$NIL	\$NIL	\$NIL	\$NIL	\$NIL	\$NIL	\$NIL
Operating Expenses	\$ (386,618)	\$ (233,763)	\$ (297,962)	\$ (362,620)	\$ (160,298)	\$ (396,978)	\$ (404,088)	\$ (190,291)
Net Income (Loss)	\$ (386,618)	\$ (233,763)	\$957,937	\$ (362,620)	\$ (160,298)	\$ (398,660)	\$ (498,961)	\$ (190,291)
Comprehensive Loss	\$ (557,618)	\$ (746,763)	\$843,937	\$ (362,620)	\$ (160,298)	\$ (398,660)	\$ (377,646)	\$ (190,291)
Income (Loss) per share	\$ (0.01)	\$ (0.00)	\$0.01	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.04)	\$ (0.01)

The interim financial statements of the Issuer for period ended June 30, 2019 are attached hereto as Schedule A. The financial statements are prepared in accordance with IFRS.

### *5.3 Dividends*

Although there are no restrictions on the Issuer's ability to pay dividends, the Issuer has not paid any dividends in the past and has no plans to pay dividends in the immediate or foreseeable future as it is in the development stage.

### *5.4 Foreign GAAP*

This section is not applicable to the Issuer.

## **6. Management's Discussion and Analysis**

### *6.1 Annual MD&A*

The Management's Discussion and Analysis ("MD&A") of the Issuer for the audited years ended December 31, 2018, 2017 and 2016 are attached to this Listing Statement as Schedule "B". The MD&A should be read in conjunction with the Issuer's audited financial statements for the years ended December 31, 2018, 2017, and 2016 together with the notes thereto, which are incorporated by reference and attached to this Listing Statement as Schedule "A".

### *6.2 Interim MD&A*

The MD&A of the Issuer for the unaudited financial period ended June 30, 2019 are attached to this Listing Statement as Schedule "B". The MD&A should be read in conjunction with the Issuer's unaudited financial statements for the financial period ended June 30, 2019, together

with the notes thereto, which are incorporated by reference and attached to this Listing Statement as Schedule "A".

## **7. Market for Securities**

The common shares of the Issuer are listed for trading on the TSX Venture Exchange under the trading symbol "AA" and shall be delisted from the TSX Venture Exchange upon the listing of the shares of the Issuer on the Canadian Securities Exchange.

## **8. Consolidated Capitalization**

Since the audited financial statements for the year ended December 31, 2018, the Issuer has had the following changes in share capital:

On March 20, 2019, the Company completed a private placement raising a total of \$602,500 through the sale of 7,531,250 units at a price of \$0.08 per unit. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.10 for a period of 24 months. The unit warrants have been valued at \$7,531 using the residual value method.

In connection with the March 20, 2019 private placement, the Company paid cash of \$41,880 and issued 523,500 finders' warrants with a fair value of \$30,086. The broker warrants were valued using the Black Scholes option pricing model with the following assumptions: market price of \$0.10, term of two years; volatility of 111%; dividend of 0%; and discount rate of 1.6%.

In May 2019, the Company issued 500,000 common shares upon the exercise of warrants at a price of \$0.075 for gross proceeds of \$37,500.

In May 2019, the Company issued 625,000 common shares pursuant to the exercise of options at \$0.065 per share for total cash proceeds of \$40,625 and an adjustment to share based payment reserve of \$37,500.



## 9. Options to Purchase Securities

As of the date hereof, there were 5,175,000 outstanding options to purchase securities of the Issuer.

Options held by executive officers, directors, past executive officers and past directors of the Issuer as a group	2,650,000
Options held by executive officers, directors, past executive officers and past directors of all subsidiaries of the Issuer as a group	NIL
Options held by all other employees or past employees of the Issuer, as a group	NIL
Options held by all consultants of the Issuer, as a group	2,525,000
Options held by any other person or company, including any underwriters	NIL

Date of Issuance	Number of Options	Exercise Price	Expiry Date	Market Value of Securities Under Option on Date of Grant	Market Value of Securities Under Option on Date of Listing Statement
November 9, 2017	1,200,000	\$0.09	November 9, 2022	\$108,000	\$60,000
September 5, 2018	2,375,000	\$0.065	September 5, 2028	\$154,375	\$118,750
December 3, 2018	1,600,000	\$0.065	December 3, 2028	\$104,000	\$80,000
	5,175,000				

None of the currently outstanding options as of the date of this Listing Statement are in the money.

## 10. Description of the Securities

### 10.1 Description of Capital

The Authorized capital of the Issuer consists of an unlimited number of common shares without par value. The holders of the common shares are entitled to vote at all meetings of shareholders of such common shares, to receive dividends if, as and when declared by the directors and to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer. The common shares carry no preemptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring the holder of common shares to contribute additional capital and no restrictions on the issuance of additional securities by the Issuer. There are no restrictions on the repurchase or redemption of

common shares by the Issuer except to the extent that any such repurchase or redemption would render the Issuer insolvent.

#### *10.2 Debt Securities*

This section is not applicable to the Issuer.

#### *10.3 Not applicable*

#### *10.4 Other Securities*

This section is not applicable to the Issuer.

#### *10.5 Modification of Terms*

##### (a) Alterations to Rights of Common Shares

The rights and restrictions attached to common shares of the Issuer may be modified, amended or varied by special resolution of the shareholders, unless otherwise specified in the BCBCA.

##### (b) Other Methods of Modifying Rights of Common Shares

None.

#### *10.6 Other Attributes*

No other class of securities ranks ahead of the common shares of the Issuer, nor are the rights attached to the common shares materially limited or qualified by the rights of any other class of securities.

The Issuer is permitted, pursuant to its articles, to purchase or otherwise acquire any of its shares at the price and upon the terms determined and authorized by its directors. No such purchase or acquisition of shares may occur if the Issuer has reasonable grounds for believing it is insolvent, or may become insolvent if such purchase or acquisition is made. If the Issuer purchases or acquires any of its common shares and holds them, the Issuer is not permitted

to vote the shares at any shareholder’s meeting pay a dividend in respect of those shares or make any other distribution in respect of those shares.

### 10.7 Prior Sales

Within 12 months prior to the date of this Listing Statement, the Issuer issued by way of issuance from treasury 13,192,250 common shares as follows:

Date Issued	Number of Common Shares	Issue Price Per Common Share
October 10, 2018 <sup>(1)</sup>	4,500,000	\$0.06
November 26, 2018 <sup>(2)</sup>	36,000	\$0.075
March 20, 2019 <sup>(3)</sup>	7,531,250	\$0.08
May 8, 2019 <sup>(4)</sup>	500,000	\$0.075
May 13, 2019 <sup>(5)</sup>	625,000	\$0.065

(1) On October 10, 2018, the Company issued 4,500,000 with a fair value of \$315,000 pursuant to the Chascha Norte Property Acquisition Agreement.

(2) On November 26, 2018, the Company issued 36,000 shares pursuant to the exercise of warrants at \$0.075 for total cash proceeds of \$2,700.

(3) On March 20, 2019, the Company closed a non-brokered private placement of 7,531,250 Units at \$0.08 per Unit for gross proceeds of \$602,500. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.10 for a period of 24 months. The unit warrants have been valued at \$7,531 using the residual value method. In connection with the March 20, 2019 private placement, the Company paid cash of \$41,880 and issued 523,500 finders’ warrants with a fair value of \$30,086. The broker warrants were valued using the Black Scholes option pricing model with the following assumptions: market price of \$0.10, term of two years; volatility of 111%; dividend of 0%; and discount rate of 1.6%.

(4) On May 8, 2019, the Company issued 500,000 shares pursuant to the exercise of warrants at \$0.075 for total cash proceeds of \$37,500.

(5) On May 13, 2019, the Company issued 625,000 common shares pursuant to the exercise of options at \$0.065 per share for total cash proceeds of \$40,625 and an adjustment to share based payment reserve of \$37,500.

### 10.8 Stock Exchange Price

The table below provides the monthly or partial monthly average high and low prices and the total trading volume of the common shares from March 31, 2017 to October 2019.

Date	High	Low	Total Volume Traded
Month of October	0.035	0.025	334,000
Month September 2019	0.05	0.03	403,811

Month of August 2019	0.055	0.035	799,944
Month of July 2019	0.06	0.05	1,097,740
Quarter ended June 2019	0.135	0.055	8,408,479
Quarter ended March 2019	0.105	0.06	2,303,686
Quarter ended December 31, 2018	0.125	0.06	3,434,184
Quarter ended September 30, 2018	0.09	0.065	1,839,928
Quarter ended June 30, 2018	0.175	0.07	4,266,733
Quarter ended March 31, 2018	0.43	0.115	27,901,752
Quarter ended December 31, 2017	0.16	0.055	16,473,575

## 11. Escrowed Securities

As of the date hereof, the Issuer did not have any of its common shares subject to escrow restrictions.

## 12. Principal Shareholders

As of the date of this listing statement, to the knowledge of the directors and senior officers of the Issuer, no persons beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10% of the voting rights attached to the securities of the Issuer.

To the knowledge of the Issuer, none of its voting securities are held, or are to be held, subject to any voting trust.

To the knowledge of the Issuer, no principal shareholder is an associate or affiliate of another person or company named as a shareholder.

## 13. Directors and Officers

### *13.1 Name, Address, Occupation and Security Holdings*

The following table sets out the names of the directors and officers of the Issuer, the province or state, and country in which each is ordinarily resident, all offices of the Issuer held by each

of them, their principal occupations and the number of common shares of the Issuer or any of its subsidiaries beneficially owned by each, directly or indirectly, or over which control or direction is exercised.

Name, Municipality of Resident, Position with the Issuer and Date of Appointment	Principal Occupation During the Last Five Years	Number of Common Shares held in the Issuer <sup>(1)</sup>	Percentage of Class held or Controlled <sup>(1)</sup>
Arthur Brown Vancouver, B.C.  <i>President, CEO, Director</i> October 2016	Businessman, President & CEO of Astorius Resources Inc., August 2016 to present; Director of Noram Ventures Inc., July 2016 to present; and Director of Silver Spruce Resources Inc., June 2015 to present	3,076,000	4.56%
Sandy MacDougall Vancouver, B.C.  <i>Chairman &amp; Director</i> October 2016  <i>CFO (interim)</i> March 2017	Businessman, Chairman and Director of Astorius Resources Inc. May 2016 to present;	2,271,000	3.37%
Peter Born Ottawa, Ontario  <i>Director</i> February 2018	Professional Geologist; Currently a Senior Geological Consultant for an Ottawa based consulting firm; Geologist at RPS Energy Inc., December 2000 to present.	NIL	NIL
Carlos Arias Quinto, Pichincha, Ecuador  <i>Director</i>	Principal of Arias Eguiguren & Penaherrera Abogados., Director of Astorius Resources Inc.,	568,000	0.84%

November 2017	September 2016 to present		
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### *13.2 Term of Directorship*

The term of office of each of the present directors expires at the Issuer's next Annual General Meeting. Each director elected or appointed will hold office until the next annual general meeting of the Issuer or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the articles of the Issuer or with the provisions of the BCBCA.

### *13.3 Voting Interest of Directors and Officers as a Group*

As a group, the directors and officers of the Issuer hold an aggregate of 4,092,000 common shares of the Issuer, representing 6.07% of the issued and outstanding common shares in the Issuer.

### *13.4 Board Committees*

The only committee of the board of directors of the Issuer is the audit committee. The Issuer's audit committee is comprised of Peter Born, Carlos Arias and Sandy MacDougall. Peter Born and Carlos Arias are independent members of the audit committee. Sandy MacDougall is not independent due to this position as Chairman of the Issuer. All members are considered to be financially literate.

### *13.5 Principal Occupation of Directors and Officers*

Other than as disclosed herein, no director or officer of the Issuer has a principal occupation as a director or officer of a company other than the Issuer.

Name of Director or Officer	Name of Other Reporting Issuer
Arthur Brown	Noram Ventures Inc. (NRM-TSXV), Astorius Resources Inc. (ASQ-TSXV), Silver Spruce Resources Inc. (SSE-TSXV)
Sandy MacDougall	Astorius Resources Inc. (ASQ-TSXV)
Peter Born	Academy Metals Inc. (formerly Unity Metals Corp.) (AM-TSXV), Aldever Resources Inc. (ALD-TSXV), Astorius Resources Ltd. (ASQ-TSXV),

	Avarone Metals Inc. (AVM-TSXV), Alchemist Mining Incorporated (AMS-CSE)
Carlos Arias	Astorius Resources Inc. (ASQ-TSXV)

### *13.6 Cease Trade Orders and Bankruptcy*

No director or officer of the Issuer, or, to the Issuer's knowledge, no shareholder holding a sufficient number of securities of the Issuer to materially affect the control of the Issuer, is or within 10 years prior to the date of this Listing Statement, has been a director or officer of any other Issuer that, while that person was acting in that capacity, was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days with exception of the following:

Arthur Brown was a director of Maxim Resources Inc. ("Maxim") when it was halted from trading by the Exchange after a cease trade order was issued by the British Columbia Securities Commission on May 4, 2009. Maxim had not filed its annual financial statements and management's discussion and analysis for the year ended December 31, 2008 within the required timeframe. This was the result of financial hardships of Maxim and this order was revoked on August 4, 2009 when Maxim filed the required documentation.

No director or officer of the Issuer is, or within the 10 years before the date of the Listing Statement, has been a director or officer of any other Issuer that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### *13.7 Penalties/Sanctions Imposed on Directors/Officers*

None.

### *13.8 Settlement Agreements*

Not applicable.

### *13.9 Bankruptcy of Director/Officer*

None.

### *13.10 Conflicts of Interest*

The directors and officers of the Issuer also serve as directors and/or officers of other companies and may be presented, from time to time, with situations or opportunities which give rise to apparent conflicts of interest. All conflicts of interest will be resolved in accordance with the BCBCA and the fiduciary duties of the Issuer's directors and officers.

### *13.11 Management*

Below is a brief description of the key management of the Issuer.

Sandy MacDougall: Mr. MacDougall, age 60, is a graduate of the University of British Columbia, in economics and has over 25 years experience in the investment banking and financial industry. He was a former investment advisor at Canaccord Capital Corp and was involved in numerous corporate financings in Canada and abroad for a wide range of companies. His experience includes extensive exposure to precious and base metal projects throughout North and South America. He has been Chairman of the Board of Alba Minerals Inc. since October 2016.

Mr. MacDougall devotes approximately 40% of his working time to the Issuer's affairs and is an independent contractor. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

Arthur Brown: Mr. Brown, age 68, brings 36 years of business experience to Noram's board. He has served on the boards of eight other companies in sectors ranging from technology to oil & gas and mineral exploration. Mr. Brown has substantial knowledge and experience in corporate structure and development, financings and venture capital.

Mr. Brown devotes approximately 30% of his working time to the Issuer's affairs and is an independent contractor. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

Carlos Arias: Dr. Carlos Arias Eguiguren, age 57, is a lawyer based in Quito, Ecuador specializing in mining law and is a former Director of the Ecuadorian Chamber of Mines 2003-2005, 2001-2003 and 1996-1998. He holds a doctorate in law with a master's degree in



international business legal studies from the University of Exeter in England, and a diploma in transactional contracts from the International Development Law Institute, Rome, Italy. Additionally, Dr. Arias is the Ecuadorian representative & associate of Investbank Corp., (USA), Legal Advisor of Kroon Global, Freepoint Commodities, First Merit Group (Canada), CEO of ICAT Investments Corporation from 2008, CEO of Energy Services & Investments ESI Corp from 2009, Legal Advisor and Vice-president of Tecnipetrol Inc.; Legal Advisor of Bellweather International Inc., General Manager and lawyer of Bradley Ecuador S.A., a Branch of Bradley Brothers, Canada 1995-2005; Member of the Board of Aim Explorations Ltd. (Canada). Dr. Arias has been included and recognized in Madison Who's Who of the World, Baron's Who is Who (USA) and received the GDS Excellence Leader Award for his legal mining career. Dr. Aria is fluent in English and Spanish.

Mr. Arias devotes approximately 10% of his working time to the Issuer's affairs and is an independent contractor He has not entered into a non-competition or non-disclosure agreement with the Issuer.

Peter Born: Dr. Peter Born, age 66, Dr. Born is a registered professional geologist with the Association of Professional Geoscientists of Ontario and is a Fellow of the Geological Association of Canada. Dr. Born also holds a Ph. D. in Earth Sciences from Carlton University with expertise in Precambrian Sedimentary Geology, Basin Analysis, Sedimentology, Stratigraphy and Sedimentary Ore deposits. He brings over 30 years of exploration/mining experience including project evaluation and feasibility studies for senior and junior companies in Canada. This experience includes several years of uranium exploration in the Athabasca Basin of Saskatchewan and the Thelon Basin of the Northwest Territories, Canada. Peter has also worked as senior geologist with Western Mining Corporation as well as a consultant/senior geologist modelling the Aquarius ore body with Echo Bay Mines Ltd.

Dr. Born devotes approximately 15% of his working time to the Issuer's affairs and is an independent contractor He has not entered into a non-competition or non-disclosure agreement with the Issuer.

#### **14. Capitalization**

The following information is based on there being 67,424,508 shares issued and outstanding as of the date of this listing statement.

<b><u>Issued Capital</u></b>	Number of Securities (Non-Diluted)	Number of Securities (Fully-Diluted)	% of Issued (Non-Diluted)	% of Issued (Fully-Diluted)
<b><u>Public Float</u></b>				
Total Outstanding (A)	67,424,508	99,120,091	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	4,092,000	12,150,500	6.07%	12.26%
Total Public Float (A-B)	63,332,508	86,969,591	93.93%	87.74%
<b><u>Freely-Tradeable Float</u></b>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	0	0	N/A	N/A
Total Tradeable Float (A-C)	63,332,508	86,969,591		

**Public Securityholders (Canadian - Registered)<sup>(1)</sup>**

Class of Security	Number of Holders	Total Number of Securities
Size of Holding		
1-99 securities	16	473
100-499 securities	49	11,730
500-999 securities	33	22,271
1,000-1,999 securities	61	75,689
2,000-2,999 securities	36	79,600
3,000-3,999 securities	25	78,720
4,000-4,999 securities	27	114,335
5,000 or more securities	335	55,868,480

Notes:

(1) The information from the above table is from a share range reports for Canadians dated June 17, 2019 produced by Broadridge Financial Solutions, Inc. at the request of the Issuer.

(2) This number has been reduced from the number provided by Broadridge to take into account the disclosed holdings of non-public securityholders in the table below.

**Public Securityholders (U.S. - Registered)<sup>(1)</sup>**

Class of Security		
Size of Holding	Number of Holders	Total Number of Securities
1-99 securities	1	40
100-499 securities	0	0
500-999 securities	1	999
1,000-1,999 securities	3	3,200
2,000-2,999 securities	1	2,400
3,000-3,999 securities	0	0
4,000-4,999 securities	0	0
5,000 or more securities	6	61,600

Notes:

(1) The information from the above table is from a share range reports for the US dated June 17, 2019 produced by Broadridge Financial Solutions, Inc. at the request of the Issuer.

(2) This number has been reduced from the number provided by Broadridge to take into account the disclosed holdings of non-public securityholders in the table below.

**Non-Public Securityholders (Beneficial)<sup>(1)</sup>**

Class of Security		
Size of Holding	Number of Holders	Total Number of Securities
1-99 securities	0	0
100-499 securities	0	0
500-999 securities	0	0
1,000-1,999 securities	0	0
2,000-2,999 securities	0	0
3,000-3,999 securities	0	0
4,000-4,999 securities	0	0
5,000 or more securities	2	4,092,000

Notes:

(1) The information from the above table is from the beneficial share holdings as publicly disclosed on the System for Electronic Disclosure by Insiders ([www.SEDI.ca](http://www.SEDI.ca)) as at August 30, 2019 of the current directors, officers and insiders of the Issuer.

*14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities*

Description of Security (include conversion/exercise terms, including conversion/exercise price)	Number of convertible/exchangeable securities outstanding	Number of listed securities issuable upon conversion/exercise
Incentive stock options exercisable at a price of \$0.065 with an expiry date of December 3, 2028	1,600,000 options	1,600,000 common shares

Incentive stock options exercisable at a price of \$0.065 with an expiry date of September 5, 2028	2,375,000 options	2,375,000 common shares
Incentive stock options exercisable at a price of \$0.09 with an expiry date of November 9, 2022	1,200,000 options	1,200,000 common shares
Share purchase warrants with an expiry date of February 15, 2020 exercisable at a price of \$0.15 per warrant for the purchase of a common share	2,000,000 share purchase warrants	2,000,000 common shares
Share purchase warrants with an expiry date of March 6, 2020 exercisable at a price of \$0.15 per warrant for the purchase of a common share	3,347,500 share purchase warrants	3,347,500 common shares
Share purchase warrants with an expiry date of November 29, 2020 exercisable at a price of \$0.075 per warrant for the purchase of a common share	9,225,000 share purchase warrants	9,225,000 common shares
Share purchase warrants with an expiry date of December 1, 2020 exercisable at a price of \$0.075 per warrant for the purchase of a common share	3,893,333 share purchase warrants	3,893,333 common shares
Share purchase warrants with an expiry date of March 20, 2021 exercisable at a price of \$0.10 per warrant for the purchase of a common share	8,054,750 share purchase warrants	8,054,750 common shares

14.3 There are no listed securities reserved for issuance that are not included in section 14.2.

## 15. Executive Compensation

### *Compensation Discussion and Analysis*

In this section “Named Executive Officer” or “NEO” means (a) the Chief Executive Officer (“CEO”) (or an individual who acted in a similar capacity), (b) the Chief Financial Officer (“CFO”) (or an individual who acted in a similar capacity), (c) each of the Issuer’s three other most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (except those whose total compensation does not exceed \$150,000), and (d) each individual who would be a NEO under paragraph (c) but for

the fact that the individual was neither an executive officer of the Issuer, nor acting in a similar capacity, at the end of that financial year.

The disclosure below relates to the Issuer's two NEOs as at the time of the most recently completed financial year, namely: (1) the Issuer's President and CEO, Arthur Brown and (2) the Interim Chief Financial Officer and Chairman, Sandy MacDougall.

The compensation of the executive officers is determined by the Board of Directors, based in part on recommendations from the President and Chief Executive Officer.

The Board evaluates individual executive performance with the goal of setting compensation at levels that they believe are comparable with executives in other companies of similar size and stage of development operating in the same industry. In connection with setting appropriate levels of compensation, the Board base their decisions on their general business and industry knowledge and experience and publicly available information of comparable companies while also taking into account our relative performance and strategic goals.

The executive officer compensation consists of two basic elements: i) base salary; and ii) incentive stock options. The details are set out in the Summary Compensation Table.

The base salary established for each executive officer is intended to reflect each individual's responsibilities, experience, prior performance and other discretionary factors deemed relevant by the Board. In deciding on the salary portion of the compensation of the executive officers, major consideration is given to the fact that the Issuer is an early stage exploration company and does not generate any material revenue and must rely exclusively on funds raised from equity financing. Therefore, greater emphasis may be put on incentive stock option compensation.

#### *Summary Compensation Table*

The following table provides a summary of the compensation awarded to, earned by, paid to or payable to the Named Executive Officers (to the extent that such compensation has been determined) for the most recently completed financial year December 31, 2018):

					Non-equity incentive plan compensation (\$)				
Name and Principal Position	Year <sup>(1)</sup>	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Annual incentive plans	Long-term incentive plans	Pension Value (\$)	All other compensation (\$)	Total Compensation (\$)
ARTHUR BROWN PRESIDENT & CEO	2018	\$120,000	NIL	\$41,250	N/A	N/A	N/A	NIL	\$161,250
	2017	\$120,000	NIL	\$22,500	N/A	N/A	N/A	NIL	\$142,500
	2016	\$25,000	NIL	NIL	N/A	N/A	N/A	NIL	\$25,000
SANDY MACDOUGALL INTERIM CFO & CHAIRMAN <sup>(2)</sup>	2018	\$120,000	NIL	\$10,000	N/A	N/A	N/A	NIL	\$130,000
	2017	\$120,000	NIL	\$22,500	N/A	N/A	N/A	NIL	\$142,500
	2016	\$25,000	NIL	NIL	N/A	N/A	N/A	NIL	\$25,000

Notes:

(1) The Issuer's financial year-end is December 31.

(2) Appointed as Chief Financial Officer subsequent to the financial year ended December 31, 2017.

Stock options are granted to NEOs when the Board wishes to align the NEOs' interests with those of the shareholders. The number of stock options granted to each NEO is determined solely by the Board and will be based on the NEO's performance, his/her consulting fee, if any, and the Issuer's share price at the time these stock options are granted. The Board believes that providing NEOs a vested equity interest in the Issuer helps align the interests of the NEOs with those of the shareholders. The granting of stock options will comply with applicable securities rules and regulations.

There was no re-pricing of stock options under the Incentive Stock Option Plan or otherwise during the Issuer's financial years ended December 31, 2018, 2017 and 2016.

#### *Option-based Awards*

Stock options are granted to the Issuer's executives taking into account several factors including the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Issuer. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of

the Canadian Securities Exchange and closely align the interests of the executive officers with the interests of shareholders. The Board has the responsibility to grant option-based awards.

**INCENTIVE PLAN AWARDS  
(as at the fiscal year ended December 31, 2018)**

**OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS**

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of share that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
ARTHUR BROWN PRESIDENT & CEO	450,000	\$0.09	November 9, 2022	\$NIL <sup>(1)</sup>	N/A	N/A
	625,000	\$0.065	September 5, 2028	\$NIL <sup>(1)</sup>	N/A	N/A
	200,000	\$0.065	December 3, 2028	\$NIL <sup>(1)</sup>	N/A	N/A
SANDY MACDOUGALL INTERIM CFO	450,000	\$0.09	November 9, 2022	\$NIL <sup>(1)</sup>	N/A	N/A
	200,000	\$0.065	December 3, 2028	\$NIL <sup>(1)</sup>	N/A	N/A

<sup>(1)</sup> The closing market price of the Company's common shares on December 31, 2018 was \$0.065.

**INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE YEAR**

The following table sets out the value vested or earned in incentive plan awards held by the Named Executive Officers during the financial year ended December 31, 2018:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
ARTHUR BROWN PRESIDENT & CEO	NIL <sup>(1)</sup>	N/A	N/A
SANDY MACDOUGALL INTERIM CFO	NIL <sup>(1)</sup>	N/A	N/A

<sup>(1)</sup> This value was determined by calculating the difference between the market price of the underlying common shares on the vesting dates and the exercise price of the options on the vesting dates.

### *Pension Plan Benefits*

The Issuer does not have any pension plans that provide for payments or benefits to any NEO at, following or in connection with their retirement, nor does the Issuer have any defined contribution plans relating to any NEO.

### *Termination and Change of Control Benefits*

Neither the Issuer or any of its subsidiaries has any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of employment of the executive officers' employment with the Issuer and its subsidiaries or from a change of control of the Issuer or any subsidiary of the Issuer or a change in the executive officers' responsibilities following a change in control.

## **DIRECTOR COMPENSATION**

### **DIRECTOR COMPENSATION TABLE (for the fiscal year ended December 31, 2018)**

<b>Name</b>	<b>Year</b>	<b>Fees earned (\$)</b>	<b>Share-based awards (\$)</b>	<b>Option-based awards (\$)<sup>(1)</sup></b>	<b>Non-equity incentive plan compensation (\$)</b>	<b>Pension value (\$)</b>	<b>All other compensation (\$)</b>	<b>Total (\$)</b>
ARTHUR BROWN	2018	120,000	NIL	\$39,000	N/A	N/A	N/A	\$159,000
	2017	120,000	NIL	\$58,500	N/A	N/A	N/A	\$178,500
PETER BORN	2018	18,000	NIL	\$6,500	N/A	N/A	N/A	\$24,500
	2017	6,800	N/A	\$NIL	N/A	N/A	N/A	\$6,800
SANDY MACDOUGALL	2018	120,000	NIL	\$NIL	N/A	N/A	N/A	\$120,000
	2017	120,000	NIL	\$58,500	N/A	N/A	N/A	\$178,500
CARLOS ARIAS	2018	NIL	NIL	\$13,000	N/A	N/A	N/A	\$13,000
	2017	NIL	NIL	NIL	N/A	N/A	N/A	NIL

#### Notes:

- (1) The Company records all share-based payment expenses at their fair value. The share-based payment costs are charged to operations over the stock option vesting period and agents' options and warrants issued in connection with common share placements are recorded at their fair value on the date of issue as share issuance costs. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options expected to vest. On the exercise of stock options and agents' options and warrants, share capital is credited for consideration received and for fair value amounts previously credited to share-based payment reserve.

The Company uses the Black-Scholes Option Pricing Model to estimate the fair value of share-based expense for stock options or warrants granted to employees. Where stock options or warrants are granted to non-employees, they are recorded at the fair value of the goods or services received, at the date the goods or services are received. When the value of goods or services received in exchange for the share-based



expense cannot be reliably estimated, the fair value is measured by use of the Black-Scholes Option Pricing Model.

The Issuer has no standard arrangement pursuant to which directors of the Issuer are compensated by the Issuer for their services in their capacity as directors other than the unissued treasury shares that may be issued upon the exercise of the directors' stock options. There has been no other arrangement pursuant to which directors were compensated by the Issuer in their capacity as directors except as disclosed herein.

*Option-based Awards for Directors*

**OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS  
(for the fiscal year end of December 31, 2018)**

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of share that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
ARTHUR BROWN	450,000	\$0.09	November 9, 2022	\$NIL	N/A	N/A
DIRECTOR	600,000	\$0.065	September 5, 2028	\$NIL	N/A	N/A
PETER BORN	100,000	\$0.065	September 5, 2028	\$NIL	N/A	N/A
DIRECTOR						
SANDY MACDOUGALL	450,000	\$0.065	September 5, 2028	\$NIL	N/A	N/A
DIRECTOR						
CARLOS ARIAS	200,000	\$0.065	September 5, 2028	\$NIL	N/A	N/A
DIRECTOR						

There are no employment contracts between either the Company or its subsidiaries and the above-named executive officers.

**16. Indebtedness of Directors and Executive Officers**

*16.1 Aggregate Indebtedness*

None of the executive officers, directors or employees of the Issuer are or have been indebted to the Issuer at any time, or are or have been indebted to another entity at any time, for the purchase of securities, or where that indebtedness was the subject of a guarantee, support

agreement, letter of credit or similar arrangement of understanding provided by the Issuer or a subsidiary of the Issuer.

#### *16.2 Indebtedness of Directors and Officers under Programs*

There are no programs of the Issuer pursuant to which the Issuer's directors or officers incurred any debt owed to the Issuer.

### **17. Risk Factors**

#### Exploration, Development and Operating Risks

Mining operations generally involve a high degree of risk. The Issuer's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of precious metals and other minerals and metals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral-bearing structure may result in substantial rewards, few properties which are explored are ultimately developed into producing mines.

Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Issuer will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; commodity prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and

exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Issuer not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Issuer towards the search and evaluation of deposits of minerals or other metals will result in discoveries of commercial quantities of precious metals or other minerals or metals.

#### Risks Associated with the Property

The Issuer's Property is a high risk, speculative venture. No mineral resources or mineral reserves have been identified with respect to the Property to date and there is no certainty that the expenditures made by the Issuer towards the search and evaluation of precious metals or other metals or minerals with regard to the Property or otherwise will result in discoveries of commercial quantities of precious metals or other minerals or metals. In addition, even in the event of the successful completion by the Issuer of Phase II of the recommended work program on the Property, there is no assurance that the results of such exploration will warrant further exploration and development of the Property. In such circumstances, the Issuer may be required to acquire and focus its operations on one or more additional mineral properties. There can be no assurance that any such additional mineral properties will be available for acquisition by the Issuer or that, if available, the terms of acquisition will be favourable to the Issuer.

#### Current Economic Conditions

There are significant uncertainties regarding the price of precious metals and other minerals or metals and the availability of equity financing for the purposes of mineral exploration and development. The prices of precious metals and other minerals or metals have fluctuated substantially over the past several months and financial markets have deteriorated to the point where it has become extremely difficult for companies to raise new capital. The Issuer's future performance is largely tied to the development of its current mineral properties and the overall financial markets. Current financial markets are likely to be volatile in Canada for the remainder of the calendar year and potentially into 2020, reflecting ongoing concerns about the stability of the global economy and weakening global growth prospects. As well, concern about global growth has led to sustained drops in some commodity markets.

Unprecedented uncertainty in the credit markets has also led to increased difficulties in borrowing/raising funds. Companies worldwide have been affected particularly negatively by these trends. As a result, the Issuer may have difficulties raising equity financing for the purposes of mineral exploration and development, particularly without excessively diluting present shareholders of the Issuer. These economic trends may limit the Issuer's ability to develop and/or further explore its mineral property interests.

### Operating History

The Issuer has a very limited history of operations, is in the early stage of exploration and must be considered a start-up company. As such, the Issuer is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that the Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

### Reliance on Limited Number of Properties

The only property interests of the Issuer are its interest in the Property. As a result, unless the Issuer acquires additional property interests, any adverse developments affecting the Property, could have a material adverse effect upon the Issuer and would materially and adversely affect the potential mineral resource production, profitability, financial performance and results of operations of the Issuer.

### Insurance and Uninsured Risks

The Issuer's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Issuer's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Issuer may in the future maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks

associated with a mining company's operations. The Issuer may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Issuer or to other companies in the mining industry on acceptable terms. The Issuer might also become subject to liability for pollution or other hazards which may not be insured against or which the Issuer may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Issuer to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

#### Environmental Risks and Hazards

All phases of the Issuer's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Issuer's operations. Environmental hazards may exist on the properties on which the Issuer holds interests which are unknown to the Issuer at present and which have been caused by previous or existing owners or operators of the properties.

Government approvals, approval of aboriginal people and permits are currently, and may in the future be required in connection with the Issuer's operations. To the extent such approvals are required and are not obtained, the Issuer may be curtailed or prohibited from continuing its exploration or mining operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial Authorities causing operations to cease or be curtailed, and may include corrective measures

requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Issuer and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

### Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Issuer's operations, financial condition and results of operations.

### Land Title

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Issuer has investigated its title to the Property for which it holds an option to acquire concessions or other mineral leases or licenses and the Issuer is satisfied with its review of the title to the Property, the Issuer cannot give an assurance that title to the Property will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law often are complex. The Issuer does not carry title insurance on the Property. A successful claim that the Issuer does not have title could cause the Issuer to lose its rights to the Property, perhaps without compensation for its prior expenditures relating to the Property.

The Property may now or in the future be the subject of first nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Issuer's ownership interest in the Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Issuer's activities. Even in the absence of such recognition, the Issuer may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the Property.

### Competition

The mining industry is competitive in all of its phases. The Issuer faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Issuer. As a result of this competition, the Issuer may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the Issuer's revenues, operations and financial condition could be materially adversely affected.

### Additional Capital

The development and exploration of the Issuer's properties will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all of the Issuer's properties or even a loss of property interest. The primary source of funding available to the Issuer consists of equity financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Issuer.

### Liquid Marketability of Shares

There has been no prior public market for the Issuer's shares other than the Issuer's posting of its securities on the TSX Venture Exchange or the Canadian Securities Exchange, and the market for the Issuer's shares may be illiquid from time to time, and an active trading market may not develop or, if it does develop, may not be sustained. The lack of an active market may impair shareholders' ability to sell their shares at the time they wish to sell them or at a price

that they consider reasonable. The lack of an active market may also reduce the fair market value and increase the volatility of the shares. An inactive market may also impair the Issuer's ability to raise capital by selling shares and to acquire other exploration properties or interests by using its shares as consideration.

### Commodity Prices

The price of the common shares, the Issuer's financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of precious metals or other minerals. The price of precious metals or other minerals and metals fluctuates widely and is affected by numerous factors beyond the Issuer's control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of precious metals or other minerals or metals could cause continued development of and commercial production from the Issuer's properties to be impractical. Depending on the price of precious metals or other minerals or metals, cash flow from mining operations may not be sufficient and the Issuer could be forced to discontinue production and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Issuer's mining properties is dependent upon the prices of precious metals or other minerals or metals being adequate to make these properties economic.

In addition to adversely affecting the Issuer's reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.



### Government Regulation

Any failure to obtain or maintain the necessary licenses and permits to advance the exploration of the Property will have a material adverse impact on the Issuer and its business, assets, financial condition, results of operations and prospects. The mining, processing, development and mineral exploration activities of the Issuer are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. Although the Issuer's mining and processing operations and exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Issuer.

### Obtaining and Renewing Licenses and Permits

In the ordinary course of business, the Issuer will be required to obtain and renew governmental licenses or permits for exploration, development, construction and commencement of mining at the Property. Obtaining or renewing the necessary governmental licenses or permits is a complex and time-consuming process involving numerous jurisdictions, public hearings and costly undertakings on the part of the Issuer. The duration and success of the Issuer's efforts to obtain and renew licenses or permits are contingent upon many variables not within the Issuer's control, including the interpretation of applicable requirements implemented by the licensing Authority. The Issuer may not be able to obtain or renew licenses or permits that are necessary to its operations, including, without limitation, an exploitation license, or the cost to obtain or renew licenses or permits may exceed what the Issuer believes they can recover from the Property. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Issuer's operations and profitability.

### Dividend Policy

No dividends on the common shares have been paid by the Issuer to date. Payment of any future dividends will be at the discretion of the Issuer's board of directors after taking into account many factors, including the Issuer's operating results, financial condition and current and anticipated cash needs.

### Dilution to Common Shares

As a result of the increase in the number of common shares issued and outstanding, the voting power of the Issuer's existing shareholders will be diluted and the subscribers will experience a diluting effect.

### Future Sales of Common Shares by Existing Shareholders

Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Issuer's ability to raise capital through future sales of common shares.

### Key Executives

The Issuer is dependent on the services of key executives, including the directors of the Issuer and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Issuer, the loss of these persons or the Issuer's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations.

### Conflicts of Interest

Certain of the directors and officers of the Issuer also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Issuer should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Issuer and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have

a conflict of interest in accordance with the procedures set forth in the Business Corporations Act (British Columbia) and other applicable laws.

#### Influence of Third-Party Stakeholders

The mineral properties in which the Issuer holds an interest, or the exploration equipment and road or other means of access which the Issuer intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Issuer's work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for the Issuer.

#### Litigation

All industries, including the technology industry, are subject to legal claims, with and without merit. Legal proceedings may arise from time to time in the course of the Company's business. Such litigation may be brought from time to time in the future against the Company. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. The Company is not currently subject to material litigation, nor has the Company received an indication that any material claims are forthcoming. However, due to the inherent uncertainty of the litigation process, the Company could become involved in material legal claims or other proceedings with other parties in the future. The results of litigation or any other proceedings cannot be predicted with certainty. The cost of defending such claims may take away from management's time and effort and if the Company is incapable of resolving such disputes favorably, the resultant litigation could have a material adverse impact on the Company's financial condition, cash flow and results from operation.

#### Foreign Exchange Risk (also known as FX risk, exchange rate risk or currency risk)

This is a financial risk that exists when a financial transaction is denominated in a currency other than the domestic currency of the company. The exchange risk arises when there is a risk of significant appreciation of the domestic currency in relation to the denominated currency before the date when the transaction is completed.

Currency risk is the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risks as its operations are primarily conducted in the United States and Argentina. Exploration and project investigation costs are primarily denominated in Argentina pesos and the US dollar. As the functional and presentation currency is the Canadian dollar, significant changes in these foreign exchange rates would have a direct impact to the Company's other comprehensive loss/income, financial position and cash flow.

As an example, the official Argentina currency continued to devalue relative to the Canadian dollar during 2018. The devaluation of the Argentina peso effectively reduced the costs of conducting exploration activities in Argentina. While the Company has not used any hedging strategies to manage its exposure to currency fluctuations, management strives to minimize currency risks by maintaining most of its cash in Canadian dollars. Based on the Company's net exposures at June 30, 2018, for instance, a 10% depreciation or appreciation in the Argentina pesos relative to the Canadian dollar would have resulted in an approximate \$0.3 million increase or decrease in the Company's net loss, respectively.

#### Political and Economic Instability

Argentina has a long history of political instability, significant and unpredictable changes in government policies and laws, war and civil conflict, illegal mining activities, lack of law enforcement and labour unrest. More recently, Argentina has undergone civil unrest and instability that could have an impact on political, social or economic conditions. From time to time, governments have intervened in the export of mineral concentrates in response to concerns about the validity of export rights and payment of duties. These factors (which may include new or modified taxes or other government levies as well as other legislation) may result in the curtailment or cessation of Alba's activities, adversely affecting the value of its assets.

#### Lack of Infrastructure in Argentina

The transportation and service infrastructure Argentina is sub-standard and unpredictable. Material delays in the transportation of equipment, supplies and resources may delay the development of the Chascha Norte and Quiron II Properties. Any such delay is likely to increase the cost of developing these properties, and such increase may be material to Alba's business, results of operations and

financial condition. Further, the Chascha Norte and Quiron II Properties will be accessed over lands that may be subject to the interests of third parties. Any assertion by such parties of their interests may delay or disrupt the development and operation of the Chascha Norte and Quiron II Properties.

#### Need for Water Rights

Alba requires the ready availability of water if the Chascha Norte and Quiron II properties become operational. Management believes that Alba's current surface rights and water rights are sufficient to carry on the activities of Alba's current work program. However, the need may arise for Alba to purchase or lease additional surface rights or obtain additional water rights in order to further explore and develop the properties, and its ability to further explore or develop such property may be dependent upon Alba's ability to secure such additional surface or water rights.

#### Requirement for Permits and Licences

The operations of Alba will require licences, permits and, in some cases, renewals of existing licences and permits from various governmental authorities. Alba's ability to obtain, sustain or renew such licences and permits or obtain other required licences or permits on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable governmental authorities.

#### Foreign Investments and Operations

Mineral exploration and mining in certain countries may be affected in varying degrees by political instability and government regulations relating to the mining industry and foreign investment. There can be no assurance that the government of Argentina and the United States will not institute regulatory policies that adversely affect the exploration and development on the Company's Properties. Any changes in regulations or shifts in political conditions in these countries are beyond Alba's control and may adversely affect its business. Investors should assess the political and regulatory risks related to Alba's foreign country investments. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and mine safety.

#### Environmental Risks and Hazards and Village Relocation

All phases of Alba's operations will be subject to environmental regulation in Argentina and the United States. These regulations will mandate, among other things, the maintenance of air and water quality standards, land reclamation and relocation of people. They will also set forth limitations on the generation, transportation, storage and disposal of sulphuric acid and of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Alba's operations. Although Alba has received a favourable vote from the individuals to be affected, there is no assurance that it will be able to effect any required relocation of people in order to develop the properties.

Environmental hazards may exist on the properties in which Alba holds interests, which are unknown to Alba at present and which have been caused by previous or existing owners or operators of the properties. There can be no assurance that these hazards, if any exist, will not be Alba's responsibility and, consequently, may adversely affect Alba's operations.

## **18. Promoters**

### *18.1 Promoters*

Sandy MacDougall is considered the promoter of the Company, in connection with his role in sourcing acquisitions, advancing exploration and related transactions in connection with assuming and organizing the Company. For a description of the voting and equity securities of the Corporation held by the promoters see "Directors and Officers" and for a description of all compensation received and to be received by the promoters see "Executive Compensation".

### *18.2 Cease Trade Orders, Bankruptcies, Penalties and Sanctions Involving Promoters*

No promoter of the Issuer was a director or executive officer of any person or company that, while the promoter was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets within the last 10 years.

No promoter of the Issuer has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter.

There have been no penalties or sanctions imposed against promoters or past promoters that would be likely to be considered important to a reasonable investor in making an investment decision.

## **19. Legal Proceedings**

### *19.1 Legal Proceedings*

There are no legal proceedings material to the Issuer to which the Issuer or any subsidiary of the Issuer is a party or of which their respective property is the subject matter that is known to the Issuer.

### *19.2 Regulatory Actions*

There are no:

- (a) penalties or sanctions imposed against the Issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory Authority within the three years immediately preceding the date hereof;
- (b) other penalties or sanctions imposed by a court or regulatory body against the Issuer necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed; and
- (c) settlement agreements the Issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory Authority within the three years immediately preceding the date hereof.

## **20. Interest of Management and Others in Material Transactions**

20.1 For further particulars of the material interest, direct or indirect, of any of the following persons or companies in any transaction within the three years before the date of the Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer:

(a) any director or executive officer of the Issuer, see “Section 6, Management’s Discussion and Analysis, Related Party Transactions” and “Section 18, Promoters”;

No associates or affiliates of any of the persons referred to above, unless as otherwise disclosed herein, have or had a material interest, direct or indirect, in any transaction within the three years before the date of the Listing Statement that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer.

## **21. Auditors, Transfer Agents and Registrars**

### *21.1 Auditor Name and Address*

The auditor for the Issuer is Dale Matheson Carr-Hilton LaBonte Chartered Accountants LLP (“DMCL”), located at 1140 Pender Street West, Suite 1500, Vancouver, British Columbia V6E 4G1.

### *21.2 Transfer Agent and Registrar Name*

The registrar and transfer agent for the common shares of the Issuer is TSX Trust Company of Canada, located at 27<sup>th</sup> Floor, 650 West Georgia Street, Vancouver, British Columbia V6B 4N9.

## **22. Material Contracts**

### *22.1 Material Contracts for the Issuer*

1. Option agreement pertaining to the Quiron II Property with Simon Studer (the “Optionor”) dated August 2, 2017.
2. Option agreement pertaining to the Chascha Norte Property with Sakura Exploration Ltd. and Trevor Powell. (collectively the “Optionors”) dated January 18, 2018.

### *22.2 Copies of any co-tenancy, unitholders’ or limited partnership agreements*

None.

## **23. Interest of Experts**

DMCL Chartered Accountants LLP, prepared the auditor’s report for the Issuer’s financial statements for the years ended December 31, 2018 and December 31, 2017. DMCL Chartered



Accountants LLP, is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

D. Kenneth Brook, CPG, of Desert Ventures Inc. based in Reno, Nevada, is an independent consultant geologist and a Qualified Person as defined by NI 43- 101, has reviewed and approved the technical disclosure included in this Listing Statement.

#### **24. Other Material Facts**

To management's knowledge, there are no other material facts that are not otherwise disclosed in this Listing Statement or are necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

#### **25. Financial Statements**

Financial statements required pursuant this section are attached as follows:

SCHEDULE "A" – Audited Financial Statements of Alba Minerals Ltd. for the years ended December 31, 2018, 2017 and 2016, and Interim Financial Statements for the period ended June 30, 2019.

The first certificate below must be signed by the CEO, CFO, any person or company who is a promoter of the Issuer and two directors of the Issuer. In the case of an Issuer re-qualifying following a fundamental change, the second certificate must also be signed by the CEO, CFO, any person or company who is a promoter of the target and two directors of the target.

## **CERTIFICATE OF THE ISSUER**

Pursuant to a resolution duly passed by its Board of Directors, Alba Minerals Ltd. hereby applies for the listing of the above-mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to Alba Minerals Ltd. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia, this   24th   day of   October  , 2019.

“Art Brown”  
Arthur Brown, President, CEO & Director

“Peter Born”  
Peter Born, Director

“Sandy MacDougall”  
Sandy MacDougall, CFO, Chairman & Director

“Carlos Arias”  
Carlos Arias, Director

## **CERTIFICATE OF THE PROMOTER**

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta, and Ontario.

Dated at Vancouver, British Columbia, this   24th   day of  October , 2019.

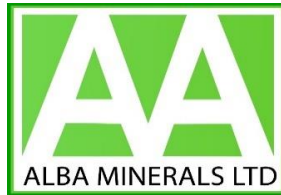
“Sandy MacDougall”  
Sandy MacDougall, CFO, Chairman & Director

**SCHEDULE “A”**

**AUDITED FINANCIAL STATEMENTS OF ALBA MINERALS INC.  
FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016**

**AND**

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE  
PERIOD ENDED JUNE 30, 2019**



**ALBA MINERALS LTD.**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**  
**(Expressed in Canadian Dollars)**



DALE MATHESON CARR-HILTON LABONTE LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Alba Minerals Ltd.

### Opinion

We have audited the consolidated financial statements of Alba Minerals Ltd. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and 2017, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company has an accumulated deficit of \$11,162,004 as at December 31, 2018. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Cherry Ho.

**DALE MATHESON CARR-HILTON LABONTE LLP**  
**CHARTERED PROFESSIONAL ACCOUNTANTS**  
Vancouver, BC

April 23, 2019

**ALBA MINERALS LTD.**

Consolidated Statements of Financial Position

As at December 31, 2018 and 2017

(Expressed in Canadian Dollars)

	2018	2017
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 535,637	\$ 317,900
Subscriptions receivable (Note 7)	-	510,000
GST recoverable	38,927	22,055
Marketable securities (Note 4)	1,026,000	-
Prepaid expenses	-	63,156
	1,600,564	913,111
<b>Equipment</b> (Note 5)	15,341	-
<b>Mineral properties exploration</b> (Note 6)	1,060,191	635,486
	\$ 2,676,096	\$ 1,548,597
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 47,623	\$ 83,212
Accrued liabilities (Note 10)	56,370	28,750
	103,993	111,962
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 7)	12,628,430	11,617,876
Reserves (Note 7)	1,105,677	1,017,122
Deficit	(11,162,004)	(11,198,363)
	2,572,103	1,436,635
	\$ 2,676,096	\$ 1,548,597

Nature and continuance of operations (Note 1)

Subsequent events (Note 15)

Approved on behalf of the Board:

Director "Arthur Brown"  
Arthur Brown, Director

Director "Sandy MacDougall"  
Sandy MacDougall, Director

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



**ALBA MINERALS LTD.**

Consolidated Statements of Comprehensive Loss  
For the years ended December 31, 2018 and 2017  
(Expressed in Canadian Dollars)

	<b>2018</b>	<b>2017</b>
<b>EXPENSES</b>		
Accounting and audit fees (Note 10)	\$ 20,015	\$ 30,000
Consulting fees (Note 10)	123,189	116,370
Depreciation (Note 5)	582	-
Filing fees	44,962	28,711
Corporate communications	231,725	169,280
Legal (Note 10)	30,331	20,603
Management fees (Note 10)	275,620	281,500
Office and general (Note 10)	80,999	27,026
Promotion and travel	134,741	113,322
Share-based compensation (Note 8)	269,244	235,372
Transfer agent and regulatory fees	6,450	9,316
<b>Loss before other items</b>	<b>(1,217,858)</b>	<b>(1,031,500)</b>
<b>Other expenses</b>		
Gain on sale of property interest (Note 6)	1,254,217	-
Write-off of mineral property (Note 6)	-	(106,573)
Gain on settlement of debt (Note 7)	-	11,700
Interest and finance expense (Note 10)	-	(522)
	1,254,217	(95,395)
<b>Net income (loss)</b>	<b>36,359</b>	<b>(1,126,895)</b>
<b>Other comprehensive loss</b>		
Change in fair value of investment (Note 4)	(114,000)	-
<b>Comprehensive loss</b>	<b>(77,641)</b>	<b>(1,126,895)</b>
<b>Basic and diluted income (loss) per share</b>	<b>\$ 0.01</b>	<b>\$ (0.04)</b>
<b>Weighted average number of common shares outstanding</b>	<b>54,661,717</b>	<b>27,735,284</b>

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

**ALBA MINERALS LTD.**

Consolidated Statements of Cash Flows  
For the years ended December 31, 2018 and 2017  
(Expressed in Canadian Dollars)

	<b>2018</b>	<b>2017</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net income (loss)	\$ 36,359	\$ (1,126,895)
Add item not involving cash:		
Depreciation	582	-
Share-based compensation	269,244	235,372
Gain on sale of property interest	(1,254,217)	-
Write-off of mineral property	-	106,573
Gain on settlement of debt	-	(11,700)
Non-cash working capital items		
GST recoverable	(16,872)	(19,051)
Prepaid expenses	63,156	(63,156)
Accounts payable and accrued liabilities	(18,068)	(7,837)
<b>Net cash used in operating activities</b>	<b>(919,816)</b>	<b>(886,694)</b>
<b>Investing activities</b>		
Proceeds from sale of property interest	400,000	-
Purchase of equipment	(5,824)	-
Mineral properties acquisition and exploration	(395,488)	(237,298)
<b>Net cash used in investing activities</b>	<b>(1,312)</b>	<b>(237,298)</b>
<b>Financing activities</b>		
Subscriptions received (applied)	510,000	(176,000)
Issuance of common shares	628,865	1,382,760
Share issue costs	-	(70,883)
Loan repayment to related party	-	(34,600)
<b>Net cash provided by financing activities</b>	<b>1,138,865</b>	<b>1,101,277</b>
<b>Change in cash during the year</b>	<b>217,737</b>	<b>(22,715)</b>
<b>Cash, beginning of the year</b>	<b>317,900</b>	<b>340,615</b>
<b>Cash, end of the year</b>	<b>\$ 535,637</b>	<b>\$ 317,900</b>
<b>Interest paid</b>	<b>\$ 1,682</b>	<b>\$ 522</b>
<b>Non-cash investing and financing information:</b>		
Share issued, acquisition of mineral property	\$ 315,000	\$ -
Marketable securities received from sale of property interest	\$ 1,140,000	\$ -

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

## ALBA MINERALS LTD.

Consolidated Statements of Changes in Equity  
For the years ended December 31, 2018 and 2017  
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Subscriptions Received	Share-based payment Reserve	Held for Sale Reserve	Deficit	Total Equity
<b>As at December 31, 2016</b>	18,152,091	\$ 9,561,029	\$ 176,000	\$ 773,420	\$ -	\$ (10,071,468)	\$ 438,981
Issue of common shares for cash pursuant to private placements (Note 7)	21,235,000	1,574,100	(176,000)	-	-	-	1,398,100
Shares issued to acquire exploration and evaluation asset (Notes 6 and 7)	2,400,000	216,000	-	-	-	-	216,000
Issue of common shares for cash on exercise of share purchase warrants (Note 7)	5,311,000	318,660	-	-	-	-	318,660
Issue of common shares pursuant to debt settlement agreement (Note 7)	390,000	27,300	-	-	-	-	27,300
Share issue costs (Note 7)	-	(79,213)	-	8,330	-	-	(70,883)
Share-based compensation (Note 8)	-	-	-	235,372	-	-	235,372
Net loss	-	-	-	-	-	(1,126,895)	(1,126,895)
<b>As at December 31, 2017</b>	47,488,091	11,617,876	-	1,017,122	-	(11,198,363)	1,436,635
Issue of common shares for cash on exercise of share purchase warrants (Note 7)	5,930,167	552,365	-	-	-	-	552,365
Shares issued to acquire mineral property (Notes 6 and 7)	4,500,000	315,000	-	-	-	-	315,000
Issue of common shares for cash on exercise of stock options (Note 7)	850,000	143,189	-	(66,689)	-	-	76,500
Share-based compensation (Note 8)	-	-	-	269,244	-	-	269,244
Unrealized loss on assets held for sale	-	-	-	-	(114,000)	-	(114,000)
Net income	-	-	-	-	-	36,359	36,359
<b>As at December 31, 2018</b>	58,768,258	12,628,430	-	1,219,677	(114,000)	(11,162,004)	2,572,103

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

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

#### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Alba Minerals Ltd. (the "Company"), incorporated in British Columbia, is a public company listed on the TSX Venture Exchange (the "Exchange") under the symbol AA. The address of the Company's corporate office and its principal place of business is #2150 - 555 West Hastings Street, Vancouver, British Columbia, Canada, V6B 4N6.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties in North and South America. The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related capitalized exploration expenditures is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company has incurred losses since its inception and has an accumulated deficit of \$11,162,004 at December 31, 2018 which has been funded primarily by issuance of shares. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future. The Company has been successful in the past in raising funds for operations by issuing shares but there is a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its activities or obtain financing at unfavorable terms. Furthermore, failure to continue as a going concern would require the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

These consolidated financial statements were authorized for issue on April 23, 2019 by the directors of the Company.

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

#### **2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE**

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These consolidated financial statements include the accounts of the Company and its 100% wholly owned subsidiary, Acrex Minerals (U.S.) Inc. (“Acrex US”). Acrex US was incorporated in the State of Nevada. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

These consolidated financial statements have been prepared on the historical cost basis. The presentation and functional currency of the Company is the Canadian dollar.

#### **3. SIGNIFICANT ACCOUNTING POLICIES**

**Measurement basis** - These consolidated financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out below. All amounts are expressed in Canadian dollars unless otherwise stated.

**Cash and cash equivalents** - The Company considers deposits with banks or highly liquid short-term interest bearing securities that are readily convertible to known amounts of cash and those that have maturities of 90 days or less when acquired to be cash equivalents.

**Equipment** - Property and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statements of comprehensive loss. Where an item of property and equipment comprises major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

The Company provides for depreciation of its equipment at the following method and annual rate:

Office equipment	20% declining balance
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The depreciation expense for each period is recognized in profit or loss.

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

#### **3. SIGNIFICANT ACCOUNTING POLICIES, continued**

**Mineral properties exploration** - All expenditures related to the cost of exploration and evaluation of mineral resources including acquisition costs for interests in mineral claims are capitalized as mineral properties exploration. General exploration costs not related to specific mineral properties are expensed as incurred. If economically recoverable reserves are developed, capitalized costs of the related property are reclassified as mining assets and upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves. Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present: the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned or budgeted, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications that in an area with development likely to proceed the carrying amount is unlikely to be recovered in full by development or sale.

The recoverability of mineral properties and capitalized exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

Mineral properties are regularly reviewed for impairment or whenever events or changes in circumstances indicate that the carrying amount of reserve properties may exceed its recoverable amount. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of value in use (being the present value of expected future cash flows of the relevant cash-generating unit) and fair value less costs to sell. If the carrying amount of an asset exceeds the recoverable amount an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

**Provisions** - Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. At each financial position reporting date presented, the Company has not incurred any decommissioning costs related to the exploration and evaluation of its mineral properties and accordingly no provision has been recorded for such site reclamation or abandonment.

**Government assistance** - B.C. mining exploration tax credits for certain exploration expenditures incurred in B.C. are treated as a reduction of the exploration and development costs of the respective mineral property.

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

#### **3. SIGNIFICANT ACCOUNTING POLICIES, continued**

**Foreign currency translation** - The presentation currency and functional currency of the Company and its US subsidiary is the Canadian dollar as this is the principal currency of the economic environment in which they operate and because the Company's US subsidiary is financially and operationally dependent on the Company. The Company translates transaction in foreign currencies into Canadian dollars at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities are translated at the exchange rates in effect at the period end date. Non-monetary assets and liabilities are translated at historical rates. The resulting exchange gains or losses are recognized in income.

**Income taxes** - The Company provides for income taxes using the liability method of tax allocation. Under this method deferred income tax assets and liabilities are determined based on temporary differences between the accounting and tax bases of existing assets and liabilities, and are measured using enacted or substantially enacted tax rates expected to apply when these differences reverse. Deferred income tax assets are recognized to the extent that it is probable the asset will be realized.

**Share capital** – The Company records proceeds from the issuance of its common shares as equity. Proceeds received on the issuance of units, consisting of shares and warrants are allocated between the common share and warrant component.

The fair value of the common shares issued in a private placement unit of shares and warrants is determined to be the more easily measurable component and are valued at their fair value, as determined by the closing quoted price on the issuance date. The remaining proceeds, if any, are allocated to the attached warrants. Any fair value attributed to the warrants is recorded in share-based payment reserve. Management does not expect to record a value to the warrant in most equity issuances as unit private placements are commonly priced at market or at a permitted discount to market. If the warrants are issued as share issuance costs, the fair value of agent's warrants are measured using the Black-Scholes Option Pricing Model and recognized in equity as a deduction from the proceeds.

If the warrants are exercised, the related amount is reclassified as share capital. If the warrants expire unexercised, the related amount remains in share-based payment reserve.

Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that shares are issued.

**Share-based payment expenses** - The Company records all share-based payment expenses at their fair value. The share-based payment costs are charged to operations over the stock option vesting period and agents' options and warrants issued in connection with common share placements are recorded at their fair value on the date of issue as share issuance costs. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options expected to vest. On the exercise of stock options and agents' options and warrants, share capital is credited for consideration received and for fair value amounts previously credited to share-based payment reserve.

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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### **3. SIGNIFICANT ACCOUNTING POLICIES, continued**

#### **Share-based payment expenses, continued**

The Company uses the Black-Scholes Option Pricing Model to estimate the fair value of share-based expense for stock options or warrants granted to employees. Where stock options or warrants are granted to non-employees, they are recorded at the fair value of the goods or services received, at the date the goods or services are received. When the value of goods or services received in exchange for the share-based expense cannot be reliably estimated, the fair value is measured by use of the Black-Scholes Option Pricing Model.

**Loss per share** - Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all potentially dilutive common shares if their effect is anti-dilutive.

**Share issuance costs** - Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issue costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred share issue costs related to financing transactions that are not completed are charged to expenses.

#### **Financial instruments**

The Company adopted all of the requirements of IFRS 9 Financial Instruments on January 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 utilizes a revised model for recognition and measurement of financial instruments in a single, forward-looking “expected loss” impairment model.

The following is the Company’s new accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company completed a detailed assessment of its financial assets and liabilities as at January 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:



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**3. SIGNIFICANT ACCOUNTING POLICIES, continued****Financial instruments, continued**

Financial assets/liabilities	Original Classification IAS 39	New Classification IFRS 9
Cash and cash equivalents	FVTPL	FVTPL
Accounts receivable	Amortized cost	Amortized cost
Accounts payable	Amortized cost	Amortized cost
Due to related party	Amortized cost	Amortized cost

The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive income on January 1, 2018.

**(ii) Measurement****Financial assets and liabilities at amortized cost**

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

**Financial assets and liabilities at FVTPL**

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise.

**Debt investments at FVTOCI**

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss

**Equity investments at FVTOCI**

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

**(iii) Impairment of financial assets at amortized cost**

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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#### **3. SIGNIFICANT ACCOUNTING POLICIES, continued**

##### **Financial instruments, continued**

month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

##### (iv) Derecognition

###### Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

###### Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

**Flow-through shares** - The Company finances certain exploration expenditures through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. When the common shares are offered, the difference ("premium") between the amounts recognized in common shares and the amount the investors pay for the shares is recognized as a flow-through share related liabilities which is reversed into the statement of comprehensive loss within other income when the eligible expenditures are incurred.

**Use of estimates and judgements** - The preparation of these financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The Company bases its estimates and assumptions on current and various other factors that it believes to be reasonable under the circumstances. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

*Exploration and Evaluation Expenditures* - The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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#### **3. SIGNIFICANT ACCOUNTING POLICIES, continued**

##### **Use of estimates and judgements, continued**

information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

*Impairment* - The carrying value of non-financial assets is reviewed each reporting period upon the occurrence of events or changes in circumstances indicating that the carrying value of assets may not be recoverable and when criteria of assets held for sale are met to determine whether there is any indication of impairment. If the carrying amount of an asset exceeds its recoverable amount, the asset is impaired and an impairment loss is recognized in the statement of comprehensive loss. The assessment of fair values, including those of the cash generating units (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflow from other assets or groups of assets) ("CGUs") for purposes of testing goodwill, require the use of estimates and assumptions for recoverable production, long-term commodity prices, discount rates, foreign exchange rates, future capital requirements and operating performance. Changes in any of the assumptions or estimates used in determining the fair value of goodwill or other assets could impact the impairment analysis.

*Site Closure and Reclamation Provisions* - The Company assesses its mineral properties' rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation. 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.

*Share-Based Payments* - Management uses valuation techniques in measuring the fair value of stock options granted. The fair value is determined using the Black Scholes Option Pricing Model which requires management to make certain estimates, judgements, and assumptions in relation to the expected life of the share options, expected volatility, expected risk-free rate, and expected forfeiture rate. Changes to these assumptions could have a material impact on the Company's financial statements.

*Deferred Income Taxes* - Judgement is required to determine which types of arrangements are considered to be a tax on income in contrast to an operating cost. Judgement is also required in determining whether deferred tax liabilities are recognised in the statement of financial position.

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

#### **3. SIGNIFICANT ACCOUNTING POLICIES, continued**

##### **Use of estimates and judgements, continued**

Deferred tax assets, including those potentially arising from un-utilised tax losses, require management to assess the likelihood that the Company will generate sufficient taxable income in future periods, in order to recognise deferred tax assets. Assumptions about the generation of future taxable income depend on management's estimates of future operations and cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure, and other capital management transactions) and judgement about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize deferred tax assets or offset these against any deferred tax liabilities recorded at the reporting date could be impacted.

##### **Accounting Standards and Amendments Issued But Not Yet Effective**

*IRFS 16 Leases* will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. The Company does not expect the adoption of this standard will have significant impact on its financial statements.

#### **4. MARKETABLE SECURITIES**

On May 2, 2018, the Company received 3,800,000 common shares of Noram Ventures Inc. ("Noram") as partial consideration in the sale of the Company's interest in the Clayton Valley project (note 6).

The common shares are classified as FVTOCI. The initial fair value of the shares was \$1,140,000 based on quoted market price. As at December 31, 2018, the Company held 3,800,000 common shares of Noram. The closing share price was \$0.27 and the fair value of the shares was \$1,026,000. During the year ended December 31, 2018, the Company recognized an unrealized loss of \$114,000 in other comprehensive loss.

**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

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**5. EQUIPMENT**

<b>Cost</b>		<b>Office equipment</b>		<b>Total</b>
Balance, December 31, 2017	\$	-	\$	-
Additions		15,923		15,923
Balance, December 31, 2018	\$	15,923	\$	15,923
<b>Accumulated depreciation</b>				
Balance, December 31, 2017	\$	-	\$	-
Depreciation		582		582
Balance, December 31, 2018	\$	582	\$	582
<b>Carrying Amount</b>				
As at December 31, 2017	\$	-	\$	-
<b>Balance, December 31, 2018</b>	<b>\$</b>	<b>15,341</b>	<b>\$</b>	<b>15,341</b>

## ALBA MINERALS LTD.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the years ended December 31, 2018 and 2017

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#### 6. MINERAL PROPERTIES EXPLORATION

December 31, 2018	Chascha Norte	Clayton Valley	Rainbow Canyon	Quiron II	Muddy Mountain	Total
<b>Acquisition Costs</b>						
<i>Balance, December 31, 2017</i>	\$ -	\$ 255,000	\$ -	\$ 342,990	\$ -	\$ 597,990
Additions	645,375	-	-	-	6,714	652,089
Proceeds on disposal	-	(255,000)	-	-	-	(255,000)
Impairment	-	-	-	-	-	-
<b>Acquisition costs, Dec 31, 2018</b>	<b>645,375</b>	<b>-</b>	<b>-</b>	<b>342,990</b>	<b>6,714</b>	<b>995,079</b>
<b>Exploration Costs</b>						
<i>Balance, December 31, 2017</i>	-	8,972	-	28,524	-	37,496
Additions	-	21,811	2,686	33,902	-	58,399
Proceeds on disposal	-	(30,783)	-	-	-	(30,783)
Impairment	-	-	-	-	-	-
<b>Exploration costs, Dec 31, 2018</b>	<b>-</b>	<b>-</b>	<b>2,686</b>	<b>62,426</b>	<b>-</b>	<b>65,112</b>
<b>Balance, December 31, 2018</b>	<b>\$ 645,375</b>	<b>\$ -</b>	<b>\$ 2,686</b>	<b>\$ 405,416</b>	<b>\$ 6,714</b>	<b>\$ 1,060,191</b>
December 31, 2017	Chascha Norte	Clayton Valley	Rainbow Canyon	Quiron II	Muddy Mountain	Total
<b>Acquisition Costs</b>						
<i>Balance, December 31, 2016</i>	\$ -	\$ 127,500	\$ 127,999	\$ -	\$ -	\$ 255,499
Additions	-	127,500	-	342,990	-	470,490
Proceeds received from option to purchase	-	-	(60,000)	-	-	(60,000)
Impairment	-	-	(67,999)	-	-	(67,999)
<b>Acquisition costs, Dec 31, 2017</b>	<b>-</b>	<b>255,000</b>	<b>-</b>	<b>342,990</b>	<b>-</b>	<b>597,990</b>
<b>Exploration Costs</b>						
<i>Balance, December 31, 2016</i>	-	5,372	27,890	-	-	33,262
Additions	-	3,600	10,684	28,524	-	42,808
Impairment	-	-	(38,574)	-	-	(38,574)
<b>Exploration costs, Dec 31, 2017</b>	<b>-</b>	<b>8,972</b>	<b>-</b>	<b>28,524</b>	<b>-</b>	<b>37,496</b>
<b>Balance, December 31, 2017</b>	<b>\$ -</b>	<b>\$ 263,972</b>	<b>\$ -</b>	<b>\$ 371,514</b>	<b>\$ -</b>	<b>\$ 635,486</b>

**Rainbow Canyon, Nevada** – By an agreement dated March 25, 2011, the Company purchased non-patented mineral claims and staked additional claims during the same year, in Washoe County, Nevada, USA. The purchase price for the claims was US\$125,000 (CAN\$123,719). A 3% Net Smelter Return (“NSR”) is reserved to the vendor subject to the Company’s right to purchase back up to a 2% NSR by the payment of \$500,000 for each 1% NSR interest purchased.

On February 8, 2017, the Company entered into an option agreement with Astorius Resources Ltd. (“Astorius”) to sell 100% interest in the Rainbow Canyon gold property. To complete the exercise of the option, Astorius must pay an aggregate of \$80,000 cash by March 1, 2018. \$60,000 was received from Astorius during the year ended December 31, 2017 and an impairment of \$106,573 was recognized.

During the year ended December 31, 2018 this option agreement became in default as Astorius was unable to fulfill its commitment. The agreement was mutually terminated.

**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**6. MINERAL PROPERTIES EXPLORATION, continued**

**Clayton Valley, Nevada** – On December 5, 2016, the Company entered into an interim agreement to acquire up to a 50% interest in mineral claims in Clayton Valley, Esmeralda County, Nevada. The agreement also includes claims in San Bernardino County, California. A final option agreement (the “Agreement”) was signed on February 8, 2017 with Noram, a company with a common director and Green Energy Inc. (“Green Energy”) (a wholly owned subsidiary of Noram).

The first part of the Agreement is an option to purchase a 25% interest in the property for \$255,000 paid to Green Energy as follows:

Requirement deadline	Cash
	\$ 127,50
(i) Upon signing the letter of intent	0 (paid)
(ii) Completion of a drilling program by Green Energy Inc.	127,50
	0 (paid)
	\$ 255,00
	0

The second part of the Agreement grants to the Company an option to acquire a further 25% interest in the property by making a series of payment totaling \$845,000 to Green Energy in 2017.

On January 8, 2018, the parties amended the second part of the agreement, granting the Company the option to acquire a further 25% interest in the property by making a cash payment of \$350,000 prior to March 1, 2018.

On May 28, 2018, the Company signed an agreement with Noram to sell its 25% interest in the Clayton Valley project. The transaction received final approval from the Exchange on November 19, 2018. In consideration for its interest, the Company received 3,800,000 common shares of Noram with a fair value of \$1,140,000 and cash of \$400,000. The Company recorded a gain on sale of \$1,254,217 (Note 4).

**Quiron II, Argentina** - On August 2, 2017, the Company signed an option agreement to acquire 100% of the Quiron II lithium project, a prospective exploration property in the Pocitos Salar, Province of Salta, Argentina. On August 3, 2017, the Company received Exchange approval.

**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**6. MINERAL PROPERTIES EXPLORATION, continued**

The final terms of the definitive agreement for the Company to acquire 100% interest in the Quiron II property are as follows:

Date	Cash	Shares Issued	Work Obligations
On signing the Definitive Agreement	US\$50,000 (paid)	2,400,000 (Issued, Note 7)	Nil
Upon Exchange approval	US\$50,000 (paid)	Nil	Nil
On in-depth exploration EIA approval (18 months after Exchange approval)	Nil	Nil	US\$400,000
Upon Acceptance of an NI 43-101 Report by the Exchange	US\$400,000	Nil	Nil
<b>TOTAL</b>	<b>US\$500,000</b>	<b>2,400,000</b>	<b>US\$400,000</b>

**Chascha Norte, Argentina** - On January 18, 2018, the Company entered into a property option agreement to acquire 100% interest in the Chascha Norte Property, located in Salar de Arizaro, Argentina for the following consideration:

- a) Cash payment of US \$250,000 (paid); and
- b) Issuance of 4,500,000 common shares (issued).

On October 11, 2018, the Company received TSX Venture Exchange approval to acquire a 100% interest in the Chascha Norte Lithium Property in Salta, Argentina.

**Muddy Mountain, Nevada** – On June 25, 2018, the Company entered into a property option agreement with a non-arm's length party to acquire a 100% interest in the Muddy Mountain Project, located in Clark County, Nevada for the following consideration:

- a) Cash payment of US\$5,000 upon execution of the Agreement (paid);
- b) Total cash payments of US\$235,000 as follows:
  - i. US\$35,000 on the Exchange approval date;
  - ii. US\$45,000 on the first anniversary of the Exchange approval date;
  - iii. US\$55,000 on the second anniversary of Exchange approval date; and
  - iv. US\$100,000 on the third anniversary of Exchange approval date.
- c) Issuance of 1,400,000 common shares as follows:
  - i. 200,000 shares within 30 days of the Exchange approval date;



## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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#### **6. MINERAL PROPERTIES EXPLORATION, continued**

##### **Muddy Mountain, Nevada, continued**

- ii. 300,000 shares within 30 days of the first anniversary of the Exchange approval date;
  - iii. 400,000 shares within 30 days of the second anniversary of the Exchange approval date;
  - iv. 500,000 shares within 30 days of the third anniversary of the Exchange approval date.
- d) Completion of an aggregate of US\$120,000 in exploration expenditures as follows:
- i. US\$20,000 on or before the first anniversary of the Exchange approval date;
  - ii. US\$40,000 on or before the first anniversary of the Exchange approval date;
  - iii. US\$60,000 on or before the first anniversary of the Exchange approval date.

The agreement is subject to a 2% NSR which can be repurchased by the Company for \$3,000,000.

On July 4, 2018, the Company received Exchange approval for this transaction.

As at December 31, 2018, The Company was in default of the agreement. The Company is currently renegotiating with the optionor.

#### **7. SHARE CAPITAL AND RESERVES**

##### **Authorized**

Unlimited common shares without par value.

##### **Issued**

##### **2017**

On March 10, 2017, the Company completed a private placement of 7,500,000 units at a price of \$0.10 per unit for gross proceeds of \$750,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.15 per share for a period of 24 months. The Company paid finder fees of \$48,071.

On August 3, 2017, the Company issued 2,400,000 common shares with a fair value of \$216,000 for an option payment on the Quiron II property (Note 6).

On September 19, 2017, the Company issued 390,000 common shares with a fair value of \$27,300 for settlement of accounts payable of \$39,000, resulting in a gain on debt settlement of \$11,700.

On December 1, 2017, the Company completed a private placement of 13,735,000 units at a

**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**7. SHARE CAPITAL AND RESERVES, continued****Issued, continued*****2017, continued***

price of \$0.06 per unit for gross proceeds of \$824,100. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.075 per share for one year. Share issuance costs incurred on this private placement include finder's fees of \$4,320, 72,000 finder warrants with a fair value of \$8,330, and other costs of \$18,492. The fair value of finder's warrants was estimated using the Black Scholes Option Pricing Model with the following assumptions: expected life – 1 year, volatility – 192%, risk-free rate – 1.50%, and dividend yield – 0%. Subscriptions receivable consist of \$510,000, which was received subsequent to December 31, 2017. On September 7, 2018, the Company extended the expiry dates of the warrants issued in this placement for an additional two years. Applicable warrants will now expire on November 29, 2020 and December 1, 2020.

During the year ended December 31, 2017, the Company issued 5,311,000 common shares upon exercise of warrants at a price of \$0.06 for gross proceeds of \$318,660.

**Issued*****2018***

During the year ended December 31, 2018, the Company issued 850,000 common shares pursuant to the exercise of options at \$0.09 per share for total cash proceeds of \$76,500 and an adjustment to share based payment reserve of \$66,689.

During the year ended December 31, 2018, the Company issued 5,930,167 common shares pursuant to the exercise of warrants at prices of \$0.06, \$0.075 and \$0.15 per share for total cash proceeds of \$552,365.

On November 10, 2018, the Company issued 4,500,000 common shares with a fair value of \$315,000 for an option payment on the Chascha Norte property (Note 6).

**Share-based payment reserve**

Share-based payment reserve records items recognized as share-based compensation expense and other share-based payments until such time as the stock options or warrants or agent's warrants are exercised, at which time the corresponding amount will be transferred to share capital.

**Held for sale reserve**

The reserve records unrealized gains and losses arising on held for sale financial assets except for impairment losses and foreign exchange gains and losses.

**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**8. STOCK OPTIONS**

Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the pricing policies of the Exchange. Options vest immediately when granted and expire five years from the date of the grant, unless the Board establishes more restrictive terms.

The aggregate number of shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued shares of the Company.

On November 9, 2017, the Company granted 3,000,000 share purchase options to directors, officers and consultants of the Company. The share purchase options are exercisable at \$0.09 per share for a period of five years, expiring November 9, 2022. The estimated fair value was calculated for the options using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 1.59%, expected life of 5 years, no annual dividends, expected volatility of 210% and a forfeiture rate of 0%. During the year ended December 31, 2017, the Company recognized \$235,372 in share based compensation relating to this grant.

On September 5, 2018 and December 31, 2018, the Company granted 3,000,000 and 1,600,000, respectively, incentive stock options to directors, officers, and consultants of the Company. These options vest immediately and are exercisable at \$0.065 per share for a period of ten years, expiring September 5, 2028 and December 3, 2028. The estimated fair value was calculated for the options using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.24% and 1.96% respectively, expected life of 10 years, no annual dividends, expected volatility of 200% and a forfeiture rate of 20%. During the year ended December 31, 2018, the Company recognized \$269,244 in share based compensation relating to these grants.

During the years ended December 31, 2018, 950,000 (2017- 30,000) options were expired or cancelled by the Company.

All options granted are in accordance with the company's 10% rolling stock option plan.

The continuity of options is as follows:

	2018		2017	
	Number of	Weighted	Number of	Weighted
	Options	average	Options	average
		exercise		exercise
		price		price
Outstanding - beginning of year	3,000,000	\$ 0.090	30,000	\$ 0.50
Granted	4,600,000	0.065	3,000,000	\$ 0.09
Exercised	(850,000)	0.090	-	\$ -
Cancelled	(950,000)	0.090	(30,000)	\$ 0.50
Outstanding - end of year	5,800,000	\$ 0.070	3,000,000	\$ 0.09

**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**8. STOCK OPTIONS, continued**

Details of the share options outstanding and exercisable as at December 31, 2018 are as follows:

<b>Expiry Date</b>	<b>Number of Options Outstanding</b>	<b>Number of Options Vested</b>	<b>Number of Options Unvested</b>	<b>Exercise Price</b>	<b>Weighted Average Remaining Life</b>
December 3, 2028	1,600,000	1,600,000	Nil	\$ 0.065	9.93 years
September 5, 2028	3,000,000	3,000,000	Nil	\$ 0.065	9.69 years
November 9, 2022	1,200,000	1,200,000	Nil	\$ 0.090	3.86 years
	5,800,000	5,800,000		\$ 0.070	8.55 years

As at December 31, 2018, stock options outstanding had a weighted average remaining life of 8.55 years (December 31, 2017 – 4.86 years).

**9. WARRANTS**

As at December 31, 2018, the following warrants were outstanding:

	<b>Number of Warrants</b>	<b>Weighted average Exercise price</b>	<b>Expiry date</b>	<b>Remaining Life (years)</b>
Issued in private placement	2,000,000	\$ 0.150	February 15, 2019	0.13
Issued in private placement	3,347,500	\$ 0.150	March 6, 2019	0.18
Issued in private placement	9,725,000	\$ 0.075	November 29, 2020	1.92
Issued in private placement	3,893,333	\$ 0.075	December 1, 2020	1.92
	18,965,833	\$ 0.100		1.42

Warrant activity for the years ended December 31, 2018 and 2017 is presented below:

	<b>2018</b>		<b>2017</b>	
	<b>Number of Warrants</b>	<b>Weighted average exercise price</b>	<b>Number of Warrants</b>	<b>Weighted average exercise price</b>
Outstanding - beginning of year	25,996,000	\$ 0.09	10,000,000	\$ 0.06
Exercised	(5,930,167)	\$ 0.09	(5,311,000)	\$ 0.06
Granted	-	-	21,307,000	\$ 0.10
Expired	(1,100,000)	\$ 0.06	-	-
Outstanding - end of year	18,965,833	\$ 0.10	25,996,000	\$ 0.09

As at December 31, 2018, warrants outstanding had a weighted average life outstanding of 1.42 years (December 31, 2017 – 0.99 years).

On September 7, 2018, the Company extended the expiry dates of the warrants issued on

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

#### **9. WARRANTS, continued**

November 29, 2018 and December 1, 2018. These warrants remain exercisable at a price of \$0.075 per common share but have been extended an additional two years and will now expire on November 29, 2020 and December 1, 2020.

#### **10. RELATED PARTY TRANSACTIONS**

During the years ended December 31, 2018 and 2017, the Company incurred management fees totalling \$275,620 (2017 - \$281,500) from companies controlled by common directors and former officers.

The aggregate remuneration during the years ended December 31, 2018 and 2017 of the Company's key management consists of:

	<b>2018</b>	<b>2017</b>
Management fees	\$ 275,620	\$ 281,500

The Company incurred legal fees of \$Nil (2017 - \$17,446) from a law firm of which a former director is a principal and \$Nil (2017: \$6,800) in consulting fees from a geological firm in which a director is a principal and a company controlled by the CEO and Chairman, of which \$3,600 was capitalized to the Clayton Valley property.

During the years ended December 31, 2018 and 2017 the Company incurred office services of \$11,330 (2017 - \$6,060) and accounting fees of \$4,500 (2017 - \$21,000) from a company controlled by a former officer.

At December 31, 2018, accounts payable and accrued liabilities included \$44,500 (December 31, 2017 - \$45,250) for amounts due to companies controlled by officers and directors in respect of the fees indicated above.

Share-based compensation expenses were \$87,584 (2017 - \$117,686) for the related parties.

During the year ended December 31, 2017, interest of \$522 was accrued and paid on loans advanced by officers of the Company.

Key management personnel comprise the Company's Board of Directors and executive officers. No remuneration was paid to key management personnel during the periods ended December 31, 2018 and 2017 other than as indicated above.

#### **11. CAPITAL MANAGEMENT**

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating costs over a reasonable future

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

#### **11. CAPITAL MANAGEMENT, continued**

period. The Company accesses capital markets as necessary and may also raise additional funds where advantageous circumstances arise.

The Company currently has no externally-imposed capital requirements. There was no change to the Company's approach to capital management during the period.

#### **12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

As at December 31, 2018 and 2017, the Company's financial instruments consist of cash, marketable securities and accounts payable.

In management's opinion, the Company's carrying values of cash, subscription receivable, marketable securities and accounts payable approximate their fair values due to the immediate or short term maturity of these instruments.

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Cash and marketable securities are classified under Level 1.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data.

The Company's financial instruments are exposed to the following risks:

##### Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held at a large Canadian financial institution in interest bearing accounts, and therefore the Company is subject to low credit risk.

##### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined in Note 11 to the financial statements.

## **ALBA MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

## **12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT, continued**

### Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices and foreign exchange rates.

The Company does not believe it is exposed to significant market risk.

### Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company does not believe it is exposed to significant interest rate risk.

### Price Risk

The Company is not exposed to price risk.

### Currency Risk

As at December 31, 2018, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. As a result, the Company does not believe it is exposed to any significant currency risk.

## **13. INCOME TAXES**

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2018	2017
Canadian statutory income tax rate	27%	26%
Expected income tax liabilities (recovery)	\$ (9,817)	\$ 292,993
Non-deductible expenses and other	108,817	(147,638)
Change in unrecognized deferred income tax assets	99,000	(145,355)
Income tax recovery	\$ -	\$ -

**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

**13. INCOME TAXES, continued**

Significant components of the Company's potential deferred income tax assets are as follows:

	2018	2017
Non-capital losses	\$ 1,183,000	\$ 1,079,000
Capital losses	-	92,000
Resource properties and other	381,000	321,000
Share issuance costs	11,000	15,000
Marketable securities	31,000	-
	1,606,000	1,507,000
Unrecognized deferred income tax assets	(1,606,000)	(1,507,000)
Net deferred income tax assets	\$ -	\$ -

The Company has Canadian non-capital losses for income tax purposes of \$4,382,000 which may be carried forward and offset against deferred taxable income. The non-capital losses expire as follows:

Year	Amount
2026	\$ 445,000
2027	551,000
2028	452,000
2030	471,000
2031	394,000
2033	323,000
2034	345,000
2035	77,000
2036	306,000
2037	775,000
2038	243,000
	\$ 4,382,000

In assessing the realizability of deferred income tax assets, management considers whether it is probable that some portion of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred income tax assets considered realizable could change materially in the near term based on future taxable income during the carry forward period.

**14. OPERATING SEGMENT INFORMATION**

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral properties



**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at and for the years ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

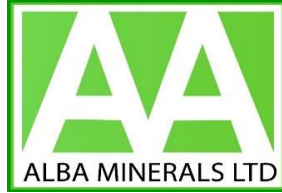
**14. OPERATING SEGMENT INFORMATION, continued**

located in the United States in the State of Nevada, and in Argentina in the Provinces of Salta and Salar de Arizaro.

**15. SUBSEQUENT EVENTS**

On January 16, 2019, the Company extended the expiry dates of warrants issued in February and March, 2017 that were due to expire in 2019. The warrants will now expire on February 15, 2020 and March 6, 2020.

On March 20, 2019, the Company completed a private placement of 7,531,250 units at a price of \$0.08 per unit for gross proceeds of \$602,500. Each unit consists of one common share of the Company and one transferrable share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.10 per share for a period of 24 months. The Company paid \$41,880 cash and issued 487,500 warrants to finders. The finder's warrants are exercisable into one common share of the Company at a price of \$0.10 per share for a period of 24 months.



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**ALBA MINERALS LTD.**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED**  
**DECEMBER 31, 2017 AND 2016**  
**(EXPRESSED IN CANADIAN DOLLARS)**

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DALE MATHESON CARR-HILTON LABONTE LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Alba Minerals Ltd.

We have audited the accompanying consolidated financial statements of Alba Minerals Ltd., which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statements of comprehensive loss, cash flows and changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Alba Minerals Ltd. as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

### Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the consolidated financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Alba Minerals Ltd.'s ability to continue as a going concern.

### Other Matter

The consolidated financial statements of Alba Minerals Ltd. for the year ended December 31, 2016 were audited by another auditor who expressed an unmodified opinion on those statements on April 28, 2017.

DALE MATHESON CARR-HILTON LABONTE LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada  
April 30, 2018

An independent firm associated with  
Moore Stephens International Limited  
**MOORE STEPHENS**

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**ALBA MINERALS LTD.****CONSOLIDATED STATEMENTS OF FINANCIAL POSITION****AS AT DECEMBER 31, 2017 AND 2016**(Expressed in Canadian Dollars)

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	2017	2016
<b>ASSETS</b>		
Current		
Cash	\$ 317,900	\$ 340,615
Subscriptions receivable (Note 5)	510,000	-
GST recoverable	22,055	3,004
Prepaid expenses	63,156	-
	913,111	343,619
Mineral properties exploration (Note 4)	635,486	288,761
	<b>\$ 1,548,597</b>	<b>\$ 632,380</b>
<b>LIABILITIES</b>		
Current		
Accounts payable (Note 8)	\$ 83,212	\$ 115,968
Accrued liabilities	28,750	43,135
Loan from related party (Note 8)	-	34,296
	111,962	193,399
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 5)	11,617,876	9,561,029
Subscriptions received (Note 5)	-	176,000
Share-based payment reserve (Note 5)	1,017,122	773,420
Deficit	(11,198,363)	(10,071,468)
	1,436,635	438,981
	<b>\$ 1,548,597</b>	<b>\$ 632,380</b>

Going concern of operations (Note 2)

Subsequent event (Note 13)

Approved on behalf of the Board on April 30, 2018:

"Arthur Brown"

Arthur Brown, Director

"Sandy MacDougall"

Sandy MacDougall, Director

(The Accompanying Notes are an Integral Part of These Consolidated Financial Statements)

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**ALBA MINERALS LTD.****CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

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	<b>2017</b>	2016
<b>EXPENSES</b>		
Accounting and audit fees (Note 8)	\$ 30,000	\$ 37,403
Consulting fees (Note 8)	116,370	58,353
Filing fees	28,711	7,378
Promotion	169,280	425
Legal (Note 8)	20,603	45,089
Management fees (Note 8)	281,500	55,000
Office and general (Note 8)	27,026	8,448
Promotion and travel	113,322	55,207
Share-based compensation (Note 6)	235,372	-
Transfer agent and regulatory fees	9,316	8,484
<b>LOSS BEFORE OTHER EXPENSES</b>	<b>(1,031,500)</b>	<b>(275,787)</b>
<b>OTHER EXPENSES</b>		
Write-off of mineral property (Note 4)	(106,573)	-
Gain on settlement of debt (Note 5)	11,700	-
Interest and finance expense (Note 8)	(522)	(41,081)
<b>NET LOSS AND COMPREHENSIVE LOSS</b>	<b>\$ (1,126,895)</b>	<b>\$ (316,868)</b>
<b>LOSS PER SHARE – BASIC AND DILUTED</b>	<b>\$ (0.04)</b>	<b>\$ (0.04)</b>
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING</b>	<b>27,735,284</b>	<b>9,028,803</b>

(The Accompanying Notes are an Integral Part of These Consolidated Financial Statements)

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**ALBA MINERALS LTD.****CONSOLIDATED STATEMENTS OF CASH FLOWS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**(Expressed in Canadian Dollars)

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	2017	2016
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (1,126,895)	\$ (316,868)
Items not involving cash:		
Share-based compensation	235,372	-
Write-off of mineral property	106,573	-
Gain on debt settlement	(11,700)	-
Changes in non-cash working capital balances:		
Increase in GST recoverable	(19,051)	(296)
Decrease (increase) in prepaid expenses	(63,156)	1,250
Increase (decrease) in accounts payable and accrued liabilities	(7,837)	104,644
	(886,694)	(211,270)
<b>FINANCING ACTIVITIES</b>		
Subscriptions received	(176,000)	176,000
Proceeds from issuance of common shares	1,382,760	500,000
Share issuance costs	(70,883)	(3,250)
Loan from (repayment to) related party	(34,600)	34,296
	1,101,277	707,046
<b>INVESTING ACTIVITIES</b>		
Mineral properties acquisition, exploration, and disposition	(237,298)	(158,499)
	(237,298)	(158,499)
<b>DECREASE IN CASH</b>	(22,715)	337,277
<b>CASH, BEGINNING OF YEAR</b>	340,615	3,338
<b>CASH, END OF YEAR</b>	\$ 317,900	\$ 340,615
Interest paid	\$ 522	\$ 41,081
Income taxes paid	\$ -	\$ -

(The Accompanying Notes are an Integral Part of These Consolidated Financial Statements)

**ALBA MINERALS LTD.****CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

	<b>Number of Common Shares</b>	<b>Share capital</b>	<b>Subscriptions received</b>	<b>Share-based payment reserve</b>	<b>Deficit</b>	<b>Total</b>
As at December 31, 2015	8,152,091	\$ 9,064,279	\$ -	\$ 773,420	\$ (9,754,600)	\$ 83,099
Issuance of common share for cash pursuant to private placement (Note 5)	10,000,000	500,000	-	-	-	500,000
Share issuance costs (Note 5)	-	(3,250)	-	-	-	(3,250)
Subscription received	-	-	176,000	-	-	176,000
Net loss	-	-	-	-	(316,868)	(316,868)
As at December 31, 2016	18,152,091	\$ 9,561,029	\$ 176,000	\$ 773,420	\$ (10,071,468)	\$ 438,981
Issuance of common share for cash pursuant to private placement (Note 5)	21,235,000	1,574,100	(176,000)	-	-	1,398,100
Issuance of common share for mineral property (Notes 4 and 5)	2,400,000	216,000	-	-	-	216,000
Issuance of common share for cash pursuant to exercise of warrants (Note 5)	5,311,000	318,660	-	-	-	318,660
Issuance of common share pursuant to a debt settlement agreement (Note 5)	390,000	27,300	-	-	-	27,300
Share issuance costs (Note 5)	-	(79,213)	-	8,330	-	(70,883)
Share-based compensation (Note 6)	-	-	-	235,372	-	235,372
Net loss	-	-	-	-	(1,126,895)	(1,126,895)
As at December 31, 2017	<b>47,488,091</b>	<b>\$ 11,617,876</b>	<b>\$ -</b>	<b>\$ 1,017,122</b>	<b>\$ (11,198,363)</b>	<b>\$1,436,635</b>

(The Accompanying Notes are an Integral Part of These Consolidated Financial Statements)

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

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**1. CORPORATE INFORMATION AND NATURE OF OPERATIONS**

Alba Minerals Ltd. (the "Company"), incorporated in British Columbia, is a public company listed on the TSX Venture Exchange (the "Exchange") under the symbol AA. The address of the Company's corporate office and its principal place of business is 304 - 700 West Pender Street, Vancouver, British Columbia, Canada.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties in North and South America. The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related capitalized exploration expenditures is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

**2. BASIS OF PREPARATION****a) Statement of compliance**

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

**b) Going Concern**

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company has incurred losses since its inception and had an accumulated deficit of \$11,198,363 at December 31, 2017 which has been funded primarily by issuance of shares. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future. The Company has been successful in the past in raising funds for operations by issuing shares but there is a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its activities or obtain financing at unfavorable terms. Furthermore, failure to continue as a going concern would require the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

**c) Consolidation**

The consolidated financial statements include the accounts of the Company and its 100% wholly owned subsidiary, Acrex Minerals (U.S.) Inc. ("Acrex US"). Acrex US was incorporated in the State of Nevada. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.



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**ALBA MINERALS LTD.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Measurement basis** - These consolidated financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out below. All amounts are expressed in Canadian dollars unless otherwise stated.

**Cash and cash equivalents** - The Company considers deposits with banks or highly liquid short-term interest bearing securities that are readily convertible to known amounts of cash and those that have maturities of 90 days or less when acquired to be cash equivalents.

**Mineral properties exploration** - All expenditures related to the cost of exploration and evaluation of mineral resources including acquisition costs for interests in mineral claims are capitalized as mineral properties exploration. General exploration costs not related to specific mineral properties are expensed as incurred. If economically recoverable reserves are developed, capitalized costs of the related property are reclassified as mining assets and upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves. Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present: the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned or budgeted, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications that in an area with development likely to proceed the carrying amount is unlikely to be recovered in full by development or sale.

The recoverability of mineral properties and capitalized exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

Mineral properties are regularly reviewed for impairment or whenever events or changes in circumstances indicate that the carrying amount of reserve properties may exceed its recoverable amount. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of value in use (being the present value of expected future cash flows of the relevant cash-generating unit) and fair value less costs to sell. If the carrying amount of an asset exceeds the recoverable amount an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

**Provisions** - Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. At each financial position reporting date presented, the Company has not incurred any decommissioning costs related to the exploration and evaluation of its mineral properties and accordingly no provision has been recorded for such site reclamation or abandonment.

**Government assistance** - B.C. mining exploration tax credits for certain exploration expenditures incurred in B.C. are treated as a reduction of the exploration and development costs of the respective mineral property.

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Foreign currency translation** - The presentation currency and functional currency of the Company and its US subsidiary is the Canadian dollar as this is the principal currency of the economic environment in which they operate and because the Company's US subsidiary is financially and operationally dependent on the Company. The Company translates transaction in foreign currencies into Canadian dollars at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities are translated at the exchange rates in effect at the period end date. Non-monetary assets and liabilities are translated at historical rates. The resulting exchange gains or losses are recognized in income.

**Income taxes** - The Company provides for income taxes using the liability method of tax allocation. Under this method deferred income tax assets and liabilities are determined based on temporary differences between the accounting and tax bases of existing assets and liabilities, and are measured using enacted or substantially enacted tax rates expected to apply when these differences reverse. Deferred income tax assets are recognized to the extent that it is probable the asset will be realized.

**Share capital** – The Company records proceeds from the issuance of its common shares as equity. Proceeds received on the issuance of units, consisting of shares and warrants are allocated between the common share and warrant component.

The fair value of the common shares issued in a private placement unit of shares and warrants is determined to be the more easily measurable component and are valued at their fair value, as determined by the closing quoted price on the issuance date. The remaining proceeds, if any, are allocated to the attached warrants. Any fair value attributed to the warrants is recorded as contributed surplus. Management does not expect to record a value to the warrant in most equity issuances as unit private placements are commonly priced at market or at a permitted discount to market. If the warrants are issued as share issuance costs, the fair value of agent's warrants are measured using the Black-Scholes option pricing model and recognized in equity as a deduction from the proceeds.

If the warrants are exercised, the related amount is reclassified as share capital. If the warrants expire unexercised, the related amount remains in contributed surplus.

Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that shares are issued.

**Share-based payment expenses** - The Company records all share-based payment expenses at their fair value. The share-based payment costs are charged to operations over the stock option vesting period and agents' options and warrants issued in connection with common share placements are recorded at their fair value on the date of issue as share issuance costs. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options expected to vest. On the exercise of stock options and agents' options and warrants, share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus.

The Company uses the Black-Scholes Option Pricing Model to estimate the fair value of share-based expense for stock options or warrants granted to employees. Where stock options or warrants are granted to non-employees, they are recorded at the fair value of the goods or services received, at the date the goods or services are received. When the value of goods or services received in exchange for the share-based expense cannot be reliably estimated, the fair value is measured by use of the Black-Scholes Option Pricing Model.

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Loss per share** - Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all potentially dilutive common shares if their effect is anti-dilutive.

**Share issuance costs** - Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issue costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred share issue costs related to financing transactions that are not completed are charged to expenses.

**Financial instruments** - All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash, accounts payable, and loan from related parties. At initial recognition management has classified financial assets and liabilities as follows:

a) Financial assets

The Company has recognized its cash at FVTPL. A financial instrument is classified at FVTPL if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Financial instruments at FVTPL are measured at fair value and changes therein are recognized in income.

b) Financial liabilities

The Company has recognized its accounts payable and loans from related parties as other financial liabilities. Accounts payable and loan from related parties are recognized at the amount required to be paid less, when material, a discount to reduce the payable to fair value. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

**Flow-through shares** - The Company finances certain exploration expenditures through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. When the common shares are offered, the difference ("premium") between the amounts recognized in common shares and the amount the investors pay for the shares is recognized as a flow-through share related liabilities which is reversed into the statement of comprehensive loss within other income when the eligible expenditures are incurred.

**Use of estimates and judgements** - The preparation of these consolidated financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses for the periods reported. The Company bases its estimates and assumptions on current and various other factors that it believes to be reasonable under the circumstances. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Use of estimates and judgements (continued)**

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

a) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

b) Impairment

The carrying value of non-financial assets is reviewed each reporting period upon the occurrence of events or changes in circumstances indicating that the carrying value of assets may not be recoverable and when criteria of assets held for sale are met to determine whether there is any indication of impairment. If the carrying amount of an asset exceeds its recoverable amount, the asset is impaired and an impairment loss is recognized in the consolidated statement of operations and comprehensive loss. The assessment of fair values, including those of the cash generating units (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflow from other assets or groups of assets) ("CGUs") for purposes of testing goodwill, require the use of estimates and assumptions for recoverable production, long-term commodity prices, discount rates, foreign exchange rates, future capital requirements and operating performance. Changes in any of the assumptions or estimates used in determining the fair value of goodwill or other assets could impact the impairment analysis.

c) Site Closure and Reclamation Provisions

The Company assesses its mineral properties' rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation and remediation. 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.

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Use of estimates and judgements (continued)**

## d) Share-Based Payments

Management uses valuation techniques in measuring the fair value of stock options granted. The fair value is determined using the Black Scholes option pricing model which requires management to make certain estimates, judgements, and assumptions in relation to the expected life of the share options, expected volatility, expected risk-free rate, and expected forfeiture rate. Changes to these assumptions could have a material impact on the Company's consolidated financial statements.

## e) Deferred Income Taxes

Judgement is required to determine which types of arrangements are considered to be a tax on income in contrast to an operating cost. Judgement is also required in determining whether deferred tax liabilities are recognised in the consolidated statement of financial position. Deferred tax assets, including those potentially arising from un-utilised tax losses, require management to assess the likelihood that the Company will generate sufficient taxable income in future periods, in order to recognise deferred tax assets. Assumptions about the generation of future taxable income depend on management's estimates of future operations and cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure, and other capital management transactions) and judgement about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize deferred tax assets or offset these against any deferred tax liabilities recorded at the reporting date could be impacted.

**Recent accounting pronouncements** - The Company did not adopt any new and revised accounting standards during the year ended December 31, 2017 which had a significant impact on its financial statements.

**Accounting Standards and Amendments Issued But Not Yet Effective** - The following standards have not been adopted by the Company. The Company is currently evaluating the impact these amendments are expected to have on its financial statements.

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*The following standard will be adopted by the Company effective January 1, 2018:*

- *IFRS 15 Revenue from Contracts with Customers* - In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. Management has assessed that IFRS 15 will have no impact on the Company's consolidated financial statements.
- *IFRS 9 Financial Instruments* - The IASB intends to replace IAS 39 – Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 – Financial Instruments ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments. Management has assessed that IFRS 9 will have no impact on the Company's consolidated financial statements.

*The following standard will be adopted by the Company effective January 1, 2019:*

- *IFRS 16 Leases* will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting.

**4. MINERAL PROPERTIES EXPLORATION**

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<b>December 31, 2017</b>		<b>Rainbow Canyon</b>	<b>Clayton Valley</b>	<b>Quiron II</b>	<b>Total</b>
<b>Acquisition costs</b>					
Balance, December 31, 2016	\$	127,999	\$ 127,500	\$ -	\$ 255,499
Acquisition costs		-	127,500	342,990	470,490
Cash received from option to purchase		(60,000)	-	-	(60,000)
Impairment of acquisition costs		(67,999)	-	-	(67,999)
Subtotal of acquisition cost		-	255,000	342,990	597,990
<b>Exploration and evaluation</b>					
Balance, December 31, 2016		27,890	5,372	-	33,262
Exploration costs		10,684	3,600	28,524	42,808
Impairment of exploration and evaluation		(38,574)	-	-	(38,574)
Subtotal of exploration and evaluation		-	8,972	28,524	37,496
<b>Balance, December 31, 2017</b>	<b>\$</b>	<b>-</b>	<b>\$ 263,972</b>	<b>\$ 371,514</b>	<b>\$ 635,486</b>

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**(Expressed in Canadian Dollars)

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**4. MINERAL PROPERTIES EXPLORATION (continued)**

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<b>December 31, 2016</b>	<b>Rainbow Canyon</b>		<b>Clayton Valley</b>		<b>Total</b>
<b>Acquisition costs</b>					
Balance, December 31, 2015	\$	127,999	\$	-	\$ 127,999
Acquisition costs		-		127,500	127,500
<hr/>					
Subtotal of acquisition cost		127,999		127,500	255,499
<b>Exploration and evaluation</b>					
Balance, December 31, 2015		2,263		-	2,263
Consulting fees		4,037		3,782	7,819
Exploration costs		21,590		1,590	23,180
<hr/>					
Subtotal of exploration and evaluation		27,890		5,372	33,262
<hr/>					
<b>Balance, December 31, 2016</b>	<b>\$</b>	<b>155,889</b>	<b>\$</b>	<b>132,872</b>	<b>\$ 288,761</b>

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**Rainbow Canyon, Nevada** – By an Agreement dated March 25, 2011, the Company purchased non-patented mineral claims and staked additional claims during the same year, in Washoe County, Nevada, USA. The purchase price for the claims was US\$125,000 (CAN\$123,719). A 3% Net Smelter Return (“NSR”) is reserved to the vendor subject to the Company’s right to purchase back up to a 2% NSR by the payment of \$500,000 for each 1% NSR interest purchased.

On February 8, 2017, the Company entered into an option agreement with Astorius Resources Ltd. (“Astorius”) to sell 100% interest in the Rainbow Canyon gold property. To complete the exercise of the option, Astorius must pay an aggregate of \$80,000 cash by June 15, 2018. \$60,000 was received from Astorius during the year ended December 31, 2017.

During the year ended December 31, 2017, the Company entered into an agreement with Astorius for the disposition of the Rainbow Canyon property; therefore an impairment of \$106,573 was recognized.

**Clayton Valley, Nevada** – On December 5, 2016, the Company entered into an interim agreement to acquire up to a 50% interest in mineral claims in Clayton Valley, Esmeralda County, Nevada. The Agreement also includes claims in San Bernardino County, California. A final option agreement (the “Agreement”) was signed on February 8, 2017 with Noram Ventures Inc. (“Noram”) and Green Energy Inc. (“Green Energy”) (a wholly owned subsidiary of Noram).

The first part of the Agreement is an option to purchase a 25% interest in the property for \$255,000 paid to Green Energy as follows:

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<b>Requirement deadline</b>	<b>Cash</b>
(iii) Upon signing the letter of intent	\$ 127,500 (paid)
(iv) Completing of a drilling program by Green Energy Inc.	127,500 (paid)
	<hr/>
	\$ 255,000

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

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**4. MINERAL PROPERTIES EXPLORATION (continued)**

The second part of the Agreement grants to the Company an option to acquire a further 25% interest in the property by making a series of payment totaling \$845,000 to Green Energy in 2017.

On January 8, 2018, the parties amended the second part of the agreement, granting the Company the option to acquire a further 25% interest in the property by making a cash payment of \$350,000 prior to March 1, 2018 (Note 13). Due to delays in the commencement of drilling, this agreement is also currently being amended to extend the time period.

**Quiron II** - On August 2, 2017, the Company signed an option agreement to acquire 100% of the Quiron II lithium project, a prospective exploration property in the Pocitos Salar, Province of Salta, Argentina. On August 3, 2017, the Company received Exchange approval.

The final terms of the definitive agreement for the Company to acquire 100% interest in the Quiron II property are as follows:

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Date	Cash	Shares Issued	Work Obligations
On signing the Definitive Agreement	US\$50,000 (paid)	2,400,000	(Issued, Note 5) Nil
On Exchange approval	US\$50,000 (paid)	Nil	Nil
Exploration expenditures (18 months after Exchange approval)	Nil	Nil	US\$400,000
Upon Acceptance of an NI 43-101 Report by the Exchange	US\$400,000	Nil	Nil
<b>TOTAL</b>	<b>US\$500,000</b>	<b>2,400,000</b>	<b>US\$400,000</b>

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**5. SHARE CAPITAL**

## a) Authorized:

The Company has authorized share capital of an unlimited number of common voting shares without par value.

## b) Issued:

On November 29, 2016, the Company closed a private placement consisting of 10,000,000 units at a price of \$0.05 per unit for total proceeds of \$500,000. Each unit consisted of one common share of the Company and one share purchase warrant. Each warrant will be exercisable to purchase one common share of the Company for \$0.06 expiring November 28, 2018. The Company incurred share issuance costs of \$3,250 relating to this private placement.

On March 10, 2017, the Company completed a private placement of 7,500,000 units at a price of \$0.10 per unit for gross proceeds of \$750,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.15 per share for a period of 24 months. The Company paid \$48,071 to persons introducing subscribers to the Company.

On August 3, 2017, the Company issued 2,400,000 common shares with a fair value of \$216,000 for an option payment on the Quiron II property (Note 4).



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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

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**5. SHARE CAPITAL (continued)**

## b) Issued (continued):

On September 19, 2017, the Company issued 390,000 common shares with a fair value of \$27,300 for settlement of accounts payable of \$39,000, resulting in a gain on debt settlement of \$11,700.

On December 1, 2017, the Company completed a private placement of 13,735,000 units at a price of \$0.06 per unit for gross proceeds of \$824,100. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.075 per share for one year. Share issuance costs incurred on this private placement include finder's fees of \$4,320, 72,000 warrants with a fair value of \$8,330, and other costs of \$18,492. The fair value of finder's warrants was estimated using the Black Scholes Option Pricing Model with the following assumptions: expected life – 1 year, volatility – 192%, risk-free rate – 1.50%, and dividend yield – 0%. Subscriptions receivable consist of \$510,000, which was received subsequent to December 31, 2017.

During the year ended December 31, 2017, the Company issued 5,311,000 common shares upon exercise of warrants at a price of \$0.06 for gross proceeds of \$318,660.

## c) Share-based payment reserve:

Share-based payment reserve records items recognized as share-based compensation expense and other share-based payments until such time as the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

**6. STOCK OPTIONS**

Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the pricing policies of the Exchange. Options vest immediately when granted and expire five years from the date of the grant, unless the Board establishes more restrictive terms.

The aggregate number of shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued shares of the corporation.

On November 9, 2017, the Company granted 3,000,000 share purchase options to directors, officers and consultants of the Company. The share purchase options are exercisable at \$0.09 per share for a period of five years, expiring November 9, 2022. All options granted are in accordance with the company's 10-per-cent rolling stock option plan. The fair value of the options issued was \$235,372 using the Black-Scholes Option Pricing Model, and accounted for as share-based compensation.

The fair value of options granted during the year ended December 31, 2017 has been estimated as at the date of grant using the Black-Scholes option pricing model using following weighted average assumptions.

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	<b>December 31, 2017</b>
<i>Risk-free interest rate</i>	1.59%
<i>Expected dividend yield</i>	0%
<i>Share price volatility</i>	210%
<i>Expected life of options</i>	5 years

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

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**6. STOCK OPTIONS (continued)**

The continuity of options is as follows:

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	<b>Number</b>	<b>Weighted Average Exercise Price</b>
Outstanding, December 31, 2015	155,000	\$ 0.50
Expired	(125,000)	\$ 0.50
Outstanding, December 31, 2016	30,000	\$ 0.50
Granted	3,000,000	\$ 0.09
Expired	(30,000)	\$ 0.50
Outstanding, December 31, 2017	3,000,000	\$ 0.09

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As at December 31, 2017, stock options outstanding had a weighted average life outstanding of 4.86 years (2016 – 0.66 years).

**7. WARRANTS**

As at December 31, 2017, the following warrants were outstanding:

---

Number of Warrants	Weighted Average Exercise Price	Expiry Date	Remaining life (Years)
4,689,000	\$ 0.06	November 28, 2018	0.91
13,735,000	\$ 0.075	December 1, 2018	0.92
72,000	\$ 0.075	December 1, 2018	0.92
3,150,000	\$ 0.15	February 15, 2019	1.13
4,350,000	\$ 0.15	March 6, 2019	1.18

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25,996,000

Warrant activity for the year ended December 31, 2017 and 2016 are presented below:

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	<b>Number</b>	<b>Weighted Average Exercise Price</b>
Outstanding, December 31, 2015	-	\$ -
Granted	10,000,000	0.06
Outstanding, December 31, 2016	10,000,000	\$ 0.06
Exercised	(5,311,000)	0.06
Granted	7,500,000	0.15
Granted	13,807,000	0.075
Outstanding, December 31, 2017	25,996,000	\$ 0.09

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As at December 31, 2017, warrants outstanding had a weighted average life outstanding of 0.99 years (2016 – 1.91 years).

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

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**8. RELATED PARTY TRANSACTIONS**

a) The Company has identified its president and directors as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties.

i. The Company incurred management fees totalling \$281,500 (2016 - \$55,000) from companies controlled by CEO and President, chairman, CFO and common directors.

ii. The aggregate remuneration of the Company's key management consists of:

	<b>2017</b>	<b>2016</b>
Management fees	\$ 281,500	\$ 55,000

iii. The Company incurred legal fees of \$17,446 (2016 - \$34,834) from a law firm of which a former director is a principal and \$6,800 (2016: \$nil) consulting fees from a geological firm in which a director is a principal and a company controlled by the CEO and Chairman, of which \$3,600 was capitalized to the Clayton Valley property.

iv. The Company incurred office services of \$6,060 (2016 - \$nil) to a company controlled by the CFO,

v. The Company incurred accounting fees of \$21,000 (2016 - \$nil) to a company controlled by the CFO.

b) At December 31, 2017, accounts payable and accrued liabilities included \$45,250 (December 31, 2016 - \$58,345) for amounts due to companies controlled by directors and management.

c) In February 2016, the Company entered into a loan agreement with a third party in the amount of \$27,675. The loan was repaid by its President and Chairman when they purchased their control block shares of the Company from previous owner in August 2016, totaling \$28,981. In an agreement dated October 5, 2016, the indebtedness of the Company to its President and Chairman was acknowledged and it was agreed that it would be paid with interest at 10% calculated from August 19, 2016.

By a loan agreement dated October 5, 2016, the President and the Chairman of the Company each loaned \$7,500 to the Company, the loans bear interest at 7% per annum and a bonus will be paid to them of \$1,500 each. The principal, accrued interest and bonuses will be payable no later than March 31, 2017.

Pursuant to another set of loan agreements dated November 3, 2016, the President and the Chairman of the Company each loaned \$80,000 to the Company. The loans bear interest at 20% per annum and a bonus will be paid to President and Chairman of \$16,000 each, and are recorded in interest and financing expenses. The principal, accrued interest and bonuses are due to be repaid no later than January 31, 2017.

Loan repayments of \$105,000 each to the President and Chairman were made on December 29, 2016, and \$34,600 on March 10, 2017. As at December 31, 2017, \$nil (December 31, 2016 - \$34,296) of the loans payable, bonuses and accrued interest to the President and Chairman were outstanding. During the year ended December 31, 2017, interest of \$522 (2016 - \$41,081) was accrued and paid on these loans.

d) Share-based compensation expenses were \$117,686 (2016 - \$nil) for the related parties.

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

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**9. INCOME TAXES**

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

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	2017		2016
Canadian statutory income tax rate	26%		26%
Expected income tax recovery	\$ 292,993	\$	82,386
Non-deductible expenses and other	(147,638)		(7,178)
Change in unrecognized deferred income tax assets	(145,354)		(75,208)
Income tax recovery	\$ -	\$	-

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Significant components of the Company's potential deferred income tax assets are as follows:

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	2017		2016
Non-capital losses	\$ 1,079,000	\$	870,000
Capital losses	92,000		92,000
Resource properties and other	321,000		400,000
Share issuance costs	15,000		-
	1,507,000		1,362,000
Unrecognized deferred income tax assets	(1,507,000)		(1,362,000)
Net deferred income tax assets	\$ -	\$	-

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The Company has Canadian non-capital losses for income tax purposes of \$4,151,000 which may be carried forward and offset against deferred taxable income. The non-capital losses expire as follows:

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Year	Amount
2026	\$ 445,000
2027	551,000
2028	452,000
2030	471,000
2031	394,000
2033	323,000
2034	345,000
2035	77,000
2036	306,000
2037	787,000
	\$ 4,151,000

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The Company has capital losses for income tax purposes of \$710,000 which may be carried forward indefinitely to apply against capital gains in future years.

In assessing the realizability of deferred income tax assets, management considers whether it is probable that some portion of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred income tax assets considered realizable could change materially in the near term based on future taxable income during the carry forward period.

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

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**10. MANAGEMENT OF CAPITAL**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties in Canada and the US. The Company does not have any externally imposed capital requirements to which it is subject.

In the management of capital the Company considers components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash and cash equivalents.

The Company's investment policy is to invest its cash in investment instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected time of exploration and development expenditures from continuing operations.

The Company is not subject to any restrictions on the management of its capital. There were no changes in the Company's approach to capital management during the year.

**11. FINANCIAL INSTRUMENTS AND RISK****Classification**

The following table summarizes information regarding the carrying values of the Company's financial instruments:

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	December 31, 2017	December 31, 2016
Fair value through profit or loss (i)	\$ 317,900	\$ 340,615
Other financial liabilities (ii)	\$ 83,212	\$ 150,264

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(i) Cash  
(ii) Accounts payable and loans from related parties

**Fair value**

The fair values of these financial instruments approximate their carrying values because of their current nature.

IFRS 7 *Financial Instruments – Disclosures*, establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 7 prioritizes the inputs into three levels that may be used to measure fair value:

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

Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e. quoted prices for similar assets or liabilities).

Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

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**ALBA MINERALS LTD.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

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**11. FINANCIAL INSTRUMENTS AND RISK (continued)**

The fair values of the Company's financial assets and liabilities as of December 31, 2017 were calculated as follows:

	Balance at December 31, 2017 \$	Quoted Prices in Active Markets for Identical Assets (level 1) \$	Significant Other Observable Inputs (Level 2) \$	Significant Unobservable Inputs (Level 3) \$
Financial Assets:				
Cash	317,900	317,900	-	-

**Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and cash equivalents. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company holds cash to meet its short-term exploration, and general and administrative expenditures. The Company invests any cash equivalents in business guaranteed investment certificates which are immediately available on demand when required. Liquidity risk is assessed as high.

**Foreign Exchange Risk**

Foreign exchange risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not have significant foreign currency denominated financial instruments and is not exposed to significant foreign exchange risk.

**12. OPERATING SEGMENT INFORMATION**

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral property located in the United States in the State of Nevada, and in the Argentina in the Province of Salta.

**13. SUBSEQUENT EVENTS**

On January 8, 2018, the Company and Noram re-negotiated the terms of the Option and Joint Venture Agreement. In consequence, the material change allows the Company to earn an additional 25% interest for a cash consideration of \$350,000 payable to Noram and Green Energy. The Company and Noram shall then be 50:50 joint venture partners on the Clayton Valley Lithium Project. On a fully funded basis, the two companies will move forward to the next phase of infill drilling and exploration. \$125,000 of the \$350,000 will be used for the next phase of the exploration and drilling program (Note 4).

The Company issued 850,000 common shares pursuant to the exercise of options at \$0.09 per share for total cash proceeds of \$76,500.

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**ALBA MINERALS LTD.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

(Expressed in Canadian Dollars)

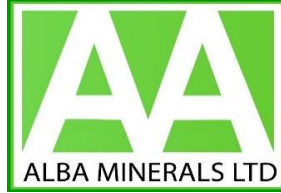
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**13. SUBSEQUENT EVENTS (continued)**

The Company issued 5,791,500 common shares pursuant to the exercise of warrants for the price at \$0.06 and \$0.15 per share for total cash proceeds of \$543,915.

On January 18, 2018, the Company entered into a property option agreement to acquire 100% interest in the Chascha Norte Property, located in Salar de Arizaro, Argentina for the following consideration:

- c) Cash payment of \$250,000 (\$50,000 upon signing and \$200,000 within 30 days of Exchange approval); and
- d) Issuance of 4,500,000 common shares upon Exchange approval.



## **ALBA MINERALS LTD.**

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED JUNE 30, 2019**

**(Unaudited – Expressed in Canadian Dollars)**

### **Notice of No Auditor Review**

These unaudited consolidated interim financial statements of Alba Minerals Ltd. (the “Company”) have not been reviewed by the auditors of the Company. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - Continuous Disclosure Obligations.



**ALBA MINERALS LTD.**Consolidated Interim Statements of Financial Position  
(Unaudited - Expressed in Canadian Dollars)

	June 30	December 31
	2019	2018
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 495,529	\$ 535,637
Prepaid expenses	38,250	-
GST recoverable	37,785	38,927
Marketable securities (Note 4)	342,000	1,026,000
	913,564	1,600,564
<b>Equipment</b> (Note 5)	14,777	15,341
<b>Mineral properties exploration</b> (Note 6)	1,085,360	1,060,191
	\$ 2,013,701	\$ 2,676,096
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable (Note 10)	\$ 65,384	\$ 47,623
Accrued liabilities (Note 10)	41,850	56,370
	107,234	103,993
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 7)	13,267,058	12,628,430
Reserves (Note 7)	421,794	1,105,677
Deficit	(11,782,385)	(11,162,004)
	1,906,467	2,572,103
	\$ 2,013,701	\$ 2,676,096

Nature and continuance of operations (Note 1)

Subsequent event (Note 14)

Approved on behalf of the Board:

Director "Arthur Brown"  
Arthur Brown, DirectorDirector "Sandy MacDougall"  
Sandy MacDougall, Director*The accompanying notes are an integral part of these consolidated interim financial statements*

**ALBA MINERALS LTD.**Consolidated Interim Statements of Comprehensive Loss  
(Unaudited - Expressed in Canadian Dollars)

	Three months ended		Six months ended	
	June 30		June 30	
	2019	2018	2019	2018
<b>EXPENSES</b>				
Accounting and audit fees (Note 10)	\$ 9,770	\$ 4,032	\$ 10,745	\$ 6,782
Consulting fees	71,250	16,750	75,601	35,500
Depreciation (Note 5)	793	-	1,586	-
Filing fees	29,524	11,861	37,787	17,243
Corporate communications	97,213	12,094	109,213	207,725
Legal	10,531	3,351	12,396	14,075
Management fees (Note 10)	124,500	64,500	189,000	136,500
Office and general	31,120	21,613	63,826	37,225
Promotion and travel	10,469	23,726	116,990	99,371
Transfer agent and regulatory fees	1,448	2,371	3,237	4,537
<b>Loss before other item</b>	<b>(386,618)</b>	<b>(160,298)</b>	<b>(620,381)</b>	<b>(558,958)</b>
<b>Net loss</b>	<b>(386,618)</b>	<b>(160,298)</b>	<b>(620,381)</b>	<b>(558,958)</b>
<b>Other comprehensive loss</b>				
Item that will be reclassified to profit or loss:				
Change in fair value of investment (Note 4)	(171,000)	-	(684,000)	-
<b>Comprehensive loss</b>	<b>(557,618)</b>	<b>(160,298)</b>	<b>(1,304,381)</b>	<b>(558,958)</b>
<b>Loss and comprehensive loss for the period</b>	<b>(386,618)</b>	<b>(160,298)</b>	<b>(620,381)</b>	<b>(558,958)</b>
<b>Basic and diluted loss per share</b>	<b>\$ (0.01)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding</b>	<b>66,920,387</b>	<b>54,169,408</b>	<b>63,324,543</b>	<b>53,063,234</b>

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

**ALBA MINERALS LTD.**Consolidated Interim Statements of Cash Flow  
(Unaudited - Expressed in Canadian Dollars)

	<b>For the six months ended June 30</b>	
	<b>2019</b>	<b>2018</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net loss for the period	\$ (620,381)	\$ (558,958)
Add: item not involving cash		
Depreciation	1,586	-
Non-cash working capital items		
GST recoverable	1,142	(3,140)
Loan receivable	-	(58,000)
Prepaid expenses	(38,250)	38,156
Accounts payable and accrued liabilities	3,241	30,387
<b>Net cash provided by (used in) operating activities</b>	<b>(652,662)</b>	<b>(551,555)</b>
<b>Investing activities</b>		
Purchase of equipment	(1,022)	-
Mineral properties acquisition and exploration	(25,169)	(146,463)
<b>Net cash (used in) investing activities</b>	<b>(26,191)</b>	<b>(146,463)</b>
<b>Financing activities</b>		
Subscriptions received	-	510,000
Issuance of common shares	680,625	626,165
Share issue costs	(41,880)	-
<b>Net cash provided by (used in) financing activities</b>	<b>638,745</b>	<b>1,136,165</b>
<b>Change in cash and cash equivalents during the period</b>	<b>(40,108)</b>	<b>438,147</b>
<b>Cash and cash equivalents, beginning of the period</b>	<b>535,637</b>	<b>317,900</b>
<b>Cash and cash equivalents, end of the period</b>	<b>\$ 495,529</b>	<b>\$ 756,047</b>
<b>Interest paid</b>	<b>\$ -</b>	<b>\$ 1,682</b>

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

**ALBA MINERALS LTD.**

Consolidated Interim Statements of Changes in Equity  
(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves		Deficit	Total Equity
			Contributed Surplus	Held for Sale		
<b>As at December 31, 2017</b>	47,488,091	\$11,617,876	\$ 1,017,122	\$ -	\$ (11,198,363)	\$ 1,436,635
Shares issued to acquire mineral property (Note 6)	4,500,000	315,000	-	-	-	315,000
Issue of common shares for cash on exercise of share purchase warrants (Note 7)	5,741,500	545,715	-	-	-	545,715
Issue of common shares for cash on exercise of stock options (Note 7)	850,000	143,189	(66,689)	-	-	76,500
Net loss for the period	-	-	-	-	(558,958)	(558,958)
<b>As at June 30, 2018</b>	58,579,591	12,621,780	950,433	-	(11,757,321)	1,814,892
<b>As at December 31, 2018</b>	58,768,258	12,628,430	1,219,677	(114,000)	(11,162,004)	2,572,103
Issue of common shares for cash pursuant to private placement (Note 7)	7,531,250	594,969	7,531	-	-	602,500
Share issue costs (Note 7)	-	(71,966)	30,086	-	-	(41,880)
Issue of common shares for cash on exercise of share purchase warrants (Note 7)	500,000	37,500	-	-	-	37,500
Issue of common shares for cash on exercise of stock options (Note 7)	625,000	78,125	(37,500)	-	-	40,625
Change in fair value of investment (Note 4)	-	-	-	(684,000)	-	(684,000)
Net loss for the period	-	-	-	-	(620,381)	(620,381)
<b>As at June 30, 2019</b>	67,424,508	13,267,058	1,219,794	(798,000)	(11,782,385)	1,906,467

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

## **ALBA MINERALS LTD.**

### **NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

#### **2. NATURE AND CONTINUANCE OF OPERATIONS**

Alba Minerals Ltd. (the "Company"), incorporated in British Columbia, is a public company listed on the TSX Venture Exchange (the "Exchange") under the symbol AA. The address of the Company's corporate office and its principal place of business is #2150 - 555 West Hastings Street, Vancouver, British Columbia, Canada, V6B 4N6.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties in North and South America. The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related capitalized exploration expenditures is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company has incurred losses since its inception and has an accumulated deficit of \$11,782,385 at June 30, 2019 which has been funded primarily by issuance of shares. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future. The Company has been successful in the past in raising funds for operations by issuing shares but there is a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its activities or obtain financing at unfavorable terms. Furthermore, failure to continue as a going concern would require the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

These consolidated interim financial statements were authorized for issue on August 28, 2019 by the directors of the Company.

**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE**

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including International Accounting Standards (“IAS”) 34, Interim Financial Reporting. These consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company’s audited annual financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS.

These consolidated financial statements include the accounts of the Company and its 100% wholly owned subsidiary, Acrex Minerals (U.S.) Inc. (“Acrex US”). Acrex US was incorporated in the State of Nevada. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

These consolidated financial statements include the accounts of the Company and its 100% wholly owned subsidiary, Alba Minerals Ltd. (“Alba Argentina”). Alba Argentina was incorporated in Salta, Argentina. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

These consolidated interim financial statements have been prepared on the historical cost basis. The presentation and functional currency of the Company is the Canadian dollar.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**a) Significant accounting judgments, estimates and assumptions**

The preparation of the Company’s consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated interim financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgments in applying accounting policies:

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated interim financial statements:

- the determination that the Company will continue as a going concern for the next year.

**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES, *continued***

**b) Recent accounting pronouncements**

*Accounting standards and amendments issued but not yet effective*

*IRFS 16 Leases* will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. The Company does not expect the adoption of this standard will have significant impact on its financial statements.

**4. MARKETABLE SECURITIES**

On May 2, 2018, the Company received 3,800,000 common shares of Noram Ventures Inc. ("Noram") as partial consideration in the sale of the Company's interest in the Clayton Valley project (note 6).

The common shares are classified as fair value through other comprehensive income (loss) ("FVTOCI"). The initial fair value of the shares was \$1,140,000 based on quoted market price. As at December 31, 2018, the Company held 3,800,000 common shares of Noram. The closing share price was \$0.27 and the fair value of the shares was \$1,026,000. During the year ended December 31, 2018, the Company recognized an unrealized loss of \$114,000 in other comprehensive loss. The closing share price on June 30, 2019 was \$0.09 and the fair value of the shares was \$342,000. During the six months ended June 30, 2019, the Company recognized an unrealized loss of \$684,000.

**5. EQUIPMENT**

<b>Cost</b>	<b>Office equipment</b>		<b>Total</b>	
Balance, December 31, 2017	\$	-	\$	-
Additions		15,923		15,923
Balance, December 31, 2018		15,923		15,923
Additions		1,022		1,022
Balance, June 30, 2019	\$	16,945	\$	16,945
<b>Accumulated depreciation and impairments</b>				
Balance, December 31, 2017	\$	-	\$	-
Depreciation		582		582
Balance, December 31, 2018		582		582
Depreciation		1,586		1,586
Balance, June 30, 2019	\$	2,168	\$	2,168
<b>Carrying Amount</b>				
As at December 31, 2018	\$	15,341	\$	15,341
<b>Balance, June 30, 2019</b>	<b>\$</b>	<b>14,777</b>	<b>\$</b>	<b>14,777</b>

**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**6. MINERAL PROPERTIES EXPLORATION**

June 30, 2019	Chascha Norte	Clayton Valley	Rainbow Canyon	Quiron II	Muddy Mountain	Total
<b>Acquisition Costs</b>						
<i>Balance, December 31, 2018</i>	\$ 645,375	\$ -	\$ -	\$342,990	\$ 6,714	\$ 995,079
Additions	-	-	-	18,701	-	18,701
Proceeds on disposal	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
<b>Acquisition costs, June 30, 2019</b>	<b>645,375</b>	<b>-</b>	<b>-</b>	<b>361,691</b>	<b>6,714</b>	<b>1,013,780</b>
<b>Exploration Costs</b>						
<i>Balance, December 31, 2018</i>	-	-	2,686	62,426	-	65,112
Additions	-	-	-	-	6,468	6,468
Impairment	-	-	-	-	-	-
<b>Exploration costs, June 30, 2019</b>	<b>-</b>	<b>-</b>	<b>2,686</b>	<b>62,426</b>	<b>6,468</b>	<b>71,580</b>
<b>Balance, June 30, 2019</b>	<b>\$ 645,375</b>	<b>\$ -</b>	<b>\$ 2,686</b>	<b>\$424,117</b>	<b>\$ 13,182</b>	<b>\$ 1,085,360</b>
December 31, 2018	Chascha Norte	Clayton Valley	Rainbow Canyon	Quiron II	Muddy Mountain	Total
<b>Acquisition Costs</b>						
<i>Balance, December 31, 2017</i>	\$ -	\$ 255,000	\$ -	\$342,990	\$ -	\$ 597,990
Additions	645,375	-	-	-	6,714	652,089
Proceeds on disposal	-	(255,000)	-	-	-	(255,000)
Impairment	-	-	-	-	-	-
<b>Acquisition costs, Dec 31, 2018</b>	<b>645,375</b>	<b>-</b>	<b>-</b>	<b>342,990</b>	<b>6,714</b>	<b>995,079</b>
<b>Exploration Costs</b>						
<i>Balance, December 31, 2017</i>	-	8,972	-	28,524	-	37,496
Additions	-	21,811	2,686	33,902	-	58,399
Proceeds on disposal	-	(30,783)	-	-	-	(30,783)
Impairment	-	-	-	-	-	-
<b>Exploration costs, Dec 31, 2018</b>	<b>-</b>	<b>-</b>	<b>2,686</b>	<b>62,426</b>	<b>-</b>	<b>65,112</b>
<b>Balance, December 31, 2018</b>	<b>\$ 645,375</b>	<b>\$ -</b>	<b>\$ 2,686</b>	<b>\$405,416</b>	<b>\$ 6,714</b>	<b>\$ 1,060,191</b>

**Rainbow Canyon, Nevada** – By an Agreement dated March 25, 2011, the Company purchased non-patented mineral claims and staked additional claims during the same year, in Washoe County, Nevada, USA. The purchase price for the claims was US\$125,000 (CAN\$123,719). A 3% Net Smelter Return (“NSR”) is reserved to the vendor subject to the Company’s right to purchase back up to a 2% NSR by the payment of \$500,000 for each 1% NSR interest purchased.

On February 8, 2017, the Company entered into an option agreement with Astorius Resources Ltd. (“Astorius”) to sell 100% interest in the Rainbow Canyon gold property. To complete the exercise of the option, Astorius must pay an aggregate of \$80,000 cash by March 1, 2018. \$60,000 was received from Astorius during the year ended December 31, 2017 and an impairment of \$106,573 was recognized.

During the year ended December 31, 2018 this option agreement became in default as Astorius was unable to fulfill its commitment. The agreement was mutually terminated.



**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**6. MINERAL PROPERTIES EXPLORATION, *continued***

**Clayton Valley, Nevada** – On December 5, 2016, the Company entered into an interim agreement to acquire up to a 50% interest in mineral claims in Clayton Valley, Esmeralda County, Nevada. The agreement also includes claims in San Bernardino County, California. A final option agreement (the “Agreement”) was signed on February 8, 2017 with Noram, a company with a common director and Green Energy Inc. (“Green Energy”) (a wholly owned subsidiary of Noram).

The first part of the Agreement is an option to purchase a 25% interest in the property for \$255,000 paid to Green Energy as follows:

Requirement deadline	Cash
(v) Upon signing the letter of intent	\$ 127,500 (paid)
(vi) Completion of a drilling program by Green Energy Inc.	127,500 (paid)
	\$ 255,000

The second part of the Agreement grants the Company an option to acquire a further 25% interest in the property by making a series of payments totaling \$845,000 to Green Energy in 2017.

On January 8, 2018, the parties amended the second part of the agreement, granting the Company the option to acquire a further 25% interest in the property by making a cash payment of \$350,000 prior to March 1, 2018.

On May 28, 2018, the Company signed an agreement with Noram to sell its 25% interest in the Clayton Valley project. The transaction received final approval from the Exchange on November 19, 2018. In consideration for its interest, the Company received 3,800,000 common shares of Noram with an initial fair value of \$1,140,000 and cash of \$400,000. The closing share price on June 30, 2019 was \$0.09 and the fair value of the shares was \$342,000. During the six months ended June 30, 2019, the company recognized an unrealized loss of \$684,000. (Note 4).

**Quiron II, Argentina** - On August 2, 2017, the Company signed an option agreement to acquire 100% of the Quiron II lithium project, a prospective exploration property in the Pocitos Salar, Province of Salta, Argentina. On August 3, 2017, the Company received Exchange approval.

The final terms of the definitive agreement for the Company to acquire 100% interest in the Quiron II property are as follows:

Date	Cash	Shares Issued	Work Obligations
On signing the Definitive Agreement	US\$50,000 (paid)	2,400,000 (Issued, Note 5)	Nil
On Exchange approval	US\$50,000 (paid)	Nil	Nil
Exploration expenditures (18 months after Exchange approval)	Nil	Nil	US\$400,000
Upon Acceptance of an NI 43-101 Report by the Exchange	US\$400,000	Nil	Nil
<b>TOTAL</b>	<b>US\$500,000</b>	<b>2,400,000</b>	<b>US\$400,000</b>

**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**6. MINERAL PROPERTIES EXPLORATION, *continued***

**Quiron II, Argentina, *continued***

As at June 30, 2019, The Company was in default of the agreement. The Company is currently renegotiating with the optionor.

**Chascha Norte, Argentina** - On January 18, 2018, the Company entered into a property option agreement to acquire 100% interest in the Chascha Norte Property, located in Salar de Arizaro, Argentina for the following consideration:

- a) Cash payment of \$250,000 (paid); and
- b) Issuance of 4,500,000 common shares (issued).

On October 11, 2018, the Company received TSX Venture Exchange approval to acquire a 100% interest in the Chascha Norte Lithium Property in Salta, Argentina.

**Muddy Mountain, Nevada** – On June 25, 2018, the Company entered into a property option agreement with a non-arm's length party to acquire a 100% interest in the Muddy Mountain Project, located in Clark County, Nevada for the following consideration:

- a) Cash payment of US\$5,000 upon execution of the Agreement (paid);
- b) Total cash payments of US\$235,000 as follows:
  - i. US\$35,000 on the Exchange approval date;
  - ii. US\$45,000 on the first anniversary of the Exchange approval date;
  - iii. US\$55,000 on the second anniversary of Exchange approval date; and
  - iv. US\$100,000 on the third anniversary of Exchange approval date.
- c) Issuance of 1,400,000 common shares as follows:
  - i. 200,000 shares within 30 days of the Exchange approval date;
  - ii. 300,000 shares within 30 days of the first anniversary of the Exchange approval date;
  - iii. 400,000 shares within 30 days of the second anniversary of the Exchange approval date;
  - iv. 500,000 shares within 30 days of the third anniversary of the Exchange approval date.
- d) Completion of an aggregate of US\$120,000 in exploration expenditures as follows:
  - i. US\$20,000 on or before the first anniversary of the Exchange approval date;
  - ii. US\$40,000 on or before the first anniversary of the Exchange approval date;
  - iii. US\$60,000 on or before the first anniversary of the Exchange approval date.

The agreement is subject to a 2% NSR which can be repurchased by the Company for \$3,000,000.

**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**6. MINERAL PROPERTIES EXPLORATION, *continued***

**Muddy Mountain, Nevada, *continued***

As at June 30, 2019, The Company was in default of the agreement. The Company is currently renegotiating with the optionor.

**7. SHARE CAPITAL AND RESERVES**

**Authorized**

Unlimited common shares without par value.

**Issued**

**2018**

During the year ended December 31, 2018, the Company issued 850,000 common shares pursuant to the exercise of options at \$0.09 per share for total cash proceeds of \$76,500 and an adjustment to share based payment reserve of \$66,689.

During the year ended December 31, 2018, the Company issued 5,930,167 common shares pursuant to the exercise of warrants at prices of \$0.06, \$0.075 and \$0.15 per share for total cash proceeds of \$552,365.

On November 10, 2018, the Company issued 4,500,000 common shares with a fair value of \$315,000 for an option payment on the Chascha Norte property (Note 6).

**2019**

On March 20, 2019, the Company completed a private placement raising a total of \$602,500 through the sale of 7,531,250 units at a price of \$0.08 per unit. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.10 for a period of 24 months. The unit warrants have been valued at \$7,531 using the residual value method.

In connection with the March 20, 2019 private placement, the Company paid cash of \$41,880 and issued 523,500 finders' warrants with a fair value of \$30,086. The broker warrants were valued using the Black Scholes option pricing model with the following assumptions: market price of \$0.10, term of two years; volatility of 111%; dividend of 0%; and discount rate of 1.6%.

In May, 2019, the Company issued 500,000 common shares upon the exercise of warrants at a price of \$0.075 for gross proceeds of \$37,500.

In May, 2019, the Company issued 625,000 common shares pursuant to the exercise of options at \$0.065 per share for total cash proceeds of \$40,625 and an adjustment to share based payment reserve of \$37,500.

**Share-based Payments Reserve**

Share-based payment reserve records items recognized as share-based compensation expense and other share-based payments until such time as the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**7. SHARE CAPITAL AND RESERVES**

**Share-based Payments Reserve, *continued***

**Held for sale reserve**

The reserve records unrealized gains and losses arising on held for sale financial assets except for impairment losses and foreign exchange gains and losses.

**8. STOCK OPTIONS**

Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the pricing policies of the Exchange. Options vest immediately when granted and expire five years from the date of the grant, unless the Board establishes more restrictive terms.

The aggregate number of shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued shares of the Company.

On September 5, 2018 and December 31, 2018, the Company granted 3,000,000 and 1,600,000, respectively, incentive stock options to directors, officers, and consultants of the Company. These options vest immediately and are exercisable at \$0.065 per share for a period of ten years, expiring September 5, 2028 and December 3, 2028. The estimated fair value was calculated for the options using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.24% and 1.96% respectively, expected life of 10 years, no annual dividends, expected volatility of 200% and a forfeiture rate of 20%. During the year ended December 31, 2018, the Company recognized \$269,244 in share based compensation relating to these grants.

During the year ended December 31, 2018, 950,000 options expired or were cancelled by the Company.

All options granted are in accordance with the company's 10% rolling stock option plan.

The continuity of options is as follows:

**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

	June 30 2019		December 31 2018	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
Outstanding - beginning of period	5,800,000	\$ 0.070	3,000,000	\$ 0.090
Granted	-	-	4,600,000	0.065
Exercised	(625,000)	0.065	(850,000)	0.090
Expired	-	-	(950,000)	0.090
Outstanding - end of period	5,175,000	\$ 0.070	5,800,000	\$ 0.070

**8. STOCK OPTIONS, *continued***

Details of the share options outstanding and exercisable as at June 30, 2019 are as follows:

Expiry Date	Number of Options Outstanding	Number of Options Vested	Number of Options Unvested	Exercise Price	Weighted Average Remaining Life
December 3, 2028	1,600,000	1,600,000	Nil	\$ 0.065	9.43 years
September 5, 2028	2,375,000	3,000,000	Nil	\$ 0.065	9.19 years
November 9, 2022	1,200,000	1,200,000	Nil	\$ 0.090	3.36 years

As at June 30, 2019, stock options outstanding had a weighted average remaining life of 8.3 years (December 31, 2018 – 8.55 years).

**9. WARRANTS**

As at June 30, 2019, the following warrants were outstanding:

	Number of Warrants	Weighted average Exercise price	Expiry date	Remaining Life (years)
Issued in private placement	2,000,000	\$ 0.150	February 15, 2020	0.88
Issued in private placement	3,347,500	\$ 0.150	March 6, 2020	0.93
Issued in private placement	9,225,000	\$ 0.075	November 29, 2020	1.67
Issued in private placement	3,893,333	\$ 0.075	December 1, 2020	1.67
Issued in private placement	8,054,750	\$ 0.100	March 20, 2021	1.97
	26,520,583	\$ 0.100		

**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**9. WARRANTS, *continued***

Warrant activity for the six months ended June 30, 2019 and year December 31, 2018 is presented below:

	June 30 2019		December 31 2018	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Outstanding - beginning of period	18,965,833	\$ 0.100	25,996,000	\$ 0.09
Exercised	(500,000)	\$ 0.075	(5,930,167)	\$ 0.09
Granted	8,054,750	\$ 0.100	-	-
Expired	-	-	(1,100,000)	\$ 0.06
Outstanding - end of period	26,520,583	\$ 0.10	18,965,833	\$ 0.10

As at June 30, 2019, warrants outstanding had a weighted average life outstanding of 1.36 years (December 31, 2018 – 1.42 years).

On September 7, 2018, the Company extended the expiry dates of the warrants issued on November 29, 2018 and December 1, 2018. These warrants remain exercisable at a price of \$0.075 per common share but have been extended an additional two years and will now expire on November 29, 2020 and December 1, 2020.

**10. RELATED PARTY TRANSACTIONS**

During the six month periods ended June 30, 2019 and 2018, the Company incurred management fees totalling \$189,000 (2018 - \$136,500) from companies controlled by officers and common directors.

The aggregate remuneration during the six months ended June 30, 2019 and 2018 of the Company's key management consists of:

	2019	2018
Management fees	\$ 189,000	\$ 136,500

During the six month period ended June 30, 2019 and 2018 the Company incurred rent of \$Nil (2018 - \$6,180) and accounting fees of \$Nil (2018 - \$4,500) from a company controlled by a former officer.

At June 30, 2019, accounts payable and accrued liabilities included \$46,585 (December 31, 2018 – \$44,500) for amounts due to companies controlled by officers and directors in respect of the fees indicated above.

## **ALBA MINERALS LTD.**

### **NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018

(Unaudited - Expressed in Canadian Dollars)

Key management personnel comprise the Company's Board of Directors and executive officers. No remuneration was paid to key management personnel during the periods ended June 30, 2019 and 2018 other than as indicated above.

#### **11. CAPITAL MANAGEMENT**

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating costs over a reasonable future period. The Company accesses capital markets as necessary and may also raise additional funds where advantageous circumstances arise.

The Company currently has no externally-imposed capital requirements. There was no change to the Company's approach to capital management during the period.

#### **12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

As at June 30, 2019 and December 31, 2018, the Company's financial instruments consist of cash, subscriptions receivable, marketable securities and accounts payable.

In management's opinion, the Company's carrying values of cash, marketable securities and accounts payable approximate their fair values due to the immediate or short term maturity of these instruments.

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Cash and marketable securities are classified under Level 1.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data. Accounts payable are classified under Level 3.

The Company's financial instruments are exposed to the following risks:

##### Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held at a large Canadian financial institution in interest bearing accounts, and therefore the Company is subject to low credit risk.

**ALBA MINERALS LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT, *continued***

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined in Note 11 to the financial statements.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices and foreign exchange rates.

The Company does not believe it is exposed to significant market risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company does not believe it is exposed to significant interest rate risk.

Price Risk

The Company is not exposed to price risk.

Currency Risk

As at June 30, 2019, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. As a result, the Company does not believe it is exposed to any significant currency risk.

**13. OPERATING SEGMENT INFORMATION**

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral properties located in the United States in the State of Nevada, and in Argentina in the Provinces of Salta and Salar de Arizaro.



**ALBA MINERALS LTD.**

**NOTES TO THE FINANCIAL STATEMENTS**

As at and for the periods ended June 30, 2019 and 2018  
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**14. SUBSEQUENT EVENTS**

On May 9, 2019, the Company entered into an agreement with Journey Exploration Inc. ("Journey"), a private arm's length company, to acquire all of the issued and outstanding share capital of Journey. Journey holds a 100% interest in five prospective vanadium and uranium properties, and an option to acquire 100% of a sixth property in Colorado and Utah known as the Torado Vanadium and Uranium Project.

Subsequent to the quarter ended June 30, 2019, the Company filed a Notice of Intent with the BLM for its Rainbow Canyon Property to include additional drilling, to follow up on the RCR-03 gold intercept with 3-5 RC drill holes.

**SCHEDULE “B”**

**MANAGEMENT DISCUSSION & ANALYSIS OF ALBA MINERALS INC. FOR  
THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016**

**AND  
FOR THE PERIOD ENDED JUNE 30, 2019**

**ALBA MINERALS LTD.**

Management's Discussion and Analysis

Year Ended December 31, 2018

April 24, 2019

**ALBA MINERALS LTD.**

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the years ended December 31, 2018 and December 31, 2017

## **ALBA MINERALS LTD.**

Management's Discussion and Analysis

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Alba Minerals Ltd. (the "Company" or "Alba") was incorporated in British Columbia under the *Business Corporations Act* (British Columbia) and is engaged in the acquisition, exploration and development of resource properties. The Company's common shares are listed for trading on Tier 2 of the TSX Venture Exchange (the "Exchange") under the symbol "AA".

This management's discussion and analysis ("MD&A") reports on the operating results and financial condition of the Company for the year ended December 31, 2018 and is prepared as of April 24, 2019. The MD&A should be read in conjunction with the Company's audited annual consolidated financial statements for the years ended December 31, 2018 and December 31, 2017 and the notes thereto which were prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

### **Cautionary Note Regarding Forward-Looking Information**

This document may contain "forward-looking information" within the meaning of Canadian securities legislation ("forward-looking statements"). These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, the Company and its operations, its planned exploration activities, the adequacy of its financial resources and statements with respect to the estimation of mineral reserves and mineral resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including "may", "future", "expected", "intends" and "estimates". By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual consolidated financial statements and management's discussion and analysis of those statements, all of which are filed and available for review under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

### **Description of Business**

Alba Minerals Ltd. is an exploration stage company engaged in the acquisition, exploration and development of resource properties. As at December 31, 2018, the Company has interests in the following resource properties:

- 1. Rainbow Canyon, Nevada** – By an agreement dated March 25, 2011, the Company purchased non-patented mineral claims and staked additional claims during the same year, in Washoe County, Nevada, USA. The purchase price for the claims was US\$125,000 (CAN\$123,719). A 3% Net Smelter Return ("NSR") is reserved to the

## ALBA MINERALS LTD.

Management's Discussion and Analysis

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vendor subject to the Company's right to purchase back up to a 2% NSR by the payment of \$500,000 for each 1% NSR interest purchased.

On February 8, 2017, the Company entered into an option agreement with Astorius Resources Ltd. ("Astorius") to sell 100% interest in the Rainbow Canyon gold property. To complete the exercise of the option, Astorius must pay an aggregate of \$80,000 cash by March 1, 2018. \$60,000 was received from Astorius during the year ended December 31, 2017 and an impairment of \$106,573 was recognized.

During the year ended December 31, 2018 this option agreement became in default as Astorius was unable to fulfill its commitment. The agreement was mutually terminated.

### 2. Clayton Valley, Nevada, USA

On December 5, 2016, the Company entered into an interim agreement to acquire up to a 50% interest in 888 mineral claims comprising approximately 17,000 acres in Clayton Valley, Esmeralda County, Nevada. The Agreement also includes claims in San Bernardino County, California. A final option agreement (the "Agreement") was signed on February 8, 2017 with Noram Ventures Inc. and Green Energy Inc. (a wholly owned subsidiary of Noram Ventures Inc.).

The first part of the Agreement is an option to purchase a 25% interest in the property for \$255,000 paid to Green Energy Inc. as follows:

Requirement Deadlines	Cash
Upon signing the letter of intent	\$ 127,500 (paid)
Completion of a drilling program by Green Energy Inc.	\$ 127,500 (paid)
<b>TOTAL:</b>	<b>\$ 255,000</b>

The second part of the Agreement grants to the Company an option to acquire a further 25% interest in the property by making a series of payments totaling \$845,000 to Green Energy in 2017.

On January 8, 2018, the parties amended the second part of the agreement, granting the Company an option to acquire a further 25% interest in the property by making a cash payment of \$350,000 prior to March 1, 2018.

On May 28, 2018, the Company signed an agreement with Noram to sell its 25% interest in the Clayton Valley project. The transaction received final approval from the TSX Venture Exchange on November 19, 2018. In consideration for its interest, the Company received 3,800,000 common shares of Noram with a fair value of \$1,140,000 and cash of \$400,000. The Company recorded a gain of sale of \$1,254,217.

3. **Quiron II, Argentina** - On August 2, 2017, the Company signed an option agreement to acquire 100% interest in the Quiron II lithium project, a prospective exploration property in the Pocitos Salar, Province of Salta, Argentina. On August 3, 2017, the Company received TSX Venture Exchange ("Exchange") Approval.

The final terms of the definitive agreement for the Company to acquire 100% interest in the Quiron II property are as follows:

Date	Cash	Shares Issued	Work Obligations
On signing the Definitive Agreement	US\$50,000 (paid)	2,400,000 (issued)	Nil
Upon Exchange approval	US\$50,000 (paid)	Nil	Nil

## ALBA MINERALS LTD.

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On in-depth exploration EIA approval (18 months after Exchange approval)	Nil	Nil	US\$400,000
Upon Acceptance of an NI 43-101 Report by the Exchange	US\$400,000	Nil	Nil
<b>TOTAL</b>	<b>US\$500,000</b>	<b>2,400,000</b>	<b>US\$400,000</b>

During the year ended December 31, 2018, the Company incurred \$33,902 (2017 - \$28,524) in exploration expenditures on the Quiron II Property.

4. **Chascha Norte** – On January 18, 2018, the Company entered into a property option agreement to acquire 100% interest in the Chascha Norte Property, located in Salar de Arizaro, Argentina for the following consideration:

- a) Cash payment of US\$250,000 (\$50,000 upon signing and \$200,00 within 30 days of Exchange approval); and
- b) Issuance of 4,500,000 common shares (issued).

On October 11, 2018, the Company received TSX Venture Exchange approval for this transaction.

During the year ended December 31, 2018, the Company incurred \$Nil (2017 - \$Nil) in exploration expenditures on the Chascha Norte Property.

5. **Muddy Mountain, Nevada** – On June 25, 2018, the Company entered into a property option agreement with a non-arm's length party to acquire a 100% interest in the Muddy Mountain Project, located in Clark County, Nevada for the following consideration:

- e) Cash payment of US\$5,000 upon execution of the Agreement (paid); and, if the Company decides to proceed with the acquisition after its due diligence investigation,
- f) Additional cash payments of US\$235,000 as follows:
  - i. US\$35,000 on the Exchange Approval Date;
  - ii. US\$45,000 on the first anniversary of the Exchange approval date;
  - iii. US\$55,000 on the second anniversary of the Exchange approval date; and
  - iv. US\$100,000 on the third anniversary of the Exchange approval date.
- g) Issuance of 1,400,000 common shares as follows:
  - i. 200,000 shares within 30 days of the Exchange approval date;
  - ii. 300,000 shares within 30 days of the first anniversary of the Exchange approval Date;
  - iii. 400,000 shares within 30 days of the second anniversary of the Exchange approval Date;
  - iv. 500,000 shares within 30 days of the third anniversary of the Exchange approval Date.
- h) Completion of an aggregate of US\$120,000 in exploration expenditures as follows:
  - i. US\$20,000 on or before the first anniversary of the Exchange approval date;
  - ii. US\$40,000 on or before the first anniversary of the Exchange approval date;
  - iii. US\$60,000 on or before the first anniversary of the Exchange approval date.

The agreement is subject to a 2% NSR which can be repurchased by the Company for \$3,000,000.

On July 4, 2018, the Company received TSX Venture Exchange approval for this transaction.

As at December 31, 2018, The Company was in default of the agreement. The Company is currently renegotiating with the optionor.

## ALBA MINERALS LTD.

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During the year ended December 31, 2018, the Company incurred \$Nil (2017 - \$Nil) in exploration expenditures on the Muddy Mountain Property.

### Risk Factors

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. Mineral property exploration is a speculative business and involves a high degree of risk. There is a probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis to further the development of a property. Capital expenditures to support the commercial production state are also very substantial.

*Matters related to the principal risks faced by the Company have been disclosed in previous MD&A's filed on SEDAR and continue to apply to the activity and business of the Company.*

### Selected Annual Information

The following selected financial data with respect to the Company's financial condition and results of operations has been derived from the audited financial statements of the Company for the years ended December 31, 2018, 2017 and 2016 prepared in accordance with IFRS. The selected financial data should be read in conjunction with those financial statements and the notes thereto.

The following selected financial information is extracted from the audited annual consolidated financial statements of the Company prepared in accordance with IFRS.

	31Dec18	31Dec17	31Dec16
<b>Interest Income</b>	\$Nil	\$(522)	\$(41,081)
<b>Net Income (Loss) for the year</b>	\$36,359	\$(1,126,895)	\$(316,868)
<b>Income (Loss) per Share</b>	\$0.01	\$(0.04)	\$(0.03)
<b>Total Assets</b>	\$2,676,096	\$1,548,597	\$632,380
<b>Total Liabilities</b>	\$103,993	\$111,962	\$193,399
<b>Working Capital</b>	\$1,496,571	\$801,149	\$150,220

The referenced audited annual financial statements of the Company above have been prepared in accordance with IFRS. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of consolidated financial statements for a period necessarily involves the use of estimates, which have been made using careful judgment. Actual results may differ from these estimates.

### Results of Operations

At December 31, 2018, total assets were \$2,676,096 compared to \$1,548,597 as at December 31, 2017. This increase in assets is due to increases in cash and marketable securities offset by subscriptions receivable and prepaid expenses.

The Company has no operating revenues.

### Year Ended December 31, 2018

During the year ended December 31, 2018, the Company reported a net loss of \$1,217,858 compared to a net loss of \$1,031,500 during the year ended December 31, 2017, representing an increased loss of \$186,358.

The increase in loss is primarily attributed to the following:

## ALBA MINERALS LTD.

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- An increase of \$33,872 in share-based compensation due to incentive stock options issued during the year. Share-based compensation was \$269,244 for the year ended December 31, 2018, compared to \$235,372 for the prior year.
- An increase in office and general expenses of \$53,973. For the year ended December 31, 2018, office and general expenses were \$80,999 compared to \$27,026 for the prior year.
- An increase of \$6,819 in consulting fees. Consulting fees were \$123,189 in the year ended December 31, 2018, compared to \$116,370 in the prior year.
- An increase of \$62,445 in corporate communications. Corporate communications were \$231,725 in the year ended December 31, 2018, compared to \$169,280 in the prior year.

These increases were partially offset by the following expense decreases:

- A decrease of \$9,985 in accounting and audit fees. Accounting and audit fees were \$20,015 in the year ended December 31, 2018, compared to \$30,000 in the prior year.

### Summary of Quarterly Results

	31Dec18	30Sept18	30Jun18	31Mar18	31Dec17	30Sept17	30Jun17	31Mar17
<b>Interest Income</b>	Nil	Nil	Nil	\$(1,682)	\$(522)	Nil	Nil	\$(522)
<b>Operating Costs</b>	\$(297,962)	\$(362,620)	\$(160,298)	\$(396,978)	\$(404,088)	\$(190,291)	\$(186,442)	\$(250,679)
<b>Net Income (Loss)</b>	\$957,937	\$(362,620)	\$(160,298)	\$(398,660)	\$(498,961)	\$(190,291)	\$(186,442)	\$(251,201)
<b>Total Assets</b>	\$2,676,096	\$1,468,233	\$1,646,191	\$1,818,828	\$1,548,597	\$859,608	\$684,027	\$901,360
<b>Total Liabilities</b>	\$103,993	\$147,246	\$142,349	\$158,638	\$111,962	\$87,596	\$156,689	\$179,780
<b>Working Capital</b>	\$1,496,571	\$544,151	\$721,893	\$929,740	\$(801,149)	\$773,535	\$108,273	\$302,515

The following discussion outlines the reasons for some of the variations in the quarterly numbers but, as with most junior mineral exploration companies, the results of operations (including interest income and net losses) are not the main factors in establishing the financial health of the Company. Of far greater significance are the resource properties in which the Company has, or may earn an interest, its working capital and how many shares it has outstanding. The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property evaluation program and the timing and results of the Company's exploration activities on its then current properties, none of which are possible to predict with any accuracy.

There are no general trends regarding the Company's quarterly results and the Company's business of resource exploration is not seasonal, as it can work on its property on a year-round basis (funding permitting). Quarterly results may vary significantly depending mainly on whether the Company has abandoned any properties or granted any stock options and these factors which may account for material variations in the Company's quarterly net income (losses) are not predictable.

The major factor which may cause a material variation in net loss on a quarterly basis is the completion in the Company's annual audits which can be seen in the quarter ending March 31, 2018 and March 31, 2017. Another is the completion of private placements which occurred in the quarters ending December 31, 2017 and March 31, 2017. Increases in promotional and travel expenses occurred in the quarter ending March 31, 2018, where members of management arranged a trip in Germany as related to the Company's Frankfurt listing. Travel also increased due to a number of trips to the Company's properties for work programs, possible acquisitions and/or expansions. Operating costs increased in the quarters ending September 30, 2018 due to increases in share-based compensation as a result of incentive stock options granted to directors, officers and consultants of the Company.



## **ALBA MINERALS LTD.**

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Significant increases in assets are seen in the December 31, 2018 and March 31, 2017 quarter is due to increases in cash due to the exercise of warrants and options and receipt of subscription receivables for a recently closed private placement. Another increase in assets in the Company's acquisition of the Quiron II property, which can be seen in the quarter of September 30, 2017, and the acquisition of the Muddy Mountain property which can be seen in the June 30, 2018 quarter. Another significant increase in assets can be seen in December 31, 2018 due to increases in exploration expenditures and the receipt of 3,800,000 common share for its sale of its Clayton Valley project. Decreases in assets can be seen during the quarter of June 30, 2018 and September 30, 2018 pertaining to the Company's termination of properties. The variation in income is related solely to the interest earned on funds held by the Company, which is dependent upon the success of the Company in raising the required financing for its activities which will vary with overall market conditions and is therefore difficult to predict.

### **Liquidity and Capital Resources**

The Company has no revenue generating operations from which it can internally generate funds and therefore has been incurring losses since inception. The Company has financed its operations and met its capital requirements primarily through the sale of capital stock by way of private placements and the subsequent exercise of share purchase warrants issued in connection with such private placements and the exercise of stock options. The Company also has raised funds through the sale of interests in its mineral properties. When acquiring interests in resource properties through purchase or option, the Company issues common shares or a combination of cash and shares to the vendors of the property as consideration for the property in order to conserve its cash. The Company expects that it will continue to operate at a loss for the foreseeable future and will require additional financing to fund the exploration of its existing properties and the acquisition of potential resource properties.

At December 31, 2018, the Company had cash of \$535,637 compared to cash of \$317,900 in the previous year. The Company has no off-balance sheet financing. The Company has no long-term debt, however had a loan receivable from a company with a common director, this loan was unsecured, and bore interest at 12% per annum and was due on demand. The principal of the loan was received during the year. The Company's cash flow has increased due to increases in financing activities and warrant exercises.

At this time, the Company has no operating revenues, and does not anticipate any operating revenues until the Company is able to find, acquire, place in production, and operate a resource property. Historically, the Company has raised funds through equity financing to fund its operations.

The Company will need to raise additional cash for working capital or other expenses. In addition, as a result of the Company's activities, unanticipated problems or expenses could result and require additional capital requirements, subject to TSX Venture Exchange policies and approvals.

The Company has no assets other than cash deposits and has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. Management believes the Company does have sufficient working capital at this time to meet its current financial obligations.

### **Related Party Transactions**

During the year ended December 31, 2018, the Company entered into the following transactions with related parties:

- a) The Company incurred management fees totaling \$275,620 (2017: \$281,500) from companies controlled by former officers and common directors.
- b) The Company incurred \$Nil (2017 - \$17,446) from a law firm of which a former director is a principal.
- c) The Company incurred geological consulting fees of \$Nil (2017: \$6,800) from a company controlled by a common director.

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- d) The Company incurred office services of \$11,330 (2017: \$6,060) and accounting fees of \$4,500 (2017: \$21,000) from a company controlled by a former officer, and
- e) At December 31, 2018, accounts payable and accrued liabilities included \$44,500 (December 31, 2017: \$45,250) for amounts due to companies controlled by directors and management in respect of the fees indicated above.

Share-based compensation expenses were \$87,584 (2017 - \$117,686) for the related parties.

### **Critical Accounting Estimates**

In the application of the Company's accounting policies, which are described in note 3 to the audited financial statements for the year ended December 31, 2018, management is required to make judgments, apart from those requiring estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

- the determination of the Company's ability to continue its operations as a going concern;
- the determination of any impairment on the Company's assets.

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. 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.

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.

### **Recently adopted accounting standards and accounting standards issued but not yet effective:**

IFRS 16 Leases will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. The Company does not expect the adoption of this standard will have significant impact on its financial statements.

### **Fair Value of Financial Instruments**

#### **1. Fair value of financial instruments**

The carrying values of cash and cash equivalents, amounts receivable and trade payables and accrued liabilities approximate their fair values because of their short-term nature. The fair values of marketable securities are based on current bid prices at December 31, 2018.

In evaluating fair value information, considerable judgment is required to interpret the market data used to develop the estimates. The use of different market assumptions and valuation techniques may have a material effect on the estimated fair value amounts. Accordingly, the estimates of fair value presented herein may not be indicative of the amounts that could be realized in a current market exchange.

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Inputs for the asset or liability that are not based on observable market data.

As at December 31, 2018, there are \$Nil in financial assets at fair value.

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During the year ended December 31, 2018, a market-to-market loss of \$Nil (2017 - \$Nil) for marketable securities designated as available-for-sale has been recognized in other comprehensive income.

There were no financial liabilities at fair value as at December 31, 2018, and April 24, 2019.

### 2. Financial instrument risk

The Company is exposed in varying degrees to a variety of financial instrument related to risks. The Board approves and monitors the risk management processes:

#### (i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of advances made to related parties. The Company manages liquidity risk through the management of its capital structure and financial leverage. Management does not believe that there is significant credit risk arising from these advances. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

#### (ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company does not have investments in any asset-backed commercial papers. Foreign exchange risk The Company's functional currency is the Canadian dollar. Therefore, the Company is not exposed to foreign exchange risk.

#### (iii) Market risk

##### (a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. Financial assets and financial liabilities are not exposed to interest rate risk because they are non-interest bearing.

##### (c) Commodity price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of palladium, nickel, and gold. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

During the year ended December 31, 2018, there were no changes to the Company's risk exposure or to the Company's policies for risk management.

### **Capital Management**

The Company's objectives when managing capital are to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern and maintain adequate levels of funds to support the acquisition, exploration and development of exploration and evaluation assets such that it can continue to provide returns to shareholders and benefits for other stakeholders.

The Company considers the items included in shareholders' equity as capital. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the Company's

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underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or sell assets to settle liabilities. The Company has no long-term debt and is not subject to externally imposed capital requirements.

The properties in which the Company currently has an interest in are in the exploration stage, as such, the Company does not recognize revenue from its exploration properties. The Company's historical sources of capital have consisted of the sale of equity securities, loans, advances from related parties and interest income. In order for the Company to carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and expects to raise additional amounts externally as needed.

The Company is not subject to any externally imposed capital requirements.

### ***Financings***

On March 10, 2017, the Company completed the private placement of 7,500,000 units at a price of \$0.10 per unit for gross proceeds of \$750,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.15 per share for a period of 24 months. The Company has paid \$48,071 to persons introducing subscribers to the Company.

On December 1, 2017, the Company completed a private placement of 13,735,000 units at a price of \$0.06 per unit for gross proceeds of \$824,100. Each unit consists of one common share of the Company and one common share purchase warrant. Each Warrant is exercisable to acquire one additional common share of the Company at a price of \$0.075 per share for one year. Share issuance costs incurred on this private placement include finder's fees of \$4,320, 72,000 warrants with a fair value of \$8,330, and other costs of \$18,492. The fair value of finder's warrants was estimated using the Black Scholes Option Pricing Model with the following assumptions: expected life – 1 year, volatility – 192%, risk-free rate – 1.50%, and dividend yield – 0%. Subscriptions receivables consists of \$510,000, which was received subsequent to December 31, 2017. On September 7, 2018, the Company extended the warrants issued in this placement for an additional two years, Applicable warrants will now expire on November 29, 2020 and December 1, 2020.

On March 20, 2019, the Company completed a private placement of 7,531,250 units at a price of \$0.08 per unit for gross proceeds of \$602,500. Each unit consists of one common share of the Company and one transferrable share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.10 per share for a period of 24 months. The Company paid \$41,880 cash and issued 487,500 warrants to finders. The finder's warrants are exercisable into one common share of the Company at a price of \$0.10 per share for a period of 24 months.

### ***Property Acquisitions***

On August 3, 2017, the Company issued 2,400,000 common shares with a fair value of \$216,000 for the Quiron II property as per the option agreement terms.

On November 10, 2018, the Company issued 4,500,000 common shares with a fair value of \$315,000 for an option payment on the Chascha Norte property.

### ***Shares for Debt***

On September 19, 2017, the Company issued 390,000 common shares with a fair value of \$27,300 for settlement of accounts payable of \$39,000, resulting in a gain on debt settlement of \$11,700.

### ***Warrants***

During the year ended December 31, 2017, the Company issued 5,311,000 common shares upon the exercise of warrants at a price of \$0.06 for gross proceed of \$318,660.

On January 8, 2018, 400,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$24,000.

## **ALBA MINERALS LTD.**

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On January 11, 2018, 200,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$30,000.

On January 18, 2018, 730,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$109,500 and 300,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$18,000.

On January 23, 2018, 350,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$52,500, and 100,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$6,000.

On January 26, 2018, 50,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$7,500.

On February 1, 2018, 422,500 warrants with an exercise price of \$0.15 were exercised for proceeds of \$63,375 and 2,410,000 warrants with an exercise price of \$0.06 for proceeds of \$144,600.

On February 21, 2018, 400,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$60,000.

On March 7, 2018, 134,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$8,040.

On March 19, 2018, 245,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$14,700.

On May 1, 2018, 152,667 warrants with an exercise price of \$0.075 were exercised for proceeds of \$11,450.

On November 26, 2018, 36,000 warrants with an exercise price of \$0.075 were exercised for proceeds of \$2,700.

### ***Options***

The Company has a Rolling Stock Option Plan (the "Plan"), which follows the policies of the Exchange regarding stock option awards granted to employees, directors, and consultants. The stock option plan allows a maximum of 10% of the issued shares to be reserved for issuance under the plan.

On November 9, 2017, the Company granted 3,000,000 incentive stock options to officers, directors and consultants of the Company, vesting immediately, to purchase 3,000,000 common shares at a price of \$0.09 for a period of five years from the date of issue.

On January 9, 2018, 200,000 options with an exercise price of \$0.09 were exercised for proceeds of \$18,000.

On January 17, 2018, 100,000 options with an exercise price of \$0.09 were exercised for proceeds of \$9,000.

On January 23, 2018, 50,000 options with an exercise price of \$0.09 were exercised for proceeds of \$4,500.

On January 26, 2018, 100,000 options with an exercise price of \$0.09 were exercised for proceeds of \$9,000.

On February 1, 2018, 400,000 options with an exercise price of \$0.09 were exercised for proceeds of \$36,000.

On September 5, 2018, the Company granted 3,000,000 incentive stock options to officers, directors and consultants of the Company, vesting immediately, to purchase 3,000,000 common shares at a price of \$0.065 for a period of ten years from the date of issue.

During the year ended December 31, 2018, 950,000 options were expired or cancelled by the Company.

The fair value of the options issued was \$264,244 using the Black-Scholes Option Pricing Model and accounted for as share-based compensation.

### ***Outstanding Share Data***

**ALBA MINERALS LTD.**

Management's Discussion and Analysis

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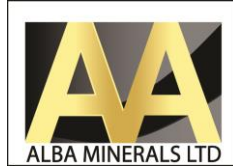
As at December 31, 2018, the Company had 58,768,258 common shares issued and outstanding. As at the same date, there were 18,965,833 warrants outstanding, and 5,800,000 options were outstanding.

As at the date of this MD&A, the Company has 66,299,508 common shares issued and outstanding, 26,984,583 warrants outstanding and 5,800,000 options outstanding.

	<u>Number of Shares</u>	<u>Number of Options</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
<b>Issued and Outstanding</b>	66,299,508	1,200,000	\$0.09	November 9, 2022
		3,000,000	\$0.065	September 5, 2028
		1,600,000	\$0.065	December 3, 2028
		5,800,000		
<b>Warrants</b>				
	<u>Number Outstanding</u>		<u>Exercise Price</u>	<u>Expiry Date</u>
	1,950,000		\$0.15	February 15, 2020
	3,347,500		\$0.15	March 6, 2020
	9,725,000		\$0.075	November 29, 2020
	3,893,333		\$0.075	December 1, 2020
	7,531,250		\$0.10	March 20, 2021
	487,500		\$0.10	March 20, 2021
	26,984,583			

**Additional Information**

Additional information about the Company is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).



**ALBA MINERALS LTD.**  
**(“Company”)**  
**Form 51-102F1 Management's Discussion & Analysis**  
**For the Year Ended December 31, 2017**

**1.1 Date April 30, 2018**

**Introduction**

The following management's discussion and analysis, prepared as of December 31, 2017, is a review of operations, current financial position and outlook for Alba Minerals Ltd., (the "Company") and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2017 and the notes thereto. The reader should also refer to the annual audited financial statements for the year ended December 31, 2017. Amounts are reported in Canadian dollars based upon financial statements prepared in accordance with International Financial Reporting Standards. Additional information relevant to the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

**Forward-Looking Statements**

Certain statements contained in the following Management's Discussion and Analysis (MD&A) constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

**Risks and Uncertainties**

A going concern assessment is outlined in Note 2 of the financial statements.

**1.2 Overall Performance**

**Description of Business**

The Company is a reporting issuer in British Columbia, Alberta and Ontario and its common shares are listed and posted for trading on the TSX Venture Exchange under the symbol "AA".

The Company's head office and its registered and records offices are located at Suite 304, 700 West Pender Street, Vancouver, British Columbia, V6C 1G8.

The principal business of the Company is the acquisition, exploration and development of natural resource properties. The Company currently owns or has acquired an option to earn an interest in, properties located in Argentina and Nevada, USA.

Additional information related to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com), and the Company's website [www.albamineralsltd.com](http://www.albamineralsltd.com).

## Performance Summary

The following is a summary of significant events and transactions that occurred during the year ended December 31, 2017:

### Clayton Valley, Nevada, USA

On December 5, 2016, the Company entered into an interim agreement to acquire up to a 50% interest in 888 mineral claims comprising approximately 17,000 acres in Clayton Valley, Esmeralda County, Nevada. A final option agreement (the "Agreement") was signed on February 8, 2017 with Noram Ventures Inc. and Green Energy Inc. (a wholly owned subsidiary of Noram Ventures Inc.).

The first part of the Agreement is an option to purchase a 25% interest in the property for \$255,000 payable to Green Energy Inc. as follows:

Requirement Deadlines	Cash
(i) Upon signing the letter of intent	127,500 (paid)
(ii) Completion of a drilling program by Green Energy Inc.	127,500 (paid)
<b>TOTAL:</b>	<b>255,000</b>

The second part of the Agreement grants to the Company an option to acquire a further 25% interest in the property by making a series of payments totaling \$845,000 to Green Energy in 2017.

On September 1, 2017, the Companies party to the Agreement mutually agreed to allow 242 of the Clayton Valley claims to lapse as well as all of the Hector Lode claims. This reduction, as well as the significant delay in the production of the NI43-101 report, was the basis under which discussions to re-negotiate the agreement were commenced.

On January 8, 2018, the parties amended the second part of the agreement, granting the Company an option to acquire a further 25% interest in the property by making a cash payment of \$350,000 prior to March 1, 2018. Due to delays in the commencement of drilling, this agreement is also currently being amended to extend the time period.

**Rainbow Canyon, Nevada** – By an Agreement dated March 25, 2011, the Company purchased 52 non-patented mineral claims and staked another 48 claims during the same year, covering approximately 421 hectares, located approximately 40 kilometers east of Reno, in Washoe County, Nevada, USA. The purchase price for the claims was US\$125,000 (CAN\$123,719). A 3% Net Smelter Return royalty is reserved to the vendor subject to the Company's right to purchase back up to a 2% NSR royalty by the payment of \$500,000 for each 1% NSR royalty interest purchased.

During the year ended December 31, 2015, 95 of the mineral claims were allowed to expire – so that 5 of the claims covering 40.5 hectares have been retained. This resulted in a write-off of acquisition and exploration costs previously capitalized of \$124,327 at December 31, 2015. A further 23 claims were staked during the year ended December 31, 2016, providing a total of 28 claims covering 214 hectares.

On February 8, 2017, the Company entered into an agreement with Astorius Resources Ltd. ("Astorius") to sell 100% interest in the Rainbow Canyon gold property. To complete the exercise of



the option, Astorius must pay an aggregate of \$80,000 by June 15, 2018. \$60,000 was received from Astorius during the year ended December 31, 2017.

During the year ended December 31, 2017, the Company entered into an agreement with Astorius Resources Ltd. for the disposition of the Rainbow Canyon Property; therefore an impairment of \$106,573 was recognized.

**Quiron II** - On August 2, 2017, the Company signed an option agreement to acquire 100% interest in the Quiron II Lithium Project, a prospective exploration property in the Pocitos Salar, Province of Salta, Argentina. On August 3, 2017, the Company received TSX Venture Exchange (“Exchange”) Approval.

Date	Cash	Shares Issued	Work Obligations
On signing the Definitive Agreement	US\$50,000 (paid)	2,400,000	Nil
Upon Exchange approval	US\$50,000 (paid)	Nil	Nil
On in-depth exploration EIA approval (18 months after Exchange approval)	Nil	Nil	US\$400,000
Upon Acceptance of an NI 43-101 Report by the Exchange	US\$40,000	Nil	Nil
<b>TOTAL</b>	<b>US\$50,000</b>	<b>2,400,000</b>	<b>US\$400,000</b>

**Chascha Norte** – On January 18, 2018, the Company entered into a property option agreement to acquire 100% interest in the Chascha Norte Property, located in Salar de Arizaro, Argentina for the following consideration:

Requirement Deadlines	Cash	Shares
(i) Upon signing	50,000	
(ii) Upon TSX Venture Exchange Approval		4,500,000
(iii) Within 30 days of TSX Venture Exchange Approval	200,000	
<b>TOTAL:</b>	<b>250,000</b>	<b>4,500,000</b>

This transaction has received conditional approval by the TSX Venture Exchange subject to the establishment of the Company’s subsidiary in Argentina.

## **CAPITAL MANAGEMENT**

### ***Financings***

During the year ended December 31, 2017, the Company issued the following shares;

Issuance of Shares	Number of Units Issued	Cash Proceeds
Private Placement at \$0.10	7,500,000	\$ 750,000
Private Placement at \$0.06	13,735,000	\$ 824,100

On November 29, 2016, the Company closed a private placement consisting of 10,000,000 units at a price of \$0.05 per unit for total proceeds of \$500,000. Each unit consisted of one common share of the Company and one share purchase warrant. Each warrant will be exercisable to purchase one

common share of the Company for \$0.06 expiring November 28, 2018. The Company incurred share issuance costs of \$3,250 relating to this private placement.

On March 10, 2017, the Company completed the private placement of 7,500,000 units at a price of \$0.10 per unit for gross proceeds of \$750,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.15 per share for a period of 24 months. The Company has paid \$48,071 to persons introducing subscribers to the Company.

On December 1, 2017, the Company completed a private placement of 13,735,000 units at a price of \$0.06 per unit for gross proceeds of \$824,100. Each unit consists of one common share of the Company and one common share purchase warrant. Each Warrant is exercisable to acquire one additional common share of the Company at a price of \$0.075 per share for one year. Share issuance costs incurred on this private placement include finder's fees of \$4,320, 72,000 warrants with a fair value of \$8,330, and other costs of \$18,492. The fair value of finder's warrants was estimated using the Black Scholes Option Pricing Model with the following assumptions: expected life – 1 year, volatility – 192%, risk-free rate – 1.50%, and dividend yield – 0%. Subscriptions receivables consists of \$510,000, which was received subsequent to December 31, 2017.

### ***Property Acquisitions***

On August 3, 2017, the Company issued 2,400,000 common shares with a fair value of \$216,000 for the Quiron II property as per the option agreement terms.

### ***Shares for Debt***

On September 19, 2017, the Company issued 390,000 common shares with a fair value of \$27,300 for settlement of accounts payable of \$39,000, resulting in a gain on debt settlement of \$11,700.

### **Incentive Stock Options**

On November 9, 2017, the Company granted 3,000,000 share purchase options to directors, officers and consultants of the Company. The share purchase options are exercisable at \$0.09 per share for a period of five years, expiring November 9, 2022. All options granted are in accordance with the Company's 10-per-cent rolling stock option plan. The fair value of the option issued was \$235,372 using the Black-Scholes Option Pricing Model and accounted for as share-based compensation.

## **1.3 Selected Annual Financial Information**

	<b>Year Ended December 31, 2017</b>	<b>Year Ended December 31, 2016</b>	<b>Year Ended December 31, 2015</b>
<b>Operations:</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Accounting & audit fees	30,000	37,403	29,200
Consulting fees	116,370	58,353	-
Filing fees	28,711	7,378	-
Investor Relations	169,280	425	-
Legal fees	20,603	45,089	8,526
Management fees	281,500	55,000	10,000
Rent	-	-	2,540

Office and general	27,026	8,448	12,215
Travel	113,322	55,207	1,947
Transfer agent & regulatory fees	9,316	8,484	12,820
Subtotal	1,031,500	275,787	77,248
Write down of mineral properties	(106,573)	-	(124,327)
Interest and finance income/ (expense)	(522)	(41,081)	(881)
Gain on settlement of debt	11,700	-	-
Net loss for the period	(1,126,895)	(316,868)	(202,456)
Basic & diluted Loss per Share	(0.04)	(0.03)	(0.02)
<b>Balance Sheet</b>			
Working Capital	801,149	150,220	(47,163)
Total Assets	1,548,597	632,380	137,558
Total Long Term Liabilities	-	-	-

#### 1.4 Results of Operations

##### Year ended December 31, 2017

During the year ended December 31, 2017, the Company incurred a comprehensive loss of \$1,126,895 compared to \$316,868 loss for the same period in the prior year. The largest expense items that resulted in a significant increase in net comprehensive loss for the year ended December 31, 2017 were:

- The Company wrote-off \$106,573 as a result of the disposition of the Rainbow Canyon Property for the year ended December 31, 2017, compared to the year ended December 31, 2016, where the Company wrote-off \$Nil on their mineral properties.
- Consulting fees for the year ended December 31, 2017, were \$116,370 compared to the year ended December 31, 2016, where the Company incurred \$58,353. Payments were made to consultants who advised the Company in optioning or acquiring mineral properties in addition to building and implementing the Company's business plan.
- Promotion expense for the year ended December 31, 2017 were \$169,280 compared to \$425 for the year ended December 31, 2016.
- Management fees for the year ended December 31, 2017 were \$281,500 compared to \$55,000 for the year ended December 31, 2016. The fees were paid to the CEO, CFO, and various directors of the Company for work performed during the year ended December 31, 2017.
- Share-based compensation increased to \$235,372 for the year ended December 31, 2017 from \$Nil for the year ended December 31, 2016. This increase is due to the issuance of incentive stock options to Directors, Officers and Consultants during the year.

The operating loss for the year ended December 31, 2017 increased to \$1,031,500 (2016: \$275,787). This is due to the items discussed above resulting in increases in consulting fees, investor relations, management fees and share-based compensation.

The interest expense for the year ended December 31, 2017 was \$522 (2016: \$41,081). Interest expenses related to the various loans provided by both the Chairman and CEO of the Company.

Net loss and comprehensive loss of the year ended December 31, 2017 was \$1,126,895 (2016: \$316,868).

At this time, the Company has no operating revenues, and does not anticipate any operating revenues until the Company is able to find, acquire, place in production and operate a resource property. Historically, the Company has raised funds through equity financing and short-term loans to fund its operations.

For the year ended December 31, 2017, the Company reported no discontinued operations, no changes in accounting policy and declared no cash dividends.

### 1.5 Summary of Quarterly Results

The following table sets forth selected financial information of the Company for each of the last eight quarters:

Quarter Ending	Expenses \$	Net Loss \$	Basic and diluted net loss per share \$
December 31, 2017	404,088	(498,961)	(0.01)
September 30, 2017	190,291	(190,291)	(0.01)
June 30, 2017	186,442	(186,442)	(0.01)
March 31, 2017	250,679	(251,201)	(0.01)
December 31, 2016	192,844	(233,925)	(0.04)
September 30, 2016	15,040	(15,040)	(0.00)
June 30, 2016	45,801	(45,801)	(0.00)
March 31, 2016	22,102	(22,102)	(0.00)

#### Three months ended December 31, 2017

During the quarter ended December 31, 2017, the Company incurred a comprehensive loss of \$498,961 compared to \$233,925 loss for the corresponding period. The largest expense items that resulted in an increase in net comprehensive loss for the quarter ended December 31, 2017 were;

- Consulting fees for the quarter ended December 31, 2017, were \$(5,956) compared to \$58,353 for the corresponding period ending December 31, 2015. Payments were made to consultants who advised the Company in optioning or acquiring mineral properties.
- Investor relations costs for the quarter ended December 31, 2017 were \$49,569 (2016: \$425). The Company has not embarked on any investor relation activities during the quarter ended December 31, 2017.

- Management fees for the quarter ended December 31, 2017 were \$90,000 (2016: \$50,000). The fees were paid to the CEO, Chairman, Director, and a company controlled by a common director of the Company for work performed during the quarter ended December 31, 2016
- Promotion and travel costs were \$16,389 for the quarter ended December 31, 2017 (2016: \$55,100), the incurred travel costs relating to the acquisition of mineral properties.

The operating loss for the quarter ending December 31, 2017 increased to \$404,088 (2016: \$192,844); the increase in operating loss was caused by the aforementioned expenses for the quarter.

## **1.6 Liquidity and Capital Resources**

The Company's operations consist of the exploration, evaluation and development of natural resource properties. The Company's financial success is dependent upon its ability to find economically viable properties and develop them. The process can take many years and is largely dependent on factors beyond the control of the Company. The Company's historical capital needs have been met by the sale of the Company's stock. The Company's current funds on hand may not be sufficient to cover the Company's exploration and administrative expenses. There is no assurance that equity funding will be possible at the times required by the Company.

To date, the Company's operations have been funded almost entirely through the sale of the Company's stock. There is no assurance that the Company will continue to be successful by funding its operations through equity financings. The Company will continue to seek capital through the issuance of common shares.

The Company is a junior exploration company with no revenue-producing operations. Activities include acquiring mineral properties and conducting exploration programs. The mineral exploration business is risky and most exploration projects will not become mines. For the funding of property acquisitions and exploration that the Company conducts itself, the Company does not use long-term debt. Rather, it depends on the issuance of shares from the treasury to investors. Such stock issues in turn, depend on numerous factors, important among are which are a positive mineral exploration climate, positive stock market conditions, a company's track record and experience of management. The Company is also dependent upon extensions of option agreements for the property expenditure requirements.

The financial statements have been prepared on a going concern basis 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 incurred a net loss and comprehensive loss of \$1,126,895 (2016: \$316,868) during the year ended December 31, 2017 and has a cash balance of \$317,900 (2016: \$340,615) and a working capital surplus of \$801,149 (2016: \$150,220) as at December 31, 2017. The Company's ability to meet its obligations as they fall due, in particular option payments on mineral properties, and to continue to operate as a going concern is dependent on the continued financial support of the creditors and the shareholders. In the past, the Company has relied on sales of its equity securities and loans to meet its cash requirements. There can be no assurance that funding from this or other sources will be sufficient in the future to continue and develop its mineral properties. Even if the Company is able to obtain new financing, it may not be on commercially reasonable terms or terms that are acceptable to it. Failure to obtain such financing on a timely basis or extensions on the option agreements, could cause the Company to reduce or terminate its operations. The above indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

## 1.7 Capital Resources

As at December 31, 2017, the Company had cash of \$317,900 (2016: \$340,615). The Company is aggressively pursuing equity financing and there can be no guarantees that the Company will be successful in its endeavors.

As of the date of this MD&A, the Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants.

As at April 30, 2018, the Company had 54,129,591 common shares issued and outstanding. As at the same date, there were 20,204,500 warrants outstanding at exercise prices of \$0.06, \$0.075 and \$0.15 respectively, per share. Additionally, 2,150,000 stock options were outstanding at an exercise price of \$0.09.

	<u>Number of Shares</u>	<u>Number of Options</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
<b>Issued and Outstanding</b>	54,129,591	2,150,000	\$0.09	November 9, 2022
		<u>2,150,000</u>	<u>\$0.09</u>	

### Warrants

<u>Number Outstanding</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
1,100,000	\$0.06	November 28, 2018
13,735,000	\$0.075	December 1, 2018
72,000	\$0.075	December 1, 2018
2,350,000	\$0.15	February 15, 2019
2,947,500	\$0.15	March 6, 2019
<u>20,204,500</u>		

### **Authorized and Issued Capital Stock**

Authorized - Unlimited common shares without par value.

### **Issued and Outstanding**

As at December 31, 2017 the Company had 47,488,091 common shares issued and outstanding, and on April 30, 2018, the Company had 54,129,591 common shares issued and outstanding.

### **Options and Warrants Outstanding**

Stock options outstanding are as follows:

The Company has a Rolling Stock Option Plan (the "Plan"), which follows the policies of the Exchange regarding stock option awards granted to employees, directors, and consultants. The stock option plan allows a maximum of 10% of the issued shares to be reserved for issuance under the plan.

On November 9, 2017, the Company granted 3,000,000 incentive stock options to officers, directors and consultants of the Company, vesting immediately, to purchase 3,000,000 common shares at a price of \$0.09 for a period of five years from the date of issue.

As at April 30, 2018, 2,150,000 stock options are outstanding.

Warrants outstanding are as follows:

On December 1, 2017, 13,735,000 warrants were issued in connection with a private placement that was completed during the quarter. Each warrant is exercisable at a price of \$0.075 per whole warrant for one year from the date of issue.

As at December 31, 2017, the Company had 25,996,000 warrants issued and outstanding and at April 30, 2018, the Company had 20,204,500 warrants issued and outstanding.

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

The Company has no off-balance sheet arrangements.

### **1.9 Transactions with Related Parties**

The expenditures charged by related parties to the Company and not disclosed elsewhere in the consolidated financial statements consist of the following:

- a) The Company incurred management fees totalling \$281,500 (2016: \$55,000) from companies controlled by the CEO and President, Chairman, CFO, and common directors.
- b) The Company incurred legal fees of \$17,446 (2016: \$55,000) from a law firm of which a former director is a principal and \$6,800 (2016: \$Nil) consulting fees from a geological firm in which a director is a principal and a company controlled by the CEO and Chairman, of which \$3,600 was capitalized to the Clayton Valley property.
- c) The Company incurred office services of \$6,060 (2016: \$Nil) to a company controlled by the CFO.
- d) The Company incurred accounting fees of \$21,000 (2016: \$Nil) to a company controlled by the CFO.
- e) At December 31, 2017, accounts payable and accrued liabilities included \$45,250 (2016: \$58,345) for amounts due to companies controlled by directors and management.
- f) In February 2016, the Company entered into a loan agreement with a third party in the amount of \$27,675. The loan was repaid by its President and Chairman when they purchased their control block shares of the Company from the previous owner in August 2016, totalling \$28,981. In an agreement dated October 5, 2016, the indebtedness of the Company to its President and Chairman was acknowledged and it was agreed that it would be paid with interest at 10% calculated from August 19, 2016.

By a loan agreement dated October 5, 2016, the President and the Chairman of the Company each loaned \$7,500 to the Company, the loans will bear interest at 7% per annum and a bonus

will be paid to them of \$1,500 each. The principal, accrued interest and bonuses will be payable no later than March 31, 2017.

Pursuant to another set of Loan Agreements dated November 3, 2016, the President and the Chairman of the Company each loaned \$80,000 to the Company. The loans bear interest at 20% per annum and a bonus will be paid to the President and Chairman of \$16,000 each, and are recorded in interest and financing expenses. The principal, accrued interest and bonuses are due to be repaid no later than January 31, 2017.

Loan repayments of \$105,000 each to the President and Chairman were made on December 29, 2016, and \$34,600 on March 10, 2017. As at December 31, 2017, \$Nil (2016: \$34,296) of the loans payable, bonuses and accrued interest to the President and Chairman were outstanding. During the year ended December 31, 2017, interest of \$522 (2016: \$41,081) was accrued and paid on these loans.

d) Share-based compensation expenses were \$117,686 (2016 - \$nil) for the related parties.

### **1.10 Critical Accounting Estimates.**

The preparation of the Company's financial statements requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities as well as revenue and expenses.

The most critical accounting estimates upon which company financial statements depend on those estimates of proven and probable reserves and resources, recoverable ounces there from, and assumptions of operating costs and future mineral prices. Such estimates and assumptions affect the potential impairment of long-lived assets and the rate at which depreciation, depletion and amortization. In addition, management must estimate costs associated with mine reclamation's enclosure costs.

The Company presently has no properties with proven or inferred reserves. When such a situation arises. The Company will utilize existing industry standards, with respect to the reporting and accounting for these issues.

The Company accounts for all stock-based payments and awards using the fair value-based method. Under the fair value-based method, stock-based payments to non-employees are measured at the fair value of the consideration received, or the fair value of the equity estimates issued, or liabilities incurred, whichever is more reliably measurable.

The Company will have an obligation to reclaim its properties after the minerals have been depleted. These estimated costs, known as the Asset Retirement Obligation, will be recorded as a liability at their fair values in the periods in which they occur, and at each reporting period, are increased to reflect the interest (accretion expense) considered in the initial fair value management of the liabilities. Reclamation expenses vary from jurisdiction to jurisdiction. The Company has no material ARO at this time.

From time to time, the company must make accounting estimates. These are based on the best information available at the time, utilizing generally accepted industry standards.

### **1.11 Changes in Accounting Policies including Initial Adoption**



See Note 3 Company's financial statements for the year ended December 31, 2017.

### **Going concern issue**

The Company's financial statements have been prepared on a going concern basis 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 continuing operations of the Company are dependent upon the continued financial support of the creditors and the shareholders. In the past, the Company has relied on sales of its equity securities to meet its cash requirements. There can be no assurance that funding from this or other sources will be sufficient in the future to continue and develop its mineral properties. Even if the Company is able to obtain new financing, it may not be on commercially reasonable terms or terms that are acceptable to it. Failure to obtain such financing on a timely basis or extensions on the option agreements, could cause the Company to reduce or terminate its operations. The above indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. The current financial equity market conditions and the inhospitable funding environment make it difficult to raise capital through the private placements of shares. The venture capital industry has been severely affected by the world economic situation as it is considered speculative and high-risk in nature, making it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with any financing ventures.

### **Internal control over financial reporting and disclosure controls and procedures**

Management is responsible for the design and maintenance of both internal control systems over financial reporting and disclosure controls and procedures. Disclosure controls and procedures are designed to provide reasonable assurance that relevant information is gathered and reported to senior management on a timely basis so that appropriate decisions can be made regarding public disclosure.

Current disclosure controls include meetings with the CEO, CFO, and members of the Board of Directors and Audit Committee through e-mails, on telephone conferences and informal meetings to review public disclosure. All public disclosures are reviewed by certain members of senior management and the board of directors and audit committee of the Board of Directors has delegated the duties to the chief executive officer who is primarily responsible for financial and disclosure controls.

Management and the board of directors continue to work to mitigate the risk of material misstatement.

### **Risk and uncertainties**

While the Company has no operating properties, the following is a brief discussion of those distinctive or special characteristics of the company's potential operations and industry, which may have a material impact on, or constitute risk factors in respect of the Company's financial performance.

#### **1.12 Financial Instruments and Other Instruments**

See Note 11 to the Company's financial statements for the year December 31, 2017.

### **1.13 Subsequent Events**

There are no subsequent events to report.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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Alba Minerals Ltd. (the "Company" or "Alba") was incorporated in British Columbia under the *Business Corporations Act* (British Columbia) and is engaged in the acquisition, exploration and development of resource properties. The Company's common shares are listed for trading on Tier 2 of the TSX Venture Exchange (the "Exchange") under the symbol "AA".

This management's discussion and analysis ("MD&A") reports on the operating results and financial condition of the Company for the six months ended June 30, 2019 and is prepared as of August 28, 2019. The MD&A should be read in conjunction with the Company's unaudited interim consolidated financial statements for the six months ended June 30, 2019 and the audited annual consolidated financial statements for the years ended December 31, 2018 and December 31, 2017 and the notes thereto which were prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

### **Cautionary Note Regarding Forward-Looking Information**

This document may contain "forward-looking information" within the meaning of Canadian securities legislation ("forward-looking statements"). These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, the Company and its operations, its planned exploration activities, the adequacy of its financial resources and statements with respect to the estimation of mineral reserves and mineral resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including "may", "future", "expected", "intends" and "estimates". By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual consolidated financial statements and management's discussion and analysis of those statements, all of which are filed and available for review under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

### **Description of Business**

Alba Minerals Ltd. is an exploration stage company engaged in the acquisition, exploration and development of resource properties. As at June 30, 2019, the Company has interests in the following resource properties:

- 1. Rainbow Canyon, Nevada** – By an agreement dated March 25, 2011, the Company purchased non-patented mineral claims and staked additional claims during the same year, in Washoe County, Nevada, USA. The purchase price for the claims was US\$125,000 (CAN\$123,719). A 3% Net Smelter Return ("NSR") is reserved to the

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vendor subject to the Company's right to purchase back up to a 2% NSR by the payment of \$500,000 for each 1% NSR interest purchased.

On February 8, 2017, the Company entered into an option agreement with Astorius Resources Ltd. ("Astorius") to sell 100% interest in the Rainbow Canyon gold property. To complete the exercise of the option, Astorius must pay an aggregate of \$80,000 cash by March 1, 2018. \$60,000 was received from Astorius during the year ended December 31, 2017 and an impairment of \$106,573 was recognized.

During the year ended December 31, 2018 this option agreement became in default as Astorius was unable to fulfil its commitment. The agreement was mutually terminated.

Subsequent to the quarter ended June 30, 2019, Alba filed a Notice of Intent with the BLM for its Rainbow Canyon Property to include additional drilling, which would follow up on the RCR-03 gold intercept with 3-5 RC drill holes.

During the six months ended June 30, 2019, the Company incurred \$Nil (2018 - \$2,686) in exploration expenditures on the Rainbow Canyon Property.

### 2. Clayton Valley, Nevada, USA

On December 5, 2016, the Company entered into an interim agreement to acquire up to a 50% interest in 888 mineral claims comprising approximately 17,000 acres in Clayton Valley, Esmeralda County, Nevada. The Agreement also includes claims in San Bernardino County, California. A final option agreement (the "Agreement") was signed on February 8, 2017 with Noram Ventures Inc. and Green Energy Inc. (a wholly owned subsidiary of Noram Ventures Inc.).

The first part of the Agreement is an option to purchase a 25% interest in the property for \$255,000 paid to Green Energy Inc. as follows:

Requirement Deadlines	Cash
Upon signing the letter of intent	\$ 127,500 (paid)
Completion of a drilling program by Green Energy Inc.	\$ 127,500 (paid)
<b>TOTAL:</b>	<b>\$ 255,000</b>

The second part of the Agreement grants to the Company an option to acquire a further 25% interest in the property by making a series of payments totaling \$845,000 to Green Energy in 2017.

On January 8, 2018, the parties amended the second part of the agreement, granting the Company an option to acquire a further 25% interest in the property by making a cash payment of \$350,000 prior to March 1, 2018.

On May 28, 2018, the Company signed an agreement with Noram to sell its 25% interest in the Clayton Valley project. The transaction received final approval from the TSX Venture Exchange on November 19, 2018. In consideration for its interest, the Company received 3,800,000 common shares of Noram with an initial fair value of \$1,140,000 and cash of \$400,000. The closing share price on June 30, 2019 was \$0.09 and the fair value of the shares was \$342,000. During the six months ended June 30, 2019, the company recognized an unrealized loss of \$684,000..

### 3. Quiron II, Argentina - On August 2, 2017, the Company signed an option agreement to acquire 100% interest in the Quiron II lithium project, a prospective exploration property in the Pocitos Salar, Province of Salta, Argentina. On August 3, 2017, the Company received TSX Venture Exchange ("Exchange") Approval.

The final terms of the definitive agreement for the Company to acquire 100% interest in the Quiron II property are as follows:

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Date	Cash	Shares Issued	Work Obligations
On signing the Definitive Agreement	US\$50,000 (paid)	2,400,000 (issued)	Nil
Upon Exchange approval	US\$50,000 (paid)	Nil	Nil
On in-depth exploration EIA approval (18 months after Exchange approval)	Nil	Nil	US\$400,000
Upon Acceptance of an NI 43-101 Report by the Exchange	US\$400,000	Nil	Nil
<b>TOTAL</b>	<b>US\$500,000</b>	<b>2,400,000</b>	<b>US\$400,000</b>

As at June 30, 2019, The Company was in default of the agreement. The Company is currently renegotiating with the optionor.

During the six months ended June 30, 2019, the Company incurred \$Nil (2018 - \$62,426) in exploration expenditures on the Quiron II Property.

4. **Chascha Norte** – On January 18, 2018, the Company entered into a property option agreement to acquire 100% interest in the Chascha Norte Property, located in Salar de Arizaro, Argentina for the following consideration:

- c) Cash payment of US\$250,000 (\$50,000 upon signing and \$200,00 within 30 days of Exchange approval); and
- d) Issuance of 4,500,000 common shares (issued).

On October 11, 2018, the Company received TSX Venture Exchange approval for this transaction.

During the six months ended June 30, 2019, the Company incurred \$Nil (2018 - \$Nil) in exploration expenditures on the Chascha Norte Property.

5. **Muddy Mountain, Nevada** – On June 25, 2018, the Company entered into a property option agreement with a non-arm's length party to acquire a 100% interest in the Muddy Mountain Project, located in Clark County, Nevada for the following consideration:

- i) Cash payment of US\$5,000 upon execution of the Agreement (paid); and, if the Company decides to proceed with the acquisition after its due diligence investigation,
- j) Additional cash payments of US\$235,000 as follows:
  - i. US\$35,000 on the Exchange Approval Date;
  - ii. US\$45,000 on the first anniversary of the Exchange approval date;
  - iii. US\$55,000 on the second anniversary of the Exchange approval date; and
  - iv. US\$100,000 on the third anniversary of the Exchange approval date.
- k) Issuance of 1,400,000 common shares as follows:
  - i. 200,000 shares within 30 days of the Exchange approval date;
  - ii. 300,000 shares within 30 days of the first anniversary of the Exchange approval Date;
  - iii. 400,000 shares within 30 days of the second anniversary of the Exchange approval Date;
  - iv. 500,000 shares within 30 days of the third anniversary of the Exchange approval Date.
- l) Completion of an aggregate of US\$120,000 in exploration expenditures as follows:
  - i. US\$20,000 on or before the first anniversary of the Exchange approval date;
  - ii. US\$40,000 on or before the first anniversary of the Exchange approval date;
  - iii. US\$60,000 on or before the first anniversary of the Exchange approval date.

The agreement is subject to a 2% NSR which can be repurchased by the Company for \$3,000,000.

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On July 4, 2018, the Company received TSX Venture Exchange approval for this transaction.

As at June 30, 2019, The Company was in default of the agreement. The Company is currently renegotiating with the optionor.

During the six months ended June 30, 2019, the Company incurred \$6,468 (2018 - \$Nil) in exploration expenditures on the Muddy Mountain Property.

6. **Torado Vanadium and Uranium Project** - On May 9, 2019, the Company entered into an agreement with Journey Exploration Inc. ("Journey"), a private arm's length company, to acquire all of the issued and outstanding share capital of Journey. Journey holds a 100% interest in five prospective vanadium and uranium properties, and an option to acquire 100% of a sixth property in Colorado and Utah known as the Torado Vanadium and Uranium Project.

### Risk Factors

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. Mineral property exploration is a speculative business and involves a high degree of risk. There is a probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis to further the development of a property. Capital expenditures to support the commercial production state are also very substantial.

*Matters related to the principal risks faced by the Company have been disclosed in previous MD&A's filed on SEDAR and continue to apply to the activity and business of the Company.*

### Selected Annual Information

The following selected financial data with respect to the Company's financial condition and results of operations has been derived from the audited financial statements of the Company for the years ended December 31, 2018, 2017 and 2016 prepared in accordance with IFRS. The selected financial data should be read in conjunction with those financial statements and the notes thereto.

The following selected financial information is extracted from the audited annual consolidated financial statements of the Company prepared in accordance with IFRS.

	31Dec18	31Dec17	31Dec16
<b>Interest Income</b>	\$Nil	\$(522)	\$(41,081)
<b>Net Income (Loss) for the year</b>	\$36,359	\$(1,126,895)	\$(316,868)
<b>Income (Loss) per Share</b>	\$0.01	\$(0.04)	\$(0.03)
<b>Total Assets</b>	\$2,676,096	\$1,548,597	\$632,380
<b>Total Liabilities</b>	\$103,993	\$111,962	\$193,399
<b>Working Capital</b>	\$1,496,571	\$801,149	\$150,220

The referenced audited annual financial statements of the Company above have been prepared in accordance with IFRS. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of consolidated financial statements for a period necessarily involves the use of estimates, which have been made using careful judgment. Actual results may differ from these estimates.

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### **Results of Operations**

At June 30, 2019, total assets were \$2,013,701 compared to \$2,676,096 as at December 31, 2018. This slight decrease in assets is due to decreased cash and a significant decrease in value of marketable securities offset by increases in prepaid expenses.

The Company has no operating revenues.

#### **Three Months Ended June 30, 2019**

During the three months ended June 30, 2019, the Company reported a net loss of \$386,618 compared to a net loss of \$160,298 during the same period in the prior year, representing an increased loss of \$226,320.

The increase in loss is primarily attributed to the following:

- An increase of \$85,119 in corporate communications. Corporate communication fees were \$97,213 in the three months ended June 30, 2019, compared to \$12,094 for same quarter in the prior year.
- An increase of \$60,000 in management fees. Management fees were \$124,500 in the three months ended June 30, 2019, compared to \$64,500 for the same quarter in the prior year.
- An increase of \$54,500 in consulting fees. Consulting fees were \$71,250 in the three months ended June 30, 2019, compared to \$16,750 for the same quarter in the prior year.

These increases were partially offset by the following expense decreases:

- A decrease of \$13,257 in promotional and travel expenses. Promotional and travel expenses were \$10,469 in the three months ended June 30, 2019, compared to \$23,726 for the same quarter in the prior year.

#### **Six Months Ended June 30, 2019**

During the six months ended June 30, 2019, the Company reported a net loss of \$620,381 compared to a net loss of \$558,958 during the same period in the prior year, representing an increase in loss of \$61,423.

The increase in loss is primarily attributed to the following:

- An increase of \$52,500 in management fees. Management fees were \$189,000 in the six months ended June 30, 2019, compared to \$136,500 in same period in the prior year.
- An increase of \$40,101 in consulting fees. Consulting fees were \$75,601 in the six months ended June 30, 2019, compared to \$35,500 in the same period in the prior year.
- An increase of \$26,601 in office and general fees. Office and general fees were \$63,826 in the six months ended June 30, 2019, compared to \$37,225 in the same period in the prior year.

These increases were partially offset by the following expense decreases:

- A decrease of \$98,512 in corporate communications. Corporate communications were \$109,213 in the six months ended June 30, 2019, compared to \$207,725 in the same period in the prior year.



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### Summary of Quarterly Results

	30Jun19	31Mar19	31Dec18	30Sept18	30Jun18	31Mar18	31Dec17	30Sept17
<b>Interest Income</b>	Nil	Nil	Nil	Nil	Nil	\$(1,682)	\$(522)	Nil
<b>Operating Costs</b>	\$(386,618)	\$(233,763)	\$(297,962)	\$(362,620)	\$(160,298)	\$(396,978)	\$(404,088)	\$(190,291)
<b>Net Income (Loss)</b>	\$(386,618)	\$(233,763)	\$957,937	\$(362,620)	\$(160,298)	\$(398,660)	\$(498,961)	\$(190,291)
<b>Total Assets</b>	\$2,013,701	\$2,495,900	\$2,676,096	\$1,468,233	\$1,646,191	\$1,818,828	\$1,548,597	\$859,608
<b>Total Liabilities</b>	\$107,234	\$109,940	\$103,993	\$147,246	\$142,349	\$158,638	\$111,962	\$87,596
<b>Working Capital</b>	\$806,330	\$1,285,030	\$1,496,571	\$544,151	\$721,893	\$929,740	\$(801,149)	\$773,535

The following discussion outlines the reasons for some of the variations in the quarterly numbers but, as with most junior mineral exploration companies, the results of operations (including interest income and net losses) are not the main factors in establishing the financial health of the Company. Of far greater significance are the resource properties in which the Company has, or may earn an interest, its working capital and how many shares it has outstanding. The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property evaluation program and the timing and results of the Company's exploration activities on its then current properties, none of which are possible to predict with any accuracy.

There are no general trends regarding the Company's quarterly results and the Company's business of resource exploration is not seasonal, as it can work on its property on a year-round basis (funding permitting). Quarterly results may vary significantly depending mainly on whether the Company has abandoned any properties or granted any stock options and these factors which may account for material variations in the Company's quarterly net income (losses) are not predictable.

The major factors which may cause material variations in net loss on a quarterly basis are the following:

- Private placements, which occurred in the quarters ending March 31, 2019, and December 31, 2017.
- Completion of annual audits, which occurred in the quarters ending March 31, 2019, and March 31, 2018.
- Variations in travel expenses, which occurred in the quarter ending March 31, 2018 due to a trip to Germany as related to the Company's Frankfurt listings and numerous trips to the Company's properties for work programs and potential acquisitions and/or expansions.
- Fluctuations in shareholder communications activity due to increased Company activity, which occurred in the quarters ended June 30, 2019, September 30, 2018 and March 31, 2018.
- Issuance of Stock Options, which occurred in the quarter ended September 30, 2018,

The major factors which may cause material variations in assets on a quarterly basis are the following:

- Increases in cash due to the exercise of warrants and options, which occurred during in the quarter ended December 31, 2018.
- Increases in cash due to the receipt of subscription receivables, which occurred in the quarter ended December 31, 2018.
- Acquisition of the Muddy Mountain, Chascha Norte and Quiron II properties, which occurred in the quarters ended December 30, 2019, June 30, 2018 and September 30, 2017.
- Increases in exploration expenditures and the receipt of 3,800,000 common shares from the sale of the Clayton Valley project, which occurred in the quarter ended December 31, 2018.
- Termination of the Company's Rainbow Canyon option agreement with Astorius Resources Inc., which occurred in the quarters ended September 30, 2018 and June 30, 2018.

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### **Liquidity and Capital Resources**

The Company has no revenue generating operations from which it can internally generate funds and therefore has been incurring losses since inception. The Company has financed its operations and met its capital requirements primarily through the sale of capital stock by way of private placements and the subsequent exercise of share purchase warrants issued in connection with such private placements and the exercise of stock options. The Company also has raised funds through the sale of interests in its mineral properties. When acquiring interests in resource properties through purchase or option, the Company issues common shares or a combination of cash and shares to the vendors of the property as consideration for the property in order to conserve its cash. The Company expects that it will continue to operate at a loss for the foreseeable future and will require additional financing to fund the exploration of its existing properties and the acquisition of potential resource properties.

At June 30, 2019, the Company had cash of \$495,529 compared to cash of \$756,047 for the same period in the previous year. The Company has no off-balance sheet financing. The Company has no long-term debt, however had a loan receivable from a company with a common director, this loan was unsecured, and bore interest at 12% per annum and was due on demand. The principal of the loan was received during the year. The Company's cash flow has increased due to increases in financing activities and warrant exercises.

At this time, the Company has no operating revenues, and does not anticipate any operating revenues until the Company is able to find, acquire, place in production, and operate a resource property. Historically, the Company has raised funds through equity financing to fund its operations.

The Company will need to raise additional cash for working capital or other expenses. In addition, as a result of the Company's activities, unanticipated problems or expenses could result and require additional capital requirements, subject to TSX Venture Exchange policies and approvals.

The Company has no assets other than cash deposits and has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. Management believes the Company does have sufficient working capital at this time to meet its current financial obligations.

### **Related Party Transactions**

During the six months ended June 30, 2019, the Company entered into the following transactions with related parties:

The Company incurred management fees totaling \$189,000 (2018: \$136,500) from companies controlled by officers and common directors.

The aggregate remuneration during the six months ended June 30, 2019 and June 30, 2018

- a. The Company incurred \$Nil (2018 - \$6,180) in rent and \$Nil (2018 - \$4,500) in accounting fees from a company controlled by a former officer.
- b. At June 30, 2019, accounts payable and accrued liabilities included \$46,585 (December 31, 2018 – \$44,500) for amounts due to companies controlled by officers and directors in respect of the fees indicated above.

Key Management personnel comprise the Company's Board of Directors and executive officers. No remuneration was paid to key management personnel during the periods ended June 30, 2019 and 2018 other than as indicated above.

### **Critical Accounting Estimates**

In the application of the Company's accounting policies, which are described in note 3 to the unaudited financial statements for the six months ended June 30, 2019, management is required to make judgments, apart from those requiring estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

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- the determination of the Company's ability to continue its operations as a going concern;
- the determination of any impairment on the Company's assets.

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. 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.

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.

### **Recently adopted accounting standards and accounting standards issued but not yet effective:**

IFRS 16 Leases will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. The Company does not expect the adoption of this standard will have significant impact on its financial statements.

### **Fair Value of Financial Instruments**

#### 1. Fair value of financial instruments

The carrying values of cash and cash equivalents, amounts receivable and trade payables and accrued liabilities approximate their fair values because of their short-term nature. The fair values of marketable securities are based on current bid prices at June 30, 2019.

In evaluating fair value information, considerable judgment is required to interpret the market data used to develop the estimates. The use of different market assumptions and valuation techniques may have a material effect on the estimated fair value amounts. Accordingly, the estimates of fair value presented herein may not be indicative of the amounts that could be realized in a current market exchange.

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Inputs for the asset or liability that are not based on observable market data.

As at June 30, 2019, there are \$342,000 in financial assets at fair value.

During the six months ended June 30, 2019, a market-to-market loss of \$684,000 (2018 - \$Nil) for marketable securities designated as available-for-sale has been recognized in other comprehensive income.

There were no financial liabilities at fair value as at June 30, 2019, and August 28, 2019.

#### 2. Financial instrument risk

The Company is exposed in varying degrees to a variety of financial instrument related to risks. The Board approves and monitors the risk management processes:

- (i) Credit risk

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Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of advances made to related parties. The Company manages liquidity risk through the management of its capital structure and financial leverage. Management does not believe that there is significant credit risk arising from these advances. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

### (ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company does not have investments in any asset-backed commercial papers. Foreign exchange risk The Company's functional currency is the Canadian dollar. Therefore, the Company is not exposed to foreign exchange risk.

### (iii) Market risk

#### (a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. Financial assets and financial liabilities are not exposed to interest rate risk because they are non-interest bearing.

#### (c) Commodity price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of palladium, nickel, and gold. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

During the six months ended June 30, 2019, there were no changes to the Company's risk exposure or to the Company's policies for risk management.

## **Capital Management**

The Company's objectives when managing capital are to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern and maintain adequate levels of funds to support the acquisition, exploration and development of exploration and evaluation assets such that it can continue to provide returns to shareholders and benefits for other stakeholders.

The Company considers the items included in shareholders' equity as capital. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the Company's underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or sell assets to settle liabilities. The Company has no long-term debt and is not subject to externally imposed capital requirements.

The properties in which the Company currently has an interest in are in the exploration stage, as such, the Company does not recognize revenue from its exploration properties. The Company's historical sources of capital have consisted of the sale of equity securities, loans, advances from related parties and interest income. In order for the Company to carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and expects to raise additional amounts externally as needed.

The Company is not subject to any externally imposed capital requirements.

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### ***Financings***

On March 20, 2019, the Company completed a private placement of 7,531,250 units at a price of \$0.08 per unit for gross proceeds of \$602,500. Each unit consists of one common share of the Company and one transferrable share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.10 per share for a period of 24 months. The Company paid \$41,880 cash and issued 487,500 warrants to finders. The finder's warrants are exercisable into one common share of the Company at a price of \$0.10 per share for a period of 24 months.

On December 1, 2017, the Company completed a private placement of 13,735,000 units at a price of \$0.06 per unit for gross proceeds of \$824,100. Each unit consists of one common share of the Company and one common share purchase warrant. Each Warrant is exercisable to acquire one additional common share of the Company at a price of \$0.075 per share for one year. Share issuance costs incurred on this private placement include finder's fees of \$4,320, 72,000 warrants with a fair value of \$8,330, and other costs of \$18,492. The fair value of finder's warrants was estimated using the Black Scholes Option Pricing Model with the following assumptions: expected life – 1 year, volatility – 192%, risk-free rate – 1.50%, and dividend yield – 0%. Subscriptions receivables consists of \$510,000, which was received subsequent to December 31, 2017. On September 7, 2018, the Company extended the warrants issued in this placement for an additional two years, Applicable warrants will now expire on November 29, 2020 and December 1, 2020.

On March 10, 2017, the Company completed the private placement of 7,500,000 units at a price of \$0.10 per unit for gross proceeds of \$750,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable to acquire one additional common share of the Company at a price of \$0.15 per share for a period of 24 months. The Company has paid \$48,071 to persons introducing subscribers to the Company.

### ***Property Acquisitions and Dispositions***

On May 9, 2019, the Company entered into an agreement with Journey Exploration Inc. ("Journey"), a private arms' length company, to acquire all of the issued and outstanding share capital of Journey. Journey holds a 100% interest in 5 prospective vanadium and uranium properties, and an option to acquire a 100% interest of a sixth property in Colorado and Utah known as the Torado Vanadium and Uranium Project.

On May 28, 2018, the Company signed an agreement with Noram to sell its 25% interest in the Clayton Valley project. The transaction received final approval from the Exchange on November 19, 2018. In consideration for its interest, the Company received 3,800,000 common shares of Noram with a fair value of \$1,140,000 and cash of \$400,000.

On November 10, 2018, the Company issued 4,500,000 common shares with a fair value of \$315,000 for an option payment on the Chascha Norte property.

On August 3, 2017, the Company issued 2,400,000 common shares with a fair value of \$216,000 for the Quiron II property as per the option agreement terms.

### ***Shares for Debt***

On September 19, 2017, the Company issued 390,000 common shares with a fair value of \$27,300 for settlement of accounts payable of \$39,000, resulting in a gain on debt settlement of \$11,700.

### ***Warrants***

On May 8, 2019, 500,000 warrants with an exercise price of \$0.075 were exercised for proceeds of \$37,500.

On November 26, 2018, 36,000 warrants with an exercise price of \$0.075 were exercised for proceeds of \$2,700.

On May 1, 2018, 152,667 warrants with an exercise price of \$0.075 were exercised for proceeds of \$11,450.

On March 19, 2018, 245,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$14,700.

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On March 7, 2018, 134,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$8,040.

On February 21, 2018, 400,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$60,000.

On January 26, 2018, 50,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$7,500.

On February 1, 2018, 422,500 warrants with an exercise price of \$0.15 were exercised for proceeds of \$63,375 and 2,410,000 warrants with an exercise price of \$0.06 for proceeds of \$144,600.

On January 23, 2018, 350,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$52,500, and 100,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$6,000.

On January 18, 2018, 730,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$109,500 and 300,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$18,000.

On January 11, 2018, 200,000 warrants with an exercise price of \$0.15 were exercised for proceeds of \$30,000.

On January 8, 2018, 400,000 warrants with an exercise price of \$0.06 were exercised for proceeds of \$24,000.

During the year ended December 31, 2017, the Company issued 5,311,000 common shares upon the exercise of warrants at a price of \$0.06 for gross proceed of \$318,660.

### ***Options***

The Company has a Rolling Stock Option Plan (the "Plan"), which follows the policies of the Exchange regarding stock option awards granted to employees, directors, and consultants. The stock option plan allows a maximum of 10% of the issued shares to be reserved for issuance under the plan.

On May 13, 2019, 625,000 options with an exercise price of \$0.065 were exercised for proceeds of \$40,625.

On September 5, 2018, the Company granted 3,000,000 incentive stock options to officers, directors and consultants of the Company, vesting immediately, to purchase 3,000,000 common shares at a price of \$0.065 for a period of ten years from the date of issue.

On February 1, 2018, 400,000 options with an exercise price of \$0.09 were exercised for proceeds of \$36,000.

On January 26, 2018, 100,000 options with an exercise price of \$0.09 were exercised for proceeds of \$9,000.

On January 23, 2018, 50,000 options with an exercise price of \$0.09 were exercised for proceeds of \$4,500.

On January 17, 2018, 100,000 options with an exercise price of \$0.09 were exercised for proceeds of \$9,000.

On January 9, 2018, 200,000 options with an exercise price of \$0.09 were exercised for proceeds of \$18,000.

On November 9, 2017, the Company granted 3,000,000 incentive stock options to officers, directors and consultants of the Company, vesting immediately, to purchase 3,000,000 common shares at a price of \$0.09 for a period of five years from the date of issue.

### ***Outstanding Share Data***

As at June 30, 2019, and as at the date of this MD&A, the Company had 67,424,508 common shares issued and outstanding.

As at the same date, there were 26,520,583 warrants outstanding, and 5,175,000 options were outstanding.

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	<u>Number of Shares</u>	<u>Number of Options</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
<b>Issued and Outstanding</b>	67,424,508	1,200,000	\$0.09	November 9, 2022
		2,375,000	\$0.065	September 5, 2028
		1,600,000	\$0.065	December 3, 2028
		<u>5,175,000</u>		
<b>Warrants</b>				
	<u>Number Outstanding</u>		<u>Exercise Price</u>	<u>Expiry Date</u>
	2,000,000		\$0.15	February 15, 2020
	3,347,500		\$0.15	March 6, 2020
	9,225,000		\$0.075	November 29, 2020
	3,893,333		\$0.075	December 1, 2020
	8,054,750		\$0.10	March 20, 2021
	<u>26,520,583</u>			

**Additional Information**Additional information about the Company is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

# **ALBA MINERALS LTD.**

## **CORPORATE DATA**

### **Head Office**

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### **Directors and Officers**

Art Brown – President/CEO/ Director  
Peter Born - Director  
Sandy MacDougall – Interim CFO/Chairman/Director  
Carlos Arias - Director

### **Registrar and Transfer Agent**

TSX Trust Company  
Suite 2700-650 West Georgia Street  
Vancouver, BC, V6B 4N9

### **Solicitors**

Getz Prince Wells LLP  
Suite 530-355 Burrard Street  
Vancouver, BC, V6C 2G8

### **Auditors**

Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants  
Suite 1500-1140 West Pender Street  
Vancouver, BC, V6E 4G1

### **Listing**

TSX Venture Exchange Symbol: **AA**