



# **ALBA MINERALS LTD.**

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 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)

|  | September 30 | December 31  |
|--|--------------|--------------|
|  | 2019         | 2018         |
| <b>ASSETS</b>                                  |              |              |
| <b>Current assets</b>                          |              |              |
| Cash   | \$ 330,727   | \$ 535,637   |
| Prepaid expenses                               | 25,500       | -            |
| GST recoverable                                | 22,314       | 38,927       |
| Marketable securities (Note 4)                 | 266,000      | 1,026,000    |
|  | 644,541      | 1,600,564    |
| <b>Equipment</b> (Note 5)                      | 13,984       | 15,341       |
| <b>Mineral properties exploration</b> (Note 6) | 1,100,656    | 1,060,191    |
|  | \$ 1,759,181 | \$ 2,676,096 |
| <b>LIABILITIES</b>                             |              |              |
| <b>Current liabilities</b>                     |              |              |
| Accounts payable (Note 10)                     | \$ 23,781    | \$ 47,623    |
| Accrued liabilities (Note 10)                  | 40,000       | 56,370       |
|  | 63,781       | 103,993      |
| <b>SHAREHOLDERS' EQUITY</b>                    |              |              |
| Share capital (Note 7)                         | 13,267,058   | 12,628,430   |
| Reserves (Note 7)                              | 345,794      | 1,105,677    |
| Deficit  | (11,917,452) | (11,162,004) |
|  | 1,695,400    | 2,572,103    |
|  | \$ 1,759,181 | \$ 2,676,096 |

Nature and continuance of operations (Note 1)

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 |                   | Nine months ended  |                   |
|---|--------------------|-------------------|--------------------|-------------------|
|   | September 30       |                   | September 30       |                   |
|   | 2019               | 2018              | 2019               | 2018              |
| <b>EXPENSES</b>   |                    |                   |                    |                   |
| Accounting and audit fees (Note 10)                         | \$ 1,100           | \$ 1,188          | \$ 11,845          | \$ 7,970          |
| Consulting fees   | 12,750             | 71,439            | 88,351             | 106,939           |
| Depreciation (Note 5)                                       | 793                | -                 | 2,379              | -                 |
| Filing fees   | (17,205)           | 2,927             | 20,582             | 20,170            |
| Corporate communications                                    | 773                | 8,000             | 109,987            | 215,725           |
| Legal   | (15,231)           | 3,681             | (2,836)            | 17,756            |
| Management fees (Note 10)                                   | 94,500             | 64,500            | 283,500            | 201,000           |
| Office and general  | 33,608             | 18,077            | 97,441             | 55,302            |
| Promotion and travel  | 7,260              | 12,282            | 124,250            | 111,654           |
| Share-based compensation                                    | -                  | 179,766           | -                  | 179,766           |
| Transfer agent and regulatory fees                          | 3,530              | 760               | 6,767              | 5,297             |
| <b>Loss before other item</b>                               | <b>(121,878)</b>   | <b>(362,620)</b>  | <b>(742,266)</b>   | <b>(921,579)</b>  |
| <b>Other expenses</b>                                       |                    |                   |                    |                   |
| Write-off of mineral property (note 6)                      | (13,182)           | -                 | (13,182)           | -                 |
|   | (13,182)           | -                 | (13,182)           | -                 |
| <b>Net loss</b>   | <b>(135,060)</b>   | <b>(362,620)</b>  | <b>(755,448)</b>   | <b>(921,579)</b>  |
| <b>Other comprehensive loss</b>                             |                    |                   |                    |                   |
| Change in fair value of investment (Note 4)                 | (76,000)           | -                 | (760,000)          | -                 |
| <b>Comprehensive loss</b>                                   | <b>(211,060)</b>   | <b>(362,620)</b>  | <b>(1,515,448)</b> | <b>(921,579)</b>  |
| <b>Basic and diluted loss per share</b>                     | <b>\$ (0.00)</b>   | <b>\$ (0.01)</b>  | <b>\$ (0.01)</b>   | <b>\$ (0.02)</b>  |
| <b>Weighted average number of common shares outstanding</b> | <b>67,424,508</b>  | <b>54,282,258</b> | <b>64,706,216</b>  | <b>53,474,040</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 nine months ended<br/>September 30</b> |                   |
|--|---|-------------------|
|  | <b>2019</b>                                       | <b>2018</b>       |
| <b>Cash provided by (used in):</b>                           |   |                   |
| <b>Operating activities</b>                                  |   |                   |
| Net loss for the period                                      | \$ (755,448)                                      | \$ (921,579)      |
| Add: items not involving cash                                |   |                   |
| Depreciation   | 2,379   | -                 |
| Write-off of mineral property                                | 13,182  | -                 |
| Share-based compensation                                     | -   | 179,766           |
| Non-cash working capital items                               |   |                   |
| GST recoverable  | 16,613  | (8,527)           |
| Loan receivable  | -   | (58,000)          |
| Prepaid expenses   | (25,500)  | 56,906            |
| Accounts payable and accrued liabilities                     | (40,212)  | 35,284            |
| <b>Net cash provided by (used in) operating activities</b>   | <b>(788,986)</b>                                  | <b>(716,150)</b>  |
| <b>Investing activities</b>                                  |   |                   |
| Purchase of equipment  | (1,022)   | -                 |
| Mineral properties acquisition and exploration               | (53,647)  | (141,350)         |
| <b>Net cash (used in) investing activities</b>               | <b>(54,669)</b>                                   | <b>(141,350)</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>(204,910)</b>                                  | <b>278,665</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>\$ 330,727</b>                                 | <b>\$ 596,565</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<br>Shares | Share<br>Capital | Reserves               |                  | Deficit         | Total Equity |
|--|---------------------|------------------|------------------------|------------------|-----------------|--------------|
|  |                     |                  | Contributed<br>Surplus | Held for<br>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<br>of share purchase warrants (Note 7) | 5,741,500           | 545,715          | -                      | -                | -               | 545,715      |
| Issue of common shares for cash on exercise<br>of stock options (Note 7)           | 850,000             | 143,189          | (66,689)               | -                | -               | 76,500       |
| Net loss for the period  | -                   | -                | -                      | -                | (921,579)       | (921,579)    |
| <b>As at September 30, 2018</b>  | 58,579,591          | 12,621,780       | 950,433                | -                | (12,119,942)    | 1,452,271    |
| <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<br>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<br>of share purchase warrants (Note 7) | 500,000             | 37,500           | -                      | -                | -               | 37,500       |
| Issue of common shares for cash on exercise<br>of stock options (Note 7)           | 625,000             | 78,125           | (37,500)               | -                | -               | 40,625       |
| Change in fair value of investment (Note 4)  | -                   | -                | -                      | (760,000)        | -               | (760,000)    |
| Net loss for the period  | -                   | -                | -                      | -                | (755,448)       | (755,448)    |
| <b>As at September 30, 2019</b>  | 67,424,508          | 13,267,058       | 1,219,794              | (874,000)        | (11,917,452)    | 1,695,400    |

*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 September 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

**1. NATURE AND CONTINUANCE OF OPERATIONS**

Alba Minerals Ltd. (the "Company"), incorporated in British Columbia, is a public company listed under the symbol AA. As at market open on November 4, 2019, the Company listed on the Canadian Securities Exchange ("CSE"). As at market close on November 4, 2019, the Company voluntarily delisted from the TSX Venture Exchange. The Company retained its name and symbol and trades on the CSE as Alba Minerals Ltd. (CSE: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 \$ 11,917,452 at September 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 November 29, 2019 by the directors of the Company.

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

As at and for the periods ended September 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 September 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 September 30, 2019 was \$0.07 and the fair value of the shares was \$266,000. During the nine months ended September 30, 2019, the Company recognized an unrealized loss of \$760,000 in other comprehensive loss.

**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, September 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                                    |                         | 2,379         | 2,379            |
| Balance, September 30, 2019                     | \$                      | 2,961         | \$ 2,961         |
| <b>Carrying Amount</b>                          |                         |               |                  |
| As at December 31, 2018                         | \$                      | <b>15,341</b> | \$ <b>15,341</b> |
| <b>Balance, September 30, 2019</b>              | \$                      | <b>13,984</b> | \$ <b>13,984</b> |



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

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

**6. MINERAL PROPERTIES EXPLORATION**

| September 30, 2019                           | Chascha<br>Norte  | Clayton<br>Valley | Rainbow<br>Canyon | Quiron II         | Muddy<br>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                                   | -                 | -                 | -                 | -                 | (6,714)           | (6,714)             |
| <b>Acquisition costs, September 30, 2019</b> | <b>664,076</b>    | <b>-</b>          | <b>-</b>          | <b>342,990</b>    | <b>-</b>          | <b>1,007,066</b>    |
| <b>Exploration Costs</b>                     |                   |                   |                   |                   |                   |                     |
| <i>Balance, December 31, 2018</i>            | -                 | -                 | 2,686             | 62,426            | -                 | 65,112              |
| Additions                                    | -                 | -                 | 28,478            | -                 | 6,468             | 34,946              |
| Impairment                                   | -                 | -                 | -                 | -                 | (6,468)           | (6,468)             |
| <b>Exploration costs, September 30, 2019</b> | <b>-</b>          | <b>-</b>          | <b>31,164</b>     | <b>62,426</b>     | <b>-</b>          | <b>93,590</b>       |
| <b>Balance, September 30, 2019</b>           | <b>\$ 664,076</b> | <b>\$ -</b>       | <b>\$ 31,164</b>  | <b>\$ 405,416</b> | <b>\$ -</b>       | <b>\$ 1,100,656</b> |

| December 31, 2018                      | Chascha<br>Norte  | Clayton<br>Valley | Rainbow<br>Canyon | Quiron II         | Muddy<br>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 September 30, 2019 and 2018  
(Unaudited - Expressed in Canadian Dollars)

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

**Rainbow Canyon, Nevada, *continued***

During the nine months ended September 30, 2019, the Company filed a Notice of Intent with the BLM for its Rainbow Canyon Property to include additional drilling, following up on the RCR-03 gold intercept with 3-5 RC drill holes.

During the nine months ended September 30, 2019, the Company incurred \$28,478 (2018 - \$5,299) in exploration expenditures on the Rainbow Canyon Property.

**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              |
|--|-------------------|
| (i) Upon signing the letter of intent                      | \$ 127,500 (paid) |
| (ii) Completion of a drilling program by Green Energy Inc. | 127,500 (paid)    |
|  | <u>\$ 255,000</u> |

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 September 30, 2019 was \$0.07 and the fair value of the shares was \$266,000. During the nine months ended September 30, 2019, the company recognized an unrealized loss of \$760,000. (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:

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

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

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

**Quiron II, Argentina, *continued***

| 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>   |

As at September 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.

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

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

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

**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.

As at September 30, 2019, the Company no longer holds this option. An impairment of \$13,182 was recorded during the period.

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

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**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.

**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.**  
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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 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:

|                                   | September 30<br>2019 |  | December 31<br>2018  |  |
|-----------------------------------|----------------------|--|----------------------|--|
|                                   | Number of<br>Options | Weighted<br>average<br>exercise<br>price | Number of<br>Options | Weighted<br>average<br>exercise<br>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                                 |

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

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

**8. STOCK OPTIONS, *continued***

Details of the share options outstanding and exercisable as at September 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       | 9.18 years                      |
| September 5, 2028 | 2,375,000                     | 3,000,000                | Nil                        | \$ 0.065       | 8.94 years                      |
| November 9, 2022  | 1,200,000                     | 1,200,000                | Nil                        | \$ 0.090       | 3.11 years                      |

As at September 30, 2019, stock options outstanding had a weighted average remaining life of 7.66 years (December 31, 2018 – 8.55 years).

**9. WARRANTS**

As at September 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 | 0.38                   |
| Issued in private placement | 3,347,500          | \$ 0.150                        | March 6, 2020     | 0.43                   |
| Issued in private placement | 9,225,000          | \$ 0.075                        | November 29, 2020 | 1.17                   |
| Issued in private placement | 3,893,333          | \$ 0.075                        | December 1, 2020  | 1.17                   |
| Issued in private placement | 8,054,750          | \$ 0.100                        | March 20, 2021    | 1.47                   |
|                             | 26,520,583         | \$ 0.100                        |                   |                        |

Warrant activity for the nine months ended September 30, 2019 and year December 31, 2018 is presented below:

|                                   | September 30       |                                 | December 31        |                                 |
|-----------------------------------|--------------------|---------------------------------|--------------------|---------------------------------|
|                                   | 2019               |                                 | 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 September 30, 2019, warrants outstanding had a weighted average life outstanding of 1.1 years (December 31, 2018 – 1.42 years).

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

As at and for the periods ended September 30, 2019 and 2018  
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**9. WARRANTS, *continued***

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 nine month periods ended September 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 nine months ended September 30, 2019 and 2018 of the Company's key management consists of:

|                 | <b>2019</b> | <b>2018</b> |
|-----------------|-------------|-------------|
| Management fees | \$ 283,500  | \$ 201,000  |

During the nine month period ended September 30, 2019 and 2018 the Company incurred rent of \$Nil (2018 - \$9,270) and accounting fees of \$Nil (2018 - \$4,500) from a company controlled by a former officer.

At September 30, 2019, accounts payable and accrued liabilities included \$51,865 (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 September 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.



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

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(Unaudited - Expressed in Canadian Dollars)

**12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

As at September 30, 2019 and December 31, 2018, the Company's financial instruments consist of cash, 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.

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.

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

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

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 September 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.

**14. SUBSEQUENT EVENT**

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. This agreement was terminated as at August 31, 2019.

As at market close on November 4, 2019, the Company voluntarily delisted its common shares from the TSX Venture Exchange. The Company's 67,424,508 common shares commenced trading on the CSE effective at market open on November 4, 2019. The Company's name and trading symbol ("AA") remains the same.