
MONTEREY MINERALS INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three Months Ended March 31, 2020 and 2019

(Expressed in Canadian Dollars)

(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements of Monterey Minerals Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the three months ended March 31, 2020 have not been reviewed by the Company's auditors.

Monterey Minerals Inc.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

As at	March 31, 2020	December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	\$ 35,137	\$ 70,799
Loan receivable (note 4)	10,018	10,018
Prepaid expenses and deposits	36,039	28,577
Government remittance recoverable	68,054	58,057
Total current assets	149,248	167,451
Right-of-use asset (note 5)	37,133	41,418
Total Assets	\$ 186,381	\$ 208,869
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 117,588	\$ 68,581
Lease liability (note 6)	17,097	17,038
Loans payable (note 11)	85,696	80,641
Total current liabilities	220,381	166,260
Non-Current liabilities		
Lease liability (note 6)	24,657	28,953
Total Liabilities	245,038	195,213
Shareholders' Equity		
Share capital (note 7(i))	3,560,097	3,535,097
Reserves (notes 7 (ii) and (iii))	368,900	357,980
Accumulated deficit	(3,987,654)	(3,879,421)
Total shareholders' equity	(58,657)	13,656
Total Liabilities and Equity	\$ 186,381	\$ 208,869

Nature of operations and going concern (notes 1 and 2)
Commitments (note 14)
Subsequent events (note 15)

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Approved by the Board of Directors:

Director: James Macintosh _____

Monterey Minerals Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the Three Months Ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)
(Unaudited)

Three Months Ended March 31,	2020	2019
Expenses		
Mineral acquisition and exploration (note 10)	\$ 2,970	\$ 1,085,258
Investor relations and communication (note 13)	45,880	-
Share-based payments (note 7(ii))	10,920	63,525
Consulting (note 13)	38,000	33,500
Transfer agent and filing fees	4,266	40,813
General and administration	12,285	33,654
Depreciation of right of use asset (note 5)	4,285	-
Travel	-	9,523
Net loss and comprehensive loss before below item	118,606	1,266,273
Other income	(10,373)	-
Total net loss and comprehensive loss for the period	\$ 108,233	\$ 1,266,273
Basic and diluted loss per share	\$ 0.00	\$ (0.06)
Weighted average number of shares outstanding	60,368,878	21,224,837

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Monterey Minerals Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

(Unaudited)

	Share Capital		Reserves	Accumulated Deficit	Total
	Number	Amount			
Balance, December 31, 2018	20,353,056	\$ 1,001,107	\$ 58,500	\$ (705,525)	\$ 354,082
Issuance of common shares for property	9,800,000	980,000	-	-	980,000
Stock-based payment (note 7)	-	-	63,525	-	63,525
Net loss for the period	-	-	-	(1,266,273)	(1,266,273)
Balance, March 31, 2019	30,153,056	\$ 1,981,107	\$ 122,025	\$ (1,971,798)	\$ 131,334
Balance, December 31, 2019	60,146,656	\$ 3,535,097	\$ 357,980	\$ (3,879,421)	\$ 13,656
Shares issued for proposed acquisition (note 7)	625,000	25,000	-	-	25,000
Stock-based payment (note 7)	-	-	10,920	-	10,920
Net loss for the period	-	-	-	(108,233)	(108,233)
Balance, March 31, 2020	60,771,656	\$ 3,560,097	\$ 368,900	\$ (3,987,654)	\$ (58,657)

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Monterey Minerals Inc.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Three Months Ended March 31,	2020	2019
Operating Activities		
Net loss for the period	\$ (108,233)	\$ (1,266,273)
Items not affecting cash:		
Foreign exchange	5,055	-
Share-based payments	10,920	63,525
Accretion of lease liability	141	-
Depreciation of right-of-use asset	4,285	-
Exploration expenses recognized on asset acquisition	-	980,000
Changes in non-cash operating working capital:		
Prepaid expenses and deposits	17,538	16,158
Government remittances recoverable	(9,997)	(9,774)
Repayment of lease liabilities	(4,378)	-
Accounts payable and accrued liabilities	49,007	21,176
Cash (used in) operating activities	(35,662)	(195,188)
Investing Activities		
Loan receivable	-	15,000
Cash provided by investing activities	-	15,000
Financing Activities		
Loan payable	-	47,415
Cash provided by financing activities	-	47,415
Change in cash during the period	(35,662)	(132,773)
Cash, beginning of the period	70,799	328,685
Cash, end of the period	\$ 35,137	\$ 195,912

The notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Monterey Minerals Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)
(Unaudited)

1. Nature of operations

Monterey Minerals Inc. (the "Company") was incorporated on May 9, 2014 under the laws of British Columbia, Canada. Its head office is located at 890-1140 West Pender Street, Vancouver, BC, V6E 4G1, Canada. Landsdown Holdings Ltd. ("Landsdown") is engaged in the business of mineral property exploration and was incorporated pursuant under the laws of British Columbia, Canada on August 9, 2015. Landsdown's registered office is Suite 2702, 401 Bay Street Toronto, Ontario, M5H 2Y4. The Company's common shares are listed on the Canadian Securities Exchange ("CSE") under the symbol MREY.

On June 26, 2018, Monterey Minerals Inc. ("Former Monterey") and Landsdown completed a share exchange public listing transaction pursuant to a Share Exchange Agreement (the "SEA"). This resulted in the former Landsdown shareholders acquiring control of the Company, after which the Company effected a change in directors, management and business.

Under the terms of the SEA, Former Monterey acquired all of the issued and outstanding common shares of Landsdown based on a 1:1 share exchange ratio. Based on the distribution of shareholdings on completion of the SEA, Landsdown is deemed to be the continuing entity for financial reporting purposes. The transaction constituted a reverse acquisition.

Prior to the SEA, on October 19, 2016, Former Monterey incorporated four wholly owned subsidiaries: 1093681 BC Ltd., 1093682 BC Ltd., 1093683 BC Ltd., and Blue Aqua Holdings Ltd. (formerly 1093684 B.C. Ltd.) ("Subcos") setup for proposed arrangement transactions. Former Monterey set the share distribution record date of a plan of an arrangement at close of business on April 18, 2018 whereby each Subcos would issue 1,010,549 common shares to shareholders of the Company. Blue Aqua Holdings Ltd. was spun out effective June 12, 2018 with the remaining Subcos spun out on August 28, 2018.

During the year ended December 31, 2019, the Company acquired one mineral property interest located in Canada and three mineral property interests located in Australia (note 10).

2. Going concern

These unaudited condensed interim consolidated financial statements have been prepared by management 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. Accordingly, it does not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern, and, therefore be required to realized its assets and liquidate its liabilities in other than the normal course of business and at amounts that may differ from those shown in these unaudited condensed interim consolidated financial statements. Such adjustments could be material.

At March 31, 2020, the Company had not yet achieved profitable operations and had accumulated losses of \$3,987,654 (December 31, 2019 - \$3,879,421). For the three months ended March 31, 2020, the Company had a net loss of \$108,233 (three months ended March 31, 2019 - net loss of \$1,266,273). The Company expects to incur further losses in the development of its business, all of which raise material uncertainties which casts significant doubt about the Company's ability to continue as a going concern.

A number of alternatives including, but not limited to selling an interest in one or more of its properties or completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due; all of which are uncertain.

Monterey Minerals Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)
(Unaudited)

3. Significant accounting policies

Statement of compliance

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied by the Company in these unaudited condensed interim consolidated financial statements are the same as those applied in the Company's annual consolidated financial statements for the year ended December 31, 2019 other than below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2020 could result in restatement of these unaudited condensed interim consolidated financial statements.

4. Loan receivable

The Company has one loan receivable as at March 31, 2020 with principal outstanding of \$10,018, which is unsecured, non-interest bearing and is due on demand.

5. Right-of-use Assets

	March 31, 2020	December 31, 2019
Office lease		
Balance, beginning of the period	\$ 41,418	\$ -
Addition	-	58,489
Depreciation	(4,285)	(17,071)
Balance, end of the period	\$ 37,133	\$ 41,418

Right of use assets consist of leased office space which are amortized over the the life of the lease of 48 months.

Monterey Minerals Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)
(Unaudited)

6. Lease Liabilities

	March 31, 2020	December 31, 2019
Office lease		
Balance, beginning of the period	\$ 45,991	\$ -
Additions	-	58,489
Interest	141	592
Lease payments	(4,378)	(13,090)
Balance, end of the period	\$ 41,754	\$ 45,991
Allocated as:		
Current	\$ 17,097	\$ 17,038
Long-term	24,657	28,953
	\$ 41,754	\$ 45,991

The monthly payment amount for the lease is \$1,459.

7. Share capital and reserve

(i) Authorized – Unlimited Common shares without par value;

Issued and Outstanding as at March 31, 2020: 60,771,656 (December 31, 2019 - 60,145,656)

On February 28, 2020, the Company issued 625,000 common shares to Greater Arc Resources Limited ("GAR Ltd") in accordance with the letter of intent ("LOI") with GAR Ltd. to purchase its wholly owned subsidiary Greater Arc Pty Ltd. ("Greater Arc") which owns the Alicia high-grade gold and base metals project in Alicia Municipality, Philippines ("Alicia Project"). On April 1, 2020, the Company issued 312,500 additional common share as per the LOI and on May 22, 2020, the Company signed a definitive agreement (the "DFA") with GAR Ltd. (note 15).

During the three months period ended March 31, 2019, the Company issued 9,800,000 common shares in connection with the Option agreement and purchase of Ridge Street Investment Pty Ltd (Note 10).

Monterey Minerals Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)
(Unaudited)

7. Share capital and reserve (continued)

(ii) Stock options

On February 19, 2020, the Company granted 300,000 share purchase options which have an exercise price of \$0.10 per option and expire on February 19, 2025. Share-based payments of \$10,920 have recorded in connection with the issuance of these options. The 300,000 options were fair valued using the Black-Scholes Option Pricing Model using the following assumptions average risk-free interest rate - 1.40%; expected life - 5 years; expected volatility – 100%; forfeiture rate - Nil and expected dividends - Nil.

On August 29, 2019, the Company granted 750,000 share purchase options which have an exercise price of \$0.10 per option and expire on August 29, 2024. Share-based payments of \$69,675 have recorded in connection with the issuance of these options. The 750,000 options were fair valued using the Black-Scholes Option Pricing Model using the following assumptions average risk-free interest rate - 1.18%; expected life - 5 years; expected volatility – 204.93%; forfeiture rate - Nil and expected dividends - Nil.

On February 28, 2019, the Company granted 875,000 share purchase options which have an exercise price of \$0.12 per option and expire on February 28, 2024. Share-based payments of \$63,525 have been recorded in connection with the issuance of these options. The 875,000 options were fair valued using the Black-Scholes Option Pricing Model using the following assumptions average risk-free interest rate - 2.18%; expected life - 5 years; expected volatility - 100.00%; forfeiture rate - Nil and expected dividends - Nil.

The Company granted 1,300,000 options on August 15, 2018 which have an exercise price of \$0.15 per option and expire on August 15, 2023. Share-based payments of \$58,500 have been recorded in connection with the issuance of these options. The 1,300,000 options were fair valued using the Black-Scholes Option Pricing Model under the following assumptions average risk-free interest rate – 2.18%; expected life – 5 years; expected volatility – 100.00%; forfeiture rate – Nil and expected dividends – Nil

The movement in the Company's share options for the periods ended March 31, 2020 and 2019 are as follows:

	Number of stock options outstanding	Weighted average exercise price
Balance, December 31, 2018	1,300,000	\$ 0.15
Granted	875,000	0.12
Balance, March 31, 2019	2,175,000	\$ 0.21
Balance, December 31, 2019	2,925,000	\$ 0.21
Granted	300,000	0.10
Balance, March 31, 2020	3,225,000	\$ 0.13

As at March 31, 2020, the Company has outstanding share purchase options enabling holders to acquire common shares of the Company as follows:

Grant date	Options outstanding	Options vested	Weighted average remaining life (years)	Exercise price (\$)	Expiry date
August 15, 2018	1,300,000	1,300,000	3.38	0.15	August 15, 2023
February 28, 2019	875,000	875,000	3.92	0.12	February 28, 2024
August 29, 2019	750,000	750,000	4.42	0.10	August 29, 2024
February 19, 2020	300,000	300,000	4.89	0.10	February 19, 2025
	3,225,000	3,225,000	3.91	0.13	

Monterey Minerals Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)
(Unaudited)

7. Share capital (continued)

(iii) Share purchase warrants

A summary of the Company's share purchase warrants for the periods ended March 31, 2020 are as follows:

Grant date	Options outstanding	Exercise price (\$)	Expiry date
August 21, 2019	2,536,900	0.10	February 21, 2021
September 5, 2019	461,500	0.10	March 5, 2021
	2,998,400		

The share purchase warrants granted on August 21, 2019 were fair valued using the Black-Scholes Option Pricing Model under the following assumptions average risk-free interest rate – 1.40%; expected life – 1.5 years; expected volatility – 172.8%; forfeiture rate – Nil and expected dividends – Nil. The fair value of these warrants was estimated at \$127,606.

The share purchase warrants issued on September 5, 2019 were fair valued using the Black-Scholes Option Pricing Model under the following assumptions average risk-free interest rate – 1.45%; expected life – 1.5 years; expected volatility – 204.93%; forfeiture rate – Nil and expected dividends – Nil. The fair value of these warrants was estimated at \$38,674.

8. Capital disclosure

The Company defines its capital as as shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged during the period ended March 31, 2020. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body.

Monterey Minerals Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)
(Unaudited)

9. Financial Instruments and Risk Exposures and Management

The three levels of the fair value 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 that are not based on observable market data.

The Company enters into financial instruments to finance its operations in the normal course of business. The fair values of cash and cash equivalents, loan receivable, accounts payable and loan payable and lease liability approximate their carrying values due to the short-term maturity of these instruments.

The fair value of the Company's financial instruments has been classified within the fair value hierarchy as at March 31, 2020 as follows:

	Level 1	Level 2	Level 3	Total
Financial assets				
Cash	\$ 35,137	\$ -	\$ -	\$ 35,137

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, foreign currency risk and commodity price risk). Risk management is carried out by the Company's management team, with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance on overall risk management.

Credit risk

Credit risk is the risk of loss associates with a counterparty's inability to fulfil its payment obligations. The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company maintains cash deposits with a Schedule A financial institution, which from time to time may exceed federally insured limits. The Company is further exposed to credit risk through its loan's receivable. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. As at March 31, 2020, the Company had working capital deficiency of \$71,133 (December 31, 2019 - working capital of \$1,191).

Market Risk

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

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates, but it does not believe it is currently subject to any significant interest rate risk.

Monterey Minerals Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)
(Unaudited)

9. Financial Instruments and Risk Exposures and Management (continued)

Foreign exchange risk

The Company's functional and reporting currency is the Canadian dollar and substantially all expenditures are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

Commodity price risk

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The ability of the Company to explore its mineral properties and the future profitability of the Company are directly related to the market price of precious metals.

The Company monitors precious metals prices to determine the appropriate course of action to be taken by the Company.

Accounts payable and accrued liabilities:

As at	March 31, 2020	December 31, 2019
Accounts payable	\$ 101,963	\$ 54,511
Accrued liabilities	15,625	14,070
	\$ 117,588	\$ 68,581

The Company's trade and other payables are subject to standard trade terms of 30 – 60 days.

10. Mineral property interests

On February 17, 2019, the Company acquired a 100% interest in the Cobalt Mountain property located in Canada. As per the option agreement, the Company made cash payments of \$60,000 and issued 1,800,000 common shares to the vendors.

On February 28, 2019, the Company purchased 100% of Ridge Street Investments Pty Ltd. which owns two prospective tenements on the eastern flank of the Pilbara Basin. As consideration, the Company issued 8,000,000 common shares to the vendors and assumed loans of AUD \$65,000. The total acquisition consideration was recorded as 'Mineral acquisition and exploration' in the statement of comprehensive loss.

On April 1, 2019, the Company purchased 100% of CTTR Mining Tenements Pty Ltd which owns seven tenements encompassing 525 square kilometers in the Pilbara region of Western Australia. As consideration, the Company issued 7,000,000 common shares to the vendors and assumed loans of AUD \$55,000. The total acquisition consideration was recorded as 'Mineral acquisition and exploration' in the statement of comprehensive loss.

On June 5, 2019, the Company purchased 100% of Golden River Resources Pty Ltd which owns six tenements encompassing 323 square kilometers in the Pilbara region of Western Australia. As consideration, the Company issued 11,000,000 common shares to the vendors and assumed loans of AUD \$69,816. The total acquisition consideration was recorded as 'Mineral acquisition and exploration' in the statement of comprehensive loss.

The purchase of the three Australian entities does not constitute a business combination, as the their mineral exploration project does not meet the definition of a business under IFRS 3 - Business Combinations. As a result, the acquisition of these entities has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed are recorded at fair value. The exploration projects are grassroots exploration which was the basis for asset acquisition accounting rather than a business combination.

Monterey Minerals Inc.

Notes to Condensed Interim Consolidated Financial Statements Three Months Ended March 31, 2020 and 2019 (Expressed in Canadian Dollars) (Unaudited)

10. Mineral property interests (continued)

During the three months ended March 31, 2020, the Company incurred mineral property acquisition costs and geological/exploration expenses of \$2,970 (three months ended March 31, 2019 – \$1,085,258) in relation to these agreements.

11. Loans payable

As at March 31, 2020, the Company had total loans payable of \$85,696 (\$84,816 AUD) (December 31, 2019 - \$80,641 (\$84,816 AUD)). These amounts owed are unsecured, non-interest bearing and due on demand.

12. Segmented information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada and Australia. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

13. Related party transactions

Related parties include the Board of Directors, close family members, other key management individuals and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company defines key management personnel as its CEO, CFO and Board of Directors.

Related party transactions conducted in the normal course of operations are measured at the fair value and approved by the Board of Directors in strict adherence to conflict of interest law and regulations.

The Company incurred the following charges with related parties for the periods ended March 31, 2020 and 2019:

	2020	2019
Consulting - President and CEO	\$ 15,000	\$ 15,000
Accounting - Cronin Services (controlled by a former director)	-	6,750
Exploration - Cronin Capital (controlled by a former director)	147,904	30,000
Consulting - CFO	10,500	7,500
Stock-based compensation	10,920	-
	\$ 184,324	\$ 59,250

As at March 31, 2020, included in accounts payable and accrued liabilities is \$21,430 (December 31, 2019 - \$16,339) due to companies controlled by directors of the Company.

14. Commitments

Pursuant to the terms of the flow-through share agreements, the Company needs to comply with its flow-through contractual obligations with subscribers with respect to the Income Tax Act (Canada). As at March 31, 2020, the Company is committed to incurring approximately \$28,200 in qualifying exploration expenditures in Canada by December 31, 2020.

Monterey Minerals Inc.

Notes to Condensed Interim Consolidated Financial Statements
Three Months Ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)
(Unaudited)

15. Subsequent events

(i) On May 22, 2020, the Company signed a definitive agreement (the "DFA") with GAR Ltd. to purchase its wholly owned subsidiary Greater Arc, which owns the Alicia high-grade gold and base metals project in Alicia Municipality, Philippines. In accordance to the signed DFA, the proposed acquisition will be closed subject to due diligence and is expected to be completed before July 31, 2020. On April 1, 2020, the Company issued 312,500 additional common shares as per the original LOI with GAR Ltd. Upon closing Monterey will issue a further 53,062,500 shares to GAR Ltd.

(ii) On July 9, 2020, the Company closed the first tranche of the private placement offering announced on July 7, 2020. As part of the first tranche, the Company issued 23,510,000 units for gross proceeds of \$1,175,500 (the "Financing").

The first closing consisted of Units which consisted of one (1) common share and one (1) non-transferrable common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share at a price of \$0.10 for a period of twenty-four (24) months from date of the issue.

The Company paid finders' fees consisting of 8% cash and 8% non-transferable warrants in connection with the financing totalling \$35,000 and 700,000 non-transferable warrants.